



الهيئة العامة للإحصاء
General Authority for Statistics

Real Estate Price Index

Third Quarter - 2019



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.

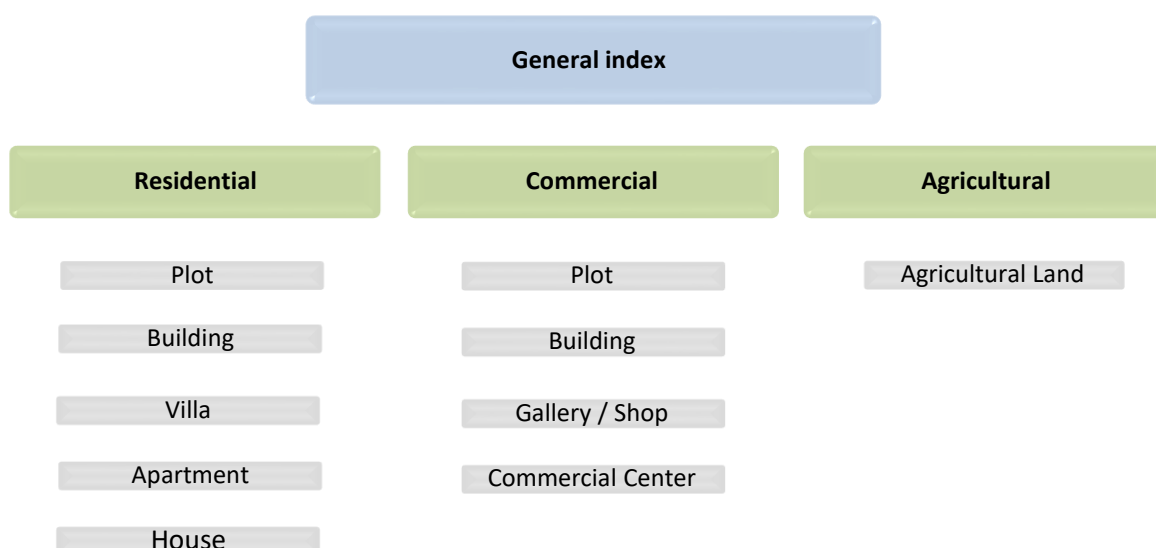
Base Year:

The base year is determined to be 2014.

Classification:

The MOJ data are classified into three main sectors:

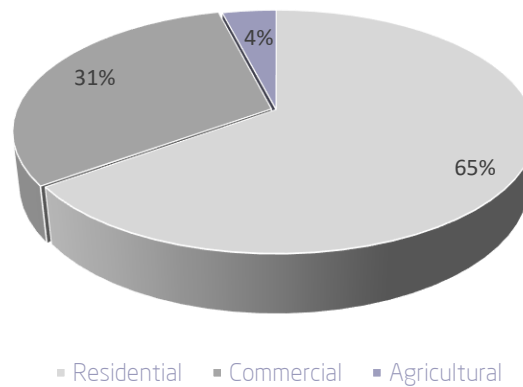
- Residential Sector: It includes residential plots, residential buildings, villas, apartments and houses.
- Commercial Sector: It covers commercial plots, commercial buildings, galleries/shops, and malls.
- Agricultural Sector: It is made up of the agrarian lands.



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 in the Kingdom



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:

