

RIYADH REAL ESTATE TRANSACTIONS

Market Update – H1 2021



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PREAMBLE

There were nearly 31,000 residential real estate transactions occurred during the first half of 2021 in the capital city with an increase of 35% when compared with the same period of previous year. The value of residential transactions in Riyadh worth SAR 27.3 billion witnessed a significant increase of 39% YoY during the first half of 2021.

The total value of residential mortgages issued in Saudi Arabia from January to May was SAR 69 million compared to the SAR 74 million for full year 2019 and SAR 136 million for full year 2020.

According to the official data, the kingdom's construction sector is on the rise as 344,000 housing units were built over the last year — an increase of 4.1% from 2019 of which 30% was supplied through the partnership with the private sector program 'Shrakat' and the developers' platform 'Etmam'. New housing supply surged by 29% year on year in the first three months of 2021 as the construction of housing units started on 101,000 units in the first quarter. Riyadh has recorded the highest number of housing units (15,666) completed followed by Jeddah (12,656) units till the first quarter of 2021.

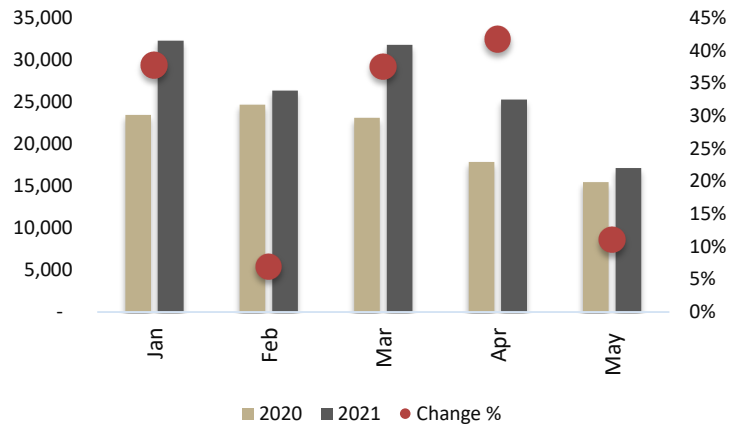
During last year, Sakani program provided around 266,000 residential loans and free land packages where the beneficiaries under this program can obtain subsidized mortgage loans up to SAR 500,000. Low-income households can obtain a mortgage guarantee and subsidized loan up to SAR 500,000 or free land parcels.

According to our recent market research studies and valuations, a slight increase of 8% to 12% in residential prices (lands, villas & apartments) have been observed during the first half of 2021 especially at the northern and central parts of the capital city due to higher demand of good quality housing units.

SAUDI RESIDENTIAL MORTGAGE ISSUANCE – TILL MAY 2021

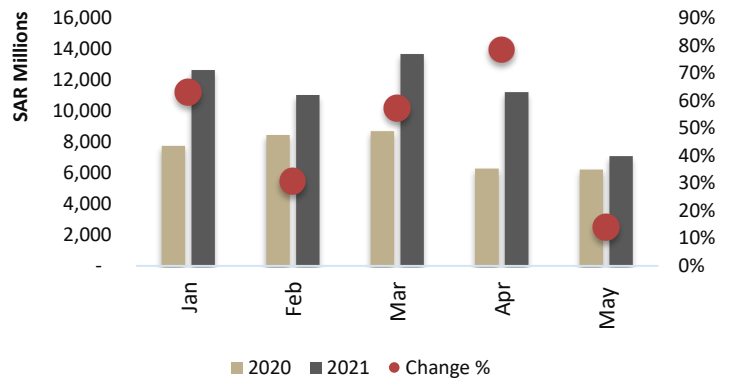
According to SAMA report, Saudi Arabian banks issued 133,006 mortgages till May 2021 worth a record of SAR 69.5 million, an increase of 49% from the same period in 2020.

