

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

In the fourth quarter of 2023, the real estate price index was virtually unchanged on a quarterly basis, covering an increase by 0.3 percent in residential property, a virtual stagnation in urban land and a fall in commercial property by 2.5 percent. At the same time, the number of transactions rose by 2 percent, reflecting increases by 13.2 percent in urban land and 8.6 percent in commercial property, and a 1.4 percent fall in residential property.

Year-on-year, the real estate price index rose by 1.1 percent, reflecting an increase in residential prices (0.6%) and urban land prices (2.1%), along with a fall in commercial property prices (0.4%). As for transactions, they fell by 3.1 percent, as a result of the 4.8 percent decline in residential property sales. On the other hand, urban land sales rose by 1.6 percent and commercial property sales by 1 percent.

REPI	Change (%)	
	Q4-23/ Q3-23	Q4-23/ Q4-22
Total	0,1 ↑	1,1 ↑
Residential	0,1 ↑	0,6 ↑
Apartment	0,3 ↑	0,8 ↑
House	-0,1 ↓	1,0 ↑
Villa	-2,3 ↓	-2,1 ↓
Urban land	0,3 ↑	2,1 ↑
Professional	-2,5 ↓	-0,4 ↓
Business premises	-1,4 ↓	0,4 ↑
Offices	-6,7 ↓	-3,6 ↓

Number of transactions	Change (%)	
	Q4-23/ Q3-23	Q4-23/ Q4-22
Total	2,0 ↑	-3,1 ↓
Residential	-1,4 ↓	-4,8 ↓
Apartment	-1,3 ↓	-4,3 ↓
House	-4,7 ↓	-10,7 ↓
Villa	3,7 ↑	-11,9 ↓
Urban land	13,2 ↑	1,6 ↑
Professional	8,6 ↑	1,0 ↑
Business premises	11,3 ↑	-1,3 ↓
Offices	-3,1 ↓	14,2 ↑

For the year 2023 as a whole, the real estate asset price index is up 0.6 percent compared with 2022. This price appreciation is attributable to increases of 1.5 percent in urban land prices and 1.8 percent in commercial property prices. Residential property prices, on the other hand, remained virtually unchanged. The number of sales rose by 5.1 percent in 2023, as a result of a 6.3 percent rise in residential property sales, a 5.8 percent increase in commercial property sales and a 0.3 percent rise in urban land sales.

2. Overall trend by asset class

Residential property

Quarter on quarter, residential prices were virtually unchanged, owing to a 0.3 percent rise in apartment prices, no significant change in house prices, and a 2.3 percent fall in villa prices. Conversely, transactions fell by 1.4 percent, with decreases of 1.3 percent in apartments and 4.7 percent in houses, and an increase of 3.7 percent in villas.

Year-on-year, residential prices rose by 0.6 percent, reflecting increases of 0.8 percent for apartments and 1 percent for houses, and a decrease of 2.1 percent for villas. The number of transactions fell by 4.8 percent, reflecting decreases of 4.3 percent for apartments, 10.7 percent for houses and 11.9 percent for villas.

Urban lands

Quarter on quarter, land prices were up 0.3 percent, and the number of transactions rose by 13.2 percent quarter-on-quarter.

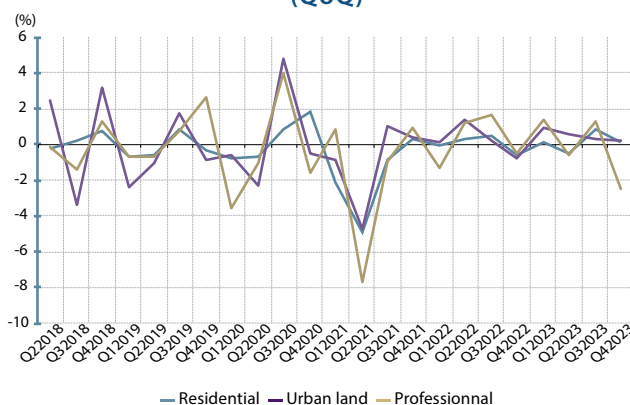
Year-on-year, urban land prices rose by 2.1 percent, and the number of transactions increased by 1.6 percent.