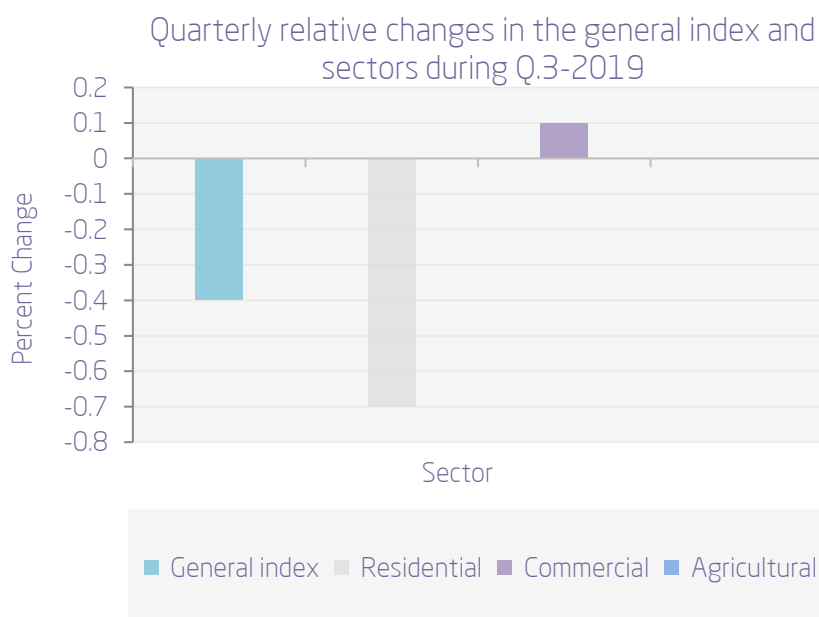
- Results of the Real Estate Price Index are published as per specific dates declared at the GASTAT website.
- The GASTAT website www.stats.gov.sa is regarded as the accredited official publishing platform.
- Results of the Real Estate Price Index are published by contacting media, and through social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

Main Features of Real Estate Price Index Movements In Q.3 - 2019

1- Quarterly Change:

Real Estate Price Index for Q.3 of 2019, compared to Q.2 of 2019, declined by (0.4%) which was the result of the changes recorded by the constituent sectors of the index as follows:

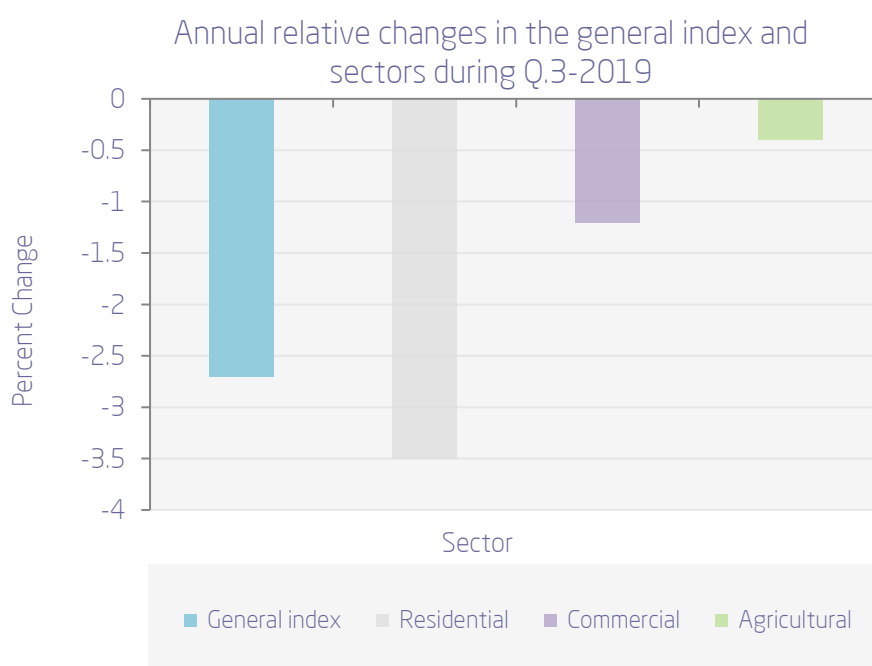
Sector	Percentage (%)	Key items	
		Item	Percentage (%)
Residential	- 0.7 ↓	Residential Plot	- 0.7
		Residential building	- 0.3
		Apartment	- 0.6
		House	- 0.2
Commercial	0.1 ↑	Commercial Plot	0.1
Agricultural	0.0	Agricultural Land	0.0



2- Annual change:

Real Estate Price Index for Q.3 of 2019, compared to Q.3 of 2018, declined by (2.7%) due to changes that took place in the constituting sectors of the index as follows:

Sector	Percentage (%)	Key items	
		Item	Percentage (%)
Residential	- 3.5 ↓	Residential Plot	- 3.7
		Residential building	- 1.9
		villa	- 3.1
		apartment	- 0.1
Commercial	- 1.2 ↓	Commercial Plot	- 1.2
		Gallery / Shop	- 2.4
Agricultural	- 0.4 ↓	Agricultural Land	- 0.4



