

## Real estate prices rise by 0.9% in Q4/2021

The real estate price index (RPI) increased by 0.9% in the fourth quarter of 2021 compared to the same quarter of the previous year, mainly due to increases in residential land prices. The decline in commercial real estate prices by 0.7% and agricultural real estate prices by 0.2% had a dampening effect on the general index.

### Residential land prices are the driving factor of the rise in real estate prices in Q4/2021 relative to Q4/2020

Residential real estate prices increased by 1.7% on an annual basis in the fourth quarter of 2021, 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 importance in the index.

**Figure 1. Real Estate Price Index by Sector (Year-on-Year, %)**

Year	Quarter	RPI	RRPI	CRPI	ARPI
2019	First Quarter	-4.8	-5.9	-0.3	-0.4
	Second Quarter	-3.8	-4.9	-1.9	-0.4
	Third Quarter	-2.7	-3.5	-1.2	-0.3
	Fourth Quarter	0.5	0.8	-0.1	0.0
2020	First Quarter	1.2	2.1	-0.5	0.2
	Second Quarter	0.7	1.8	-1.7	0.3
	Third Quarter	0.5	2.1	-2.5	0.3
	Fourth Quarter	-0.3	0.5	-1.9	0.0
2021	First Quarter	0.2	0.6	-0.4	-0.2
	Second Quarter	0.4	0.8	-0.5	-0.2
	Third Quarter	0.5	1.1	-0.7	-0.3
	Fourth Quarter	0.9	1.7	-0.7	-0.2

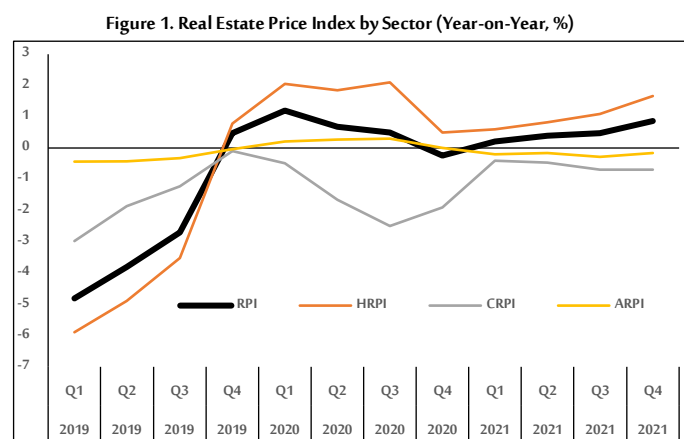
RPI; Real estate price index, RRPI; Residential real estate price index, CRPI;

Commercial real estate price index, ARPI; Agricultural real estate price index

Source: [Tables](#)

Among other "residential" real estate prices, prices for residential buildings decreased by 0.1%, as well as villas by 6.3%, apartments by 3.6%, and houses by 1.4%.

Commercial real estate prices decreased by 0.7%, affected by a decrease in commercial land plots prices by 0.7%. On the other hand, galleries prices increased by 0.5%, while both buildings and commercial centers prices stable and did not register any significant changes.



Agricultural real estate prices decreased by 0.2%, because of the decrease in agricultural land prices by 0.2%.

### Quarterly change: real estate prices rise in Q4/2021

The general real estate price index in the fourth quarter of 2021 increased by 0.5% compared to the previous quarter (the third quarter of 2021).

Residential real estate prices increased by 0.7%, mainly due to the increase in residential land plots prices 0.8%.

Among other residential real estate, villas prices decreased by 1.4%, as well as apartments by 1.1%, and houses by 0.2%, while residential buildings prices stabilized, and did not register any significant changes.

Commercial real estate prices decreased by 0.1%, mainly due to the decrease in commercial land plots prices by 0.1%. On the other hand, galleries prices increased by 0.4%, while both buildings and commercial centers prices stable and did not register any significant changes.

Agricultural real estate prices stabilized and did not register any significant changes in the fourth quarter of 2021.

**Table 2. Annual & Quarterly Change in the Real Estate Price Index by Sector & Type Of Real Estate (Q4 2021)**

Sector & Type of Real Estate	Percent Change in Q4-2021 from:	
	Q4-2020	Q3-2021
<b>General Index</b>	<b>0.9</b>	<b>0.5</b>
<b>Residential</b>	<b>1.7</b>	<b>0.7</b>
Plot	2.0	0.8
Building	-0.1	0.0
Villa	-6.3	-1.4
Apartment	-3.6	-1.1
House	-1.4	-0.2
<b>Commercial</b>	<b>-0.7</b>	<b>-0.1</b>
Plot	-0.7	-0.1
Building	0.0	0.0
Gallery /Shop	0.5	0.4
Commercial Center	0.0	0.0
<b>Agricultural</b>	<b>-0.2</b>	<b>0.0</b>
Agricultural Land	-0.2	0.0

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](#)