

# Saudi Arabia Residential Market Review



**Winter 2024-25**

A biannual review of key trends and the performance of Saudi Arabia's residential market

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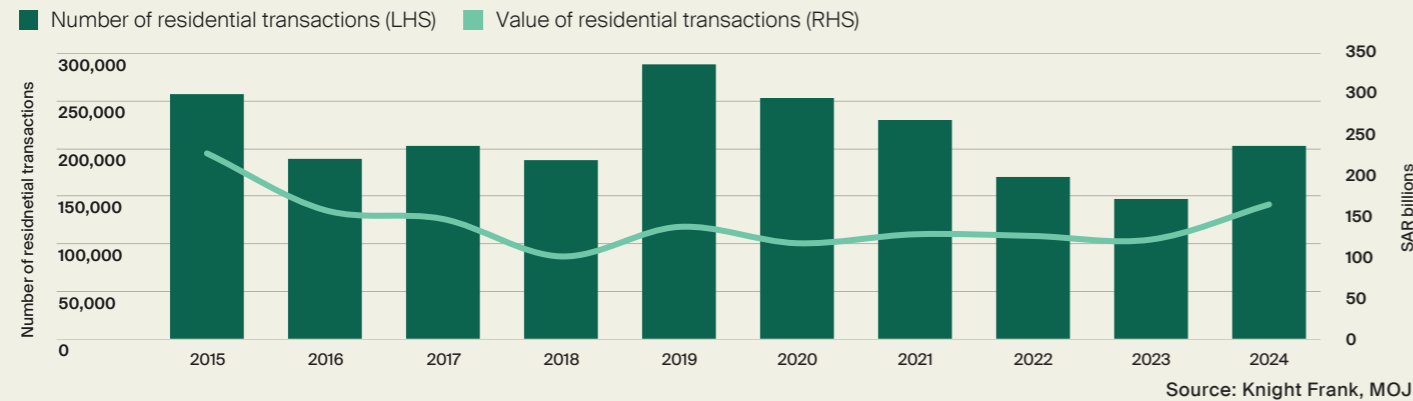


