



# AMMAN REAL ESTATE MARKET: Q1 2026 OVERVIEW

KEY TRENDS AND DEVELOPMENTS SHAPING THE MARKET

# AMMAN RESIDENTIAL MARKET - Q1 2026 OVERVIEW

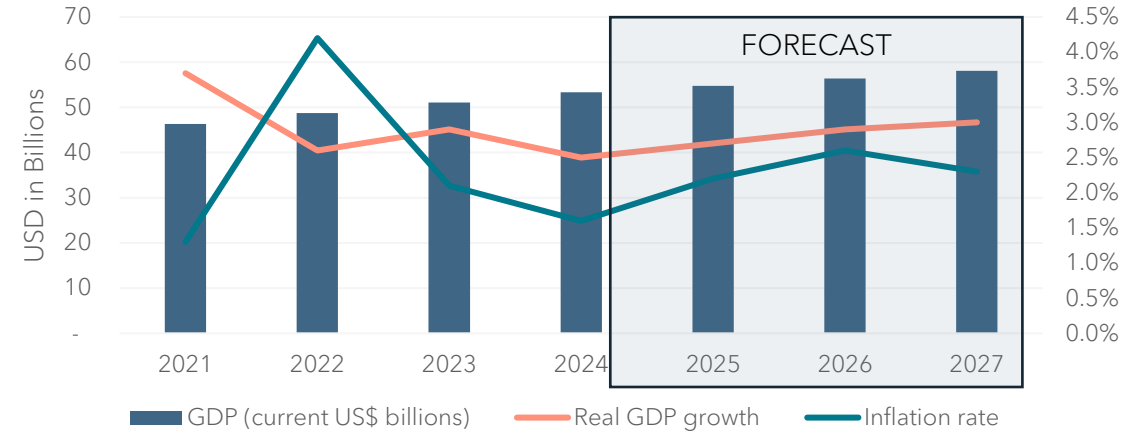
Source: IMF, World Bank, Central Bank of Jordan, Ministry of Tourism & Antiquities

## Macroeconomic Momentum Sustained into Early 2026

### Macroeconomic Overview

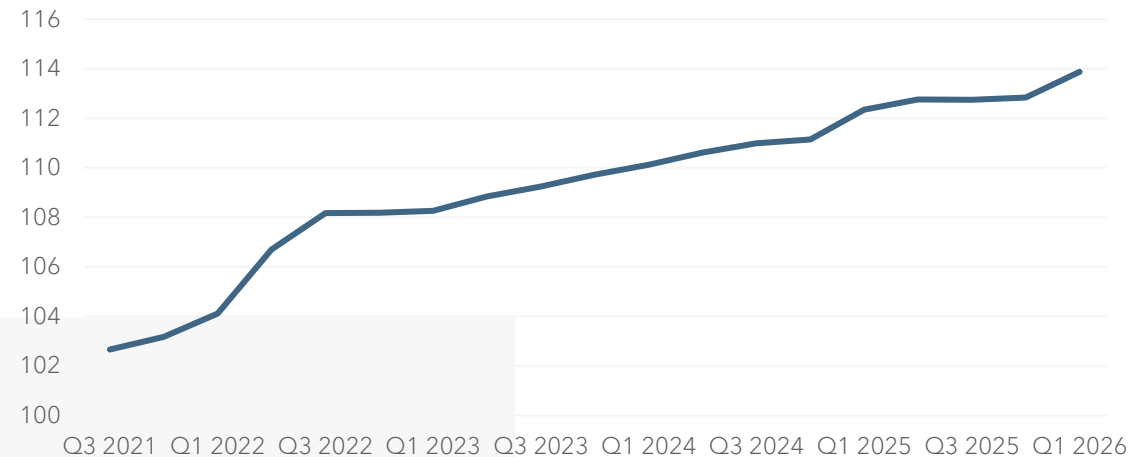
- Jordan entered 2026 on a stable macroeconomic footing, with GDP growth of 2.9% projected for the full year, broadly consistent with the long-term trend of approx. 3% through 2030. Q1 2026 activity indicators reflect continued momentum from the second half of 2025.
- Inflation rose to approximately 2.9% in Q1 2026, breaching the 2.3%-2.6% forecast range. The acceleration was largely war-driven: the outbreak of the Iran conflict in March 2026 triggered a sharp spike in regional energy prices and disrupted import supply chains, feeding through to domestic price levels in the latter part of the quarter.
- The Consumer Price Index climbed to 113.9 by quarter-end, a rise of 1.04 points (0.92% q-o-q), significantly steeper than the gradual 1.7-point drift recorded across the whole of 2025, reflecting the sudden inflationary shock from the conflict.
- The Central Bank of Jordan held its main policy rate steady at 5.75% in Q1 2026 following the December 2025 cut.
- Tourism entered 2026 with strong momentum: international arrivals for January-February 2026 reached approximately 1.0 million, up from approx. 980,000 in the same two months of 2025. However, the outbreak of the Iran conflict in March 2026 is expected to weigh significantly on arrivals for the remainder of the quarter and beyond. The Ministry of Tourism has not yet released March 2026 figures as at the writing date of this report.

