

1. General trend of the real estate market in the third quarter of 2023

In the third quarter of 2023, the Real Estate Price Index (REPI) rose by 0.7 percent, covering increases of 0.8 percent in residential property prices, 0.3 percent in land prices and 1.3 percent in business property prices. At the same time, the number of transactions fell by 4.5 percent, reflecting declines by 4.7 percent in residential property and 14.7 percent in commercial property, and an increase by 2.8 percent in urban land.

Year-on-year, the property price index rose by 0.3 percent in Q3-2023, driven by increases in urban land prices (1.1 percent) and business property prices (1.7 percent). Residential property prices, on the other hand, fell by 0.1 percent. The number of transactions dropped by 7.2 percent, with decreases of 5.6 percent in residential property, 10.6 percent in urban land and 13.2 percent in commercial property.

REPI	Change (%)	
	Q3-23/ Q2-23	Q3-23/ Q3-22
Total	0,7 ↑	0,3 ↑
Residential	0,8 ↑	-0,1 ↓
Apartment	0,7 ↑	-0,2 ↓
House	1,2 ↑	0,3 ↑
Villa	2,9 ↑	-0,6 ↓
Urban land	0,3 ↑	1,1 ↑
Professional	1,3 ↑	1,7 ↑
Business premises	0,8 ↑	1,2 ↑
Offices	3,5 ↑	3,5 ↑

Number of transactions	Change (%)	
	Q3-23/ Q2-23	Q3-23/ Q3-22
Total	-4,5 ↓	-7,2 ↓
Residential	-4,7 ↓	-5,6 ↓
Apartment	-4,7 ↓	-4,9 ↓
House	-3,0 ↓	-14,8 ↓
Villa	-11,9 ↓	-14,0 ↓
Urban land	2,8 ↑	-10,6 ↓
Professional	-14,7 ↓	-13,2 ↓
Business premises	-15,9 ↓	-16,5 ↓
Offices	-9,2 ↓	4,0 ↑

2. General trend by category of assets

Residential property

Quarter-on-quarter, residential prices rose by 0.8 percent, with increases by 0.7 percent in apartment prices, 1.2 percent in house prices and 2.9 percent in villa prices. Conversely, transactions were down by 4.7 percent, with falls by 4.7 percent in apartments, 3 percent in houses and 11.9 percent in villas.

Year-on-year, residential prices fell by 0.1 percent, the result of a 0.2 percent decline in apartment prices, a 0.6 percent drop in villa prices and a 0.3 percent rise in house prices. As for transactions, their number decreased by 5.6 percent, reflecting declines by 4.9 percent in apartments, 14.8 percent in houses and 14 percent in villas.

Urban land

Quarter-on-quarter, land prices rose by 0.3 percent and the number of transactions was up by 2.8 percent.

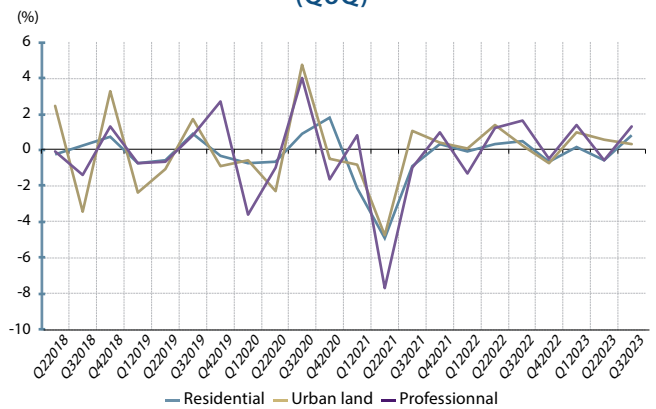
Year-on-year, urban land prices rose by 1.1 percent, while the number of transactions dropped by 10.6 percent.

