



الهيئة العامة للإحصاء  
General Authority for Statistics

## Real Estate Price Index

Fourth Quarter - 2017



## Introduction:

Real estate industry plays a substantial role in promoting sustainable development in KSA; it is a strategic production factor for all vital sectors. It is also a vital incentive for income-based, job-creating investment, in addition to being a basis for launching investment projects in miscellaneous economic and social fields.

Hence, thorough attention is paid to movements of prices of the constituent units of real estate sector, as well as to the values of real estate transactions carried out throughout the KSA regions. Besides, changes that take place every now and then in this industry are followed up through the Real Estate Price Index Program, established on the basis of the relevant data provided by the Ministry of Justice (MOJ) in a spirit of integration and cooperation among the various governmental bodies to contribute to the sustainable development in KSA.

The Real Estate Price Index defines distinctive real estate statistical indicators that measure the performance of the real estate market in KSA, and bridge the gap of real estate data. Furthermore, it is reckoned an essential tool that helps relevant authorities take sound economic decisions in this regard. The Real Estate Price Index data are especially helpful in the economic and statistical analysis of real estate price movements, and making predictions about real estate trends in the future.

GASTAT is pleased to provide this bulletin to researchers, planners, research centers and entities interested in economic affairs, hoping that the regular and periodic data meet their needs and aspirations.

Allah is the Arbiter of Success.

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## Real Estate Price Index Methodology

### Description:

GASTAT provides the Real Estate Price Index data through the MOJ to construct the real estate price index and to track changes taking place in the real estate prices. Given the paramount significance of such data, an integrated system was developed to fulfill all requirements necessary for collecting and auditing data, along with calculating the index.

### Objectives:

- Developing sophisticated real estate statistical indicators that measure the performance of the real estate market in KSA.
- Bridging the gap in real estate data.
- Satisfying international, regional and domestic requirements in this regard.

### Definition:

Real Estate Price Index is "a statistical tool for measuring the relative change in real estate prices between two points in time."

### Data Source:

The data required for calculating the real estate index are provided by the MOJ as the only official reference and source of the data related to the real estate sector in KSA.

### Data Nature:

- The MOJ provides GASTAT with the detailed data of the cities which represent all administrative regions as per a number of variables achieving purposes of the calculation of agricultural, commercial and residential real estate index numbers.
- Having obtained primary data of the real estate transactions for the years 2012-2015, GASTAT studied those data through its team of specialists to evaluate them, and verify their adequacy for constructing the real estate index. Accordingly, the following items are determined:
  - The appropriate base year.
  - The level of coverage/ representation.

- Classification.
- Calculation of weights (relative importance).

**Coverage:**

The real estate index covers all administrative regions of KSA.

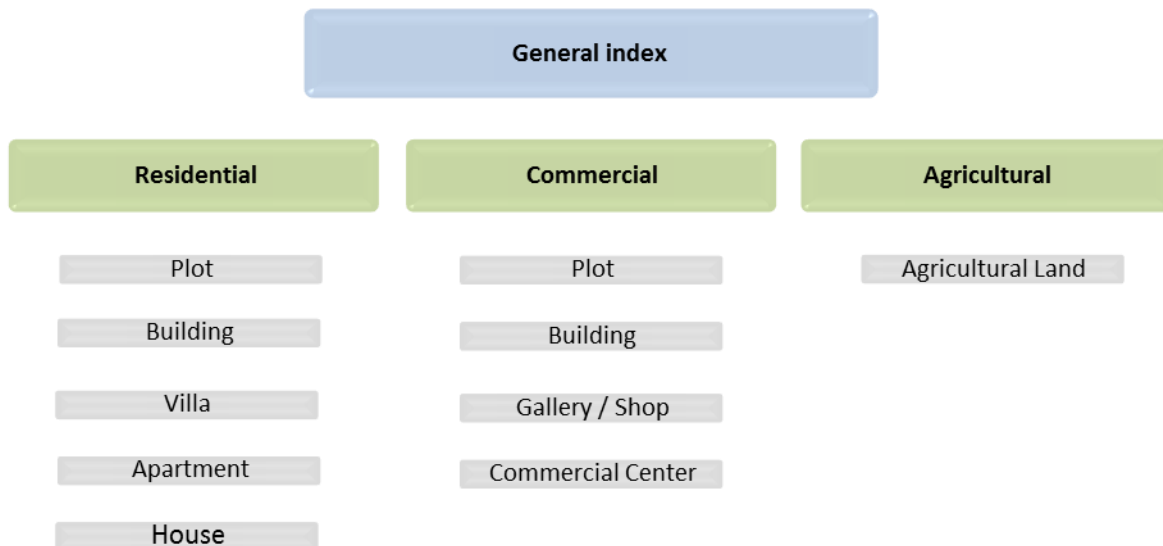
**Base Year:**

The base year is determined to be 2014.