### Macroeconomic Indicators



Source: IMF and World Bank

### Consumer Price Index (2018=100) - point



Source: Central Bank of Jordan

## Regulatory Reform & Market Dynamics Amid Geopolitical Headwinds

### Real Estate Market Overview

- Cabinet approved a comprehensive amendment to the Real Estate Ownership Law in Q1 2026. Key provisions includes permitting electronic sales and off-plan transactions based on blueprints, lowering the joint-ownership dissolution threshold from unanimous consent to 75%, and expanding foreign and corporate entity ownership rights in previously restricted areas.
- The amendments represent the most substantive update in over a decade, formalising off-plan sales with bank-recognised allocation certificates, unlocking thousands of frozen jointly-owned parcels by new 75% threshold and enabling full remote transaction capability via e-signatures and digital payments.
- The government extended building and land tax exemptions and discounts through 30 June 2026, offering a 20% discount on amounts owed for prior years if settled before the deadline, with full waiver of penalties.
- Amrah City, a 500,000-dunum mixed-use development on state-owned land approximately 40 km from central Amman, started with the first project, a conference centre targeted for completion in 2027. The project is designed to accommodate long-term population growth for the Amman-Zarqa corridor.
- The government formally launched PPP prequalification for the Amman Bridge project, a 15.8 km elevated expressway connecting Sweileh to Naour, Jordan's first major tolled urban expressway, with a parallel free alternative retained on King Abdullah II Street.
- January 2026 total trading volume reached JOD 513 million, with property sales down 21% year-on-year, reversing the positive momentum of 2025, which closed at JD 7.1 billion (+7% y/y).\*

\* DLS has not released monthly reports after Jan 2026.

**Amra City Project**  
**Location of The Amra City Project**

The site lies strategically between Amman and Zarqa, at the intersection of key regional roads to Iraq, Saudi Arabia, and Syria. All land is fully owned by the State Treasury

