

Last Updated: March 2024

Bahrain's real estate sector, which comprises both residential and commercial markets, experienced increased activity with surging transaction volumes. The industry generated a total gross value-added of 743.6 million BHD, boasting a year-on-year growth of 4.1% in 2023 as the Kingdom's real estate market continues to expand.



Sector Opportunities & Trends

01. Property Technologies (PropTech)

There is rapid integration of emerging technologies such as virtual reality, augmented reality and chatbots in the real estate sector. These technologies are being used to create personalized experiences for buyers and investors, streamline transactions, and enhance property research and management.

02. Sustainability Focus

The demand for sustainable properties is increasing globally, driven by regulations and environmental consciousness. Developers are incorporating energy-efficient features and eco-friendly practices into their projects at the same time that sustainable urban communities are being developed.

03. Repurposing existing real estate

With technology disrupting various sectors, there is a need to repurpose underutilized properties. Converting them into multi-purpose facilities, such as co-working spaces or mixed-use developments, can attract tenants and investors while contributing to sustainable urban development.

04. Smart homes with Internet of Things (IoT)

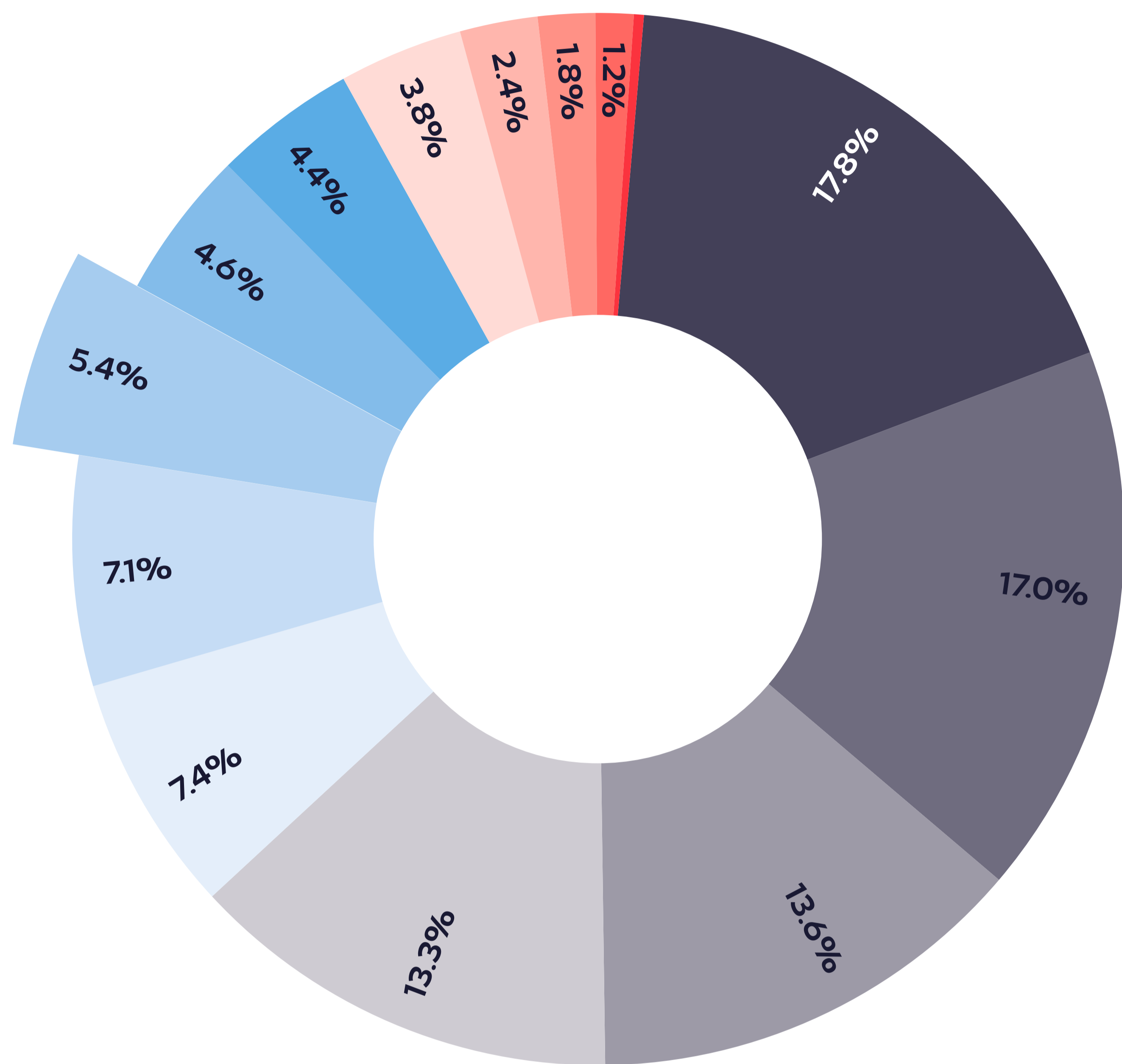
The real estate technology market with IoT is driving the future of housing technology trends. Using IoT, property owners can monitor a building's temperature, ventilation, air conditioning, lighting, fire and building security through mobile devices and computers.