NO. OF NEW MORTGAGE CONTRACTS TILL MAY (2020 VS. 2021)



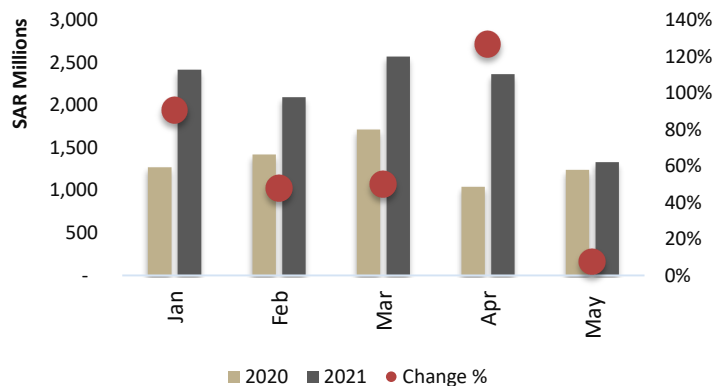
Value of new mortgages for houses surged 49% till May 2021 when compared with the previous year with an amount of SAR 55.67 million according to the Saudi Arabian Monetary Authority.

VALUE OF NEW MORTGAGES FOR HOUSES TILL MAY (2020 VS. 2021)



Apartments are becoming more popular among Saudis as the new mortgages for this category increased to 61% worth SAR 10.76 million year over year till May.

VALUE OF NEW MORTGAGES FOR APARTMENTS TILL MAY (2020 VS. 2021)

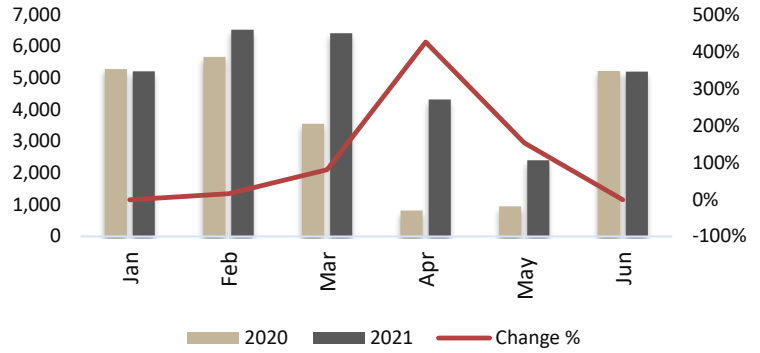


Source: SAMA

RIYADH RESIDENTIAL REAL ESTATE TRANSACTIONS – H1 2021

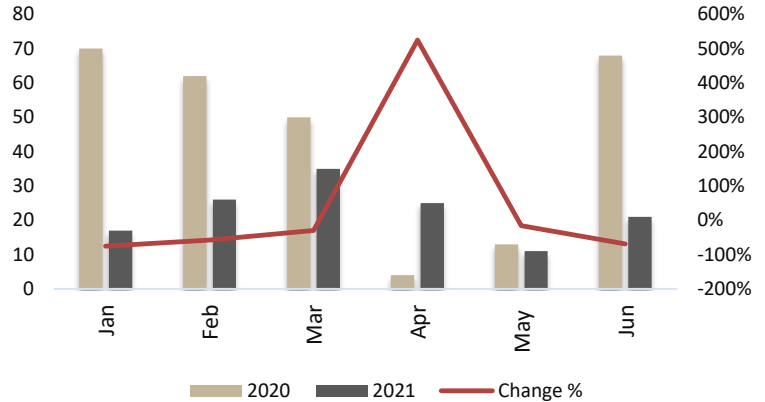
According to the data provided by the Ministry of Justice, the no. of residential land transactions in Riyadh were recorded at 30,073 with an increase of 40% year over year till June.

RIYADH RESIDENTIAL LANDS TRANSACTIONS H1 (2020 VS. 2021)



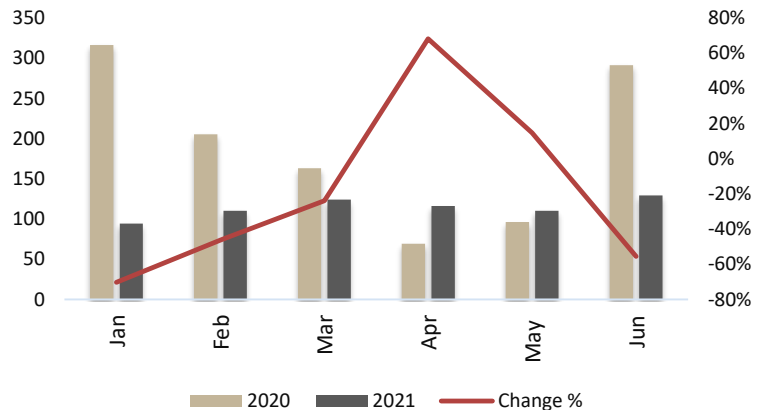
An overall decrease of 49% recorded till June 2021 in the capital's villa transactions when compared with the last year over the same period.

