

## 1. Overall trend in the real-estate market in the first quarter of 2023

In the first quarter of 2023, the Real-Estate Price Index (REPI) rose by 0.3 percent on a quarterly basis, with an increase of 0.9 percent in urban land prices and 1.1 percent in property for professional use prices, as well as a drop of 0.2 percent in residential property prices. At the same time, the number of transactions dropped by 14.8 percent, reflecting a decline by 17.3 percent in residential properties, 10.6 percent in urban lands and 3.7 percent in properties for professional use.

Year-on-year, the REPI appreciated by 0.8 percent compared to Q1-2022, reflecting an increase in urban land prices (2.0 percent) and in property for professional use prices (3.7 percent), and a near-stagnation in residential property prices (-0.1 percent). As per the number of transactions, it rose by 2.5 percent, including an increase of 3 percent in residential properties and 3.5 percent in properties for professional use, with a stagnation in urban lands.

IPAI	Change (%)	
	Q1-23/ Q4-22	Q1-23/ Q1-22
<b>Total</b>	0,3 ↑	0,8 ↑
<b>Residential</b>	-0,2 ↓	-0,1 ↓
Apartment	0,0 ■	0,0 ■
House	-0,2 ↓	0,0 ■
Villa	-1,2 ↓	-0,5 ↓
<b>Urban land</b>	0,9 ↑	2,0 ↑
<b>Professional</b>	1,1 ↑	3,7 ↑
Business premises	1,3 ↑	2,1 ↑
Offices	-0,6 ↓	7,1 ↑

Number of transactions	Change (%)	
	Q1-23/ Q4-22	Q1-23/ Q1-22
<b>Total</b>	-14,8 ↓	2,5 ↑
<b>Residential</b>	-17,3 ↓	3,0 ↑
Apartment	-17,5 ↓	2,9 ↑
House	-18,0 ↓	-1,0 ↓
Villa	-4,2 ↓	20,6 ↑
<b>Urban land</b>	-10,6 ↓	0,0 ■
<b>Professional</b>	-3,7 ↓	3,5 ↑
Business premises	-7,4 ↓	1,8 ↑
Offices	18,5 ↑	12,0 ↑

## 2. Overall trend by asset class

### Residential

Quarter-on-quarter, residential prices dropped by 0.2 percent due to a decrease in house and villa prices by 0.2 percent and 1.2 percent, respectively. On the other hand, apartment prices stagnated. Transactions declined by 17.3 percent, with a decrease of 17.5 percent in apartments, 18 percent in houses and 4.2 percent in villas.

Year-on-year, residential prices plummeted by 0.1 percent, as a result of a 0.5 percent decrease in villa prices, and a stagnation in apartment and house prices. The number of transactions rose by 3 percent, reflecting an increase of 2.9 percent in apartments, 20.6 percent in villas and a 1 percent decrease in houses.

### Urban land

Quarter-on-quarter, while land prices rose by 0.9 percent, the number of transactions have declined by 10.6 percent.

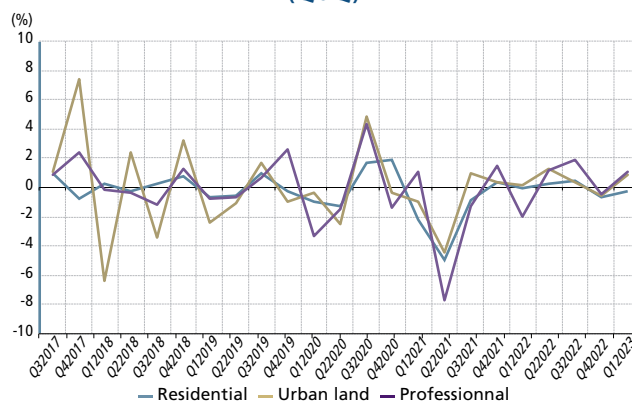
Year-on-year, real-estate prices were appreciated by 2 percent and the number of transactions stagnated.