Commercial properties

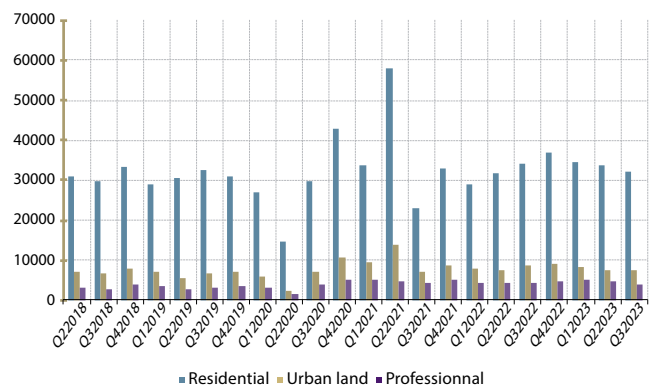
Quarter-on-quarter, the price index for commercial property rose by 1.3 percent, result of increases by 0.8 percent in commercial premises and 3.5 percent in offices. The number of transactions fell by 14.7 percent, reflecting a decline by 15.9 percent for commercial premises and 9.2 percent for offices.

Year-on-year, prices rose by 1.7 percent, with an increase of 1.2 percent for commercial premises and 3.5 percent for offices. For their part, transactions were down by 13.2 percent, reflecting a 16.5 percent drop in sales of commercial premises and a 4 percent rise in sales of offices.

Real estate price indexes by category, (QoQ)

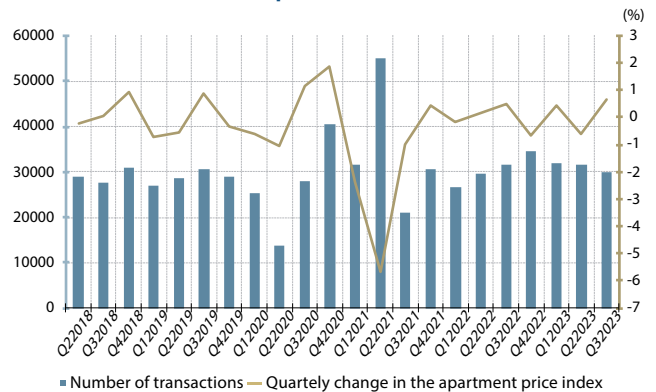


Change in the number of transactions



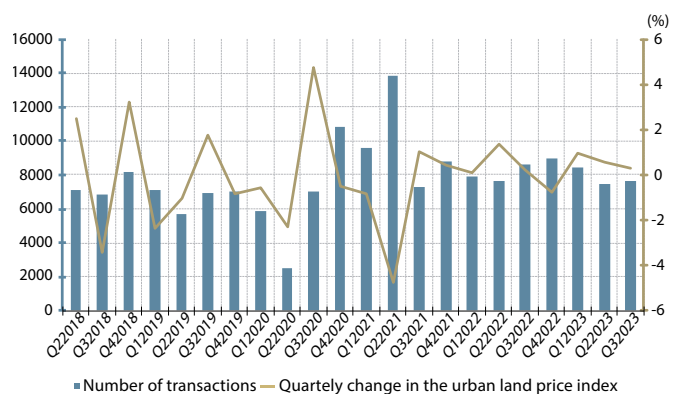
Change in the price index (QoQ,%) and number of transactions

Apartments



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

Urban land



3. Trend of the real estate market by city

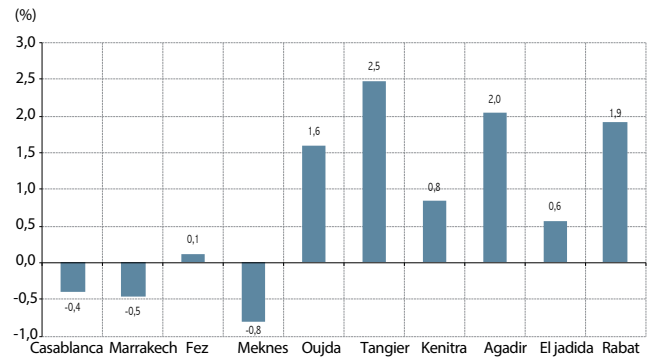
In **Rabat**, prices rose by 1.9 percent, driven by an increase in residential property prices (2.9 percent) and falls in land prices (3.3 percent) and commercial property prices (3.6 percent). For their part, transactions posted a quarterly decline of 18 percent, covering a decline in residential property (16.1 percent), land (6.5 percent) and commercial assets (49 percent).