**Classification:**

The MOJ data are classified into three main sectors:

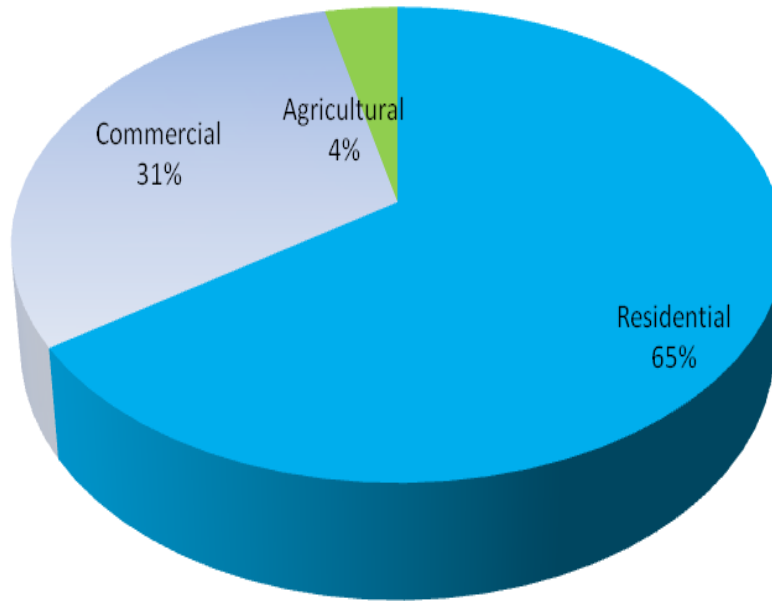
- Residential Sector: It includes residential plots, residential buildings, villas, apartments and houses.
- Commercial Sector: It covers commercial plots, commercial buildings, galleries/shops, and malls.
- Agricultural Sector: It is made up of the agrarian lands.



**Weights (Relative Importance):**

Weights are calculated based on the value of real estate transactions of each sector comprising the index in the course of the base year.

**Relative Importance by Sector all over KSA**



**Reviewing and Verifying Data:**

Data are reviewed and verified through the following methodology:

- Making sure that data and prices are logical and inclusive.
- Setting automatic verification rules to be followed during data-entry, auditing, processing and publishing.
- Applying procedures that address the problem of disappearance of prices of some real estate types.

**Calculation of Real Estate Price Index:**

- Laspeyres equation is used to calculate the real estate index:

$R_{ik} = \prod \left( \frac{P_1}{P_0} \right)^{wt}$	<i>wt</i>	Relative importance	<i>i</i>	District
	<i>P<sub>1</sub></i>	Current price	<i>k</i>	Real estate type
	<i>P<sub>0</sub></i>	Base year price		

## How to make use of Real Estate Price Index results?

Real Estate Price Index data are used in many fields, including:

- Monitoring price movements of real estate assets;
- Assisting the relevant authorities in taking sound economic decisions;
- Measuring changes in real estate prices from time to time; and
- Using the Real Estate Price Index data to make the economic and statistical analysis of real estate price movements, and come up with predictions about real estate trends in the future.
- It is used as a main economic indicator to predict the economic growth.

## Publishing:

Real Estate Price Index data are published as follows:

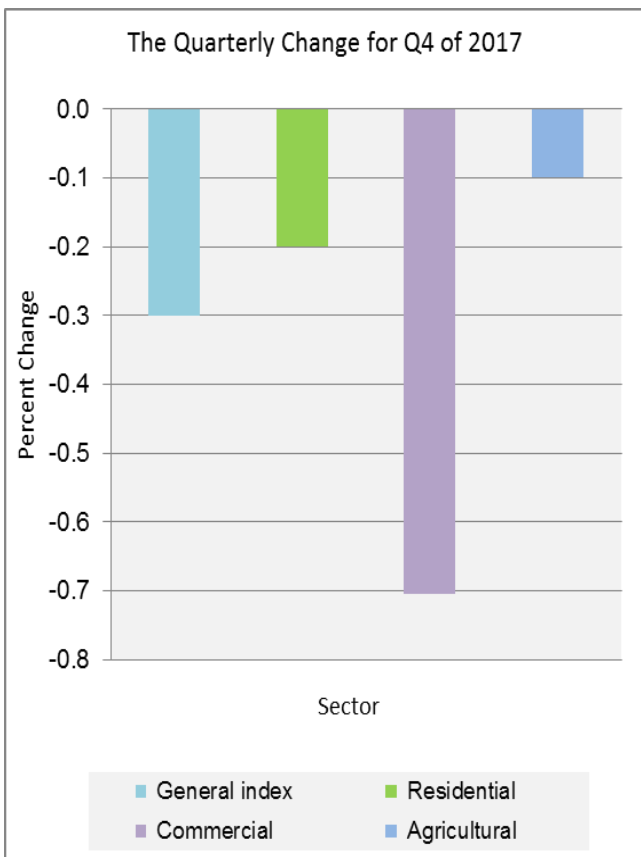
- Results of the Real Estate Price Index are published as per specific dates declared at the GASTAT website.
- The GASTAT website [www.stats.gov.sa](http://www.stats.gov.sa) is regarded as the accredited official publishing platform.
- Results of the Real Estate Price Index are published by contacting media, and through social networks.