### Professional

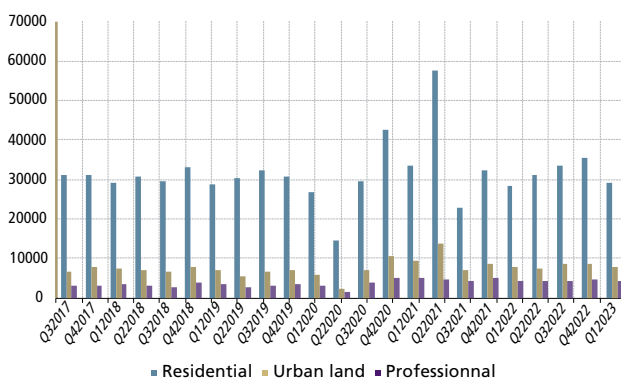
Quarter-on-quarter, the price index for properties for professional use increased by 1.1 percent, with an increase of 1.3 percent in commercial premises and a decrease of 0.6 percent in offices. In terms of the number of transactions, it dropped by 3.7 percent, reflecting a decline of 7.4 percent in commercial premises and an increase of 18.5 percent in offices.

Year-on-year, prices rose by 3.7 percent, with an increase of 2.1 percent in commercial premises and 7.1 percent in offices. Transactions increased by 3.5 percent, reflecting a rise of 1.8 percent in sales of commercial premises and of 12 percent in those of offices.

Real estate price indexes by category, (QoQ)

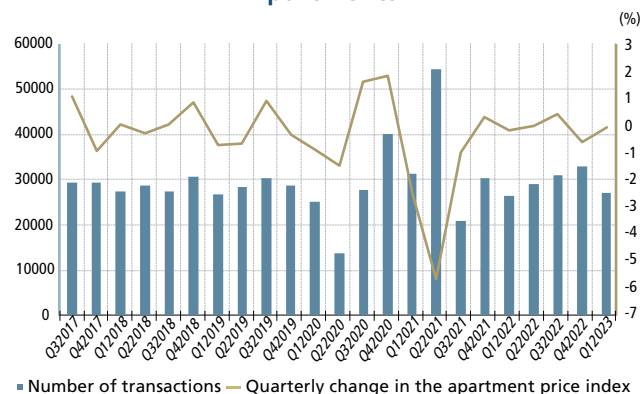


Change in the number of transactions

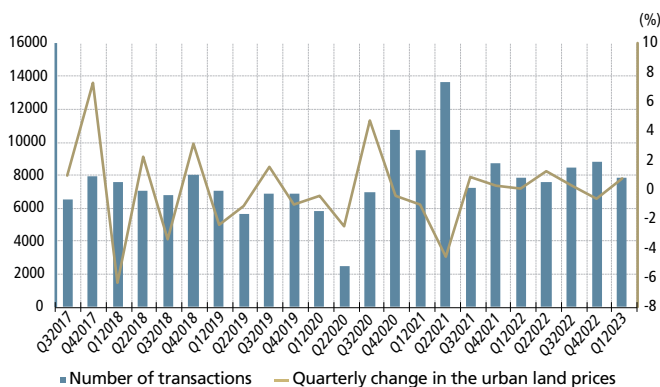


Change in the price index (QoQ,%) and number of transactions

### Apartments



### Urban land



### 3. Real estate market trends by city

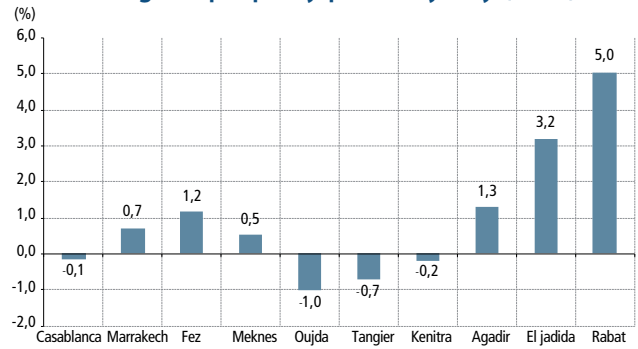
In **Rabat**, prices rose by 5 percent due to an increase in the prices of residential properties (4.3 percent) and urban lands (23.1 percent). The prices of assets for professional use, conversely, dropped by 6.6 percent. Furthermore, transactions showed a decline of 1.4 percent in this quarter, including a drop of 1.9 percent in residential properties, of 17.4 percent in urban lands, and an increase of 24.3 percent in assets for professional use.

