

# THE SAUDI REPORT

PART ONE

The ultimate guide to Saudi demand for  
residential real estate in the Kingdom

4th edition

تقرير السوق السعودي

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## OUR 2025 SAUDI REPORT BRANDING

The design inspiration for our 2025 Saudi Report is meant to evoke a journey of discovery that uncovers the hidden gems of Saudi Arabia.

Through this choice of visual language, we reflect the multifaceted nature of Saudi Arabia's provinces, inviting exploration and investment.

Each of the gems in our design represent a different province, highlighting its distinct characteristics while contributing to a cohesive national identity.

The use of vibrant colours and geometric shapes symbolises the diverse landscapes, cultures, and opportunities within the Kingdom, all of which are tied together in the national colours of Saudi: shades of verdant green and calming lavender.



# WELCOME

In 2025, we return to our biennial flagship publication for the Kingdom, The Saudi Report, which is designed to unpick the aspirations, attitudes and appetites of Saudi nationals and Saudi-based expats considering purchasing or investing in real estate.

This year, we have split our report into two halves; part one focuses exclusively on the residential market, while part two (launching later this year) looks at the Kingdom's commercial real estate sectors.

With house prices being fuelled by rising demand, combined with home ownership rates (which stood at 63.7% at the end of 2023) now tantalisingly close to the government's 2030 target of 70%, there appears to be a settling in the volume of housing demand, at least for now.

This has been evidenced not only by our survey results but also by the tapering in the total volume and value of housing transactions last year, which stood at SAR 267.8bn across 236,690 sales. This translates into an increase of 37% and 27%, respectively, on 2023 figures.

Despite this, there remains a tremendous opportunity to tap into demand from Saudi-based expats, 77% of whom would like to own a home in the Kingdom.

The branded residential market, too, is going from strength to strength, with rising demand from the ultra-rich to secure luxury branded homes.

Elsewhere, the rental market is also enjoying strong demand from expats and nationals, once again highlighting the build-to-rent market opportunity that is yet to be seized upon.

We conclude our report with four stand-out real estate market opportunities for developers and investors.

I invite you to explore our findings and analysis and welcome the opportunity to discuss our market-leading research with you further.



**James Lewis**  
Managing Director, Middle East & Africa

DISCOVER OUR INSIGHTS



Abha Province





# INTRODUCTION



# SAUDI ARABIA'S ECONOMIC GROWTH AND TRANSFORMATION CONTINUES

Saudi Arabia's Vision 2030 serves as a comprehensive blueprint for economic transformation, designed to position the Kingdom as one of the world's most vibrant and forward-looking economies. This ambitious strategy aims to diversify the economy by significantly reducing dependence on hydrocarbon revenues while preserving the nation's rich cultural heritage and traditions.

## Transforming Saudi Arabia's real estate and economy

At the core of Vision 2030 is the goal of enhancing living standards for Saudi citizens, with a strong focus on the real estate sector as a catalyst for economic growth. The strategy emphasises developing infrastructure, increasing homeownership, and expanding access to high-quality housing across the Kingdom.

This vision has already launched 35 major real estate and infrastructure projects, known as giga projects. Each of these reflects the scale and ambition of the transformation underway, particularly NEOM, a US\$ 500bn futuristic super-city approximately the size of Belgium that promises to redefine urban living with cutting-edge technology, sustainability, and innovation at its core.

As at the end of September 2024, the total volume of real estate and infrastructure projects unveiled since the National Transformation Plan was launched in 2016 stood at US\$ 1.3 trillion. This is 4% up on September 2023. Crucially, the total volume of contracts awarded has reached US\$ 164bn, signifying how quickly the vision is becoming a reality.

Vision 2030 also aims to foster investment that stimulates job creation for Saudi nationals and expatriates, promoting economic growth beyond hydrocarbons. Investments in giga projects, infrastructure, and housing have been key drivers, with government and private sector contributions playing critical roles in GDP growth.

## Saudi Arabia's robust non-oil sector growth

Saudi Arabia's non-oil sector has shown strong performance, with 2024 non-oil economic activity projected to be 17% higher than in 2019. The IMF forecasts non-oil GDP growth of around 4% annually for the remainder of the decade, reinforcing the Kingdom's stability and resilience as a global economic leader.

