



الهيئة العامة للإحصاء  
General Authority for Statistics

## Real Estate Price Index

Fourth Quarter 2015





## 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.

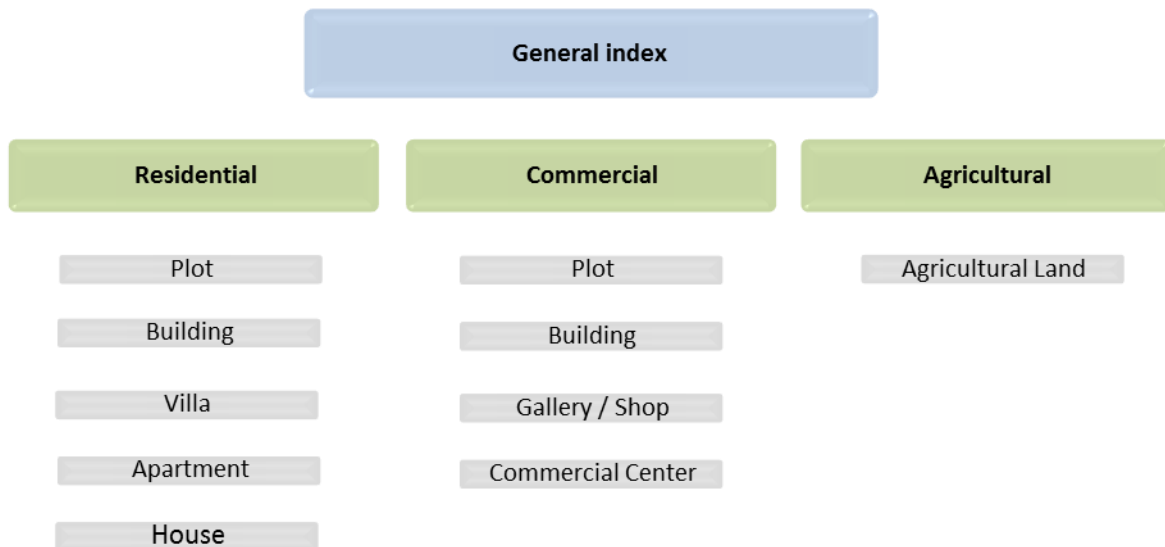
### Base Year:

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.

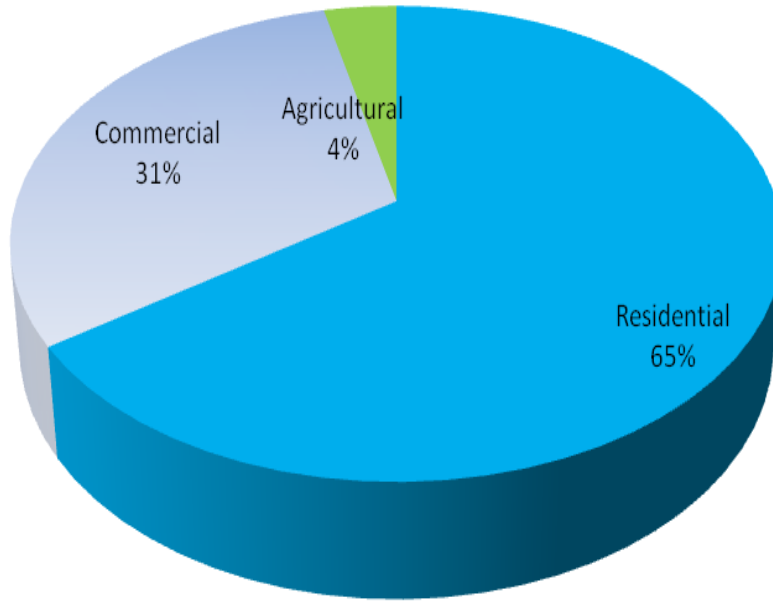




### Weights (Relative Importance):

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:

$R_{ik} = \prod \left( \frac{P_1}{P_0} \right)^{wt}$	$wt$	Relative importance	$i$	District
	$P_1$	Current price	$k$	Real estate type
	$P_0$	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.
- The reports are submitted to the relevant authorities.