## Main Features of Real Estate Price Index Movements in Q.4 - 2017

### First: Quarterly Change:

Real Estate Price Index for Q4 of 2017, compared to Q3 of 2017, declined by (0.3%) due to changes that took place in the constituting sectors of the index as follows:

### Decrease Percentage



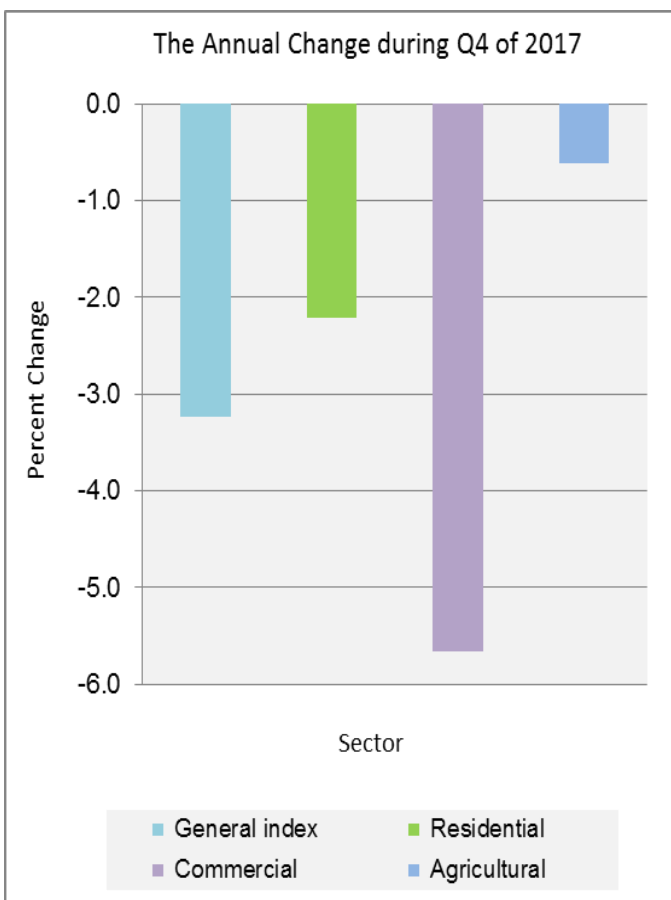
Sector	Percentage (%)	Key items	
		Item	Percentage%
Residential	-0.2	Plot	-0.2
		villa	-1.3
		apartment	-0.1
		House	-0.4
Commercial	-0.7	Plot	-0.7
		Commercial centre	-0.5
Agricultural	-0.1	Agricultural Land	-0.1



**Second: Annual change:**

Real Estate Price Index for Q4 of 2017, compared to Q4 of 2016, declined by (3.2%) due to changes that took place in the constituting sectors of the index as follows:

**Decrease Percentage**



Sector	Percentage%	Key items	
		Item	Percentage%
Residential	<b>-2.2</b>	Plot	-2.1
		building	-2.6
		apartment	-4.8
		House	-1.4
Commercial	<b>-5.7</b>	Plot	-5.7
		Gallery / Shop	-2.5
		Commercial centre	-0.5
Agricultural	<b>-0.6</b>	Agricultural land	-0.6







## Tables

**Table (1)**
**Quarterly Real Estate Indices and percent change**
**جدول (١)**
**الأرقام القياسية لأسعار العقارات الربع سنوية ونسب التغير**