Non-oil economic output (including government activities) in 2023 accounted for 63% of the Kingdom's gross domestic output. Since 2000, the economy has diversified hugely. While the annual production of oil in 2023 was 20% greater than in the year 2000, non-oil output has increased by 3.2 times, or 220%, on year 2000 output. According to IMF forecasts, this trend is set to be maintained for the rest of the decade.

## Labour market transformation and falling unemployment

The Kingdom's labour market transformation has been one of Vision 2030's most notable successes.

Unemployment rates have dropped significantly since 2020, reaching a record low of 12.8% in Q2 2024. Female participation in the labour force has doubled from 17% in 2017 to 35% in 2024, illustrating significant social and economic progress.

Similarly, job creation rates have soared. Riyadh accounts for nearly half of all new jobs created over the last five years, putting pressure on the capital's housing stock. Read more about our projections for residential requirements in the Kingdom in our white paper, Transforming Saudi's Residential Housing Market, [by clicking here](#).

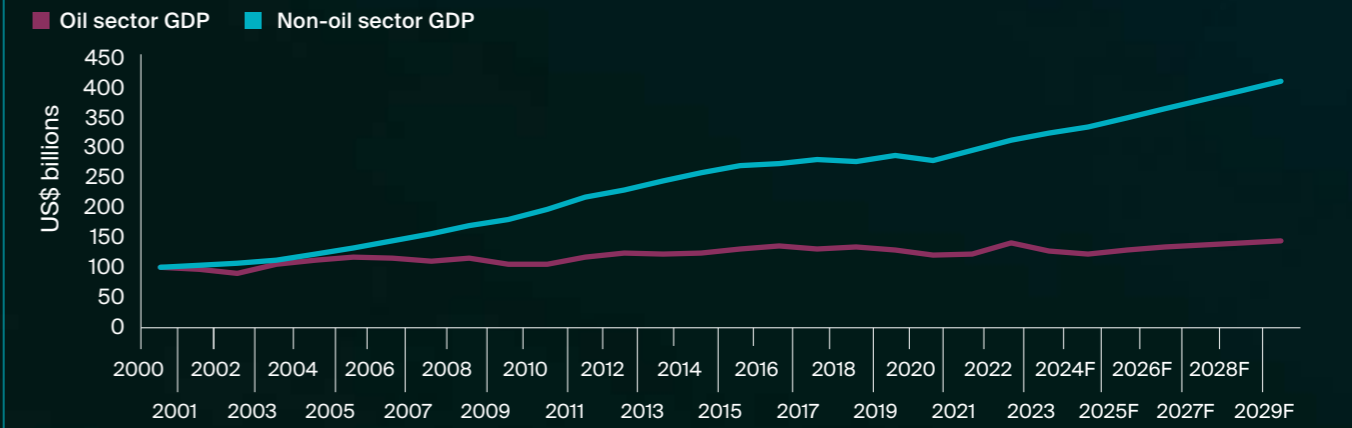
## Saudi Arabia's economic backdrop

### Non-oil GDP to remain high for the remainder of the 2020s



Source: Knight Frank, IMF

### Oil vs. non-oil GDP growth



\*Indexed from the year 2000

Source: Knight Frank, IMF

## Vision 2030 targets achieved

**36.2%** in Q2 2024

### Female labour force participation

The participation of females in the workforce has surpassed the original 2030 target of 30%.

**63.7%** in 2023

### Homeownership rate

The homeownership rate has exceeded expectations, rising from 47% in 2016 to 63.7% in 2023.

**86.9%** digitisation rate in 2023

### Digital government services

Saudi Arabia has made significant strides in digitising government services and improving service delivery and transparency.