In **Casablanca**, prices showed a decrease by 0.1 percent quarter-over-quarter, with a 4.9 percent drop in urban lands, and an increase of 0.3 percent in residential properties and of 0.1 percent in properties for professional use. At the same time, sales declined by 17.4 percent, reflecting a drop in residential property transactions, urban lands and assets for professional use by 17.9 percent, 3.3 percent and 20.8 percent, respectively.

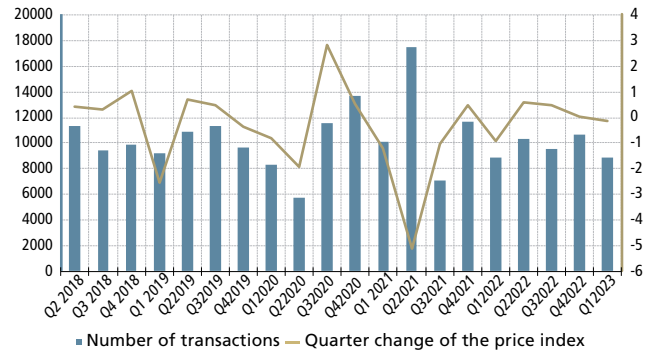
In **Marrakech**, prices rose by 0.7 percent, including an increase of 3.3 percent in urban land prices and of 0.3 percent in those of assets for professional use, a decline of 2.2 percent in residential property prices as well. At the same time, transactions dropped by 13.6 percent, reflecting a decrease in residential property sales (18.7 percent), urban land sales (9.6 percent) and sales of assets for professional use (24.9 percent).

In **Tangier**, the price index dropped by 0.7 percent due to a decline in the prices of residential properties (1.2 percent) and assets for professional use (0.8 percent). For their part, urban land prices rose by 0.4 percent. Sales plummeted by 16.2 percent, including declines of 19.5 percent in residential properties, of 7.8 percent in urban lands, as well as an increase of 7.7 percent in properties for professional use.

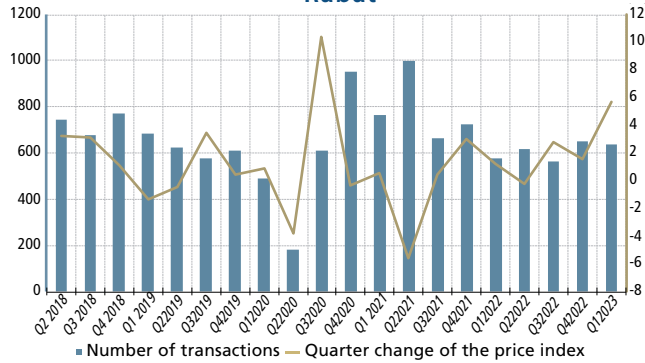
Change in property prices by city (QoQ)



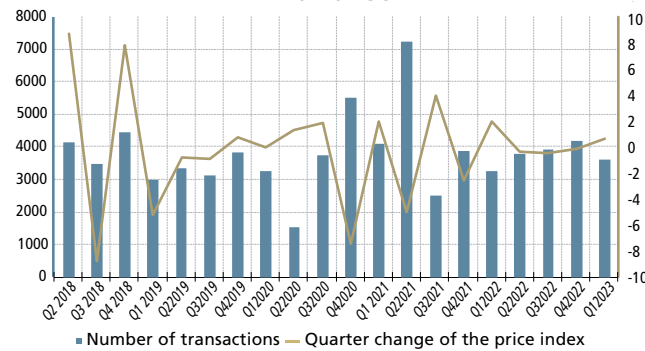
Change in property prices (QoQ, in %) and transactions in Casablanca



