

Annual change in the general real estate price index records 3.2% in Q2 2025

The real estate price index in Saudi Arabia recorded an annual rate of change of 3.2% in Q2 2025, compared to 4.3% in Q1 of the same year. This change is associated with slower growth in the residential sector, which has the highest relative weight in the index. The annual rate of change in the residential sector decreased from 5.1% in Q1 to 0.4% in Q2. Meanwhile, other sectors recorded increases in their annual rates of change, with the commercial sector rising from 2.6% in Q1 to 11.7% in Q2. (Figure 1)

Year-on-year developments in residential and commercial sectors in Q2 of 2025

Data indicates that commercial real estate prices recorded an annual increase of 11.7% in Q2 2025, compared to the same quarter of the previous year. The sector accounts for (25.4%) of the index. This increase is associated with a 12.7% rise in commercial land plot prices, which represent (22.8%) of the index. Building prices also rose by 2.7%, while shop and gallery prices increased by 4.1%.

In contrast, the residential sector recorded an annual growth rate of 0.4% in Q2 2025. Residential land prices increased by 0.2%, villa prices by 3.2%, and residential floor prices by 1.5%, while apartment prices decreased by 0.7%. (Figure 2)

Real estate prices increase by 0.1% on a quarterly basis in Q2 of 2025

The real estate price index recorded a quarterly increase of 0.1% in Q2 of 2025 compared to Q1 2025. This increase was driven by a 7.9% rise in commercial real estate prices, including an 8.6% increase in commercial land plot prices and a 3.0% increase in building prices.

Similarly, prices in the agricultural sector increased by 1.7%, in line with a 1.7% rise in agricultural land prices.

On the other hand, residential real estate prices decreased by 2.6% compared to Q1 2025. Residential land plot prices declined by 4.0%, apartment prices by 1.2%, and residential floor prices by 0.9%, while villa prices increased by 1.8%.

Annual real estate price movements by administrative regions

The annual change in the real estate price index at the national level recorded an increase of 3.2% in Q2 2025. Among the administrative regions, the Eastern Region recorded a 4.2%, followed by Makkah Region at 3.9%, and Riyadh Region at 3.6%. In Q1 2025, Riyadh Region had recorded a higher annual rate of change of 10.7%.

Other regions also recorded annual changes in the real estate price index. Tabuk, Hail, and Qassim regions recorded increases of 4.7%, 2.9%, and 1.1%, respectively. In contrast, Aseer, Madinah, and Jazan regions recorded decreases of 3.9%, 3.2%, and 2.8%, respectively. (Figure 3)

Figure 1. Annual Change (%) in Real Estate Prices for Major Real Estate Sectors - Q2 2025

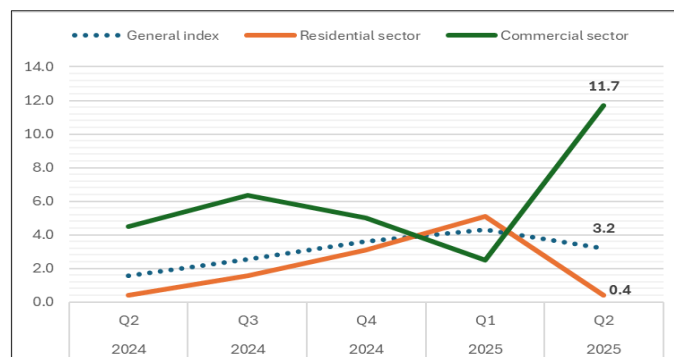


Figure 2. Annual Change (%) in Real Estate Prices for Major Residential Types - Q2 2025

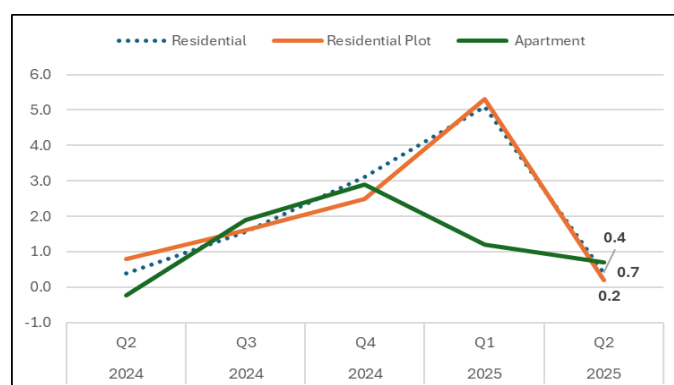
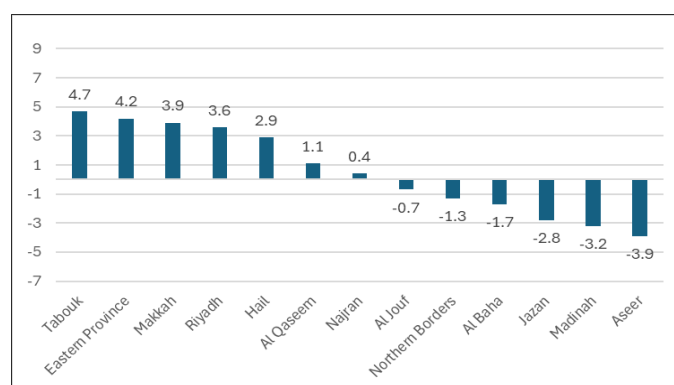


Figure 3. Annual Change (%) in Real Estate Prices for Q2 2025 by Administrative Region



Methodology and Quality

The Real Estate Price Index (REPI) is a statistical tool used to measure the relative change in real estate prices in the Kingdom of Saudi Arabia. It is based on data from available real estate transactions within the Kingdom. The General Authority for Statistics calculates the index on a quarterly basis, providing a detailed breakdown by sector and property type across all administrative regions.

The base year for the index is set to 2023. The General Authority for Statistics has adopted a new methodology for calculating the REPI in collaboration with the General Real Estate Authority, the Ministry of Justice, and the Saudi Central Bank. This updated methodology aims to enhance the quality and transparency of real estate price data in accordance with international best practices.

To achieve this, a geospatial artificial intelligence (Geo AI) model is utilized to process various types of real estate transactions and link them to multiple data sources and satellite imagery. This approach improves the accuracy of real estate classification and enhances the quality of available data.

Data according to the updated methodology has been published starting from the third quarter of 2024.

For more details, please refer to the Reference [Methodology and Quality Report](#) and [Tables](#).