Q.4 - 2017

2014=100

الربع الرابع - 2017

General index items & Sectors	الأرقام القياسية Index Numbers			نسبة التغير من الربع الرابع ٢٠١٧ إلى Percent Change from Qtr.4 2017 to		الرقم القياسي العام والقطاعات والأصناف
	الربع الرابع	الربع الثالث	الربع الرابع	الربع الثالث	الربع الرابع	
	Q.4 2017	Q.3 2017	Q.4 2016	Q.3 2017	Q.4 2016	
<b>General index</b>	<b>84.6</b>	<b>84.9</b>	<b>87.5</b>	<b>-0.3</b>	<b>-3.2</b>	<b>القياسي العام الرقم</b>
<b>Residential</b>	<b>88.0</b>	<b>88.2</b>	<b>90.0</b>	<b>-0.2</b>	<b>-2.2</b>	<b>سكني</b>
Plot	88.1	88.2	90.0	-0.2	-2.1	قطعة أرض
Building	93.5	93.4	95.9	0.1	-2.6	عمارة
Villa	93.2	94.4	93.2	-1.3	0.0	فيلا
Apartment	85.5	85.6	89.8	-0.1	-4.8	شقة
House	96.1	96.6	97.5	-0.4	-1.4	بيت
<b>Commercial</b>	<b>77.1</b>	<b>77.6</b>	<b>81.7</b>	<b>-0.7</b>	<b>-5.7</b>	<b>تجاري</b>
Plot	77.0	77.5	81.6	-0.7	-5.7	قطعة أرض
Building	102.1	102.1	102.1	0.0	0.0	عمارة
Gallery / Shop	89.3	89.0	91.5	0.3	-2.5	معرض / محل
Commercial Center	101.4	101.9	101.9	-0.5	-0.5	مركز تجاري
<b>Agricultural</b>	<b>93.7</b>	<b>93.8</b>	<b>94.3</b>	<b>-0.1</b>	<b>-0.6</b>	<b>زراعي</b>
Agricultural Land	93.7	93.8	94.3	-0.1	-0.6	ارض زراعية

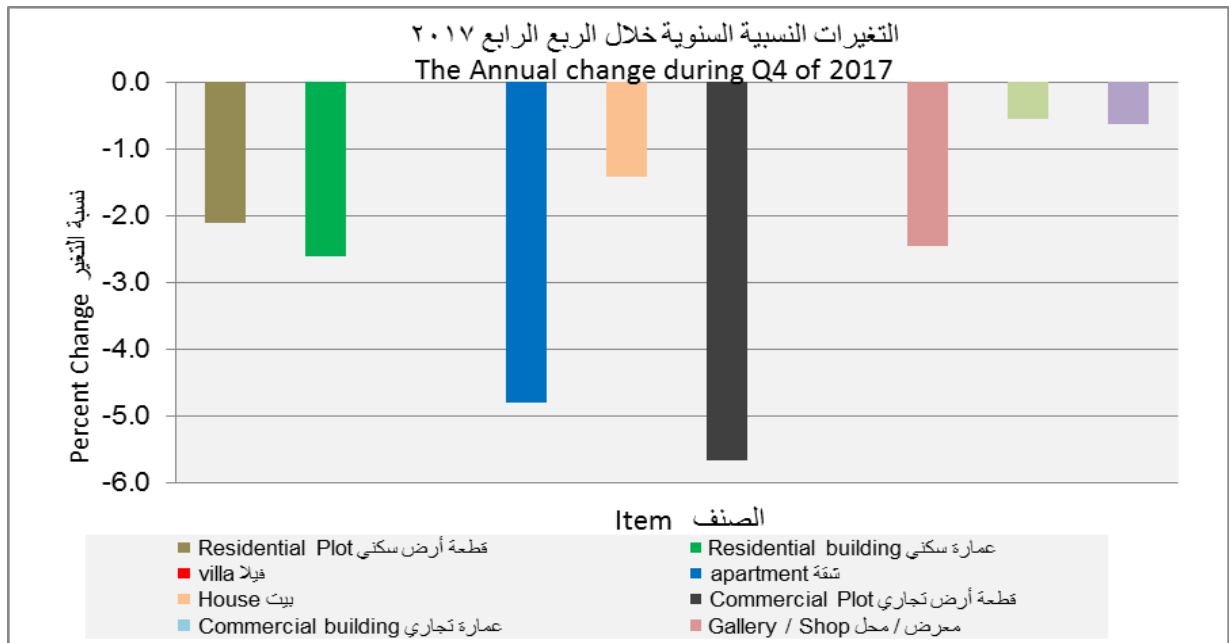
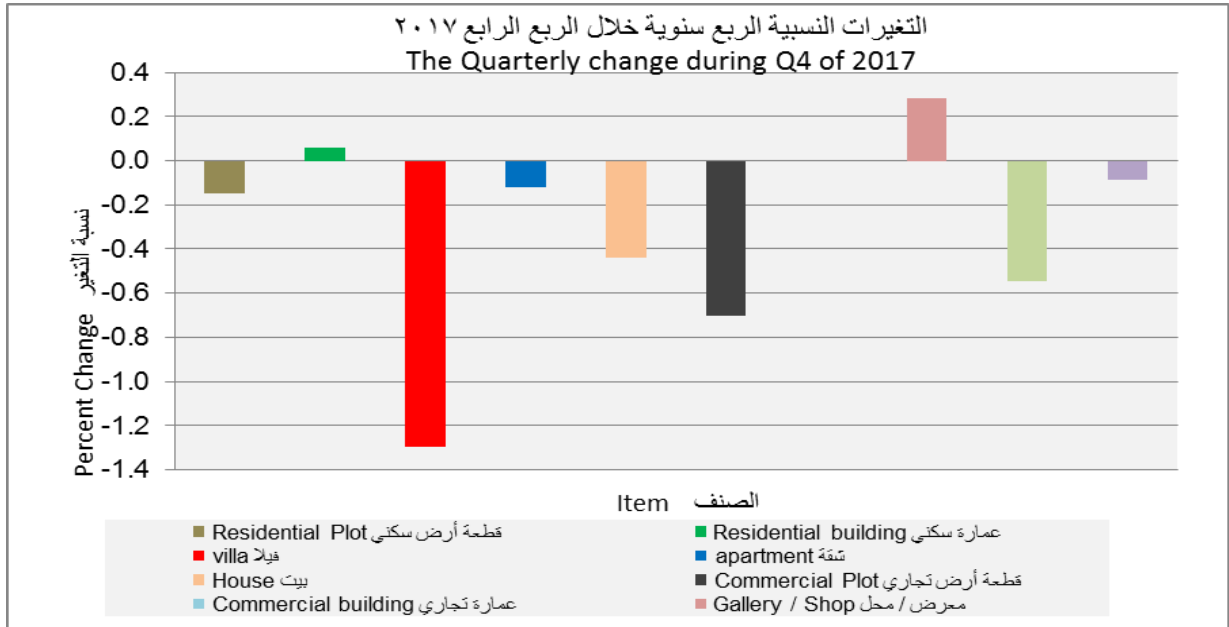