Real Estate Sector Economic Indicators

iGA-National Accounts, 2023

Real Estate Sector Contribution to Real GDP

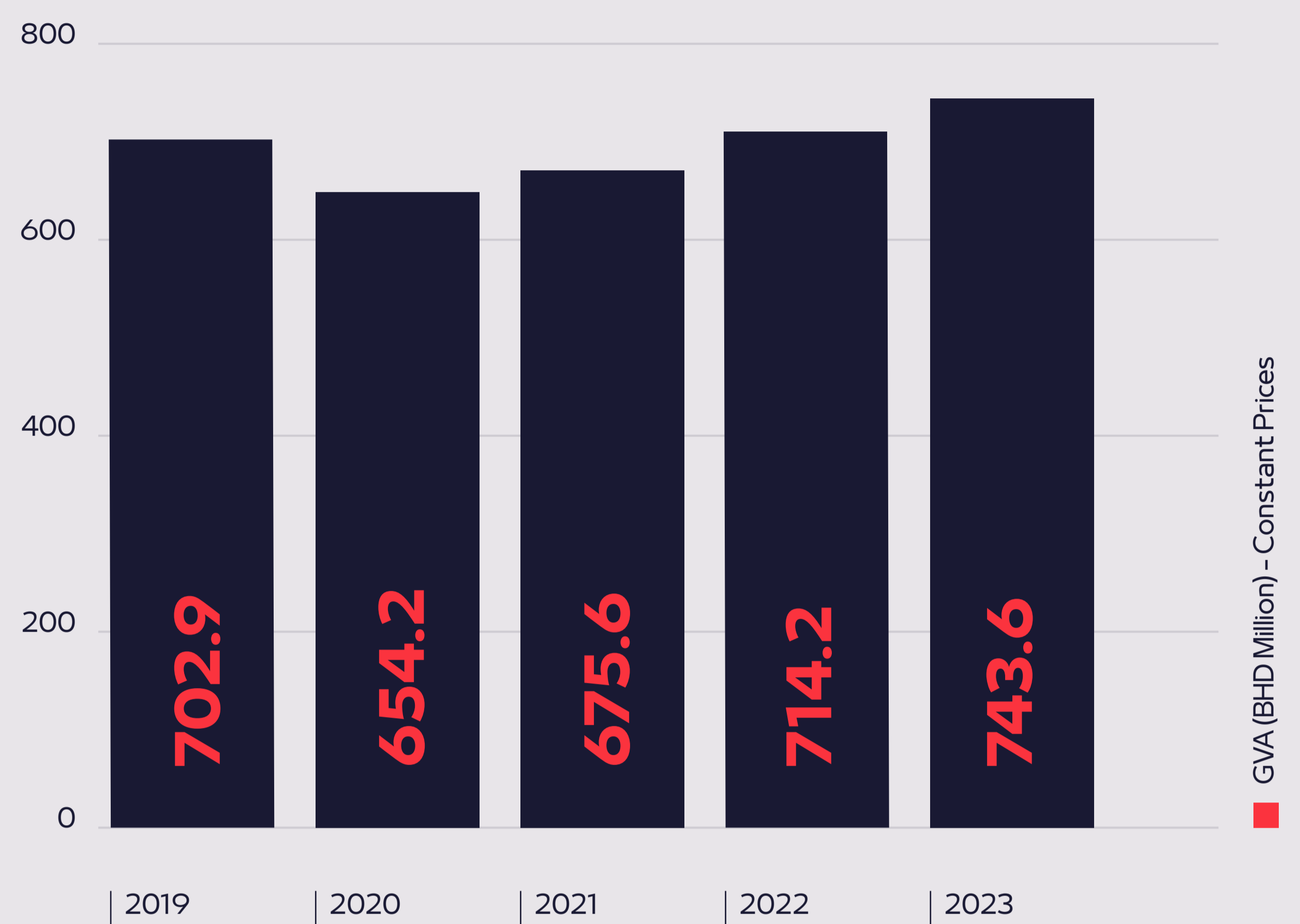
(%, 2023)