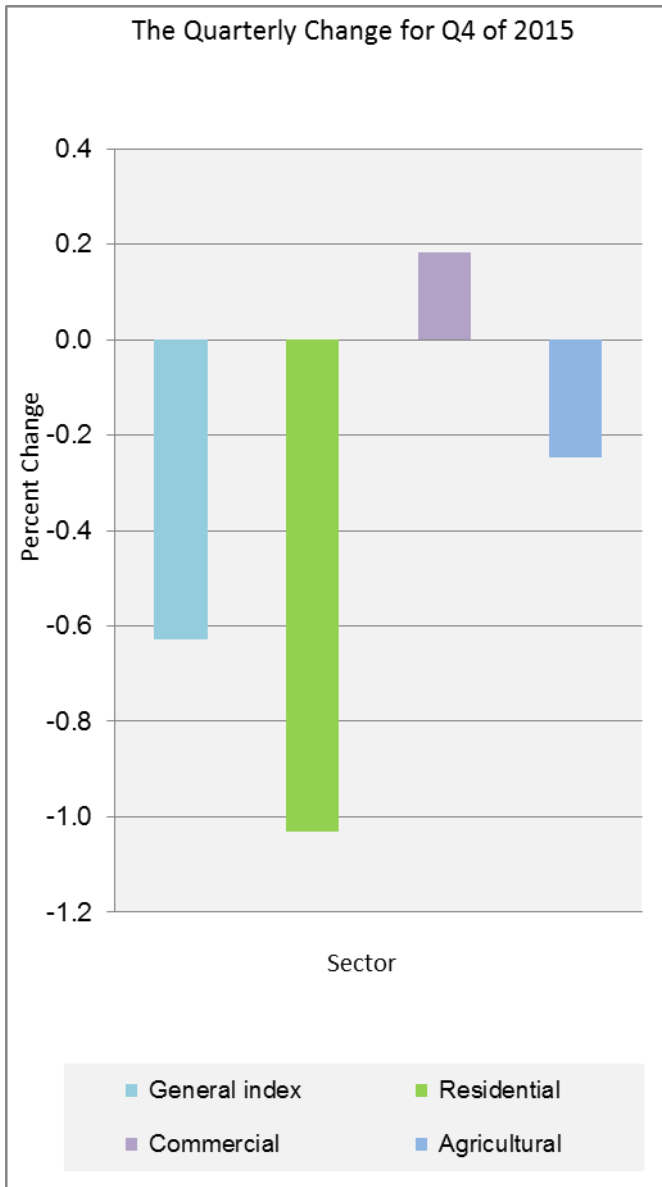




### Main Features of Real Estate Price Index Movements in Q4 2015

#### First: Quarterly Change:

Real Estate Price Index for Q4 2015, compared to Q3 2015, declined by 0.6% due to changes that took place in the constituting sectors of the index as follows:



#### Decrease Percentage

Sector	Percentage %	Key items	
		Item	Percentage %
Residential	-1.0	Plot	-1.0
		building	-1.0
		villa	-5.2
		apartment	-1.3
Agricultural	-0.2	Agricultural Land	-0.2

#### Increase Percentage

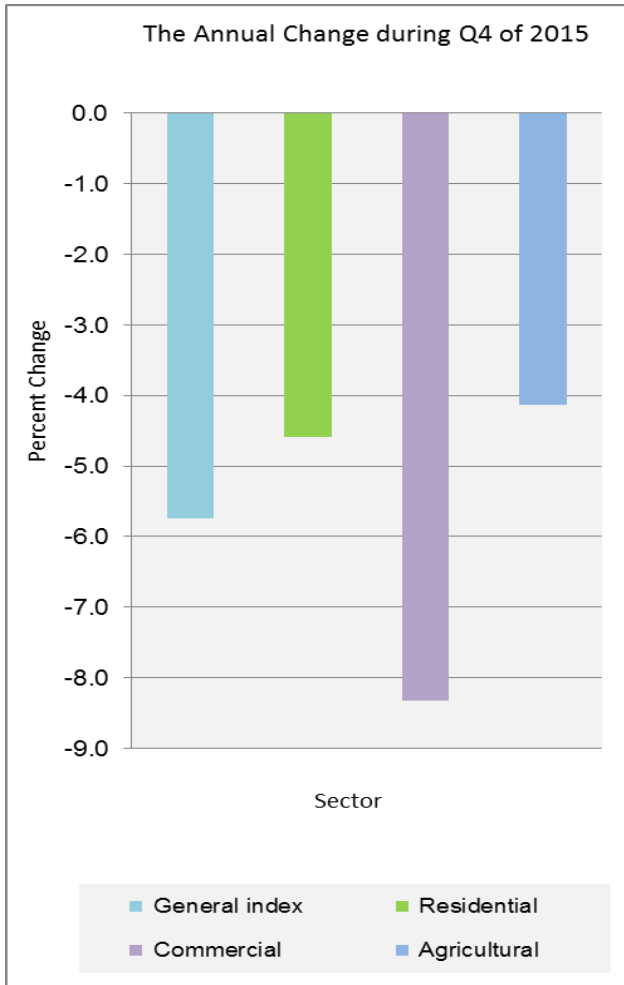
Sector	Percentage %	Key items	
		Item	Percentage %
Commercial	0.2	Plot	0.2
		building	1.8