Commercial Property

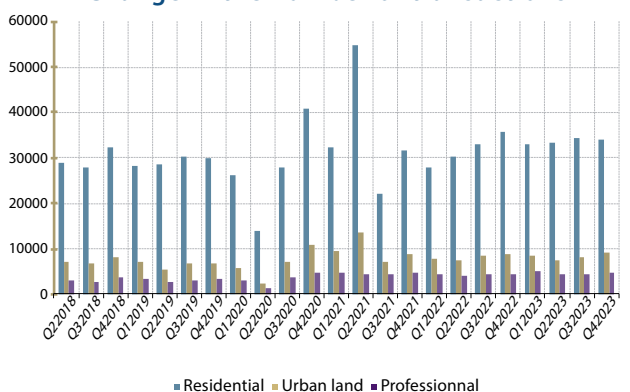
Quarter-on-quarter, the price index for commercial property fell by 2.5 percent, reflecting price declines of 1.4 percent for commercial premises and 6.7 percent for offices. The number of transactions rose by 8.6 percent, reflecting an 11.3 percent increase for commercial premises and a 3.1 percent decrease for offices.

Year-on-year, prices fell by 0.4 percent, with offices down 3.6 percent and commercial premises up 0.4 percent. Transactions, meanwhile, rose by 1 percent, reflecting a 14.2 percent rise in office sales and a 1.3 percent drop in commercial premises sales.

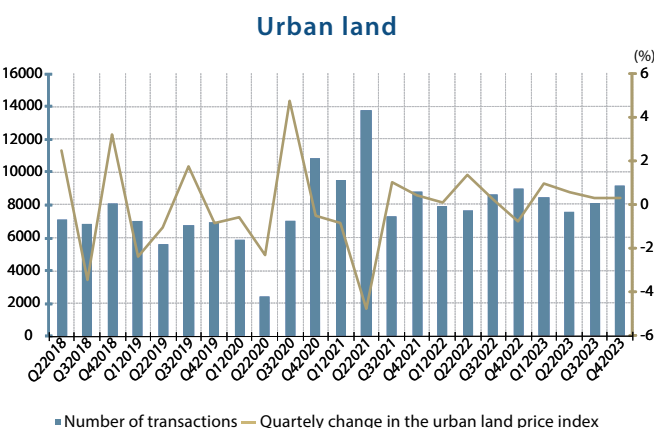
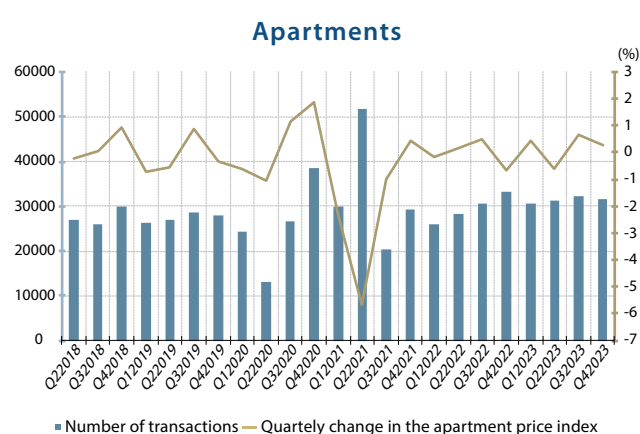
Real estate price indexes by category, (QoQ)