# MARKET ROUND UP

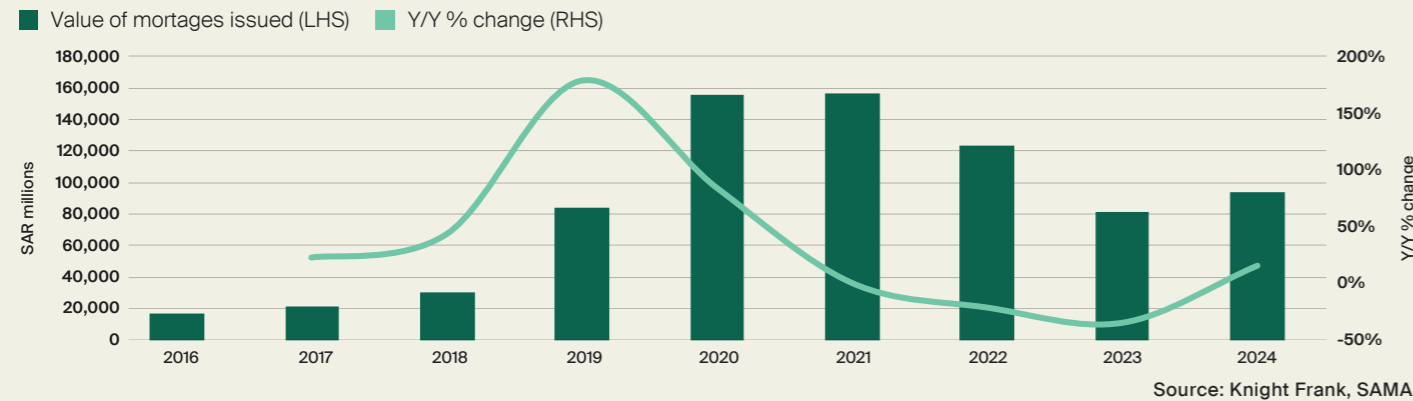
## What you need to know

- In 2024, the total number of all real estate transactions (all sectors) grew by 37% to 236,690 deals, totaling SAR 267.8bn, with residential sales up 38% to 202,661 deals worth SAR 164.8bn.
- The housing supply across major metropolitan areas is set to grow from 3.5 million at present to 3.9 million units by 2028.
- Mortgage issuance rebounded in 2024, up 17.7% to SAR 93.6bn, mainly for villa purchases.
- The Premium Residency Visa unlocked real estate to foreign investors, allowing residency through property purchases priced at over US\$1 million which has the potential to reshaping demand.

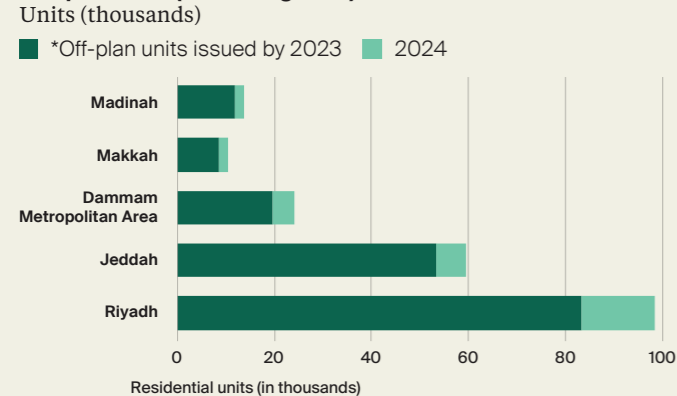
## Total value and volume of residential transactions