Tables

Table (1)

جدول (1)

Quarterly Real Estate Indices and percent change

الأرقام القياسية ربع السنوية لأسعار العقارات ونسب التغير

Q.3 - 2019

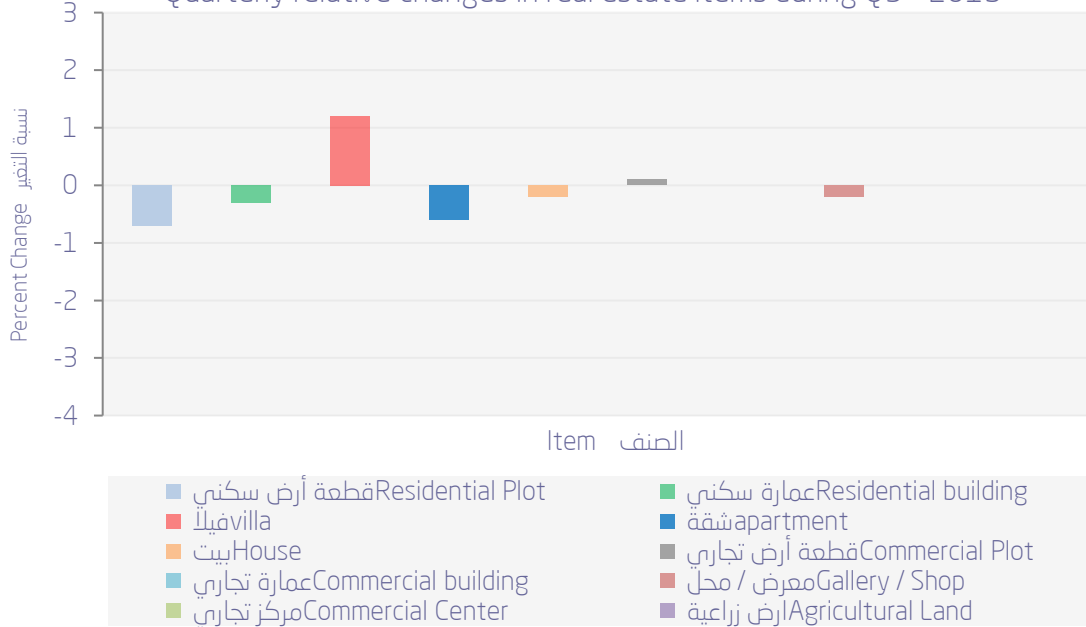
2014=100

الربع الثالث - 2019

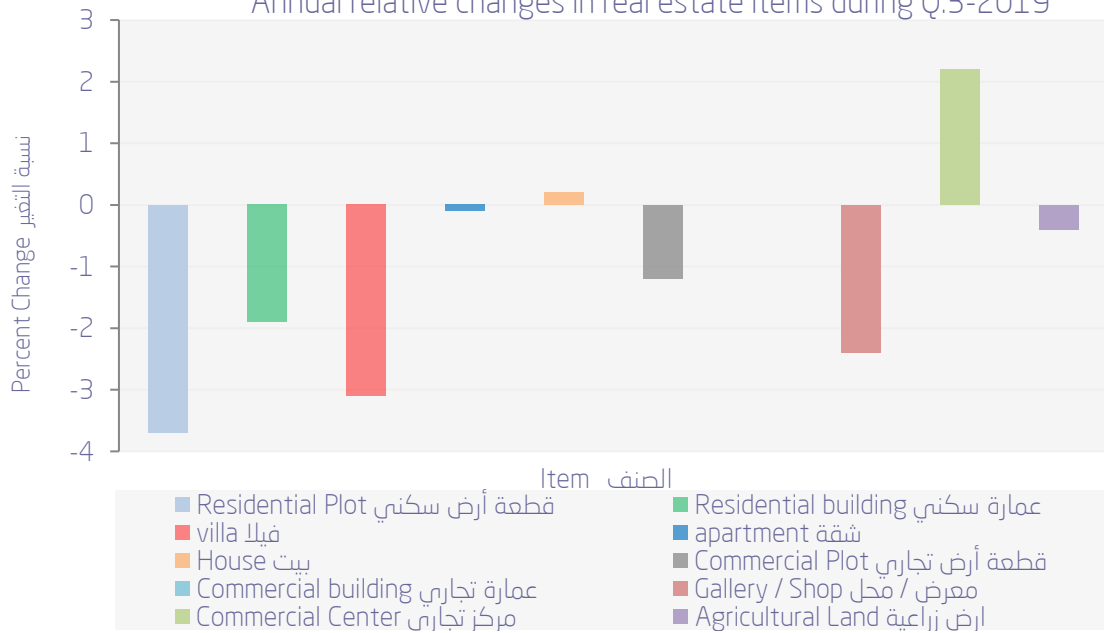
General index Sectors & items	الأرقام القياسية Index Numbers			نسبة التغير من الربع الثالث إلى 2019 Percent Change from Qtr.3- 2019 to		الرقم القياسي العام والقطاعات والاصناف
	الربع الثالث	الربع الثاني	الربع الثالث	الربع الثاني	الربع الثالث	
	Q.3 - 2019	Q.2 - 2019	Q.3 - 2018	Q.2 - 2019	Q.3 - 2018	
General index	80.1	80.4	82.3	-0.4	-2.7	الرقم القياسي العام
Residential	81.9	82.5	84.9	-0.7	-3.5	سكني
Plot	81.8	82.4	84.9	-0.7	-3.7	قطعة أرض
Building	92.2	92.5	94	-0.3	-1.9	عمارة
Villa	87.6	86.6	90.4	1.2	-3.1	فيلا
Apartment	82.6	83.1	82.7	-0.6	-0.1	شقة
House	95.1	95.3	94.9	-0.2	0.2	بيت
Commercial	75.1	75	76	0.1	-1.2	تجاري
Plot	75	74.9	75.9	0.1	-1.2	قطعة أرض
Building	102.1	102.1	102.1	0	0	عمارة
Gallery / Shop	88.2	88.4	90.4	-0.2	-2.4	معرض / محل
Commercial Center	102.4	102.4	100.2	0	2.2	مركز تجاري
Agricultural	93.1	93.1	93.5	0	-0.4	زراعي
Agricultural Land	93.1	93.1	93.5	0	-0.4	ارض زراعية



التغيرات النسبية الربع سنوية للأصناف العقارية خلال الربع الثالث 2019
Quarterly relative changes in real estate items during Q3 - 2019



