

## 1. Overall trend in the real-estate market in the fourth quarter of 2022

In the fourth quarter of 2022, the real estate price index (REPI) posted a quarterly decline of 0.7 percent, covering decreases in residential property prices of 0.8 percent and land prices of 0.7 percent and a stagnation in business property prices. At the same time, transactions number fell by 4.8 percent, reflecting decreases of 5.5 percent for residential property, 1.3 percent for lands and 6.1 percent for property for professional use.

Year-on-year, the REPI appreciated by 0.3 percent compared to Q4-2021, reflecting increases of 1.2 percent in land prices and 0.5 percent in property for professional use prices, while residential property prices fell by 0.1 percent. As for the number of transactions, it has marked a decline of 5.2 percent, covering decreases of 3.5 percent for residential property, 5.1 percent for land and 16.2 percent for property for professional use.

REPI	Change (%)	
	Q4-22/ Q3-22	Q4-22/ Q4-21
<b>Total</b>	-0,7 ↓	0,3 ↑
<b>Residential</b>	-0,8 ↓	-0,1 ↓
Apartment	-0,7 ↓	-0,3 ↓
House	-1,5 ↓	0,5 ↑
Villa	-2,2 ↓	0,3 ↑
<b>Urban land</b>	-0,7 ↓	1,2 ↑
<b>Professional</b>	0,0 ■	0,5 ↑
Business premises	0,0 ■	0,5 ↑
Offices	0,1 ↑	2,4 ↑

Number of transactions	Change (%)	
	Q4-22/ Q3-22	Q4-22/ Q4-21
<b>Total</b>	-4,8 ↓	-5,2 ↓
<b>Residential</b>	-5,5 ↓	-3,5 ↓
Apartment	-5,3 ↓	-4,2 ↓
House	-9,8 ↓	-0,2 ↓
Villa	-2,9 ↓	27,5 ↑
<b>Urban land</b>	-1,3 ↓	-5,1 ↓
<b>Professional</b>	-6,1 ↓	-16,2 ↓
Business premises	-4,9 ↓	-16,8 ↓
Offices	-12,4 ↓	-12,5 ↓

For the year 2022, the REPI depreciated by 0.7 percent compared to 2021, resulting from decreases of 1.3 percent in residential asset prices and 1.7 percent in property for professional use prices, with land prices increasing by 0.7 percent. The number of transactions decreased by 15.4 percent, as a result of decreases of 15.4 percent in residential property sales, 18 percent in those of land and 9.8 in those of property for professional use.

## 2. Overall trend by asset class

### Residential

**Quarter-on-quarter**, residential prices fell by 0.8 percent, reflecting decreases of 0.7 percent in apartment prices, 1.5 percent in house prices, and 2.2 percent in villa prices. In terms of transactions, they decreased by 5.5 percent, covering declines of 5.3 percent for apartments, 9.8 percent for houses and 2.9 percent for villas.

**Year-on-year**, residential prices fell by 0.1 percent, reflecting a 0.3 percent decline in apartment prices and increases of 0.5 percent in house prices and 0.3 percent in villa prices. The number of transactions declined by 3.5 percent, reflecting decreases of 4.2 percent for apartments, 0.2 percent for houses and an increase of 27.5 percent for villas.

### Urban land

**Quarter-on-quarter**, land prices were down 0.7 percent and the number of transactions decreased by 1.3 percent.

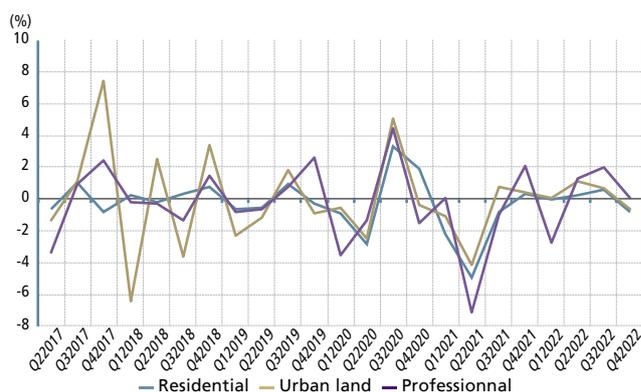
**Year-on-year**, land prices rose by 1.2 percent and the number of transactions decreased by 5.1 percent.