## Second: Annual change

Real Estate Price Index for Q4 2015, compared to Q4 2014, declined by 5.7% due to changes that took place in the constituting sectors of the index as follows:



### Decrease Percentage

Sector	Percentage %	Key items	
		Item	Percentage %
Residential	-4.6	Plot	-4.5
		building	-2.6
		villa	-1.1
		apartment	-7.1
		House	-0.2
Commercial	-8.3	Plot	-8.3
		Gallery / Shop	-8.4
Agricultural	-4.1	Agricultural Land	-4.1







## Tables



Table (1)

جدول (١)

Quarterly Real Estate Indices  
and percent changeالأرقام القياسية لأسعار  
العقارات الربع سنوية ونسب  
التغير

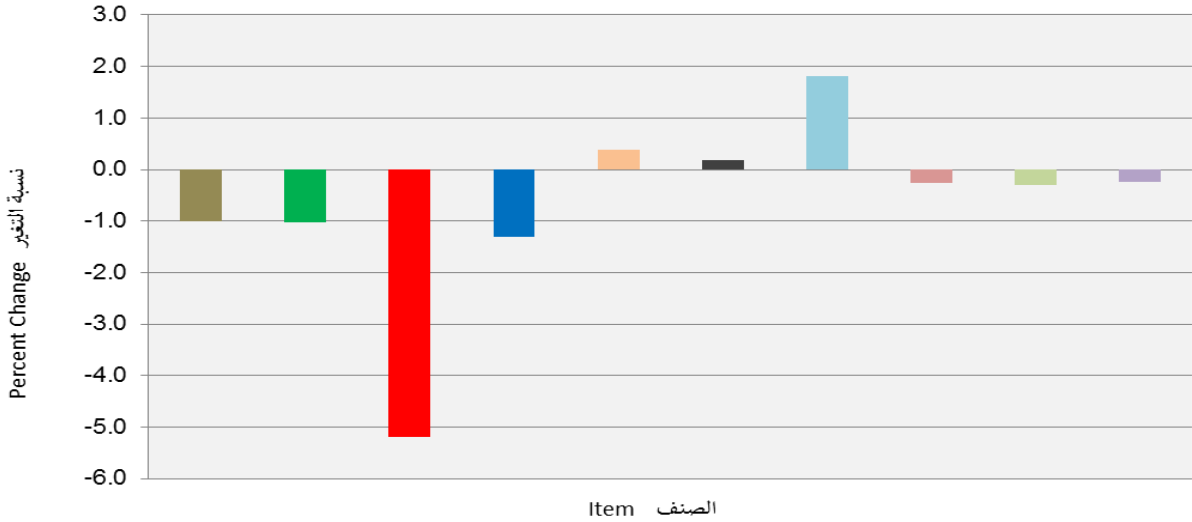
2014=100

General index , Sectors & items	الأرقام القياسية			نسبة التغير من الربع الرابع ٢٠١٥ إلى		الرقم القياسي العام والقطاعات والاصناف
	Index Numbers			Percent Change		
	الربع الرابع	الربع الثالث	الربع الرابع	الربع الثالث	الربع الرابع	
	Qtr.4 2015	Qtr.3 2015	Qtr.4 2014	Qtr.3 2015	Qtr.4 2014	
General index	95.8	96.4	101.6	-0.6	-5.7	الرقم القياسي العام
Residential	97.1	98.2	101.8	-1.0	-4.6	سكني
Plot	97.3	98.2	101.9	-1.0	-4.5	قطعة أرض
Building	101.1	102.1	103.7	-1.0	-2.6	عمارة
Villa	99.4	104.9	100.6	-5.2	-1.1	فيلا
Apartment	94.0	95.3	101.2	-1.3	-7.1	شقة
House	98.9	98.5	99.1	0.4	-0.2	بيت
