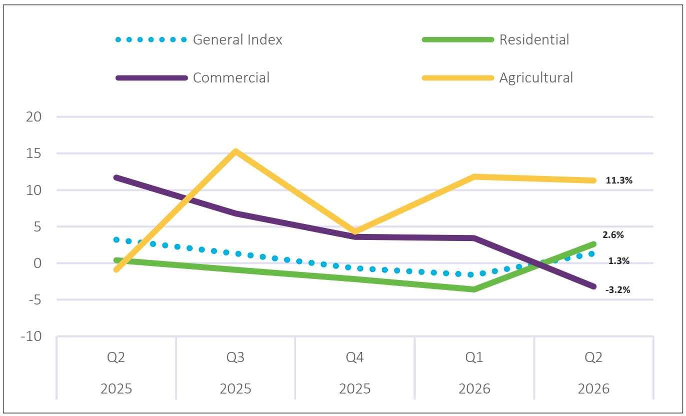
Real Estate Price Index rises by 1.3% in Q2 2026

Real Estate Price Index (REPI) in Saudi Arabia recorded an increase of 1.3% in Q2 of 2026, compared to the same quarter of 2025. This was mainly due to the increase in residential sector prices by 2.6%, and the prices of the agricultural sector by 11.3%, while the prices of the commercial sector recorded an annual decrease of 3.2% (Figure 1)

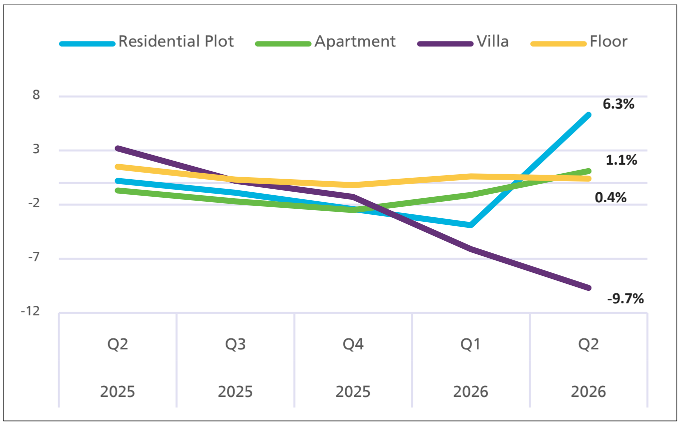
Figure 1. Annual change in real estate prices (%) in Q2 of 2026 for real estate sectors



Real estate sector developments in Q2 of 2026 on an annual basis

The data indicated that real estate prices in the residential sector witnessed an increase in Q2 of 2026 compared to the same quarter of the previous year, as the residential sector recorded an increase of 2.6%, driven by an increase in the prices of residential lands by 6.3%, apartment prices by 1.1%, and the prices of residential floors by 0.4%, while the prices of villas decreased by 9.7%. On the other hand, real estate prices in the commercial sector witnessed a decrease in Q2 of 2026 compared to the same quarter of the previous year (2025), as the commercial sector, which has a weight of 25.4% in the index, recorded a decrease of 3.2%, driven by a decrease in the prices of commercial plots by 3.5%, and the prices of buildings by 0.6%, while the prices of exhibitions and shops increased by 0.4%. On the other hand, the agricultural sector maintained the pace of annual growth, as the prices of the agricultural sector increased by 11.3%, driven by the increase in agricultural land prices by 11.3% (Figure 2).

Figure 2. Annual change in real estate prices (%) in Q2 of 2026 for residential categories



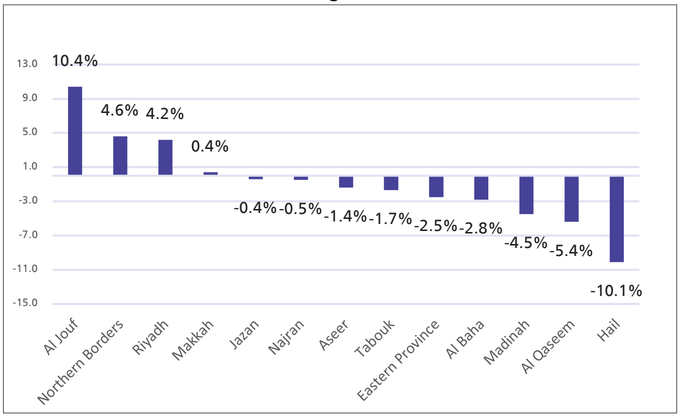
Real estate prices increase by 3.0% in Q2 2026 on a quarterly basis

REPI witnessed an increase of 3.0% on a quarterly basis during Q2 of 2026, compared to the previous quarter (Q1 of 2026). The REPI was affected by the increase in the prices of the residential sector by 3.7%, driven by the increase in the prices of residential lands by 6.1%, the prices of apartments by 0.9%, while the prices of villas decreased by 2.1%, and the prices of residential floors by 1.1%. The prices of the commercial sector increased by 1.0%, affected by the increase in the prices of commercial lands by 1.1% and the prices of exhibitions and shops by 3.8%, while the prices of buildings decreased by 0.3%. The prices of real estate in the agricultural sector also increased by 1.3% compared to Q1 of 2026, driven by the increase in the prices of agricultural plots by 1.3%.

Annual real estate price movements by administrative regions

With regard to the impact of administrative regions on the annual change in REPI, which increased by 1.3% at the level of the Kingdom during Q2 of 2026, Riyadh Region recorded an increase in real estate prices by 4.2%. Makkah Region also witnessed an increase in real estate prices by 0.4%. Al-Jawf and Northern Borders witnessed the highest rates of price increases by 10.4% and 4.6%, respectively. On the other hand, Hail Region recorded the highest rate of price decline by 10.1%, followed by Qassim Region by 5.4%, then Madinah and Al-Baha Regions by 4.5% and 2.8%. (Figure 3).

Figure 3. Annual change in real estate prices (%) in Q2 of 2026 by administrative regions



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 Saudi Arabia. The General Authority for Statistics (GASTAT) 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. GASTAT has adopted a new methodology for calculating the REPI in collaboration with the Real Estate General 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. Methodology and quality . table