التغيرات النسبية السنوية للأصناف العقارية خلال الربع الثالث 2019
Annual relative changes in real estate items during Q.3-2019



Table(2)

جدول (2)

Series of Real Estate indices
In The Kingdomسلسلة الارقام القياسية لأسعار العقارات
بالمملكة

Q.3 - 2019

2014=100

الربع الثالث - 2019

السنة Year	الربع الأول Qtr.1	الربع الثاني Qtr.2	الربع الثالث Qtr.3	الربع الرابع Qtr.4	المتوسط السنوي Annual average
General index					
2017	85.5	84.9	84.9	84.6	85.0
2018	84.2	83.6	82.3	80.4	82.6
2019	80.1	80.4	80.1		
Residential					
سكنى					
2017	87.6	87.8	88.2	88.0	87.9
2018	87.4	86.7	84.9	82.7	85.4
2019	82.3	82.5	81.9		
Plot					
قطعة أرض					
2017	87.6	87.8	88.2	88.1	87.9
2018	87.5	86.8	84.9	82.6	85.4
2019	82.2	82.4	81.8		
Building					
عمارة					
2017	95.1	94.2	93.4	93.5	94.0
2018	93.6	93.8	94.0	93.4	93.7
2019	92.8	92.5	92.2		
Villa					
فيلا					
2017	92.5	94.5	94.4	93.2	93.7
2018	93.3	91.7	90.4	88.9	91.1
2019	89.0	86.6	87.6		
apartment					
شقة					
2017	86.8	85.8	85.6	85.5	85.9
2018	85.0	84.5	82.7	82.5	83.7
2019	82.7	83.1	82.6		
House					
بيت					
2017	96.9	96.8	96.6	96.1	96.6
2018	95.3	95.2	94.9	95.4	95.2
2019	95.6	95.3	95.1		
Commercial					
تجاري					
2017	80.2	78.4	77.6	77.1	78.3
2018	76.7	76.4	76.0	74.7	75.9
2019	74.4	75.0	75.1		
Plot					
قطعة أرض					
2017	80.1	78.3	77.5	77.0	78.2
2018	76.6	76.3	75.9	74.6	75.9
2019	74.3	74.9	75.0		

