

Real estate prices rose 0.7% in Q2/2022

The Real Estate Price Index (RPI) increased by 0.7% in the 2nd quarter of 2022 compared to the same quarter of the previous year, mainly due to the increase in residential real estate prices of 1.9%. The decline in commercial real estate prices by 1.5% and agricultural real estate prices by 0.6% had a dampening effect on the general index.

Residential land prices driving factor for real estate prices in Q2/2022

Residential real estate prices increased by 1.9% on an annual basis in the 2nd quarter of 2022, affected by the increase in residential land plots prices by 2.0%, which contributed to the rise in the general index, due to its high relative importance in the index.

Among other residential real estate prices, the prices of villas, apartments and houses decreased by 1.1%, 1.1% and 0.9% respectively. However, the prices of buildings stabilized and did not record any significant change.

Moreover, commercial real estate prices decreased by 1.5%, impacted by the decrease in the prices of commercial land plots and galleries by 1.5% and 1.1% respectively. On the other hand, the prices of commercial centers increased by 0.1%, while the buildings prices did not record any significant changes.

Finally, agricultural real estate prices decreased by 0.6% affected by the decrease in agricultural land prices by 0.6%.

Real estate prices increase by 0.3% on a quarterly basis

The general Real Estate Price Index (RPI) increased by 0.3% during the 2nd quarter of 2022 compared to the 1st quarter of 2022 affected by the rise in residential real estate prices by 0.5%, due to the increase in residential land plots prices by 0.5%.

Prices of villas and apartments increased by 3.1% and 1.2%, respectively. Prices for houses decreased by 0.1% and the residential buildings prices stabilized and did not record any significant change relatively.

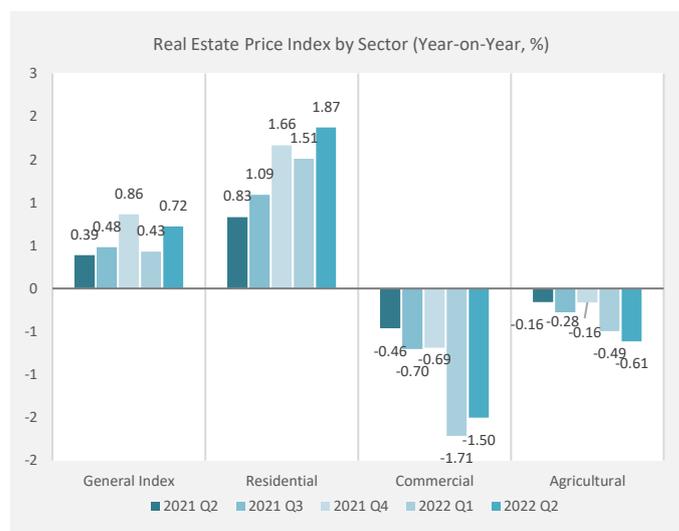
Commercial real estate prices decreased by 0.2%; due to the decrease in the prices of commercial land plots and galleries by 0.2% and 1.4%, respectively. Commercial centers prices increased by 0.1%, while commercial buildings prices remained unchanged.

Finally, agricultural real estate prices decreased by 0.1% due to the decrease in agricultural land prices by 0.1%.

Table 1. Annual & Quarterly Change in the Real Estate Price Index by Sector & Type of Real Estate (Q2 2022)

Sector & Type of Real Estate	Percent Change in Q2-2022 from:	
	Q2-2021	Q1-2022
General Index	0.7	0.3
Residential	1.9	0.5
Plot	2.0	0.5
Building	0.0	0.0
Villa	-1.1	3.1
Apartment	-1.1	1.2
House	-0.9	-0.1
Commercial	-1.5	-0.2
Plot	-1.5	-0.2
Building	0.0	0.0
Gallery /Shop	-1.1	-1.4
Commercial Center	0.1	0.1
Agricultural	-0.6	-0.1
Agricultural Land	-0.6	-0.1

Source: [Tables](#).



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 that are available in the Ministry of Justice in its capacity as the only official reference and source of data on the real estate sector in the Kingdom. This dataset is an outcome of the 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. Accordingly, 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. For more info click [Methodology](#)