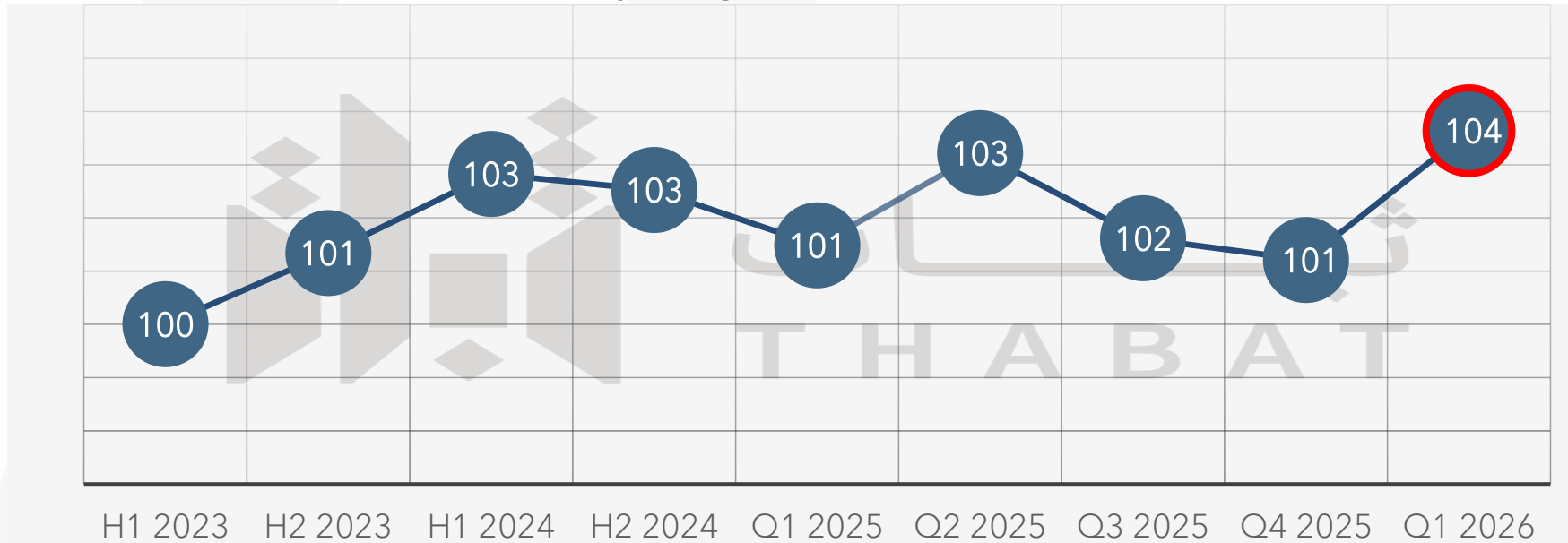
The project covers nearly 500,000 dunums (half a million)

When Phase One is completed, Amra City will be connected to the Bus Rapid Transit (BRT) network, strengthening its role as a hub for living, working, and mobility, and improving its competitiveness over the long term

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Source: Bright Levant Research

## Amman Residential Property (ARPI) Index



The Amman Residential Property Index (ARPI) is a quarterly index produced by Bright Levant, using transaction and mortgage data from seven major Jordanian banks. Built on a hedonic regression model, ARPI reflects actual price changes across Amman, adjusting for location, property type, size, and features.

R<sup>2</sup>: 0.88  
RMSE: 0.21  
arpindex.com

- ARPI rebounded to 104 in Q1 2026 recovering sharply from the 101 in Q4 2025. The rebound confirms that the moderation observed through H2 2025 was a normalization phase rather than a structural correction, with the index now tracking above its prior Q2 2025 peak of 103.
- Market confidence has been supported by the ongoing easing cycle of the Central Bank of Jordan, improving financing conditions for end-users. However, the regional security environment, particularly the conflict in Gaza and Iran war continues to weigh on investor sentiment and cross-border demand, introducing caution into pricing momentum.
- Looking ahead, ARPI is expected to hold at or modestly above current levels through mid-2026, underpinned by low housing stock and sustained domestic demand.