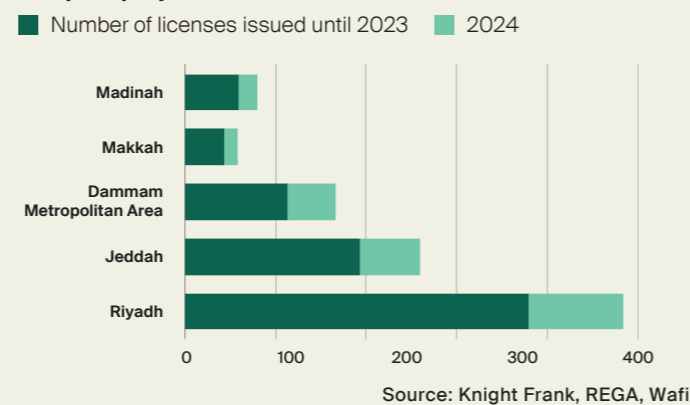
## Value of mortgages issued



## Off-plan sale (excluding land)



## Off-plan projects



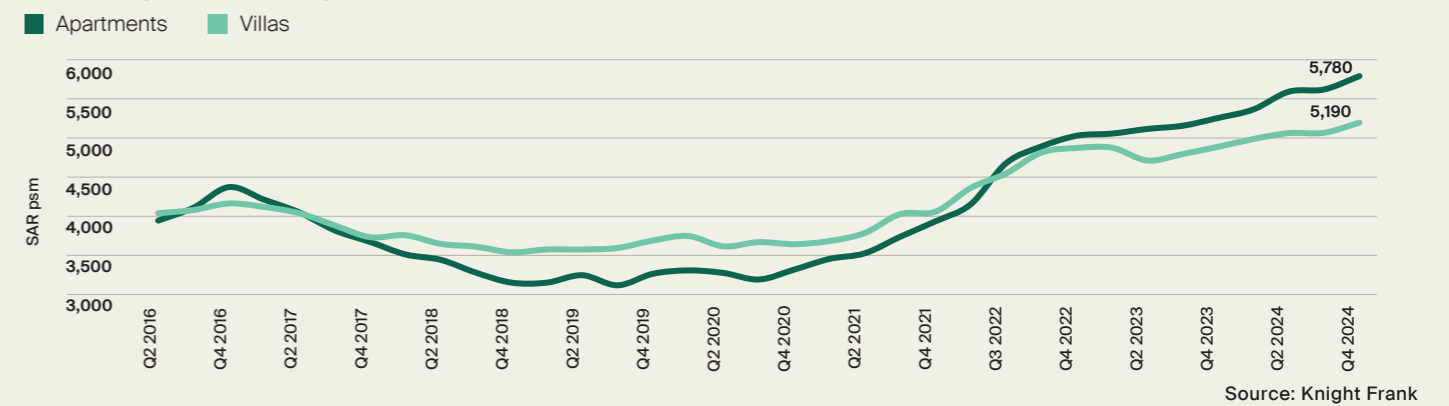
# RIYADH

## What you need to know

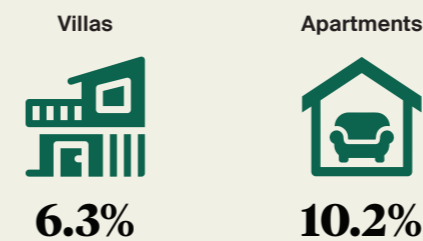
- Nearly half of all new jobs in Saudi Arabia over the past five years have been created in Riyadh, fuelled by the Regional HQ Program, driving a substantial increase in housing demand, both for purchase and rent.
- According to our estimate Riyadh's population is set to grow by 38% from 2022 to 2030, further intensifying housing demand. Government plans for 330,000 new units, including 305,000 for Saudi nationals, will support the 2030 70% homeownership target.
- In 2024, apartment prices grew by 10.6% and villa prices by 6.3%, with areas like Al Wadi experiencing a 49% rise. Affordability issues and changing lifestyle preferences are driving a shift toward apartments.
- The housing supply in Riyadh grew by 49,400 units in 2024, bringing the city's total to 1.4 million homes.