Commercial	93.0	92.9	101.5	0.2	-8.3	تجاري
Plot	93.0	92.8	101.5	0.2	-8.3	قطعة أرض
Building	101.8	100.0	100.0	1.8	1.8	عمارة
Gallery / Shop	93.3	93.5	101.9	-0.3	-8.4	معرض / محل
Commercial Center	102.8	103.1	101.8	-0.3	1.0	مركز تجاري
Agricultural	95.3	95.6	99.4	-0.2	-4.1	زراعي
Agricultural Land	95.3	95.6	99.4	-0.2	-4.1	ارض زراعية



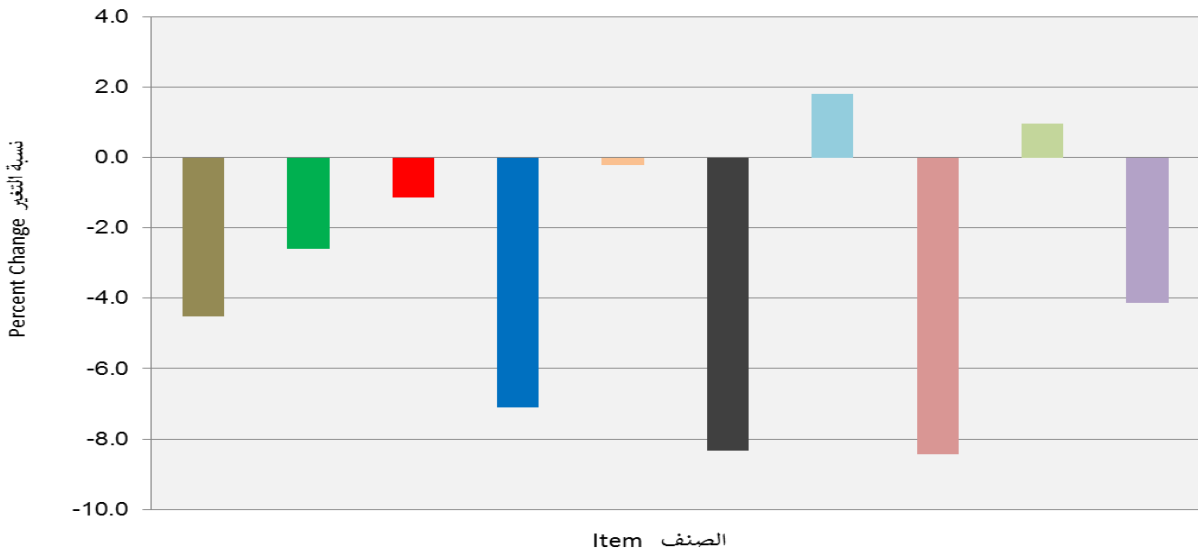


التغيرات النسبية الربع سنوية خلال الربع الرابع 2015  
The Quarterly Change during Q4 of 2015



■ Residential Plot قطعة أرض سكني ■ Residential building عمارة سكني ■ villa فيلا ■ apartment شقة  
■ House بيت ■ Commercial Plot قطعة أرض تجاري ■ Commercial building عمارة تجاري ■ Gallery / Shop معرض / محل  
■ Commercial Center مركز تجاري ■ Agricultural زراعي

التغيرات النسبية السنوية خلال الربع الرابع 2015  
The Annual Change during Q4 of 2015



■ Residential Plot قطعة أرض سكني ■ Residential building عمارة سكني ■ villa فيلا ■ apartment شقة  
■ House بيت ■ Commercial Plot قطعة أرض تجاري ■ Commercial building عمارة تجاري ■ Gallery / Shop معرض / محل  
■ Commercial Center مركز تجاري ■ Agricultural زراعي





Table (2)

جدول (٢)

Series of Real Estate Indices  
Quarterly in The Kingdomسلسلة الأرقام القياسية لأسعار  
العقارات بالمملكة

