



Real estate prices rise 1.2% in the first quarter of 2020

The Real Estate Price Index (2014=100) increased by 1.2% in the first quarter (Q1) of 2020 compared to the same quarter of the previous year, driven mainly by rising prices of "Residential" real estates (+2.1%). "Commercial" real estate prices dropped by 0.5% while "Agricultural" real estate prices registered a slight increase of 0.2%.

Residential plot prices the main determinant of the increase in real estate prices in the first quarter of 2020

- Year-on-year, prices of residential plots rose by 2.1% in Q1 2020, contributing most to the increase in the "Residential" real estate prices and in the overall index, given their significant weight in the index.
- Of the other "Residential" real estates, Apartments' prices also increased (+2.2%) while prices of Villas (-2.6%), Houses (-1.4%), and Buildings (-1.4%) declined.
- The decrease in "Commercial" real estate prices was driven mainly by commercial plots, of which prices declined by 0.4%. Although the prices for galleries & shops declined at a much higher rate (-1.2%), they had rather limited influence given their low weight in the index. On the other hand, the prices for commercial centers and commercial buildings increased by 2.1% and 0.1%, respectively.
- The increase in the prices of "Agricultural" real estates resulted from rising prices of agricultural lands (+0.2%).

Real estate prices up by 0.4% compared to the fourth quarter of 2019

- The Real Estate Price Index increased by 0.4% in Q1 2020 compared to the previous quarter (Q4 2019), mainly due to the increase in average prices of "Residential" real estates (+0.8%). "Commercial" real estate prices dropped by 0.8% while prices for "Agricultural" real estates increased by 0.1%.

Methodology

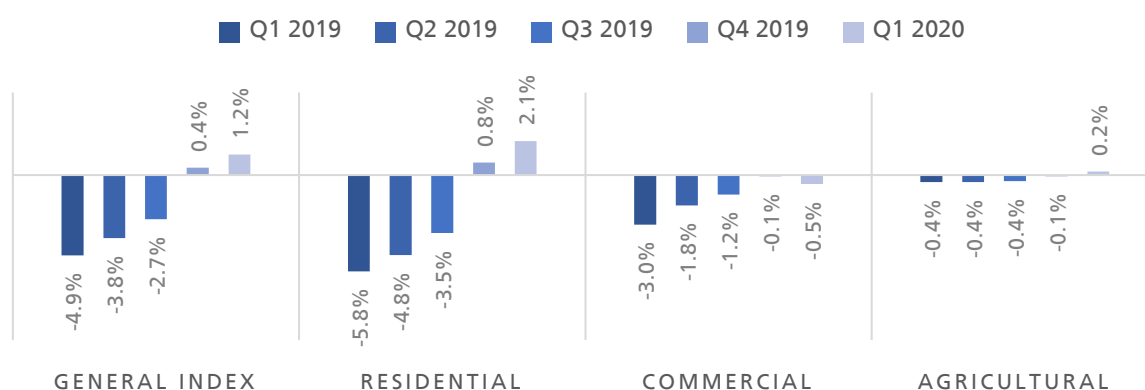
The Real Estate Price Index is a statistical tool for measuring the relative change in real estate prices in the Kingdom of Saudi Arabia. It is based on a dataset of real estate transactions that are available in the Ministry of Justice in its capacity as the only official reference and source of data 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.



Annual and Quarterly Change in the Real Estate Price Index
by Sector and Type of Real Estate, Q1 2020

Sector and Type of Real Estate	Percent Change in Q1 2020 from	
	Q1 2019	Q4 2019
General Index	1.2	0.4
Residential	2.1	0.8
Plot	2.1	0.8
Building	-1.4	-1.4
Villa	-2.6	-1.5
Apartment	2.2	-0.1
House	-1.4	-0.4
Commercial	-0.5	-0.8
Plot	-0.4	-0.7
Building	0.1	0.1
Gallery /Shop	-1.2	0.3
Commercial Center	2.1	0
Agricultural	0.2	0.1
Agricultural Land	0.2	0.1

Annual change in Real Estate Price Indices (%)



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