In **Casablanca**, prices were down by 0.4 percent, reflecting decreases of 0.5 percent in residential property and 0.1 percent in urban land, and an increase of 2.9 percent for business property. Similarly, sales fell by 13.1 percent, reflecting declines in residential property transactions (11.9 percent), land (6.5 percent) and commercial assets (22.7 percent).

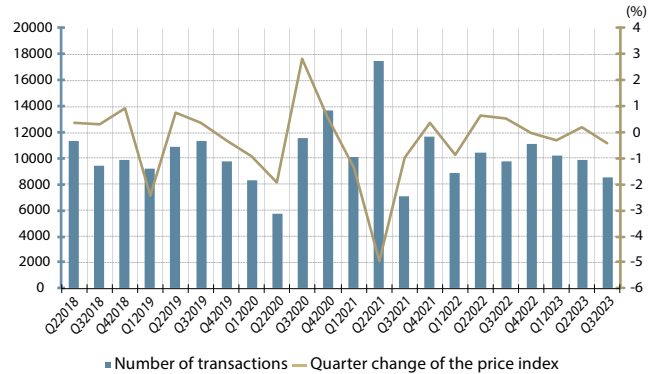
In **Marrakech**, prices dropped by 0.5 percent, with a 1.1 percent increase in residential property prices, a 1.4 percent fall in land prices and a stagnation in commercial assets. At the same time, transactions were down by 9.9 percent, reflecting a fall in sales of residential property by 8.5 percent, urban land by 7.5 percent and commercial property by 26.5 percent.

In **Tangier**, the price index rose by 2.5 percent, in connection with increases of 3.2 percent in residential prices and 1.7 percent in urban land prices. Prices of commercial assets dropped by 2.7 percent. Sales rose by 10.6 percent, with increases of 13.6 percent in residential property and 11 percent in urban land, and a fall of 22.8 percent in commercial property.

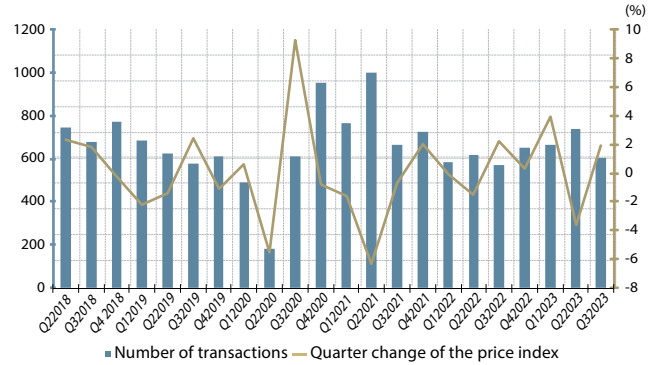
Change in property prices by city (QoQ)



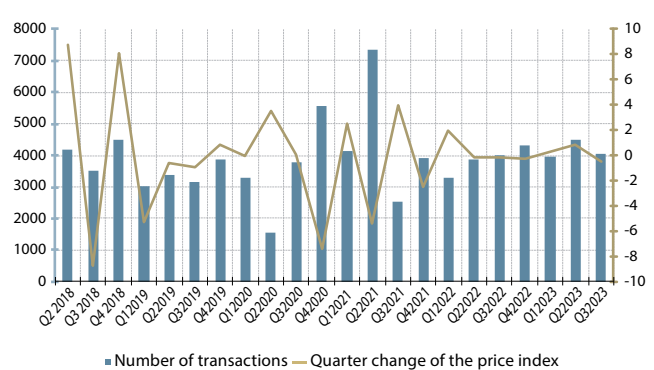
Change in property prices (QoQ, in %) and transactions in Casablanca