## Market performance indicators

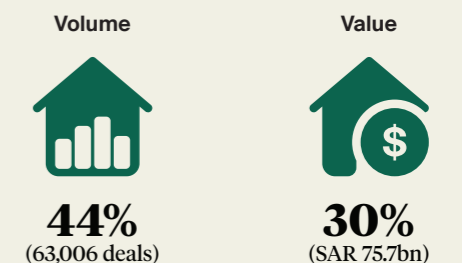
### Villa and apartment sales prices



### Y/Y % change in sales prices

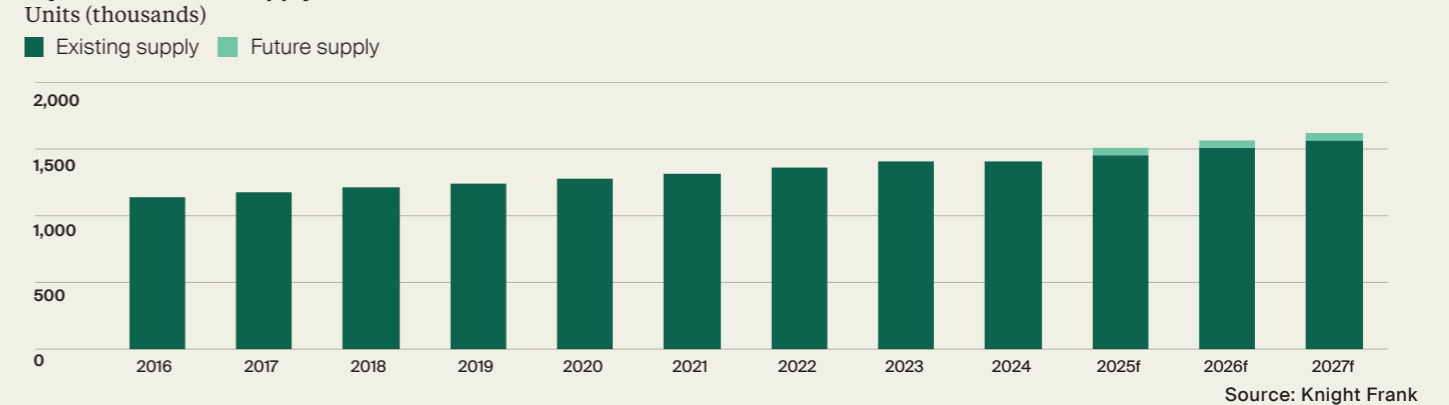


### Annual change in residential transactions



Source: Knight Frank, MOJ

## Riyadh residential supply



# JEDDAH

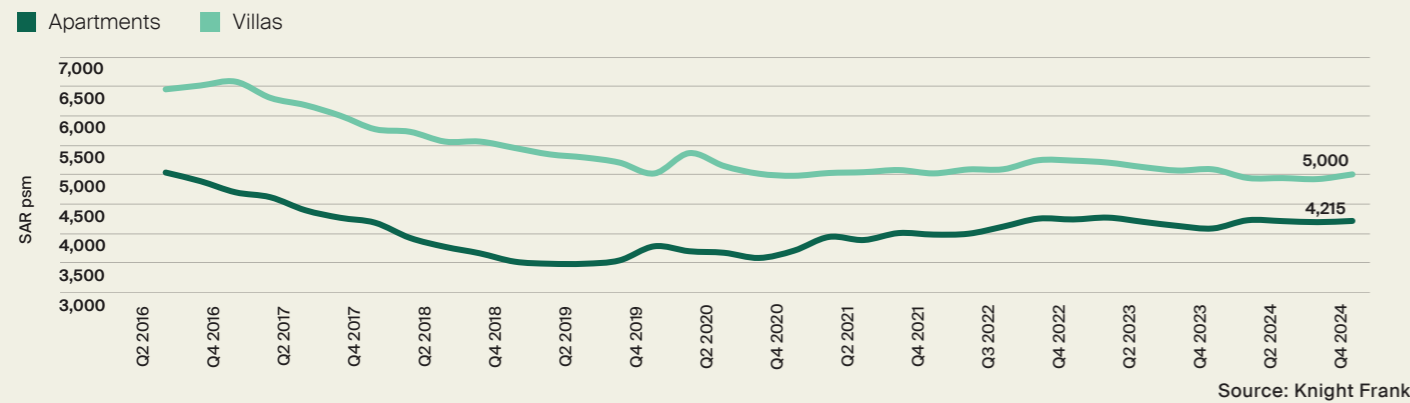
## What you need to know

- US\$ 134bn of investment in real estate and infrastructure is revitalising Jeddah's economy, reversing internal migration to an extent, boosting job creation, and increasing housing demand.
- In 2024, Jeddah's housing market saw the highest growth in the value and volume of transactions nationally. Indeed, residential transactions increased by 53% while the total value of deals rose by 43%, in large part driven by the Saudi Central Bank's down payment reduction from 30% to 5% for Saudi nationals.

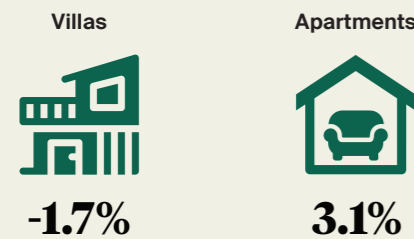
- Apartment prices rose 3.1%, averaging SAR 4,215 psm, while villa prices dipped 1.7% to SAR 5,000 psm. Premium districts like Al Shatea and Al Khaldiyah maintained higher villa prices.
- The total housing stock grew by 17,830 new units in 2024, bringing total to 909,360 units. We expect this figure to rise to 965,150 units by 2027. Key projects expected to be delivered in the next three years include Venan Housing Project (1,708 units), Telal Goroob (3,392 units), and Sama Jeddah Housing Project (858 units).