Table (2)  
of Real Estate Indices in The Series  
Kingdom

جدول (2)  
سلسلة الأرقام القياسية لأسعار العقارات  
بالمملكة

Q. 4- 2017

2014=100

الربع الرابع – 2017

السنة Year	الربع الأول Qtr.1	الربع الثاني Qtr.2	الربع الثالث Qtr.3	الربع الرابع Qtr.4	المتوسط السنوي Annual average
<b>General index</b>					<b>القياسي العام الرقم</b>
2015	99.2	98.1	96.4	95.8	97.4
2016	94.8	92.9	90.7	87.5	91.5
2017	85.5	84.9	84.9	84.6	85.0
<b>Residential</b>					<b>سكني</b>
2015	100.1	99.8	98.2	97.1	98.8
2016	96.8	95.3	93.2	90.0	93.8
2017	87.6	87.8	88.2	88.0	87.9
<b>Plot</b>					<b>قطعة أرض</b>
2015	100.2	99.9	98.2	97.3	98.9
2016	96.9	95.4	93.2	90.0	93.9
2017	87.6	87.8	88.2	88.1	87.9
<b>Building</b>					<b>عمارة</b>
2015	102.2	102.1	102.1	101.1	101.9
2016	98.8	99.4	97.5	95.9	97.9
2017	95.1	94.2	93.4	93.5	94.0
<b>Villa</b>					<b>فيلا</b>
2015	101.4	100.9	104.9	99.4	101.7
2016	101.2	97.3	94.8	93.2	96.6
2017	92.5	94.5	94.4	93.2	93.7
<b>apartment</b>					<b>شقة</b>
2015	98.3	96.7	95.3	94.0	96.1
2016	93.7	91.9	92.4	89.8	92.0
2017	86.8	85.8	85.6	85.5	85.9



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of Real Estate Indices in The Series  
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جدول (2)  
سلسلة الأرقام القياسية لأسعار العقارات  
بالمملكة