RIYADH VILLA TRANSACTIONS H1 (2020 VS. 2021)



Similarly in the apartment category, a significant drop of 40% has been observed YOY during the first half of 2021.

RIYADH APARTMENT TRANSACTIONS H1 (2020 VS. 2021)

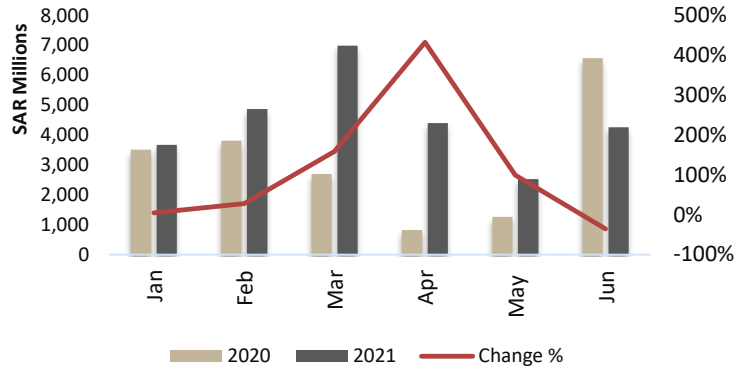


Source: MOJ

RIYADH RESIDENTIAL REAL ESTATE VALUE OF TRANSACTIONS – H1 2021

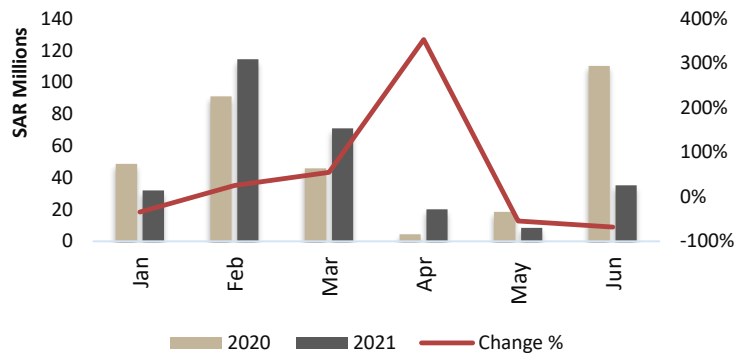
As per the MOJ data, the value of residential land transactions in Riyadh till the first half of 2021 were recorded at SAR 26.7 billion with an increase of 43% as compared to the last year.

VALUE OF TRANSACTIONS - RIYADH RESIDENTIAL LANDS H1 (2020 VS. 2021)



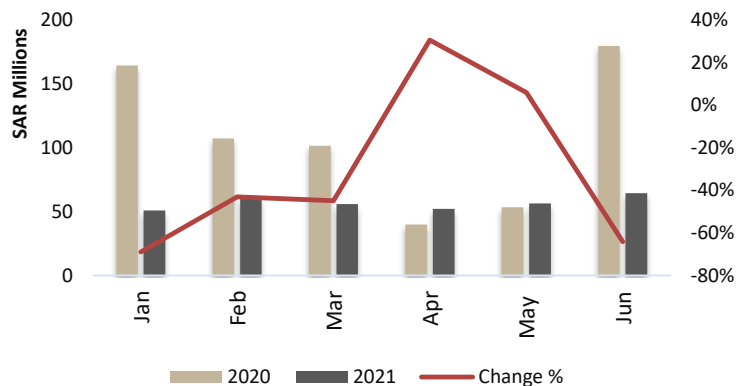
Due to lower no. of transactions recorded during the first half of 2021, the value of villa transactions dropped by 12% when compared with the previous year.

VALUE OF TRANSACTIONS - RIYADH VILLA H1 (2020 VS. 2021)



The value of transactions during H1 2021 for apartments were recorded at SAR 340 million with a decrease of 47% over the same period of 2020.