## Market performance indicators

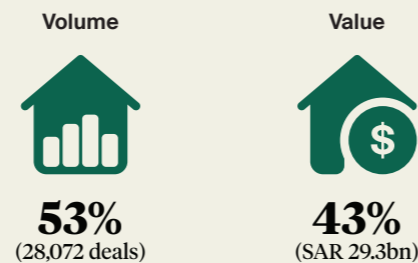
### Villa and apartment sales prices



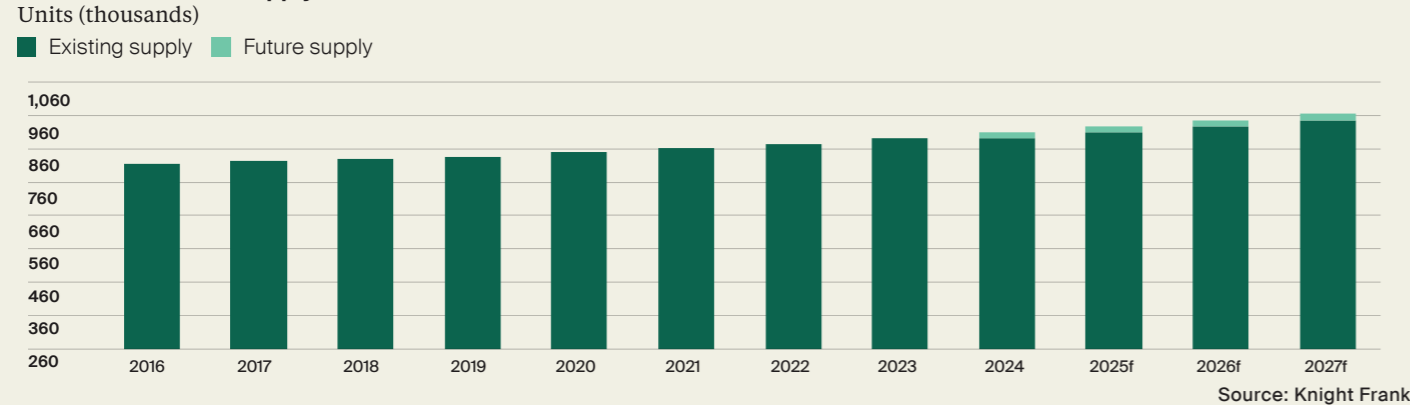
### Y/Y % change in sales prices



### Annual change in residential transactions



## Jeddah residential supply



# DAMMAM METROPOLITAN AREA (DMA)

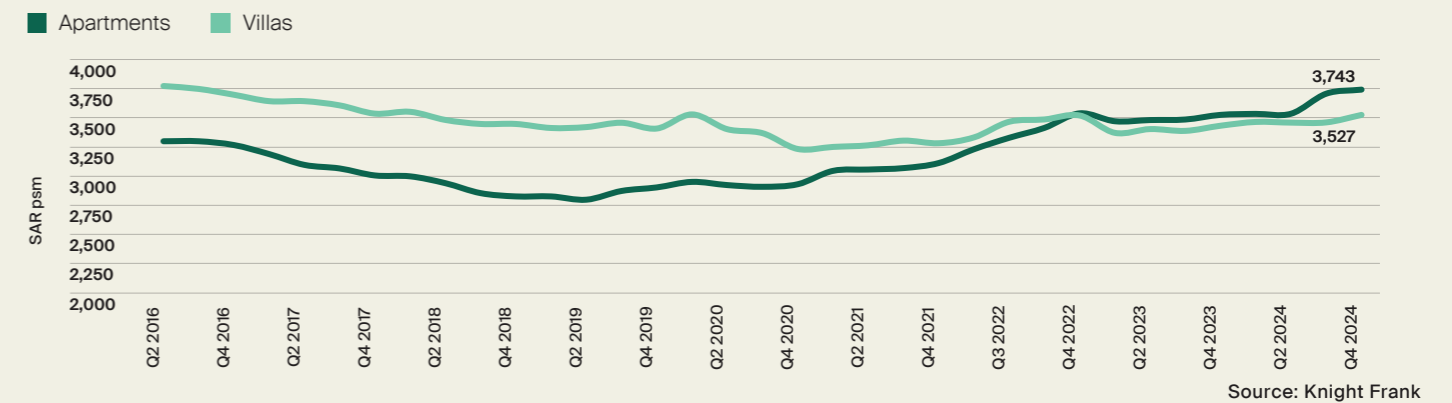
## What you need to know

- The residential market in the Dammam Metropolitan Area (DMA) saw strong growth in 2024, with transaction volumes up 49% (11,275 deals) and transaction values rising 44% to SAR 13.5bn.
- Apartment prices in the DMA increased by 6.2% to an average of SAR 3,743 psm. Khobar (SAR 4,070 psm) continues to lead in terms of its performance.
- Villa prices in the DMA rose by 2.7% reaching an average of SAR 3,530 psm.

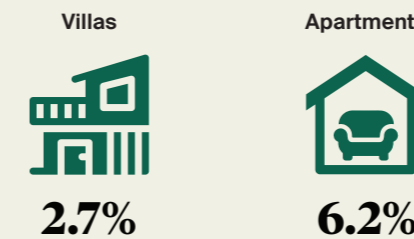
- The Ministry of Housing added 2,838 units in 2024 across nine projects, including Sadeen Suburb (1,107 units) and Al Wajiha (590 units), with 22,000 units in the pipeline.
- Tilal Real Estates unveiled the Heart of Khobar, one of the most prominent projects in the DMA, spanning 268,813 sqm. It offers family-oriented housing in a sustainable urban setting with 89% pedestrian mobility.