Table(2)

جدول (2)

 Serice of Real Estate indices
 In The Kingdom

 سلسلة الارقام القياسية لأسعار العقارات
 بالمملكة

Q.3 - 2019

2014=100

الربع الثالث - 2019

السنة Year	الربع الأول Qtr.1	الربع الثاني Qtr.2	الربع الثالث Qtr.3	الربع الرابع Qtr.4	المتوسط السنوي Annual average
Building عمارة					
2017	102.1	102.1	102.1	102.1	102.1
2018	102.1	102.1	102.1	102.1	102.1
2019	102.1	102.1	102.1		
Gallery / Shop معرض / محل					
2017	89.1	88.5	89.0	89.3	89.0
2018	89.5	90.3	90.4	90.4	90.1
2019	90.1	88.4	88.2		
Commercial Center مركز تجاري					
2017	101.9	101.9	101.9	101.4	101.8
2018	100.2	100.2	100.2	100.0	100.2
2019	100.3	102.4	102.4		
Agricultural زراعي					
2017	94.0	93.8	93.8	93.7	93.8
2018	93.6	93.5	93.5	93.4	93.5
2019	93.2	93.1	93.1		
Agricultural Land ارض زراعية					
2017	94.0	93.8	93.8	93.7	93.8
2018	93.6	93.5	93.5	93.4	93.5
2019	93.2	93.1	93.1		

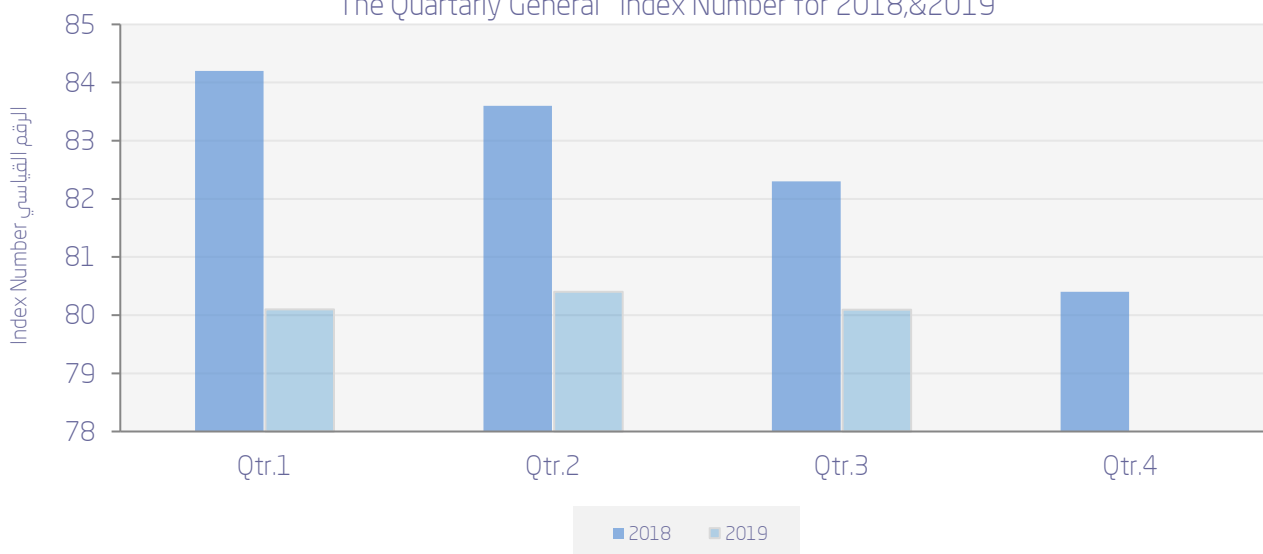
 الرقم القياسي العام الربع سنوي للاعوام 2018,2019
 The Quarterly General Index Number for 2018,&2019