Financial & Insurance Activities	17.8%	Net Tax on Products	4.6%
Mining & Quarrying	17.0%	Trade	4.4%
Manufacturing	13.6%	Others ²	3.8%
Government Services	13.3%	Private Education Services	2.4%
Transport & Communication	7.4%	Hotels & Restaurants	1.8%
Construction	7.1%	Private Health Services	1.2%
Real Estate & Business Activities	5.4%	Agriculture & Fishing	0.3%

Real Estate Sector GVA¹

(BHD Million, 2019 - 2023)



¹ Gross Value added (GVA) is the measure of the value of goods and services produced in an area, industry or sector of an economy

² Others include Electricity & Water, Other Social & Personal Services, Private Non-Profit Institutions, and Households with Employed Persons

Real Estate Sector Enterprises

LMRA, Q2 2023 - BLMi

3,911

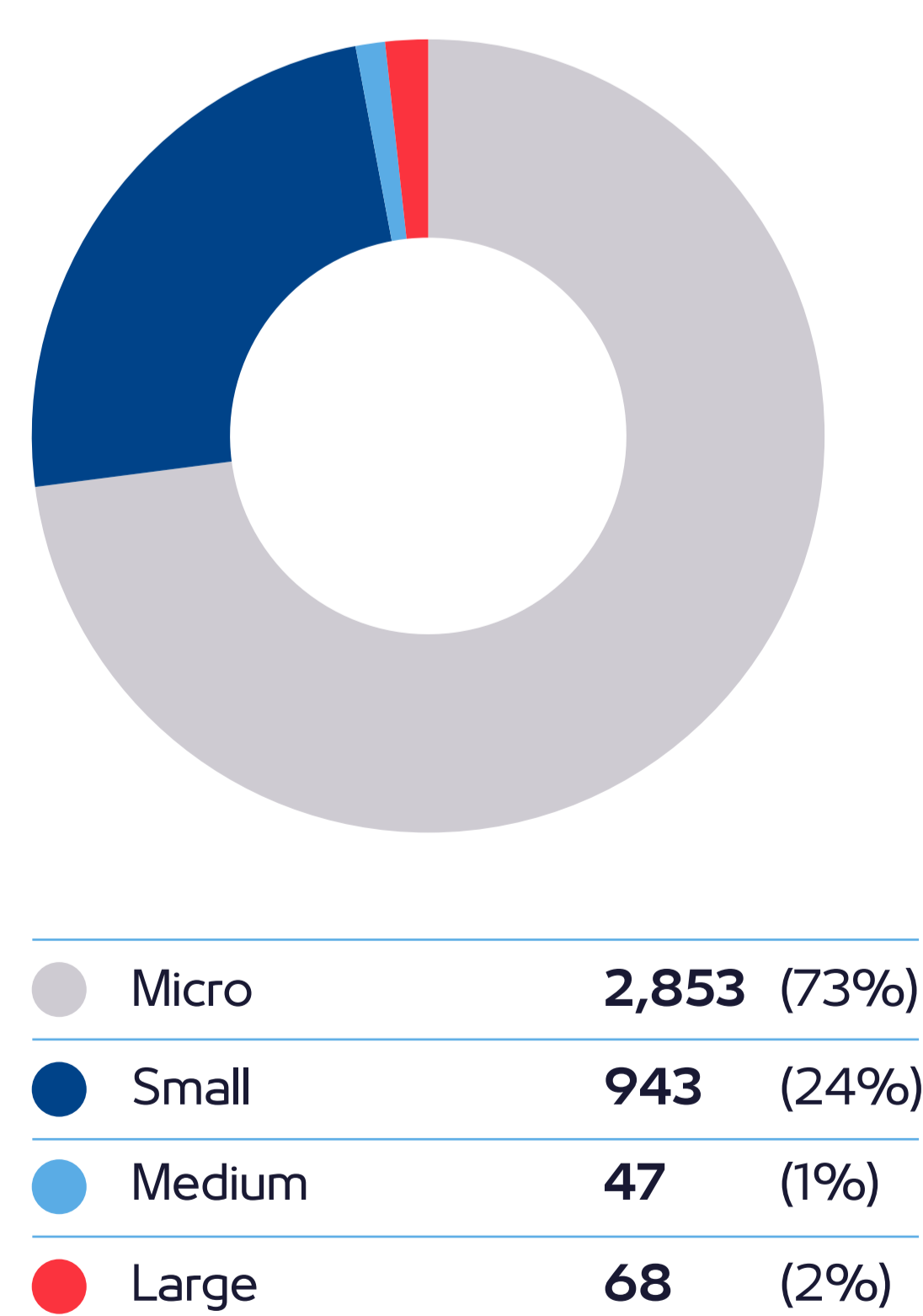
Active CRs

5.3%

of total Active CRs in Bahrain

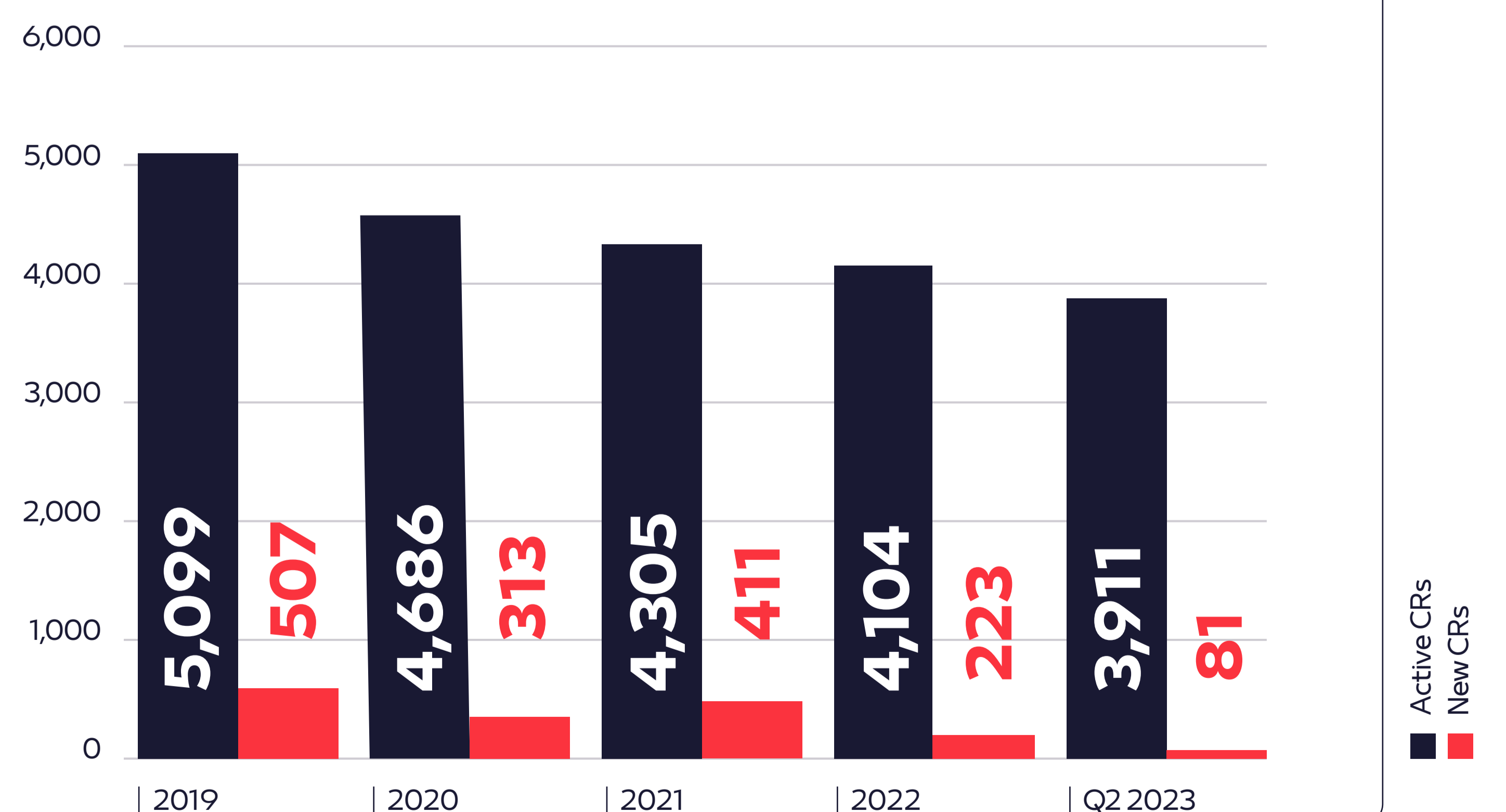
Real Estate Sector by Enterprise Size

(%, Q2 2023)



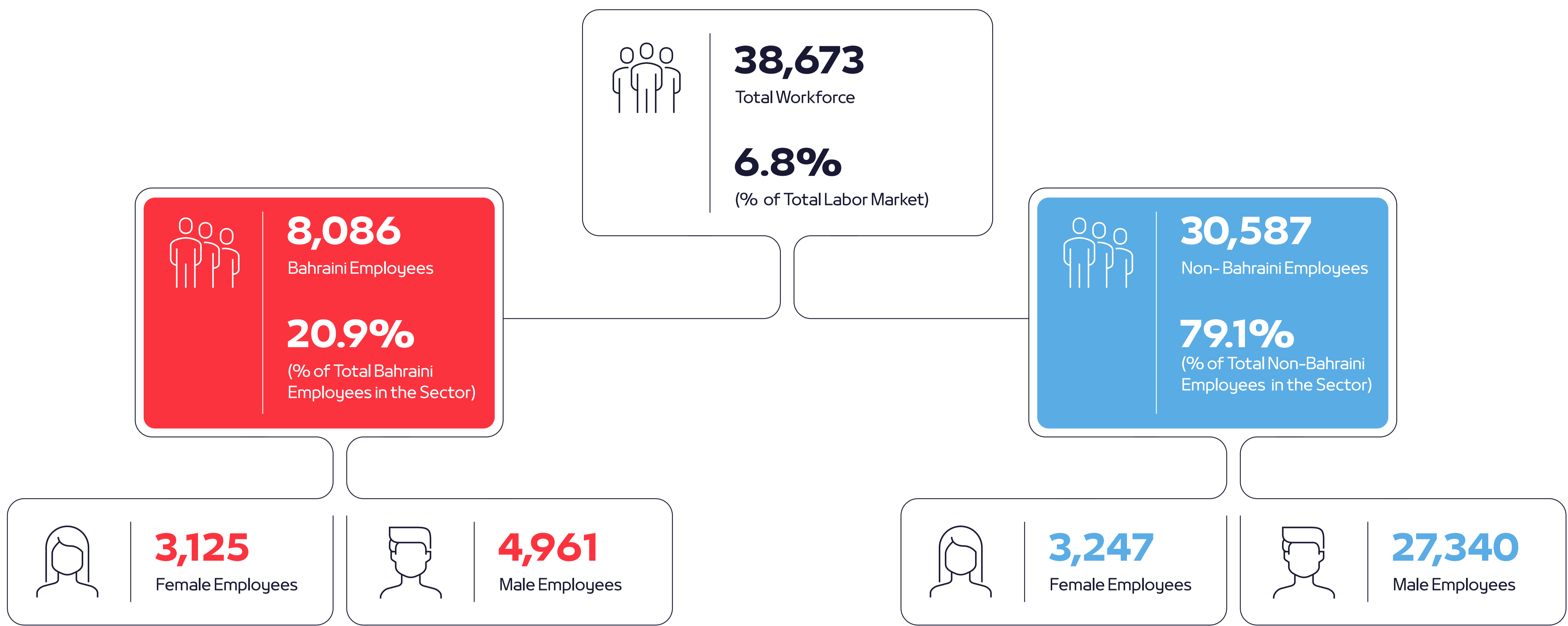
Real Estate Sector Active Commercial Registrations