**109.2** million visitors in 2023

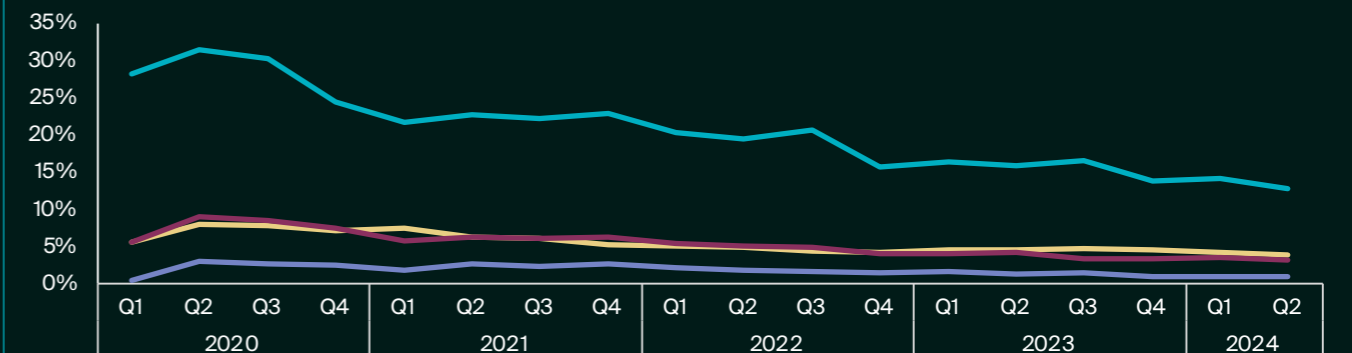
### Tourism growth

Saudi Arabia surpassed its Vision 2030 tourism goal of attracting 100 million visitors (domestic and international) annually in 2023.

Source: Knight Frank, MOMAH, Vision 2030, Ministry of Tourism

## Unemployment rates

■ Saudi males ■ Saudi females ■ All non-Saudis ■ Overall workforce



Source: Knight Frank, IMF



# OUR SURVEYS

Knight Frank's Saudi Report survey was conducted in partnership with YouGov. This year's survey included respondents divided into three distinct segments. The first segment consists of Saudi nationals with a monthly income between SAR 10,000 and SAR 50,000; the second segment includes Saudi nationals earning over SAR 50,000 per month; and the third segment comprises expatriates with a monthly income of SAR 30,000 or more. We strategically selected these segments to investigate respondents' attitudes, preferences, and aspirations about owning or renting residential real estate in the Kingdom.

## We surveyed 1,037 respondents:

- 835 Saudi nationals with a monthly income ranging from SAR 10,000 to SAR 50,000, representing the largest segment of the respondents;
- 102 Saudi nationals earning over SAR 50,000 per month, representing a higher income bracket within the local population, and;
- 100 expatriates, each with a monthly income of SAR 30,000 or more.

These diverse segments were targeted to offer a comprehensive understanding of real estate preferences and behaviours across different income levels within the Kingdom amongst both Saudi nationals and Saudi-based expats.

