



Alpha1Estates: Makkah-Madinah Real Estate Index jumps 26 pct in 2012

January 4, 2013: Global real estate advisory firm Alpha1Estates International said on January 4, 2013, and in the new Islamic year of 1434, that its real estate index for Makkah and Madinah grew by over 26% in 2012, reflecting the current boom in the Holy Cities for developers and their investors.

The Ihsan al-Haramain Index, the first index to solely track Saudi-listed companies involved in real estate development in Makkah and Madinah, shows the double-digit growth in stock prices real estate developers in the Holy Cities.

‘The Ihsan al-Haramain Index jumped by 26 percent this year, doubling its 13 percent performance in 2011 and dramatically out-performing by nearly four-fold the TASI average of all stocks of the Tadawul (Saudi Stock Exchange) Real Estate Development Index which grew by 7 percent,’ said Mr Malik al-Alawi, the Chairman of Alpha1Estates International.

‘Makkah real estate stocks jumped by 27 percent, similar to Madinah at 25 percent – but one Makkah-focused real estate stock this year saw a jump of nearly 60 percent, giving a clear message about the sector.’

Despite current gains, Alpha1Estates has proposed five critical pieces of legislation which focus on globalising the sector to non-Saudi Muslims, which will lead to greater investments, prosperity and quality of life in the Holy Cities.

Real estate investment in Makkah and Madinah accounts for 40% of total real estate investments in the Kingdom, standing at over \$120 billion over the next decade.

Alpha1Estates International launched in 2006 to become the world's first company to market Saudi Arabian property globally and also the first company to market property in both Makkah and Madinah. In subsequent years, it has launched the world's first bespoke real estate consultancy programme and joint-investment fund focused on the Holy Cities.

Land prices in the Holy Cities are the most expensive in the world, and hitting as high as \$133,000 per square metre in Makkah.

In 2012, over 12 million Muslim pilgrims from 140 countries visited the Holy Cities annually for Hajj and Umrah, contributing 60 billion Saudi riyals (\$16.5 billion), the second-most lucrative source of the Kingdom's revenue after oil.

Expatriates form 40 percent of the Makkah's population, and the Holy City currently accounts for 11 percent of the Kingdom's GDP.

ABOUT ALPHA1ESTATES INTERNATIONAL

Alpha1Estates International is a global real estate advisory firm headquartered in the United Kingdom. It primarily focuses on the emerging real estate markets of the Middle East, North Africa and South Asia (MENASA) and in particular, Saudi Arabia. The company has advised on some of the Middle East's most prestigious real estate projects, working with the largest developers. For more information, please visit www.alpha1estates.com

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