Qtr. 4 - 2015

2014=100

الربع الرابع - 2015

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>					الرقم القياسي العام
2014	98.2	99.3	101.0	101.6	100.0
2015	99.2	98.1	96.4	95.8	97.4
<b>Residential</b>					سكني
2014	97.9	98.9	101.3	101.8	100.0
2015	100.1	99.8	98.2	97.1	98.8
<b>Plot</b>					قطعة أرض
2014	97.9	98.9	101.4	101.9	100.0
2015	100.2	99.9	98.2	97.3	98.9
<b>Building</b>					عمارة
2014	97.6	99.0	99.7	103.7	100.0
2015	102.2	102.1	102.1	101.1	101.9
<b>villa</b>					فيلا
2014	101.2	100.0	98.2	100.6	100.0
2015	101.4	100.9	104.9	99.4	101.7
<b>apartment</b>					شقة
2014	98.7	99.5	100.6	101.2	100.0
2015	98.3	96.7	95.3	94.0	96.1
<b>House</b>					بيت
2014	100.8	100.1	100.0	99.1	100.1
2015	98.6	98.8	98.5	98.9	98.7
<b>Commercial</b>					تجاري
2014	98.5	99.9	100.2	101.5	100.0
2015	97.5	94.7	92.9	93.0	94.5
<b>Plot</b>					قطعة أرض
2014	98.5	99.9	100.2	101.5	100.0





Table (2)

جدول (٢)

Series of Real Estate Indices  
Quarterly in The Kingdomسلسلة الأرقام القياسية لأسعار  
العقارات بالمملكة

Qtr. 4 - 2015

2014=100

الربع الرابع - 2015

السنة	الربع الأول	الربع الثاني	الربع الثالث	الربع الرابع	المتوسط السنوي
Year	Qtr.1	Qtr.2	Qtr.3	Qtr.4	Annual average
2015	97.5	94.7	92.8	93.0	94.5
Building					عمارة
2014	100.0	100.0	100.0	100.0	100.0
2015	100.0	100.0	100.0	101.8	100.5
Gallery / Shop					معرض / محل
2014	98.7	98.3	101.1	101.9	100
2015	98.7	96.1	93.5	93.3	95.4
Commercial Center					مركز تجاري
2014	100.8	100.0	97.5	101.8	100.0
2015	102.5	102.7	103.1	102.8	102.7
Agricultural					زراعي
2014	99.1	100.4	101.1	99.4	100.0
2015	96.3	95.9	95.6	95.3	95.8
Agricultural Land					ارض زراعية
2014	99.1	100.4	101.1	99.4	100.0
2015	96.3	95.9	95.6	95.3	95.8

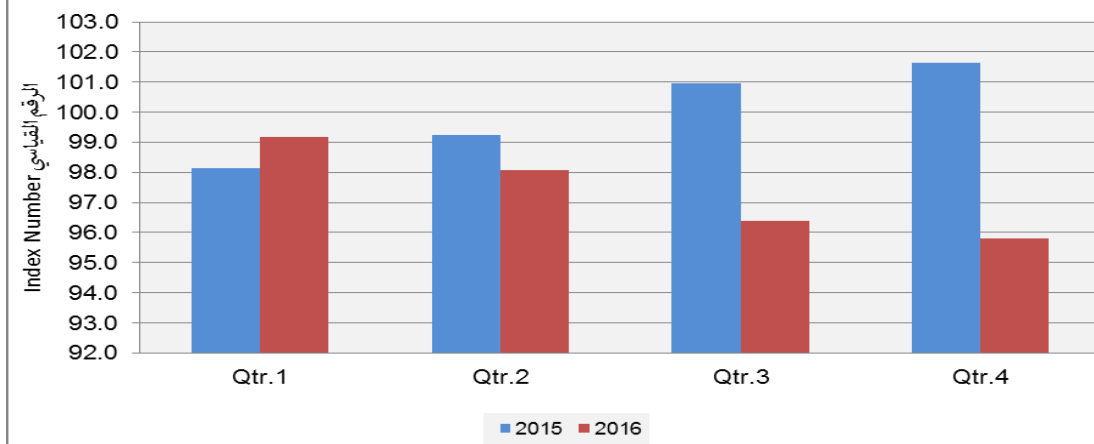
الرقم القياسي العام الربع سنوي للاعوام 2015 & 2014  
The Quarterly General Index Number for 2014&2015