Q. 4- 2017

2014=100

الربع الرابع – 2017

السنة Year	الربع الأول Qtr.1	الربع الثاني Qtr.2	الربع الثالث Qtr.3	الربع الرابع Qtr.4	المتوسط السنوي Annual average
<b>House</b>					<b>بيت</b>
2015	98.6	98.8	98.5	98.9	98.7
2016	99.1	98.8	98.4	97.5	98.5
2017	96.9	96.8	96.6	96.1	96.6
<b>Commercial</b>					<b>تجاري</b>
2015	97.5	94.7	92.9	93.0	94.5
2016	90.8	88.0	85.2	81.7	86.4
2017	80.2	78.4	77.6	77.1	78.3
<b>Plot</b>					<b>قطعة أرض</b>
2015	97.5	94.7	92.8	93.0	94.5
2016	90.7	88.0	85.1	81.6	86.3
2017	80.1	78.3	77.5	77.0	78.2
<b>Building</b>					<b>عمارة</b>
2015	100.0	100.0	100.0	101.8	100.5
2016	101.8	102.0	102.1	102.1	102.0
2017	102.1	102.1	102.1	102.1	102.1
<b>Gallery / Shop</b>					<b>معرض / محل</b>
2015	98.7	96.1	93.5	93.3	95.4
2016	95.2	92.6	94.6	91.5	93.5
2017	89.1	88.5	89.0	89.3	89.0
<b>Commercial Center</b>					<b>مركز تجاري</b>
2015	102.5	102.7	103.1	102.8	102.7
2016	102.0	102.0	101.9	101.9	102.0
2017	101.9	101.9	101.9	101.4	101.8

Table (2)  
of Real Estate Indices in The Series  
Kingdom

جدول (2)  
سلسلة الأرقام القياسية لأسعار العقارات  
بالمملكة

Q. 4- 2017

2014=100

2017 – الربع الرابع

السنة Year	الربع الأول Qtr.1	الربع الثاني Qtr.2	الربع الثالث Qtr.3	الربع الرابع Qtr.4	المتوسط السنوي Annual average
<b>Agricultural</b>					<b>زراعي</b>
2015	96.3	95.9	95.6	95.3	95.8
2016	95.2	94.8	94.6	94.3	94.7
2017	94.0	93.8	93.8	93.7	93.8
<b>Agricultural Land</b>					<b>ارض زراعية</b>
2015	96.3	95.9	95.6	95.3	95.8
2016	95.2	94.8	94.6	94.3	94.7
2017	94.0	93.8	93.8	93.7	93.8

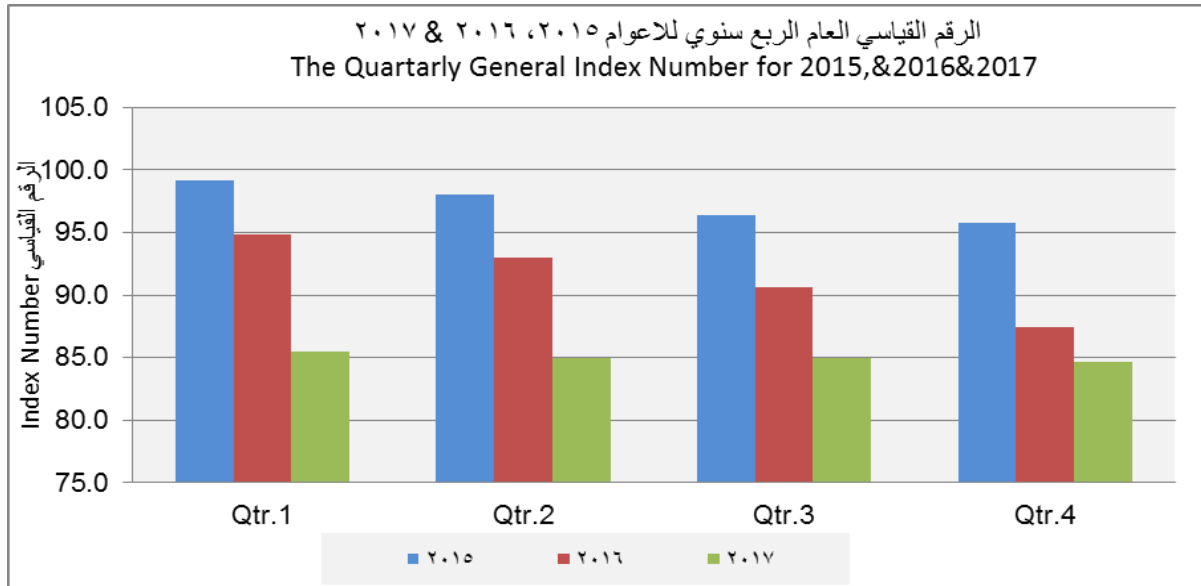


Table (3)

