



Real estate prices rise by 0.5% in the Q3/2020

The real estate price index increased by 0.5% in the third quarter of 2020 compared to the same quarter of the previous year, affected by the increase in "residential" real estate prices (+2.1%). The prices of "agricultural" real estate also registered a slight increase (+ 0.3%), whereas prices of "commercial" real estate decreased by 2.5%.

The rise in residential lands prices is the main factor for the annual increase in real estate prices

- The prices of residential land plots increased by 2.1% on an annual basis in the third quarter of 2020, which contributed to an increase in the prices of "residential" real estate, and thus an increase in the general index, due to its great weight in the index.
- The prices of other "residential" properties increased, due to the increase in prices of villas (+0.8%) and apartments (+1.5%), while the prices of buildings (-0.9%) and residential houses(-1.3 %) decreased.
- The prices of "commercial" real estate declined due to the decrease in commercial land plots (-2.5%). On the other hand, the prices of buildings and shops increased (+0.1%) and (+2.5%) respectively, while the prices of commercial centers remained unchanged.
- "Agricultural" real estate prices increased by 0.3%, mainly driven by the increase in agricultural lands prices (+ 0.3%).

Real estate prices decreased by 0.6% compared to Q2/2020

- The real estate price index decreased by 0.6% in the third quarter of 2020 compared to the previous quarter (the second quarter of 2020), mainly due to the decrease in the average prices of "residential" real estate (-0.5%), as well as residential land plots (-0.5%).
- Among other "residential" properties, there was a decrease in the prices of villas (-0.1%), apartments (-0.1%) and houses (-0.2%), while the prices of residential buildings increased slightly (+0.1%)
- The average price of commercial real estate decreased (-0.7%), especially commercial land plots (-0.7%). However, prices for shops increased (+1.0%), while prices of buildings and commercial centers remained unchanged.
- Agricultural land prices did not record any significant change.

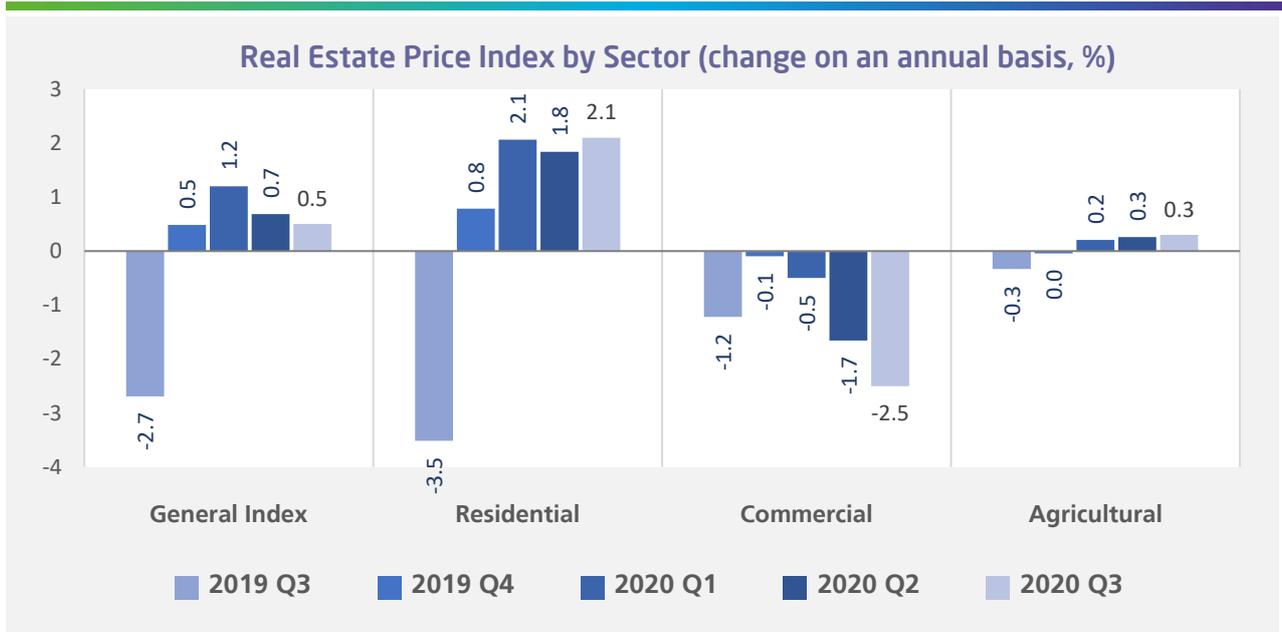


Methodology

The Real Estate Price Index is a statistical tool for measuring the relative change in real estate prices in the Kingdom of Saudi Arabia. It is based on a dataset of real estate transactions from the Ministry of Justice. This dataset draws on processes of electronic registration and documentation conducted in the ministry. It includes various variables on real estate transactions such as value, location, sector, and type. GASTAT calculates the index on a quarterly basis by sector and type of real estate for all administrative regions of the Kingdom. The base year of the index is 2014.

Annual and Quarterly Change in the Real Estate Price Index by Sector and Type of Real Estate, Q3 2020

Sector and Type of Real Estate	Percent Change in Q3 2020 from:	
	Q3 2019	Q2 2020
General Index	0.5	-0.6
Residential	2.1	-0.5
Plot	2.1	-0.5
Building	-0.9	0.1
Villa	0.8	-0.1
Apartment	1.5	-0.1
House	-1.3	-0.2
Commercial	-2.5	-0.7
Plot	-2.5	-0.7
Building	0.1	0.0
Gallery /Shop	2.5	1.0
Commercial Center	0.0	0.0
Agricultural	0.3	0.0
Agricultural Land	0.3	0.0



Links : [All Tables](#), [Methodological Note](#)