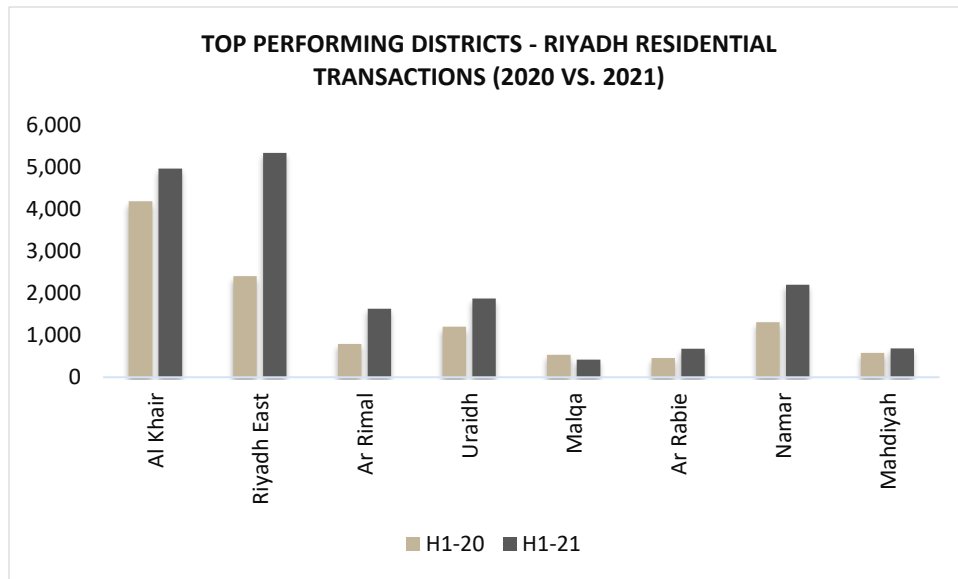
VALUE OF TRANSACTIONS - RIYADH APARTMENT H1 (2020 VS. 2021)



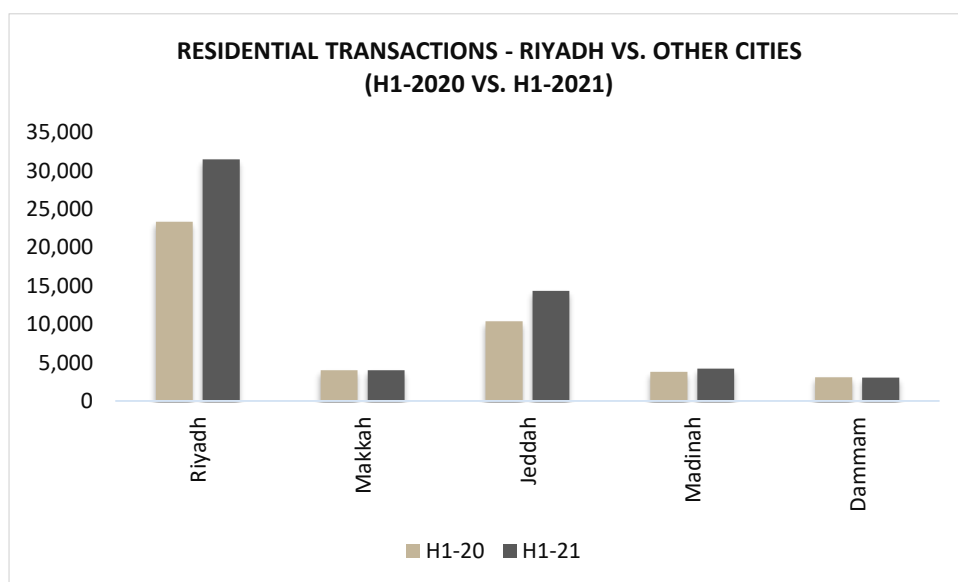
Source: MOJ

RIYADH RESIDENTIAL REAL ESTATE TRANSACTIONS – H1 2021

Riyadh East and Alkhair districts remain top performers when it comes to the capital's residential transactions where the number of transactions during the first half of this year were recorded at 5,348 & 4,970 respectively.



