Real estate price index rises by 4.3% in Q1 2025

The real estate price index increased by 4.3% in Q1 of 2025 compared to the same quarter of 2024, influenced by a 5.1% increase in residential sector real estate prices and a 2.5% increase in commercial sector real estate prices. However, the agricultural sector real estate prices decreased by 1.1% (Graph 1).

Year-on-year developments in residential and commercial sectors in Q1 2025

Data indicates that real estate prices in the residential sector experienced varying increases in the first quarter of 2025 compared to the same quarter of the previous year. The residential sector recorded an overall increase of 5.1%, with a weighting of 72.7% in the index. This rise was largely driven by a 5.3% increase in the prices of residential land plots, which carry a weighting of 45.8% in the index. Additionally, villa prices increased by 10.3%, apartment prices rose by 1.2%, and residential floor prices increased by 2.8% (Graph 2).

Similarly, real estate prices in the commercial sector increased by 2.5% in the first quarter of 2025 compared to the same quarter of the previous year. This growth was primarily driven by a 2.4% increase in the prices of commercial land plots. Moreover, building prices rose by 3.1%, and gallery/ shop prices increased by 5.1%.

Real estate prices increase by 0.7% on a quarterly basis in Q1 2025

The real estate price index increased by 0.7% on a quarterly basis during Q1 of 2025 compared to the previous quarter (Q4 of 2024). The quarterly real estate index was influenced by a 1.9% increase in residential sector prices, driven by a 3.2% rise in residential land plot prices. Additionally, apartment prices increased by 0.2%, and residential floor prices rose by 0.2%, while villa prices declined by 1.4%.

On the other hand, real estate prices in the commercial sector decreased by 2.1%, driven by a 2.6% drop in commercial land plot prices. In contrast, building prices increased by 1.6%, and gallery/shop prices rose by 1.8%.

Similarly, prices in the agricultural real estate sector declined by 3.8%, driven by a corresponding 3.8% decrease in agricultural land prices.

Annual real estate price movements by administrative regions

In terms of the impact of administrative regions on the annual change, the national level recorded an increase of 4.3%. This was mainly driven by the annual price increase in Riyadh Region by 10.7%, followed by Makkah Region at 1.5%, while the Eastern Region recorded a decline of 5.5% (Graph 3).

At the regional level, Northern Borders, Al-Jouf, and Najran recorded the highest annual increases after Riyadh, at 8.7%, 8.2%, and 5.6%, respectively. Meanwhile, Eastern and Asir Regions recorded the highest rates of decline, at 5.5% and 4.4%, respectively.
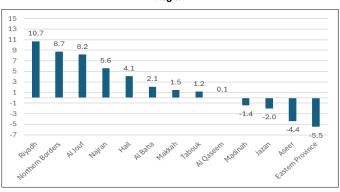
Graph 1. Annual Change (%) in Real Estate Prices for Major Real Estate Sectors – Q1 2025

Graph 2. Annual Change (%) in Real Estate Prices for Major Residential Types – Q1 2025

Graph 3. Annual Change (%) in Real Estate Prices for Q1 2025 by Administrative Region

Methodology and Quality

The Real Estate Price Index (REPI) is a statistical tool used to measure the relative change in real estate prices in the Kingdom of Saudi Arabia. It is based on data from available real estate transactions within the Kingdom. The General Authority for Statistics calculates the index on a quarterly basis, providing a detailed breakdown by sector and property type across all administrative regions.

The base year for the index is set to 2023. The General Authority for Statistics has adopted a new methodology for calculating the REPI in collaboration with the General Real Estate Authority, the Ministry of Justice, and the Saudi Central Bank. This updated methodology aims to enhance the quality and transparency of real estate price data in accordance with international best practices.

To achieve this, a geospatial artificial intelligence (Geo AI) model is utilized to process various types of real estate transactions and link them to multiple data sources and satellite imagery. This approach improves the accuracy of real estate classification and enhances the quality of available data.

Data according to the updated methodology has been published starting from the third quarter of 2024.

For more details, please refer to the Reference Methodology and Quality Report and Tables.