Index Value Q1 2026

**104**

Q.-o-Q Change

**2.4%**

Y-o-Y change

**2.1%**

Peak Value

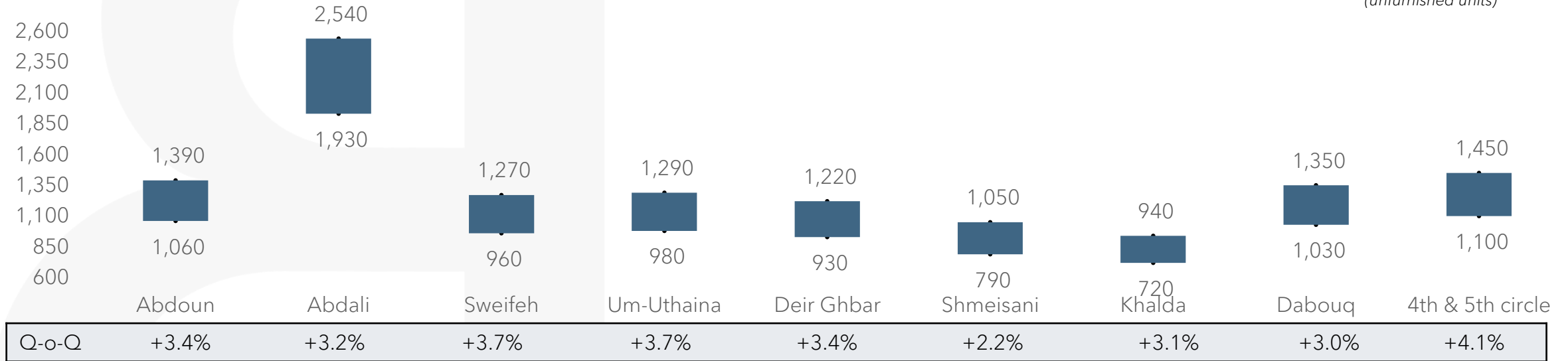
**104 (Q1 2026)**

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Source: Bright Levant Research

## Amman Residential Apartments Sales Price

All figures in JOD per sqm (unfurnished units)



- Price levels continued to firm in Q1 2026, with all tracked districts recording positive quarter-on-quarter growth, ranging from +2.2% (Shmeisani) to +4.1% (4th & 5th Circle). Movement is incremental, consistent with stable end-user demand rather than a new upward cycle.
- Abdali retains its position as the premium market (JOD 1,930-2,540/sqm; +3.2% QoQ). Abdoun also recorded solid gains (+3.4% QoQ, JOD 1,060-1,390/sqm), confirming the two-tier luxury structure observed in prior quarters.
- Within Um-Uthaina, Jordan Gate transactions are currently ranging between JOD 1,650 and JOD 2,600/sqm, price levels previously observed only in Abdali, sitting at a significant premium to the district average (JOD 980-1,290/sqm) and reflecting the project's landmark positioning at Sixth Circle.
- Implication: the market is resilient across all tracked districts. Developers should continue to prioritize product-market fit, premium finishes and amenities in Abdali and landmark schemes such as Jordan Gate; value and space efficiency in mid-market districts, while monitoring interest rates, new supply, and foreign-buyer flows.
- Branded residences (Ritz-Carlton, W, St. Regis) are excluded from this analysis. They form a niche ultra-luxury segment; Ritz-Carlton Residences sets the Amman benchmark at approximately JOD 4,000/sqm.

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Source: Bright Levant Research

## Amman Residential Apartments Rental Price

All figures in JOD per annum

	TWO BEDROOMS		THREE BEDROOMS		FOUR BEDROOMS		Q-o-Q
	FROM	TO	FROM	TO	FROM	TO	%
Abdoun	9,000	16,300	11,700	18,600	20,000	28,300	+0.3%
Abdali	14,300	18,300	20,600	27,600	NA	NA	+6.2%
Sweifeh	5,500	7,800	7,100	10,400	12,300	15,000	-2.4%
Um-Uthaina	6,400	9,200	8,500	11,800	14,000	17,700	-2.7%
Deir Ghbar	6,800	9,600	9,200	12,000	13,700	18,300	+3%
Shmeisani	4,700	6,100	5,700	8,700	9,200	12,700	-0.1%
Khalda	5,000	6,400	6,300	8,500	9,300	12,300	+2.5%
Dabouq	6,900	8,900	8,800	11,500	13,000	17,000	-10%
4th & 5th circle	6,800	9,800	9,700	12,700	15,300	20,700	+0.4%