جدول (٣)

Real Estate Indices for  
Regions

الأرقام القياسية لأسعار العقارات على  
مستوى المناطق

Q.4 2017

2014=100

الربع الرابع - ٢٠١٧

Regions & Kingdom	الرقم القياسي للربع الرابع ٢٠١٧				المملكة والمناطق الإدارية
	القطاع الزراعي	القطاع التجاري	القطاع السكني	الرقم العام	
<b>Kingdom</b>	<b>93.7</b>	<b>77.1</b>	<b>88.0</b>	<b>84.6</b>	<b>المملكة</b>
Ar Riyadh	129.2	68.6	92.4	81.8	الرياض
Makkah	95.9	79.6	85.5	84.0	مكة المكرمة
Madinh	92.8	98.4	93.8	94.5	المنورة المدينة
Eastern	94.4	88.0	86.4	87.1	الشرقية
Al Qaseem	83.0	85.9	80.2	81.5	القصيم
Aseer	91.8	92.7	85.1	86.5	عسير
Tabouk	100.4	87.9	81.4	84.2	تبوك
Hail	97.6	81.7	85.1	85.4	حائل
Jazan	83.4	81.8	80.6	81.1	جازان
Al Baha	107.3	97.2	76.8	80.0	الباحة
Al Jouf	110.5	83.0	82.5	86.5	الجوف
Najran	99.4	88.7	85.0	88.4	نجران
Northern		94.4	84.1	85.3	الحدود الشمالية

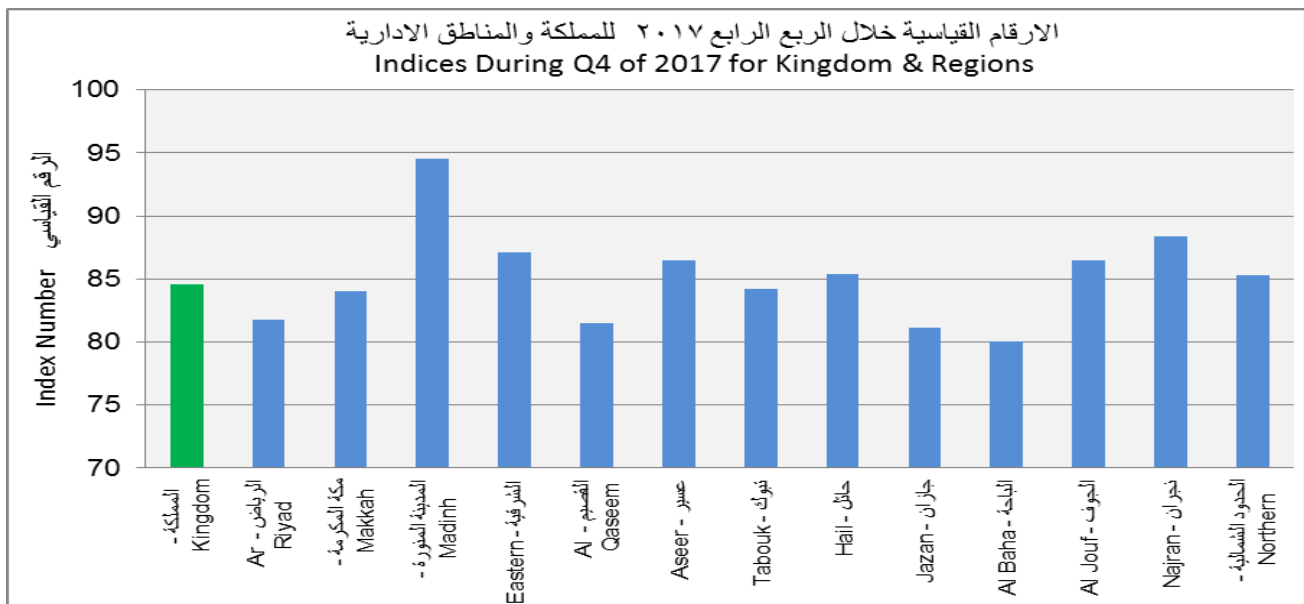


Table (4)