When compared with the other major cities of the Kingdom, Riyadh secure the first position with 31,438 residential real estate transactions with an increase of 35% followed by Jeddah with 14,346 transactions during the first half of 2021.



Source: MOJ

KSA NEW HOUSING SUPPLY – Q1-2021

Supply for new housing stock surged by 29% YoY during the first quarter of 2021 across the kingdom due to government's several initiatives like Sakani and Wafi programs to increase the home ownership ratio among Saudis and to provide affordable housing units.

Total Housing Completion
(Q1-21)



106,519

Riyadh Housing Completion
(Q1-21)



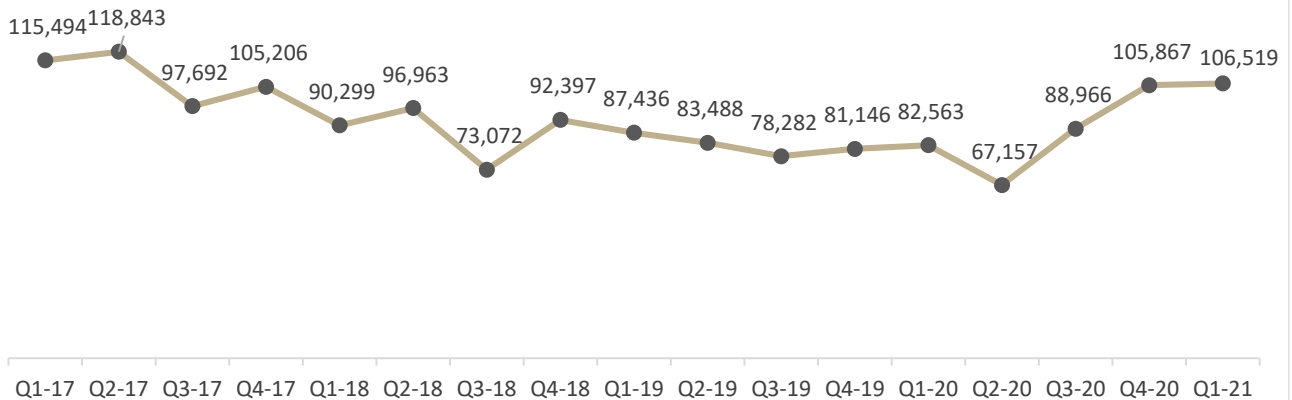
15,666

Saudi Home Ownership
(2020-21)