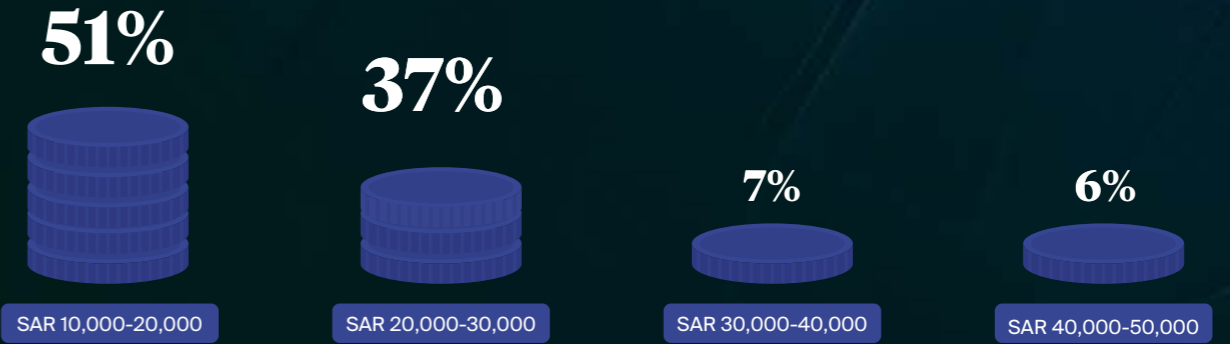
## Our survey at a glance



Source: Knight Frank, YouGov

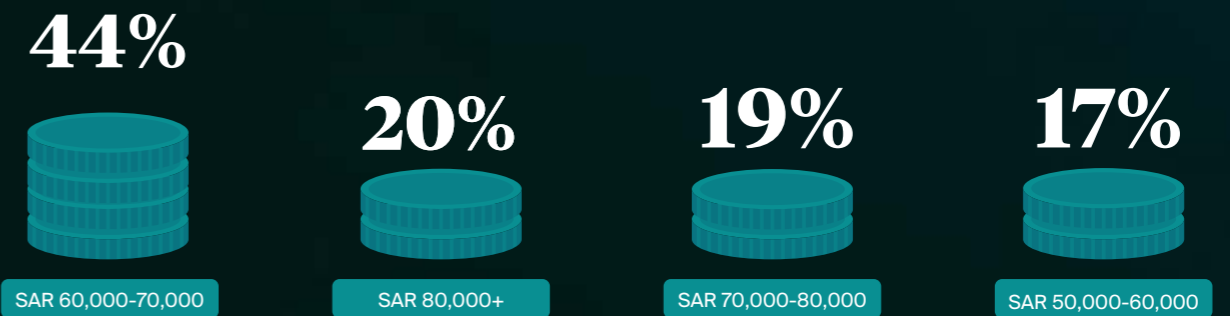
## Respondents' split (by monthly income)

### Saudi nationals with a monthly income of SAR 10,000 - SAR 50,000



Source: Knight Frank, YouGov

### Saudi nationals with a monthly income of SAR 50,000+



Source: Knight Frank, YouGov

### Saudi-based expats with a monthly income of SAR 30,000+



Source: Knight Frank, YouGov



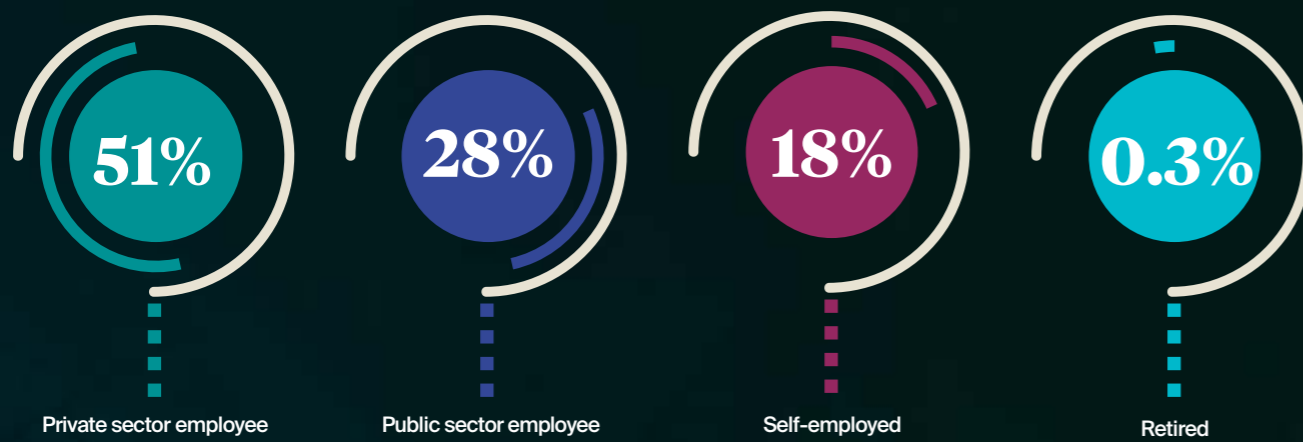
# OUR SURVEYS

## Respondents' living arrangements



Source: Knight Frank, YouGov

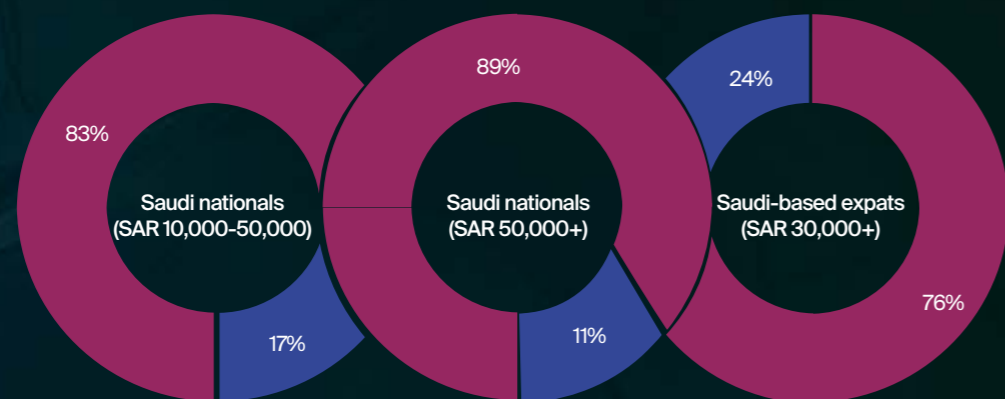
## Respondents' employment status



Source: Knight Frank, YouGov

## Respondents' property ownership (by monthly income)

Fully owned (red) Mortgaged (blue)