### Professional property

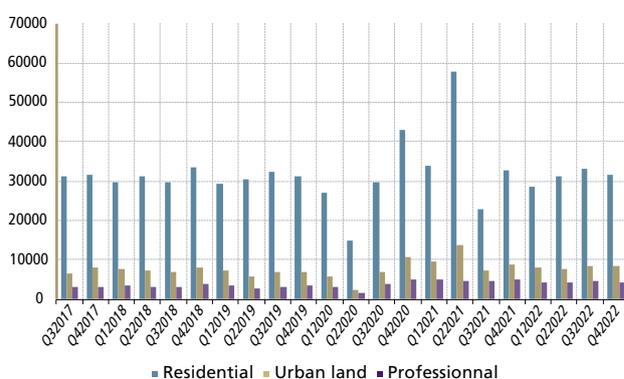
**Quarter-on-quarter**, the price index for commercial property stagnated for both commercial premises and offices. The number of transactions fell by 6.1 percent, reflecting a decline of 4.9 percent in commercial premises and 12.4 percent in offices.

**Year-on-year**, prices rose by 0.5 percent, with increases of 0.5 percent for commercial premises and 2.4 percent for offices. For their part, transactions fell by 16.2 percent, reflecting decreases of 16.8 percent for commercial premises and 12.5 percent for offices.

Real estate price indexes by category, (QoQ)



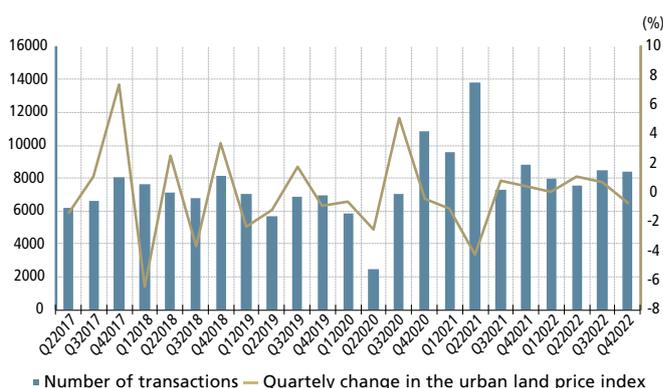
Change in the number of transactions



Change in the price index (QoQ,%) and number of transactions  
Apartments



Change in the price index (QoQ,%) and number of transactions  
Urban land



### 3. Real estate market trends by city

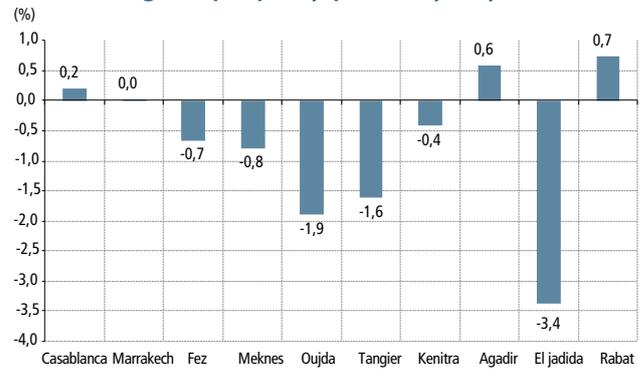
In **Casablanca**, prices rose by 0.2 percent from one quarter to the next, reflecting a 2.6 percent increase for lands and decreases of 0.1 percent for residential and 0.5 percent for professional property. At the same time, sales were down by 0.7 percent as a result of a 2.9 percent decrease in residential property transactions. Sales of lands and business assets, on the other hand, increased by 17.9 percent and 5.4 percent respectively. For the full year 2022, prices depreciated by 1.6 percent and transactions fell by 18.4 percent.

In **Rabat**, prices rose by 0.7 percent, linked to the rise in prices of residential property (1.2%) and those of assets for professional use (6.9%) and a fall in land prices (8.7%). For their part, transactions recorded a quarterly increase of 10 percent, covering an increase for residential property (13.8%) a stagnation for assets for professional use and a decrease for land (15.1%). For the full year 2022, prices dropped by 0.3 percent and transactions by 24.8 percent.