Change in the number of transactions



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



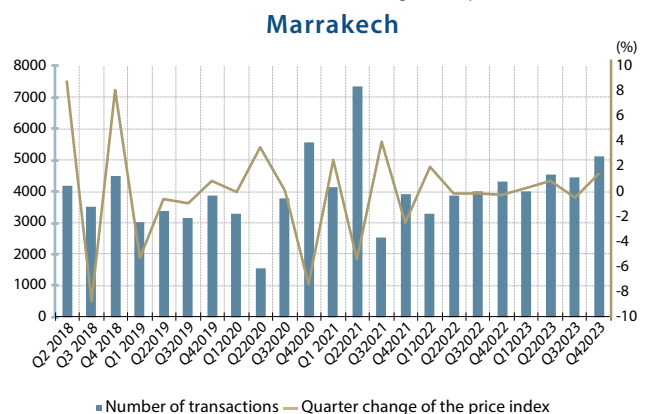
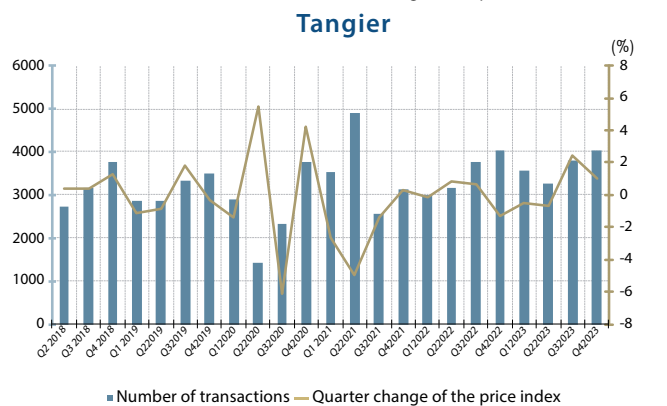
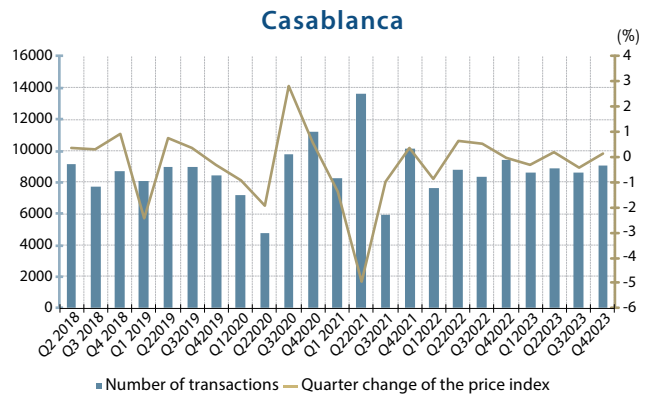
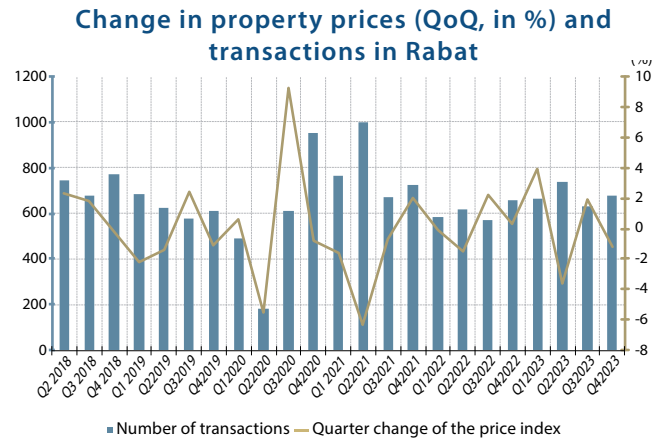
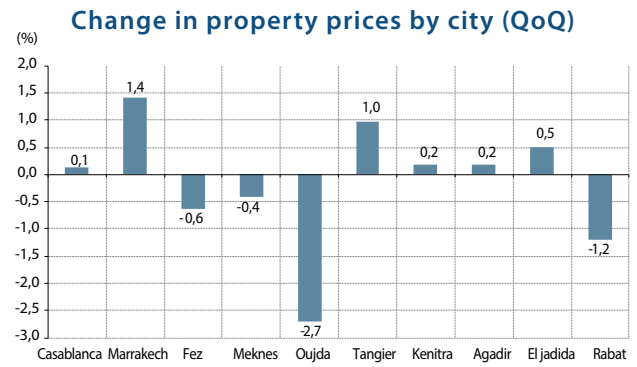
3. Real estate market trends by city

In **Casablanca**, prices were virtually stagnant, reflecting increases of 0.3 percent for residential property and 4.3 percent for urban land, and a 4.8 percent fall for business assets. Similarly, sales rose by 4.8 percent, reflecting increases in residential property (2.4%), urban land (30%) and business assets (9.4%). For the full year 2023, prices were virtually unchanged, and transactions increased by 2.9 percent.