## Market performance indicators

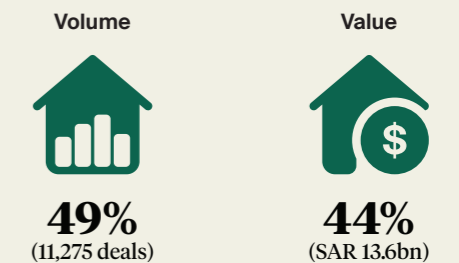
### Villa and apartment sales prices



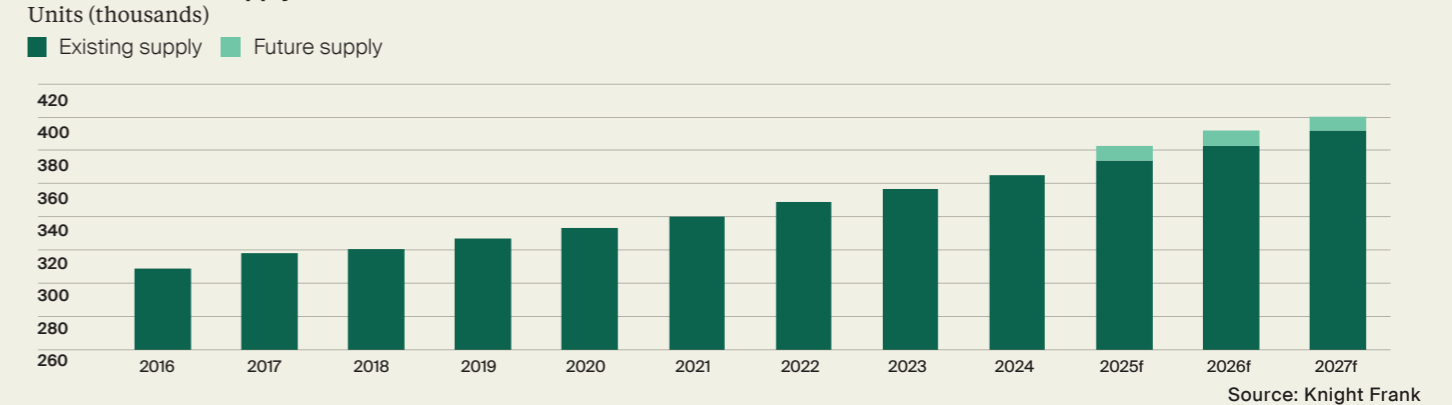
### Y/Y % change in sales prices



### Annual change in residential transactions



## DMA residential supply



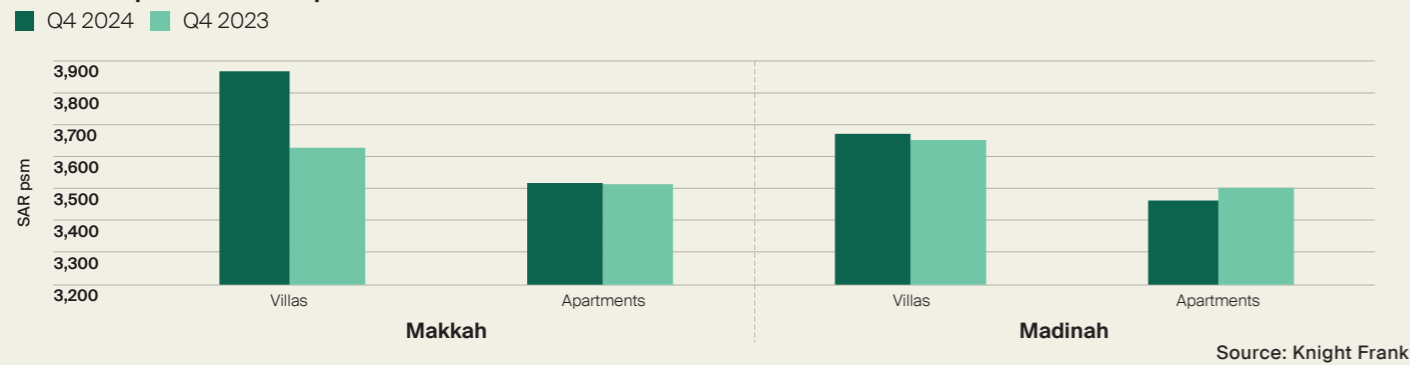
# MAKKAH AND MADINAH

## What you need to know

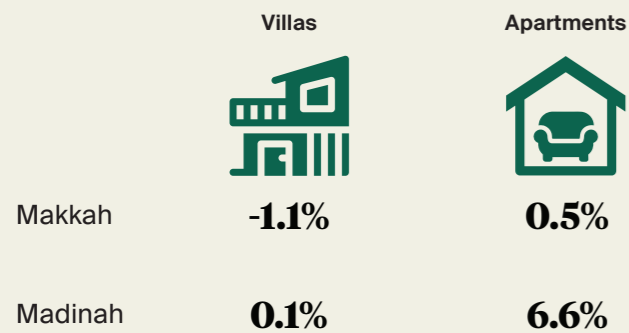
- The influx of 18.5 million pilgrims in 2024 contributed to an increase in demand for short-term rentals and serviced apartments.
- The residential market in Makkah experienced a 12% increase in transaction volumes during 2024 while total deal values rose by 10%.
- The residential market in the Madinah experienced growth during 2024, with transaction volumes up 45% and transaction values rising 29%. Apartment prices in Madinah rose by 6.6%, while villa prices remained stable.
- Apartment prices in Makkah increased by 0.5% in 2024, while villa prices declined by 1.5%. Affordable housing projects, such as Makkah Gate (8,500 units) will contribute to an increase in the total housing stock which we expect will rise by 5.6% to 453,000 units by 2027.
- New developments in Madinah, like Al Jewar Housing Complex (1,227 units), contributed to the 7,040 new units delivered in 2024, with 20,560 more expected by 2027.