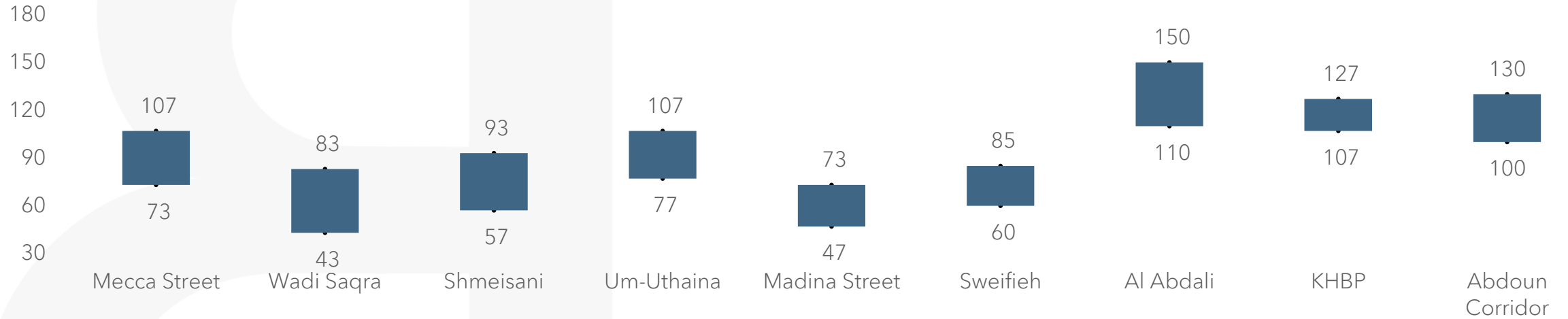
- Rental performance in Q1 2026 was mixed, diverging from the broad-based decline seen in Q4 2025. Several districts recorded positive movement while others continued to soften, indicating a market in selective recovery rather than uniform recalibration.
- Abdali led rental growth at +6.2% QoQ, followed by Deir Ghbar (+3.0%) and Khalda (+2.5%), while Abdoun and 4th & 5th Circle held stable (+0.3-0.4%). Mid-market districts softened, Sweifeh (-2.4%), Um-Uthaina (-2.7%), and Shmeisani (-0.1%), reflecting weak leasing activity and elevated landlord competition in that submarket.
- Gross rental yields remain in the 4.5%-5.5% range. The divergence between Abdali's rental growth and mid-market softness suggests that pricing rigidity on the sales side persists across the board, while rental demand is increasingly concentrating in supply-constrained premium locations.

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Source: Bright Levant Research

## Amman Office Rental Price

All figures in JOD per sqm



- Office rents in Q1 2026 held broadly stable quarter-on-quarter, maintaining the grade segmentation established through 2025. No material market-wide swing is evident; movements remain submarket-specific.
- Al Abdali retains the prime benchmark at JOD 110-150/sqm, with KHBP close behind at JOD 107-127/sqm, continuing to attract institutional tenants seeking Grade-A stock with tax incentives outside central Abdali, supported by the ongoing Phases 2 & 3 rollout.
- Abdoun Corridor has emerged as a notable development, with office rents now at JOD 100-130/sqm – approaching KHBP and Abdali levels – while commercial rents in the corridor are ranging JOD 300-400/sqm. This positions Abdoun Corridor as a genuine prime alternative, driven by its established residential catchment and improving retail and F&B amenity.
- Mid-market corridors remain range-bound: Um-Uthaina (JOD 77-107/sqm), Mecca Street (JOD 73-107/sqm), and Shmeisani (JOD 57-93/sqm) show limited movement. Wadi Saqra (JOD 43-83/sqm) and Madina Street (JOD 47-73/sqm) remain value-tier, with selective landlord competition pointing to continued value-add refurbishment opportunities. Sweifieh (JOD 60-85/sqm) is stable at the lower end of mid-market.

Q.-o-Q Change  
**-0.22%**

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## Appreciation Forecast Tempered by Geopolitical Shock – 2026 Outlook

### Short-term

#### Q2 - Q3 2026

The Iran conflict outbreak in March 2026 introduces near-term headwinds. Inflation has risen to ~2.9%, above forecast, driven by regional energy price spikes and supply chain disruption. The CBJ held its policy rate at 5.75% in Q1, pausing the easing cycle. Price levels are expected to hold firm, but transaction velocity may slow as buyer caution increases.

### Medium-term

#### 2026

Residential appreciation remains the base case, contingent on geopolitical de-escalation. GDP growth of 2.9% for 2026 provides a stable macroeconomic floor. A resumption of CBJ rate cuts – once inflation subsides – will reinstate the affordability improvement path and support foreign and domestic demand recovery.

### Key Watchpoints

#### Geopolitical Risk

Iran conflict has shifted from a background risk to an active market factor, directly impacting tourism arrivals, energy costs, and foreign investor sentiment.

#### Interest Rate Trajectory

Resumption of cuts, contingent on inflation returning to the 2.3-2.6% target remains the primary catalyst for transaction volume recovery.

#### Policy Reforms

Streamlined registration, foreign ownership reforms, and REIT legislation remain structural demand unlock levers, particularly well-timed to offset current external demand softness.



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