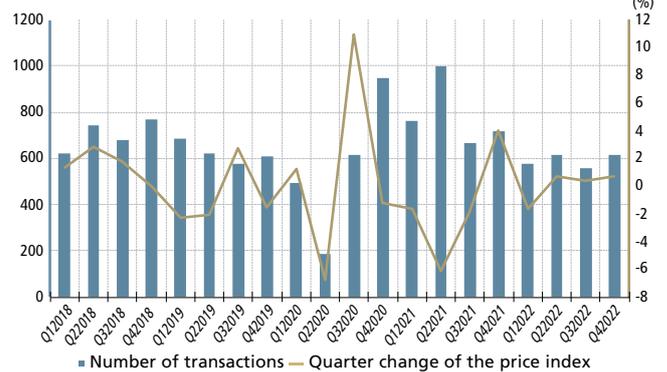
In **Marrakech**, prices have stagnated compared to the previous quarter, covering the decline by 0.4 percent of prices of residential property and the increase of 0.5 percent of those of land and 1.5 percent of those of assets for professional use. At the same time, transactions fell by 3.3 percent, reflecting decreases of 4.6 percent in residential properties and 1.3 percent in business properties. Land sales, on the other hand, increased by 1.9 percent. For the year as a whole, the price index rose by 0.5 percent and sales fell by 17.3 percent.

In **Tangier**, the price index fell by 1.6 percent, in relation to the 2.7 percent drop in residential prices and 1 percent in those of assets for professional use. Meanwhile, land prices increased by 0.4 percent. For their part, sales grew by 2.2 percent, covering increases by 0.5 percent in residential properties and 18.3 percent in urban lands and a decrease by 15.4 percent in commercial properties. For the year 2022 as a whole, prices were down by 1.4 percent and transactions by 2.3 percent.

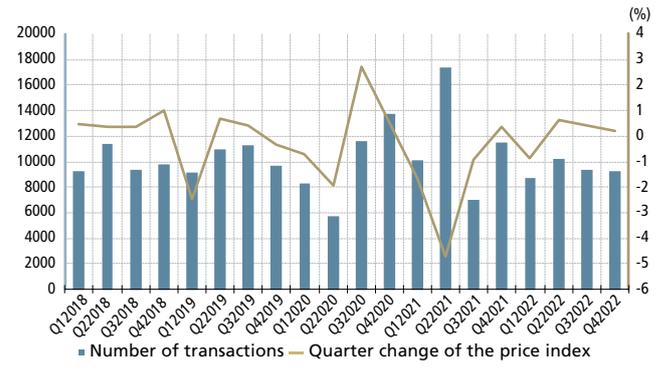
Change in property prices by city (QoQ)



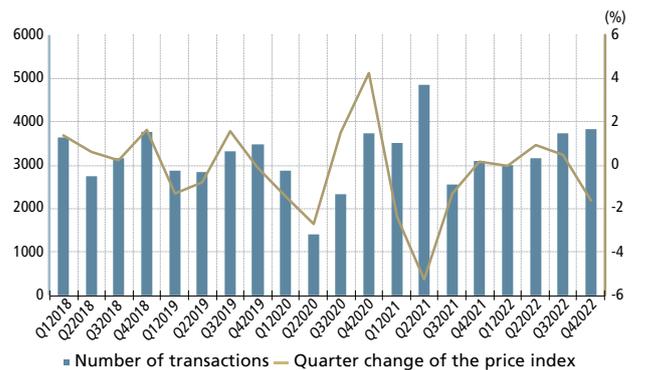
Change in property prices (QoQ, in %) and transactions in Casablanca