## Market performance indicators

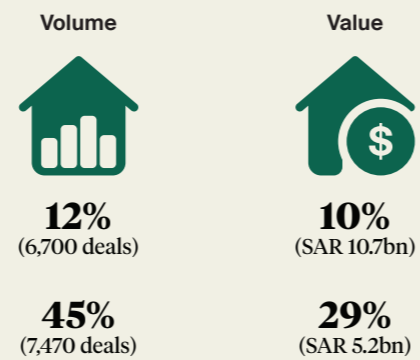
### Villa and apartment sales prices



### YY % change in sales prices

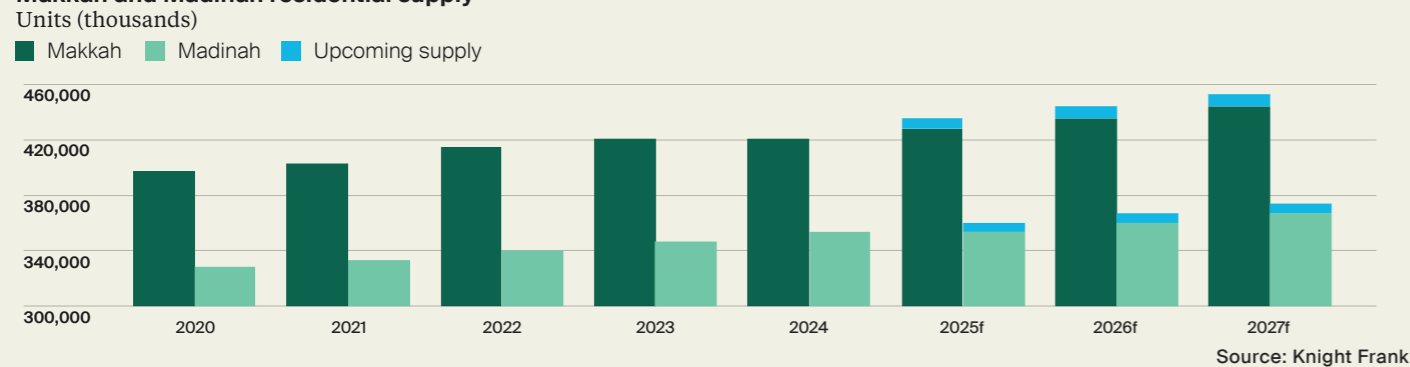


### Annual change in residential transactions



Source: Knight Frank, MOJ

### Makkah and Madinah residential supply



We like questions. If you've got one about our research, or would like some property advice, we would love to hear from you.

#### SUSAN AMAWI

General Manager - KSA  
susan.amawi@me.knightfrank.com

#### MOHAMAD ITANI

Partner - Residential Sales and Marketing Projects  
mohamad.itani@me.knightfrank.com

#### FAISAL DURRANI

Partner - Head of Research, MENA  
faisal.durrani@me.knightfrank.com

#### HARMEN DE JONG

Regional Partner - Head of Consultancy, MENA  
harmen.dejong@me.knightfrank.com

#### STEPHEN FLANAGAN, MRICS

Regional Partner - Head of Valuation and Advisory, MENA  
stephen.flanagan@me.knightfrank.com

#### AMAR HUSSAIN

Associate Partner - Research, ME  
amar.hussain@me.knightfrank.com

#### CLARE MOUKABAA

Partner - Residential Consultancy  
clare.moukabaa@me.knightfrank.com

#### SAMEER MUJTABA

Partner - Co-Head of Strategy Consulting & Retail, KSA  
sameer.mujtaba@me.knightfrank.com

#### LARA OWAYDA

Research Manager - Research, KSA  
lara.owayda@me.knightfrank.com

#### VERA ZABELINA

Research Analyst  
vera.zabelina@me.knightfrank.com

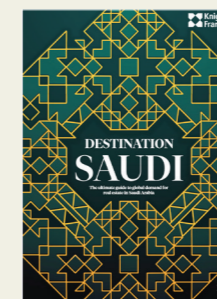
#### MHD EYAD AL SAIDI

Research Creative, ME  
eyad.alsaidi@me.knightfrank.com

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