

Real estate prices increase by 0.8% in Q2 of 2023

The real estate price index increased by 0.8% in the second quarter of 2023 compared to the same quarter of 2022, affected by the increase in the prices of residential properties by 1.1%. and commercial real estate by 0.2%. The decline in the agricultural sector contributed to reducing the rate of increase in the index by 0.3%.

High prices of residential land main driver of real estate prices in Q2 of 2023 on an annual basis

Real estate prices in the residential sector increased by 1.1%, affected by the increase in the prices of residential plots (1.2%), on an annual basis in the second quarter of 2023. Given the heavy weight of the residential sector prices, it had a significant impact on the increase in this general index.

Among other residential properties, the prices of apartments increased by 1.0%. On the other hand, the prices of buildings decreased by 0.9%, villas by 5.0%, and houses by 0.1%.

Real estate prices in the commercial sector increased by 0.2%, affected by the increase in the prices of commercial plots of land (0.2%). The prices of commercial exhibitions decreased by 1.1%, the prices of commercial buildings and commercial centers stabilized in the second quarter of 2023.

The agricultural sector decreased by 0.3%, affected by the decrease in the prices of agricultural lands by (0.3%).

Stability of real estate prices on a quarterly basis

The general real estate price index has stabilized during the second quarter of 2023 compared to the first quarter of 2023.

At the sectoral level, residential sector prices increased by 0.1%; This is due to the increase in the prices of residential plots, which increased by 0.1%. Among other residential properties, the prices of apartments increased by 0.1%, while the prices of villas decreased by 1.7% and residential houses by 0.3%. The prices of residential buildings were stable in the second quarter of 2023.

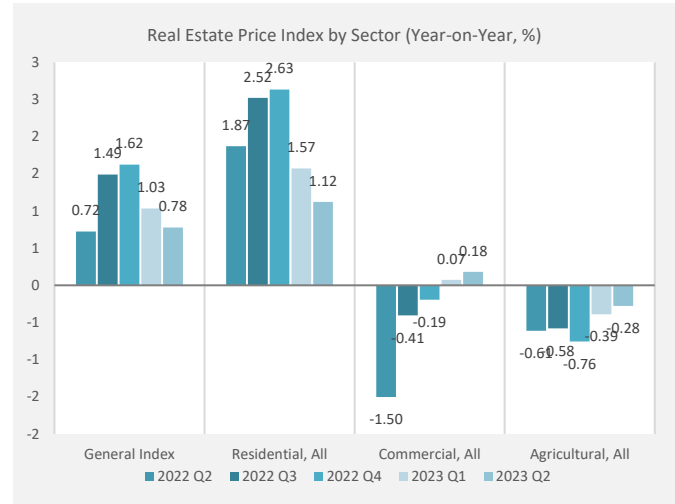
On the other hand, the commercial sector decreased by 0.1%, due to the decrease in the prices of commercial land by 0.1% and commercial exhibitions by 0.6%, while the prices of commercial buildings and commercial centers were stable in the second quarter of 2023.

On the other hand, real estate prices in the agricultural sector stabilized in the Second quarter of 2023.

Table 1. Annual & Quarterly Change in Real Estate Price Index by Sector & Type of Real Estate (Q2 2023)

Sector & Type of Real Estate	Percent Change in Q2-2023 from:	
	Q2-2022	Q1-2023
General Index	0.8	0.0
Residential	1.1	0.1
Plot	1.2	0.1
Building	-0.9	0.0
Villa	-5.0	-1.7
Apartment	1.0	0.1
House	-0.1	-0.3
Commercial	0.2	-0.1
Plot	0.2	-0.1
Building	0.0	0.0
Gallery /Shop	-1.1	-0.6
Commercial Center	0.0	0.0
Agricultural	-0.3	0.0
Agricultural Land	-0.3	0.0

Source: [Tables](#).



Reference Metadata

The Real Estate Price Index is a statistical tool for measuring the relative change in real estate prices in 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 Saudi Arabia. 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 Saudi Arabia. The base year of the index is 2014. For more details, click [Reference Metadata](#)