Table (3)

جدول (٣)

Indices for Real Estate

الأرقام القياسية لأسعار العقارات

Regions

على مستوى المناطق

٢٠١٥ Qtr.4

الربع الرابع - ٢٠١٥

2014=100

Regions & Kingdom	الرقم القياسي للربع الرابع ٢٠١٥				المملكة والمناطق الادارية
	القطاع الزراعي	القطاع التجاري	القطاع السكني	الرقم العام	
Kingdom	95.3	93.0	97.1	95.8	المملكة
Ar Riyad	120.5	91.2	98.9	95.7	الرياض
Makkah	97.8	92.9	96.1	95.3	مكة المكرمة
Madinah	93.6	102.4	101.2	99.6	المدينة المنورة
Eastern	103.7	94.5	96.5	96.0	الشرقية
Al Qaseem	89.1	94.0	92.7	92.7	القصيم
Aseer	92.9	96.9	89.4	90.5	عسير
Tabouk	103.2	100.4	95.2	97.1	تبوك
Hail	99.7	96.4	96.8	96.9	حائل
Jazan	83.4	89.6	98.3	94.8	جازان
Al Baha	107.3	97.5	90.1	91.7	الباحة
Al Jouf	104.0	87.8	85.8	88.7	الجوف
Najran	100.5	93.0	94.5	95.4	نجران
Northern		95.3	95.0	95.0	الحدود الشمالية

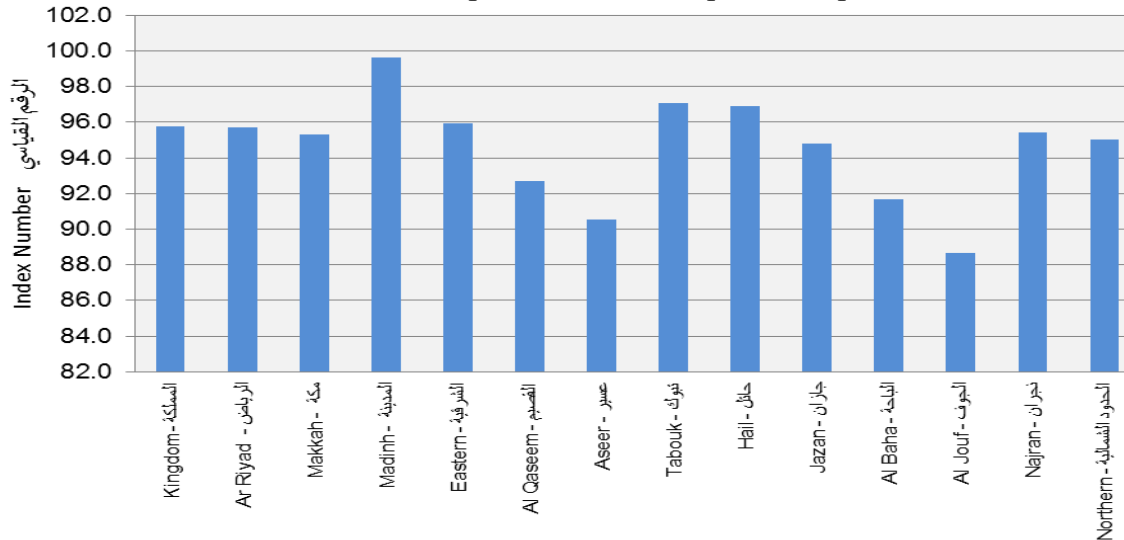
الارقام القياسية خلال الربع الرابع 2015 للمملكة والمناطق الادارية  
Indices During Q4 of 2015 for Kingdom & Regions



Table (4)

(٤) جدول

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

الأهمية النسبية لقطاعات وأصناف  
الرقم القياسي لأسعار العقارات

2014 =100

General index , Sectors & items	الأهمية النسبية	الرقم القياسي العام والقطاعات والأصناف
General index	100.0	الرقم القياسي العام
<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	معرض / محل
Commercial Center	0.1	مركز تجاري
<b>Agrarian</b>	<b>3.6</b>	<b>زراعي</b>
Agrarian Land	3.6	ارض زراعية