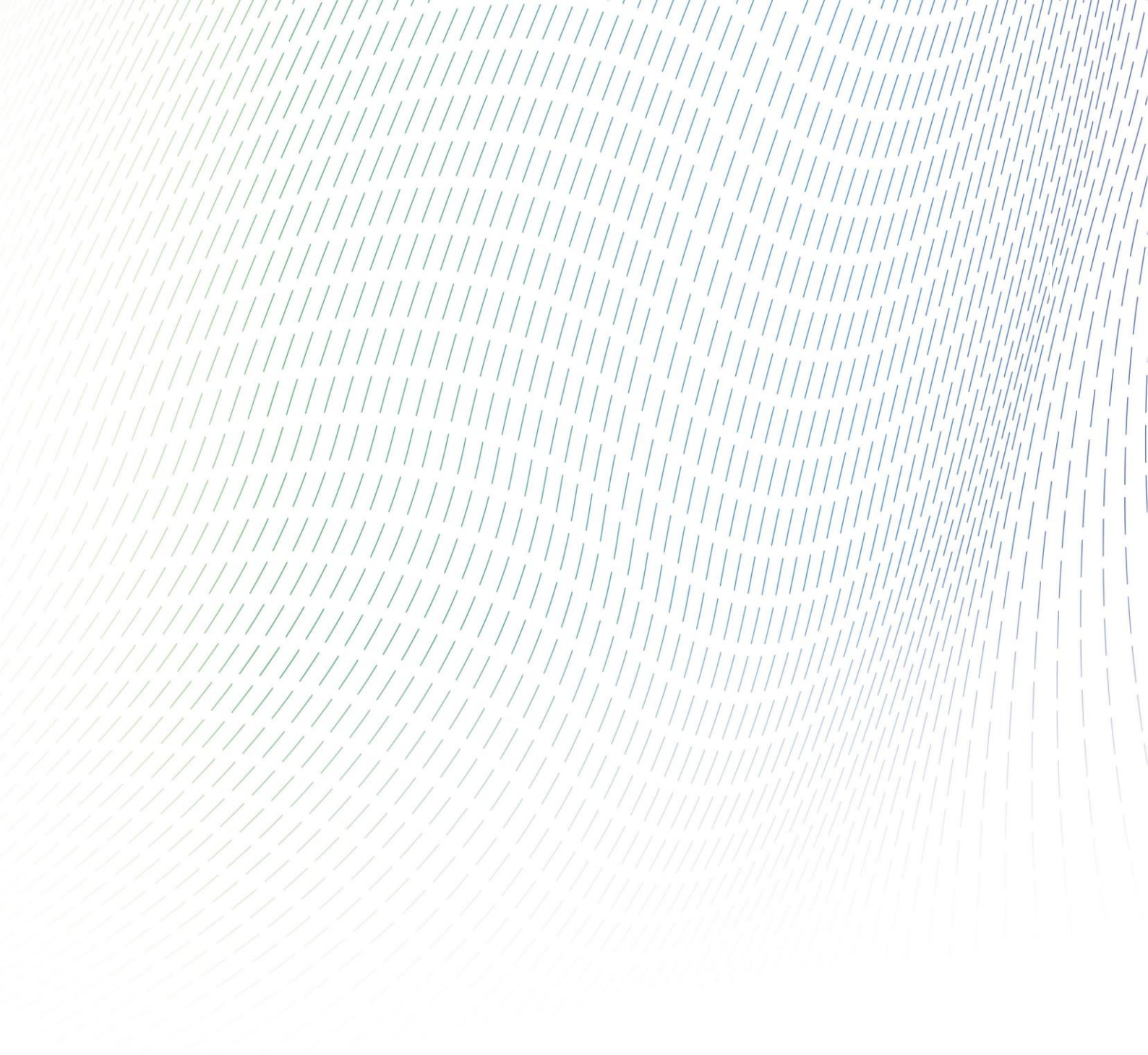
جدول (4)

The Relative Importance of The Sectors & items of Real Estate Prices

الأهمية النسبية لقطاعات وأصناف  
الرقم القياسي لأسعار العقارات

General index , Sectors & items	الأهمية النسبية	الرقم القياسي العام والقطاعات والأصناف
<b>General index</b>	<b>100</b>	<b>الرقم القياسي العام</b>
<b>Residential</b>	<b>65.4</b>	<b>سكني</b>
Plot	62.2	قطعة أرض
Building	0.03	عمارة
Villa	0.4	فيلا
Apartment	2.6	شقة
House	0.2	بيت
<b>Commercial</b>	<b>31.0</b>	<b>تجاري</b>
Plot	30.9	قطعة أرض
Building	0.003	عمارة
Gallery / Shop	0.1	محل / معرض
Commercial Center	0.1	تجاري مركز
<b>Agricultural</b>	<b>3.6</b>	<b>زراعي</b>
Agricultural Land	3.6	زراعية ارض





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