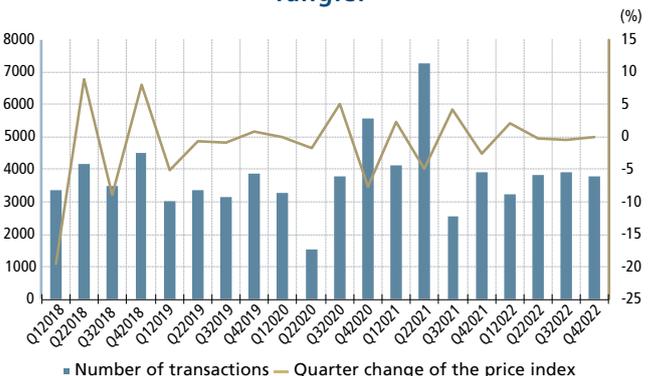
Rabat



Marrakech



Tangier



## Change in the REPI in some major cities

City	Property category	Variation (%) Q4-22/Q3-22		City	Property category	Variation (%) Q4-22/Q3-22	
		Price	Transaction			Price	Transaction
Agadir	Apartment	1,1	-2,8	Marrakech	Apartment	0,6	-5,3
	House	1,5	-0,9		House	-1,2	9,3
	Villa	2,9	-11,4		Villa	-10,9	-9,7
	Urban land	-0,4	1,1		Urban land	0,5	1,9
	Business premises	5,6	-25,2		Business premises	1,4	11,1
	Office	-2,6	4,2		Office	-2,5	-29,5
	<b>Total</b>	<b>0,6</b>	<b>-3,9</b>		<b>Total</b>	<b>0,0</b>	<b>-3,3</b>
Casablanca	Apartment	-0,1	-2,7	Meknes	Apartment	-0,9	-11,4
	House	-3,3	-12,8		House	1,3	5,8
	Villa	1,0	-3,4		Villa	-	-
	Urban land	2,6	17,9		Urban land	-0,9	36,2
	Business premises	-0,1	6,6		Business premises	-4,0	-11,9
	Office	0,7	0,0		Office	-	-
	<b>Total</b>	<b>0,2</b>	<b>-0,7</b>		<b>Total</b>	<b>-0,8</b>	<b>0,2</b>
El Jadida	Apartment	-3,0	-7,0	Oujda	Apartment	2,0	-11,8
	House	-4,1	-16,1		House	-1,4	-17,0
	Villa	-17,5	52,6		Villa	-	-
	Urban land	-4,4	-11,5		Urban land	-2,5	-18,0
	Business premises	5,7	-5,4		Business premises	5,3	34,6
	Office	-	-		Office	5,6	-19,0
	<b>Total</b>	<b>-3,4</b>	<b>-7,1</b>		<b>Total</b>	<b>-1,9</b>	<b>-15,5</b>
Fez	Apartment	-0,2	-17,9	Rabat	Apartment	2,4	10,4
	House	3,9	-29,4		House	-13,3	64,3
	Villa	-	-		Villa	-4,0	12,2
	Urban land	-1,0	-8,2		Urban land	-8,7	-15,1
	Business premises	-2,6	-15,3		Business premises	8,5	21,4
	Office	2,5	34,7		Office	-	-
	<b>Total</b>	<b>-0,7</b>	<b>-15,0</b>		<b>Total</b>	<b>0,7</b>	<b>10,0</b>
Kenitra	Apartment	-0,4	-17,7	Tangier	Apartment	-3,3	1,3
	House	-1,3	-13,3		House	-0,3	-20,5
	Villa	1,2	13,8		Villa	-11,5	0,0
	Urban land	0,4	-29,5		Urban land	0,4	18,3
	Business premises	-0,4	-7,2		Business premises	0,8	-14,0
	Office	-12,3	-27,6		Office	-20,0	-20,0
	<b>Total</b>	<b>-0,4</b>	<b>-18,1</b>		<b>Total</b>	<b>-1,6</b>	<b>2,2</b>

### TECHNICAL NOTICE

The real estate price indexes (REPI) were jointly constructed by Bank Al-Maghrib and the Land Registry Office on the basis of the latter's data. These quarterly indexes, which have a base value of 100 in 2006, are calculated following the repeat-sales method that controls the heterogeneity of properties. This method does indeed take into account only the properties sold at least twice during the period under review.

This mechanism captures changes in property prices nationwide and by major cities for the three major types, namely residential property, urban land and commercial property, as well as for the six real estate categories: apartment (a dwelling located in a collective building and comprising one or several rooms), house (a single or several-story individual dwelling with no garden), villa (an individual dwelling with a garden), urban land (plot of land located in the urban area), business premises (space fitted for commercial activity) and office (working premises).

These indexes are calculated on the basis of data as of the 35th day following the quarter under review, which implies an update of historical data. This update may be important because of the lag between transactions and registrations and/or the integration of property that was sold at least twice during the quarter. This methodologically rigorous approach, however, requires setting a minimum threshold of transactions for its calculation, which does not allow developing indexes for certain cities, categories and/or quarters.

The reference document setting out the detailed methodology for developing the REPI is available on the websites of Bank Al-Maghrib and the National Land Registry Office.

(-): The index is not calculated when the minimum number of transactions is not reached.