

## Real estate price index rises by 2.6% in Q3 2024

The Real Estate Price Index (100=2023) increased by 2.6% in Q3 of 2024 compared to the same quarter of 2023, influenced by a 1.6% increase in residential sector real estate prices and a 6.4% increase in commercial sector real estate prices. On the other hand, agricultural sector prices decreased by 8.7% (Graph 1).

### Year-on-year developments in residential and commercial sectors in Q3 of 2024

Data indicates that real estate prices in the residential sector experienced varying increases in the third quarter of 2024 compared to the same quarter of the previous year. The residential sector recorded an overall increase of 1.6%, with a weighting of 72.6% in the index. This rise was largely driven by a 1.6% increase in the prices of residential land plots, which carry a weighting of 45.7% in the index. Additionally, apartment prices increased by 1.9%, while villa prices rose by 1.5%. However, the prices of residential floors saw a decrease of 1.8% (Graph 2). Similarly, real estate prices in the commercial sector increased by 6.4% in the third quarter of 2024 compared to the same quarter of the previous year. This growth was primarily driven by a 6.3% increase in the prices of commercial land plots. Moreover, building prices rose by 8.6%, while gallery/ shop prices declined by 1.1%.

### Real estate prices increase by 0.8% on quarterly basis in Q3 2024 compared to Q2 2024

The real estate price index increased by 0.8% on quarterly basis during the third quarter of 2024 compared to the previous quarter (second quarter of 2024). The quarterly real estate index was influenced by the increase in the prices of the residential sector by 0.2%, driven by the rise in residential land plot prices by 0.2%, as well as the increase in the prices of villas by 0.4%, and the prices of floors by 1.8%.

On the other hand, the prices of real estate in the commercial sector increased by 3.0%, driven by a 3.2% rise in commercial land plot prices, a 0.4% increase in building prices, and a 2.4% increase in gallery/shop prices.

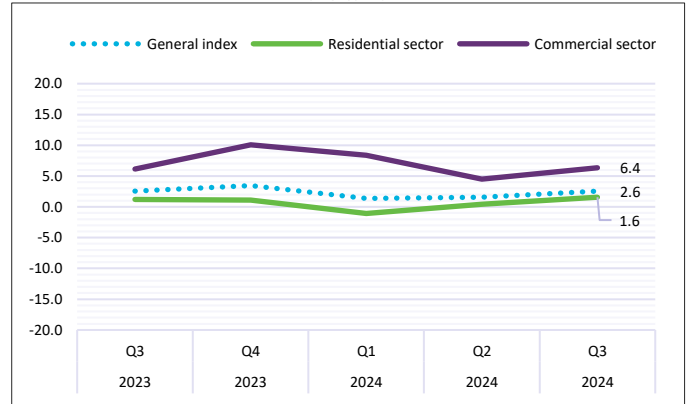
Meanwhile, the prices of real estate in the agricultural sector decreased by 7.7%, driven by a 7.7% decline in agricultural land prices.

### Annual real estate price movements by administrative regions

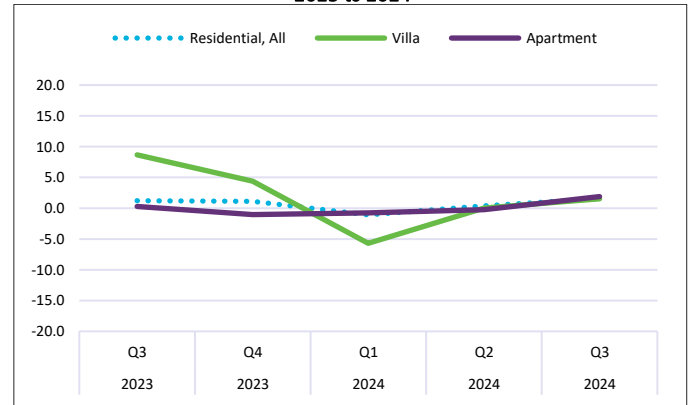
In terms of the impact of administrative regions on the annual change, the national level saw an increase of 2.6%. This growth was primarily driven by the Riyadh region, which experienced an annual increase of 10.2%. In contrast, the Makkah region and the Eastern Province saw declines of 1.3% and 8.3%, respectively. The weights of these regions in the overall index are 47.8%, 24.1%, and 16.1%, respectively (Graph 3).

At the level of other regions in the Kingdom, Hail region and the Northern region recorded notable annual increases of 5.0% and 1.7%, respectively, following Riyadh. Meanwhile, Al-Baha region and Asir region experienced significant declines, with decreases of 14.3% and 9.3%, respectively.

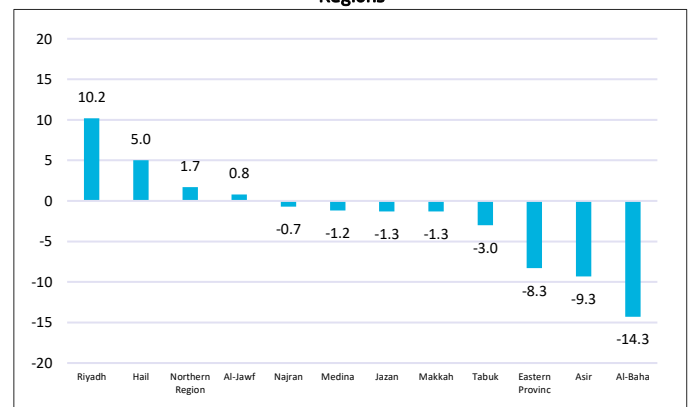
Graph 1. Changes in Real Estate Prices (%) for Major Real Estate Sectors in Q3 from 2023 to 2024



Graph 2. Changes in Real Estate Prices (%) for Major Residential Types in Q3 from 2023 to 2024



Graph 3. Annual Change in Real Estate Prices (%) for Q3 2024 by Administrative Regions



### Reference Metadata

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 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 [Metadata](#) and [Tables](#).