In **Rabat**, prices were down by 1.2 percent, reflecting declines in residential property (0.8%), urban land (2.7%) and commercial properties (3.6%). For their part, transactions posted a quarterly rise of 7.1 percent, with increases for residential property (4 %) and urban land (73.3 %), and a stagnation in commercial property. For the full year 2023, prices rose by 2.7 percent and transactions increased by 12 percent.

In **Marrakech**, prices rose by 1.4 percent, with increases of 0.3 percent for residential property, 4 percent for land and a 0.3 percent fall for commercial properties. At the same time, transactions rose by 15.3 percent, reflecting increases of 8.9 percent for residential property, 44 percent for urban land and 24.7 percent for business assets. For the full year 2023, prices rose by 0.7 percent and transactions increased by 16.5 percent.

In **Tangier**, the price index rose by 1 percent, reflecting increases of 0.9 percent in residential and land prices, and 6.4 percent in business assets. Sales rose by 6.3 percent, with increases of 5.7 percent for residential, 2.7 percent for urban land and 26.8 percent for business assets. For the full year 2023, prices remained stagnant, and transactions increased by 4.7 percent.



Change in the REPI in some major cities

City	Property category	Change (%) Q4-23/Q3-23		City	Property category	Change (%) Q4-23/Q3-23	
		Price	Transaction			Price	Transaction
Agadir	Apartment	0,5	-5,0	Marrakech	Apartment	0,6	11,4
	House	-5,0	-1,0		House	-1,2	-17,1
	Villa	-4,0	20,0		Villa	-4,6	-19,1
	Urban land	-0,5	14,9		Urban land	4,0	44,0
	Business premises	2,3	10,4		Business premises	-0,4	27,6
	Office	-	-		Office	-8,9	16,3
	Total	0,2	-1,7		Total	1,4	15,3
Casablanca	Apartment	0,2	1,8	Meknes	Apartment	-3,0	-8,9
	House	3,7	16,7		House	0,3	1,2
	Villa	-3,0	18,2		Villa	-	-
	Urban land	4,3	30,0		Urban land	1,4	10,0
	Business premises	-1,3	16,1		Business premises	-3,9	0,0
	Office	-12,7	-10,0		Office	-6,4	7,7
	Total	0,1	4,8		Total	-0,4	-3,3
El Jadida	Apartment	0,4	-18,3	Oujda	Apartment	-0,8	-5,7
	House	8,2	-29,8		House	-0,3	-20,1
	Villa	9,9	26,5		Villa	-14,1	-
	Urban land	-0,6	41,5		Urban land	-4,0	-16,4
	Business premises	-3,6	18,8		Business premises	5,1	-
	Office	-	-		Office	-	-
	Total	0,5	-8,9		Total	-2,7	-11,8
Fez	Apartment	-2,7	-16,5	Rabat	Apartment	0,0	1,8
	House	-14,3	-50,0		House	-14,5	22,9
	Villa	9,1	31,3		Villa	0,2	14,6
	Urban land	-0,2	6,1		Urban land	-2,7	73,3
	Business premises	0,8	-1,0		Business premises	-4,0	-15,4
	Office	-0,7	-40,2		Office	-7,1	-
	Total	-0,6	-10,6		Total	-1,2	7,1
Kenitra	Apartment	0,5	-14,7	Tangier	Apartment	1,1	6,4
	House	-5,0	-12,7		House	0,4	-11,3
	Villa	-4,0	0,0		Villa	2,2	-11,1
	Urban land	-0,5	19,7		Urban land	0,9	2,7
	Business premises	2,3	19,7		Business premises	6,4	12,2
	Office	-4,0	-8,6		Office	4,3	-
	Total	0,2	-7,4		Total	1,0	6,3

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.