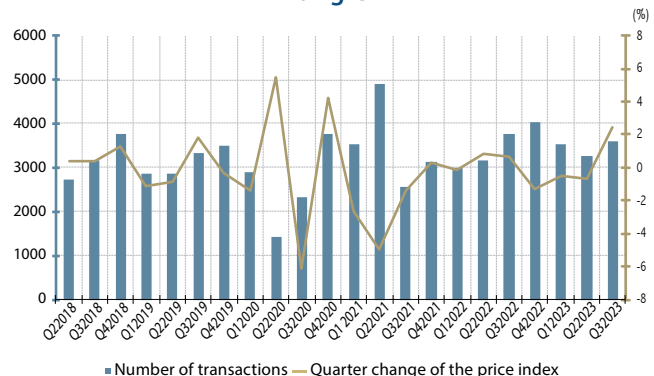
Rabat



Marrakech



Tangier



Change in the REPI in some major cities

City	Property category	Change (%) Q3-23/ Q2-23		City	Property category	Change (%) Q3-23/ Q2-23	
		Price	Transaction			Price	Transaction
Agadir	Apartment	2,3	-14,3	Marrakech	Apartment	0,5	-9,1
	House	1,6	-13,6		House	5,7	-8,3
	Villa	1,4	-47,8		Villa	0,1	14,3
	Urban land	0,6	21,2		Urban land	-1,4	-7,5
	Business premises	9,9	-15,0		Business premises	0,1	-29,1
	Office	-	-		Office	11,5	-18,6
	Total	2,0	-10,5		Total	-0,5	-9,9
Casablanca	Apartment	-0,5	-11,2	Meknes	Apartment	2,1	-12,3
	House	-2,3	-26,6		House	-5,3	-10,3
	Villa	3,0	-21,9		Villa	-5,0	-
	Urban land	-0,1	-6,5		Urban land	-0,9	-4,1
	Business premises	0,8	-23,2		Business premises	-2,3	-13,1
	Office	10,1	-21,2		Office	-	-
	Total	-0,4	-13,1		Total	-0,8	-9,8
El Jadida	Apartment	1,6	6,4	Oujda	Apartment	0,7	37,8
	House	-7,2	2,3		House	-0,4	15,5
	Villa	-	-		Villa	8,1	-33,3
	Urban land	0,0	-9,8		Urban land	2,2	26,9
	Business premises	0,4	-19,6		Business premises	-8,1	-22,7
	Office	-	-		Office	0,5	-44,4
	Total	0,6	2,0		Total	1,6	25,8
Fez	Apartment	1,3	4,9	Rabat	Apartment	1,1	-16,5
	House	21,3	-		House	22,5	-22,2
	Villa	0,0	-48,1		Villa	5,0	-4,8
	Urban land	0,2	-0,8		Urban land	-3,3	-6,5
	Business premises	-4,0	-3,2		Business premises	-5,0	-38,5
	Office	-2,4	-5,2		Office	-6,0	-83,3
	Total	0,1	1,9		Total	1,9	-18,0
Kenitra	Apartment	-0,5	4,4	Tangier	Apartment	3,1	13,9
	House	1,7	20,7		House	3,1	6,8
	Villa	13,8	0,0		Villa	19,7	6,3
	Urban land	0,3	4,9		Urban land	1,7	11,0
	Business premises	10,9	-9,8		Business premises	-1,9	-19,1
	Office	10,3	3,4		Office	-8,0	-50,0
	Total	0,8	3,5		Total	2,5	10,6

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.