(2019 - Q2 2023)



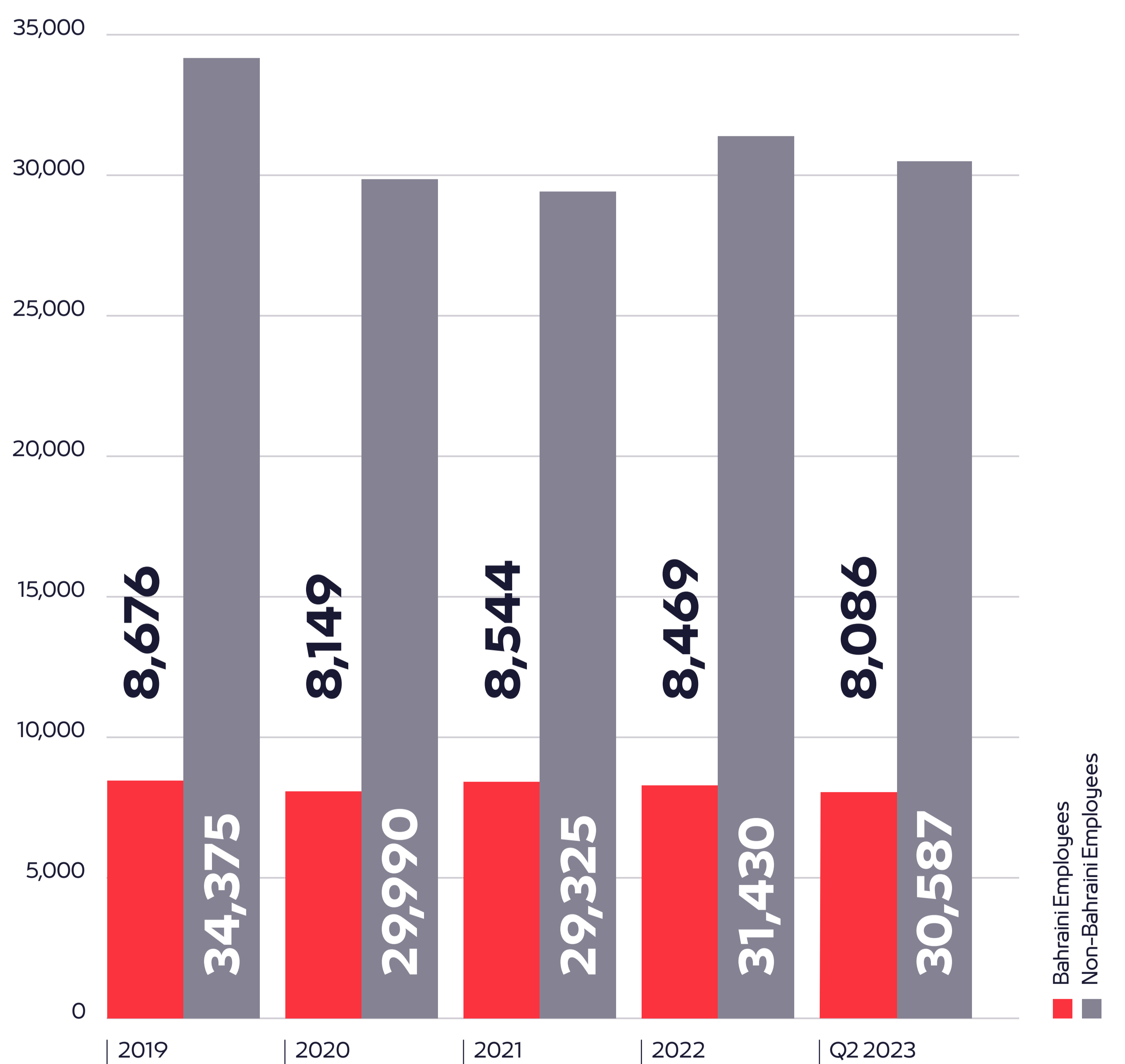
Real Estate Sector Employment

LMRA, Q2 2023 – BLMI



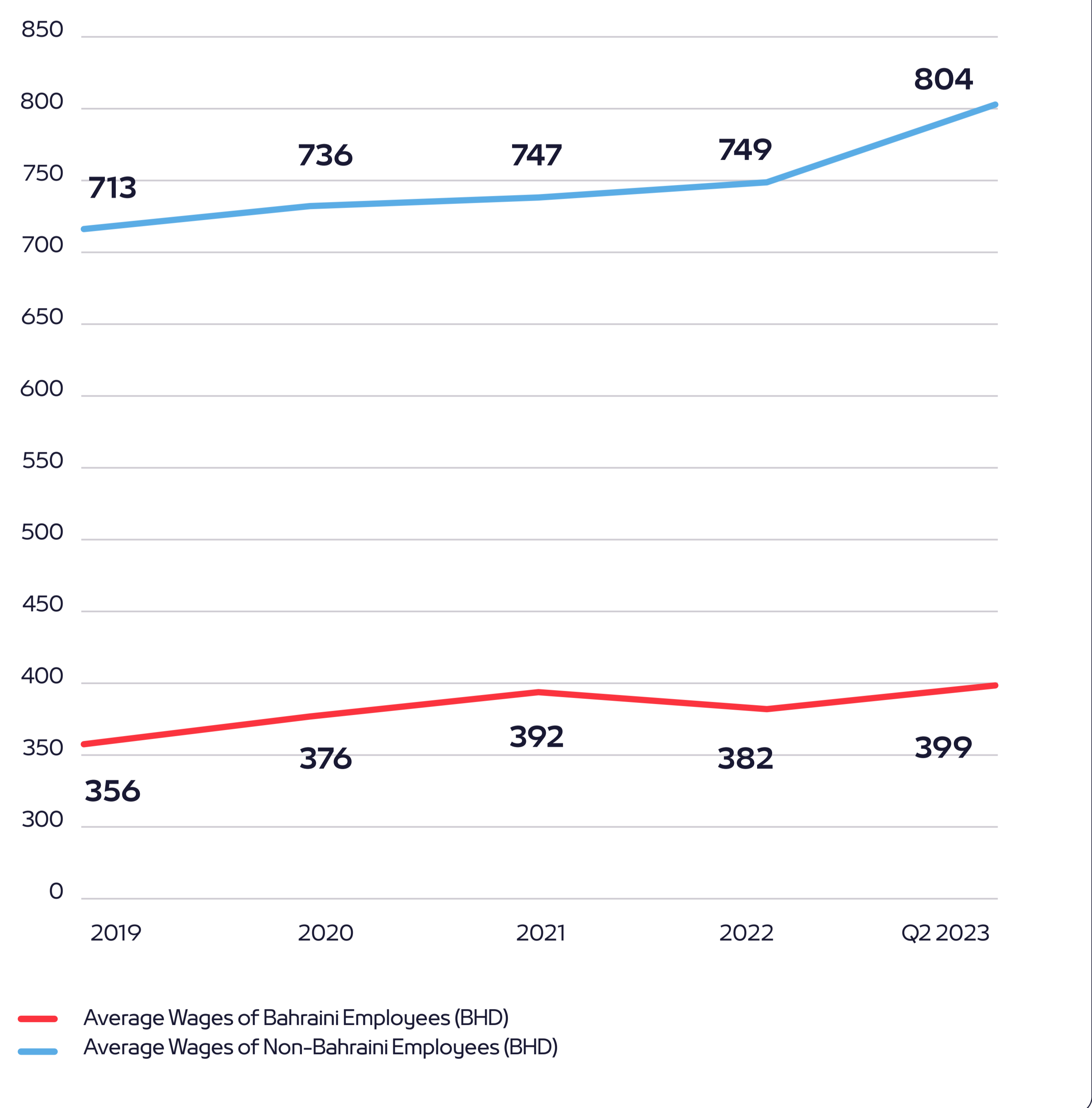
Real Estate Growth In Employees by Citizenship

(2019 – Q2 2023)



Real Estate Average Wages by Citizenship

(BHD, 2019 – Q2 2023)



Important notice

The information presented in this report has been prepared by Tamkeen using sources believed to be reliable and accurate. Tamkeen makes no representation or warranty of any kind, express or implied, regarding the accuracy, adequacy, validity, reliability, availability or completeness of any information or data in this report.