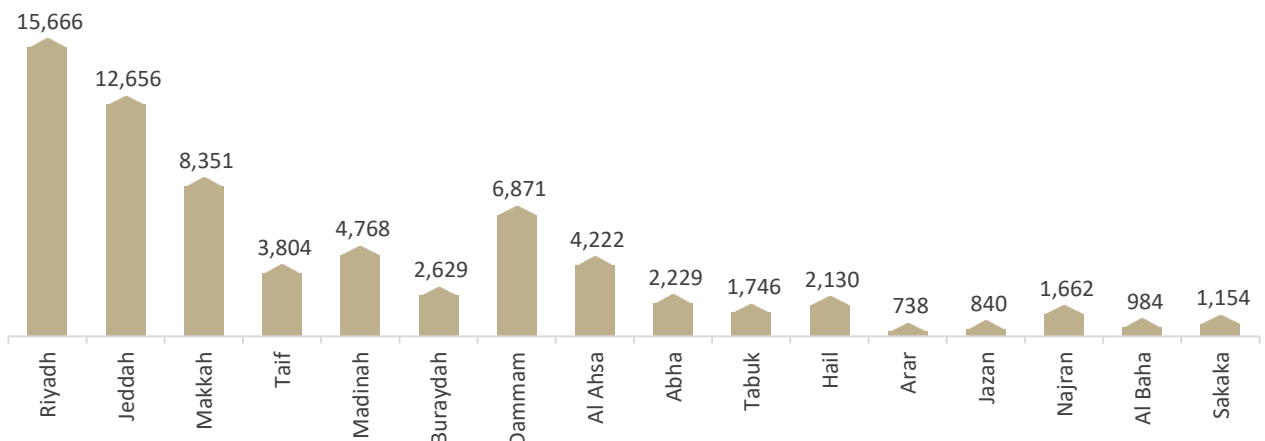


62.08%

HOUSING COMPLETION BY QUARTER



HOUSING COMPLETION BY CITY - Q1 2021



Source: HDOC

RIYADH RESIDENTIAL REAL ESTATE PRICES – H1 2021

RIYADH RESIDENTIAL LAND PRICES - H1-2021			RIYADH RESIDENTIAL VILLA PRICES - H1-2021			RIYADH RESIDENTIAL APARTMENT PRICES - H1-2021		
NORTH	Min	Max	NORTH	Min	Max	NORTH	Min	Max
Al Malqa	3,500	4,000	Al Malqa	2,500,000	3,400,000	Al Malqa	750,000	1,000,000
Al Aqiq	3,500	4,500	Al Aqiq	2,500,000	3,500,000	Al Aqiq	700,000	950,000
Al Yasmin	3,500	4,000	Al Yasmin	2,000,000	2,500,000	Al Yasmin	600,000	850,000
Hittin	4,500	5,000	Hittin	3,000,000	4,000,000	Hittin	700,000	950,000
Al Sahafah	3,000	3,500	Al Sahafah	2,200,000	2,500,000	Al Sahafah	600,000	800,000
WEST	Min	Max	WEST	Min	Max	WEST	Min	Max
Dhahrat Laban	1,500	1,800	Dhahrat Laban	1,500,000	2,000,000	Dhahrat Laban	350,000	480,000
Al Nakheel	3,500	4,500	Al Nakheel	2,500,000	4,000,000	Al Nakheel	600,000	900,000
Al Khuzama	4,500	5,500	Al Khuzama	3,000,000	4,000,000	Al Khuzama	700,000	950,000
Mahdiyah	1,500	2,000	Mahdiyah	1,350,000	1,500,000	Mahdiyah	550,000	750,000
Al Raed	4,000	4,500	Al Raed	2,500,000	3,600,000	Al Raed	750,000	1,000,000
EAST	Min	Max	EAST	Min	Max	EAST	Min	Max
Qurtaba	3,500	4,500	Qurtaba	2,000,000	2,500,000	Qurtaba	500,000	650,000
Al Janadariyah	1,600	1,800	Al Janadariyah	1,500,000	1,800,000	Al Janadariyah	400,000	525,000
Al Naseem	1,500	1,700	Al Naseem	1,300,000	1,600,000	Al Naseem	360,000	475,000
Al Yarmuk	2,400	2,700	Al Yarmuk	1,500,000	2,000,000	Al Yarmuk	550,000	715,000
Ishbilyah	2,400	2,800	Ishbilyah	1,500,000	2,200,000	Ishbilyah	450,000	550,000
SOUTH	Min	Max	SOUTH	Min	Max	SOUTH	Min	Max
Dar Al Baida	1,300	1,500	Dar Al Baida	1,100,000	1,300,000	Dar Al Baida	300,000	400,000
Al Aziziah	1,500	1,700	Al Aziziah	1,200,000	1,500,000	Al Aziziah	300,000	400,000
Al Shifa'a	1,300	1,500	Al Shifa'a	1,100,000	1,200,000	Al Shifa'a	300,000	400,000
Al Suwaidi	1,500	1,700	Al Suwaidi	1,000,000	1,500,000	Al Suwaidi	350,000	400,000
Badr	1,200	1,300	Badr	1,000,000	1,300,000	Badr	300,000	400,000
CENTRAL	Min	Max	CENTRAL	Min	Max	CENTRAL	Min	Max
Al Muruj	3,500	3,800	Al Muruj	2,200,000	2,500,000	Al Muruj	600,000	850,000
Olaya	3,500	3,700	Olaya	2,300,000	2,600,000	Olaya	750,000	850,000
Mursalat	3,000	3,500	Mursalat	2,300,000	2,500,000	Mursalat	670,000	850,000
King Fahd	2,500	2,800	King Fahd	2,000,000	2,500,000	King Fahd	710,000	800,000
Al Sulemaniyah	2,500	2,800	Al Sulemaniyah	2,000,000	2,400,000	Al Sulemaniyah	650,000	850,000

Source: Century 21 Saudi Research



CENTURY 21
Saudi Arabia

CENTURY 21 SAUDI'S RESEARCH & ADVISORY DEPARTMENT

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