Table (3)

جدول (3)

Real Estate Indices
for Regionsالأرقام القياسية لأسعار العقارات على
مستوى المناطق

Q.3 - 2019

2014=100

الربع الثالث - 2019

Kingdom & Regions	الرقم القياسي للربع الثالث 2019				المملكة والمناطق الادارية
	القطاع الزراعي	القطاع التجاري	القطاع السكني	الرقم العام	
Kingdom	93.1	75.1	81.9	80.1	المملكة
Ar Riyadh	129.2	67.5	80.6	74.9	الرياض
Makkah	95.9	77.3	81.1	80.3	مكة المكرمة
Madinh	92.8	96.8	91.1	92.6	المدينة المنورة
Al Qaseem	79.9	83.2	77.8	79.0	القصيم
Eastern	88.8	83.6	81.6	82.4	الشرقية
Aseer	91.8	91.4	83.4	85.0	عسير
Tabouk	100.5	95.5	78.5	84.1	تبوك
Hail	97.4	78.1	90.9	89.1	حائل
Northern		95.8	90.0	90.7	الحدود الشمالية
Jazan	83.4	75.6	92.1	87.1	جازان
Najran	99.3	84.7	82.0	85.8	نجران
Al Baha	107.3	97.4	75.5	79.0	الباحة
Al Jouf	110.5	83.1	78.9	83.6	الجوف

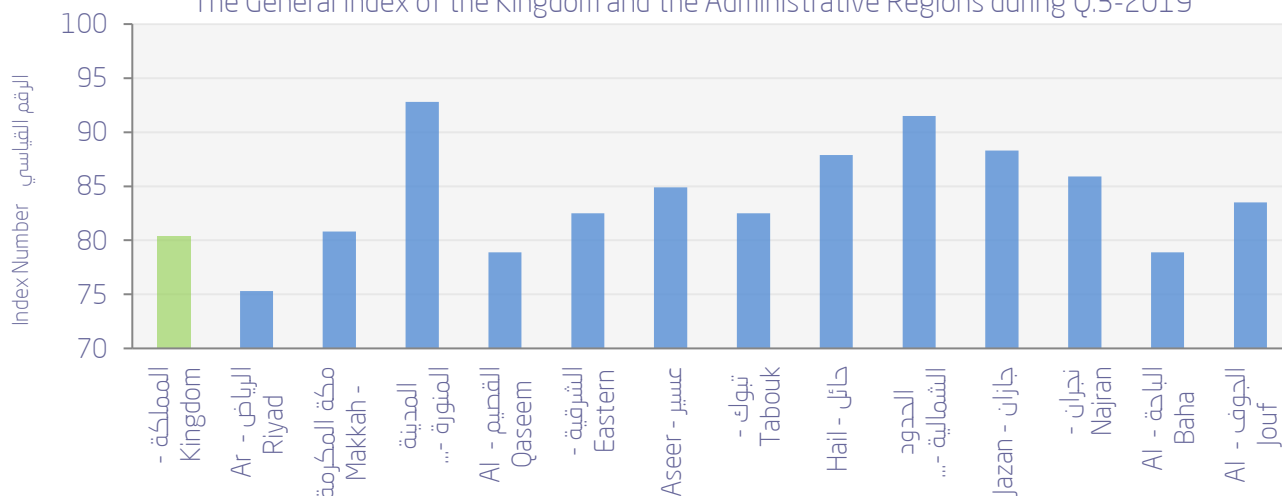
الرقم القياسي العام للمملكة والمناطق الادارية خلال الربع الثالث 2019
The General Index of the Kingdom and the Administrative Regions during Q.3-2019

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,	الأهمية النسبية	الرقم القياسي العام
General index	100	الرقم القياسي العام
Residential	65.4	سكنى
Plot	62.2	قطعة أرض
Building	0.03	عمارة
Villa	0.4	فيلا
Apartment	2.6	شقة
House	0.2	بيت
Commercial	31	تجارى
Plot	30.9	قطعة أرض
Building	0.003	عمارة
Gallery / Shop	0.1	معرض / محل
Commercial Center	0.1	مركز تجارى
Agricultural	3.6	زراعى
Agricultural Land	3.6	ارض زراعية