

**The Saudi Arabian Real Estate Market is anticipated to register a CAGR of 9.74% during 2023 – 2028 - Market Size, Share, Forecasts, and Trends Analysis Report by Mordor Intelligence.**

According to a new market research report titled “Saudi Arabia Real Estate Market – (2023 – 2028),” the market is expected to register a CAGR of 9.74%. Saudi Arabia’s building and construction activities increased by 14% Y-o-Y in the first six months of 2021. The Saudi real estate market saw an annual increase of more than 375,000 multi-purpose units, as approximately 100,000 new families across the Kingdom join the market every year. The government is offering several incentives to foreign companies planning to work in the Saudi market and contribute to the growth of the real estate sector and the overall economy.

**What are the major trends shaping the Saudi Arabian Real Estate Market?**

Construction activities in the residential market remained slightly active, as various projects were delivered across the main cities, with around 26,500 units handed over during the first half of 2021. This number brought the total residential supply to 1.3 million and 840,000 in Riyadh and Jeddah, respectively. In contrast, the total stock for Makkah and DMA stood at 404,000 and 366,000, respectively.

According to our research experts, some of the major market trends shaping the Saudi Arabian real estate market are:

- Saudi Arabia has identified housing as one of its key projects under Vision 2030.
- The housing ministry aims to build 300,000 housing units over the next five years, in partnership with the private sector.
- As conditions post-COVID-19 stabilized, residential mortgages registered an annual increase of 48%, with a total value of SAR 71.4 billion (USD 19.03 billion) during the first five months of 2021 due to the high demand for residential villas, which represented 80% of total mortgages.
- The Sakani program by the Ministry of Housing (MOH) provided 77,000 housing units to citizens during the first five months of 2021, which was 55% of the target of 140 thousand units.
- Regarding performance, asking sale prices for apartments and villas jumped by almost 10% in West Riyadh.
- They also increased by almost 12% in the North of the city.

The construction of over 106,000 new housing units has been completed, while 101,000 housing units have been under construction since the first quarter of 2021. The number of new units exceeded 344,000 in 2020, enhancing the diversity and increasing the supply of high-quality units at reasonable prices.

**International Corporations are establishing regional headquarters in Riyadh:**

In October 2021, 44 multinational corporations were granted permits to relocate their regional headquarters to Riyadh, Saudi Arabia's capital. Among these 44 companies are multinational

corporations from the technology, food and beverage, consulting, and construction industries, such as Unilever, Baker Hughes, and Siemens.

In 2021, 24 companies, including PepsiCo, Schlumberger, Deloitte, PwC, and Bechtel, signed agreements to establish main regional offices rather than oversee operations remotely from the UAE Dubai emirate.

About 600 new international companies were registered in Saudi Arabia in the second quarter of 2021. Their lease of first-class offices in Riyadh corresponded with the Kingdom's focus on attracting regional headquarters for international brands.

In contrast to the global trend of companies reducing their office space by 20-30%, Riyadh is experiencing high demand for offices, particularly first-class offices, because of the program to attract multinational corporations.

### **Which are the key players in the Saudi Arabian Real Estate Market?**

The market is highly competitive, with increasing demand for new properties due to growth in commercial activities and increased competition. Some of the key players in the market are:

- Al Saedan Real Estate
- Kingdom Holding Company
- Ewaan Co. Ltd
- SEDCO Development
- Jabal Omar Development Company
- Emaar
- Jenan Real Estate Company
- Sedco Development
- Dar Ar Alkan

### **Recent developments in the Saudi Arabian Real Estate Market:**

- In September 2021, SEDCO Holding announced a partnership agreement with Hamad M. AlMousa Real Estate Co. to develop a 1.9 million sq m land plot in Al Qadisiyah, North of Riyadh. The land development project is close to King Khalid International Airport and connected to main roads and key transportation networks.
- In November 2021, Arabian Centers Co., known to build and operate Saudi Arabia's biggest malls, became a residential real estate developer. It obtained a qualification certificate from the Off-Plan Sale or Rent Committee (Wafi) to become an off-plan real estate developer.

In a nutshell, the Mordor Intelligence Market Research Report is a must-read for start-ups, industry players, investors, researchers, consultants, business strategists, and all those who are looking to understand this industry. Get a glance at the <https://www.mordorintelligence.com/industry-reports/saudi-arabia-real-estate-market>

### **About Mordor Intelligence:**

Mordor Intelligence is a market intelligence and advisory firm. At Mordor Intelligence, we believe in predicting butterfly effects that have the potential to change or significantly impact market dynamics.

Our market research reports are comprehensive and provide exclusive data, facts and figures, trends, and the competitive landscape of the industry.

**Mordor Intelligence constantly tracks industry trends. Some relevant market reports from the analysts that might be of interest to you:**

- <https://www.mordorintelligence.com/industry-reports/canada-real-estate-services-market>
- <https://www.mordorintelligence.com/industry-reports/analysis-of-real-estate-market-in-malaysia>
- <https://www.mordorintelligence.com/industry-reports/office-real-estate-market>
- <https://www.mordorintelligence.com/industry-reports/singapore-real-estate-market>
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