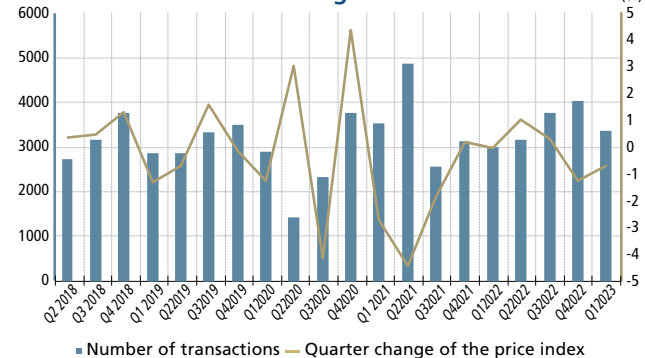
Rabat



Marrakech



Tangier



# Change in the REPI in some major cities

City	Property category	Change (%) Q1-23/ Q4-22		City	Property category	Change (%) Q1-23/Q4-22	
		Price	Transaction			Price	Transaction
Agadir	Apartment	0,1	-14,6	Marrakech	Apartment	-0,5	-20,3
	House	-3,3	-33,9		House	0,3	-9,3
	Villa	6,1	-18,2		Villa	-10,0	32,3
	Urban land	4,0	-5,3		Urban land	3,3	-9,6
	Business premises	-3,6	-1,7		Business premises	0,2	-0,4
	Office	-17,0	2,0		Office	-	-
	<b>Total</b>	<b>1,3</b>	<b>-13,3</b>		<b>Total</b>	<b>0,7</b>	<b>-13,6</b>
Casablanca	Apartment	0,3	-18,6	Meknes	Apartment	-1,6	-26,9
	House	-0,9	-0,6		House	-4,7	-27,8
	Villa	3,8	3,3		Villa	21,6	-12,5
	Urban land	-4,9	-3,3		Urban land	3,0	-40,7
	Business premises	2,9	-23,9		Business premises	2,2	-17,6
	Office	-5,7	-4,9		Office	-	-
	<b>Total</b>	<b>-0,1</b>	<b>-17,4</b>		<b>Total</b>	<b>0,5</b>	<b>-29,6</b>
El Jadida	Apartment	3,9	-16,7	Oujda	Apartment	-0,9	1,6
	House	4,5	-30,9		House	-1,2	-19,1
	Villa	-7,1	18,2		Villa	-	-
	Urban land	2,1	15,8		Urban land	-1,3	-8,7
	Business premises	3,6	-38,8		Business premises	-	-
	Office	-	-		Office	-3,3	0,0
	<b>Total</b>	<b>3,2</b>	<b>-14,1</b>		<b>Total</b>	<b>-1,0</b>	<b>-8,5</b>
Fez	Apartment	0,2	-7,2	Rabat	Apartment	3,9	5,3
	House	-	-		House	15,3	-55,1
	Villa	-	-		Villa	-4,2	-18,4
	Urban land	1,3	23,0		Urban land	23,1	-17,4
	Business premises	1,7	7,3		Business premises	-9,2	17,1
	Office	-1,0	39,4		Office	-	-
	<b>Total</b>	<b>1,2</b>	<b>1,6</b>		<b>Total</b>	<b>5,0</b>	<b>-1,4</b>
Kenitra	Apartment	-0,4	-27,8	Tangier	Apartment	-1,5	-20,0
	House	-2,6	-20,4		House	-0,6	-11,3
	Villa	-6,3	-36,1		Villa	6,9	11,8
	Urban land	3,3	-22,4		Urban land	0,4	-7,8
	Business premises	-7,0	-14,1		Business premises	-1,7	10,1
	Office	5,1	-15,2		Office	-	-
	<b>Total</b>	<b>-0,2</b>	<b>-25,1</b>		<b>Total</b>	<b>-0,7</b>	<b>-16,2</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.