Source: Knight Frank, YouGov

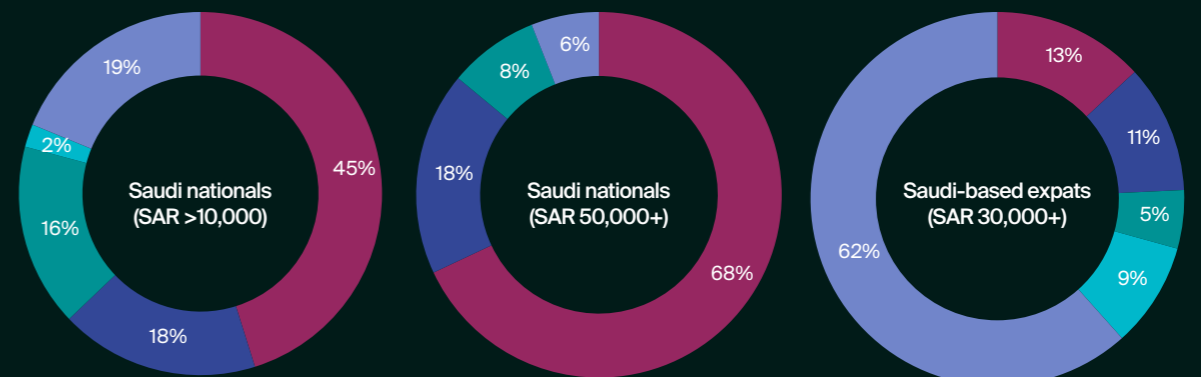
## Respondents' city of origin



Source: Knight Frank, YouGov

## Respondents' dwelling status (by monthly income)

Homeowner (named on the title deed) (red) Owned by partner/spouse (blue)  
 Owned by family/parents (teal) Company provided accommodation (orange)  
 Tenant (purple)



Source: Knight Frank, YouGov





# THE RESIDENTIAL MARKET



# SAUDI ARABIA'S RESIDENTIAL MARKET: NATIONAL PICTURE

The housing market in Saudi Arabia has been supercharged by Vision 2030. Indeed, one of the core pillars of His Highness Mohammed bin Salman's vision is to provide world-class housing to Saudi citizens while driving the home ownership rate to 70% by 2030. To achieve this, government initiatives to increase housing supply within the low to mid-market segments, as well as programmes such as Wafi and Sakani, have been pivotal in boosting home ownership among Saudi nationals. In fact, the Saudi home ownership rate reached 63.7% at the end of 2023, a 16.7 percentage point increase since the National Transformation Plan's introduction in 2016 and surpassing the government's 2023 target of 63%.

### Surge in deal activity

During 2024, the total number of real estate transactions across all asset classes in Saudi Arabia surged by 37% to just over 236,690 deals, while the total value of all deals grew by 27% to SAR 267.8bn.

### Residential sales grow

Residential transactions, which accounted for 61.5% of all real estate deals by total value, registered a 38% increase in the number of deals to just under 202,661 sales. While the value of residential transactions increased by 35% to SAR 164.8bn over the same period.

A combination of factors has underpinned the growth in residential real estate transactions in Saudi Arabia over the past few years. In 2023, over 96,000 families benefited from the Kingdom's Housing Program, which helps to facilitate access to affordable home financing solutions. During the first half of 2024, an additional 55,000 families benefited from this program.

### Government initiatives and partnerships

The government has also been actively partnering with private sector developers to expedite the construction of new homes to address a longstanding shortage of affordable but high-quality supply.

For instance, the National Housing Company (NHC) has signed an agreement with China State Construction Engineering Corporation (CSCEC) to build 20,000 housing units in suburbs and communities developed by NHC across various regions of the Kingdom.

### Mortgage activity increases

The total number of mortgages issued to individuals for home ownership in 2024 increased by 18.9%, compared to a decline of 33.4% in 2023. In parallel, the total value of mortgages issued increased by 17.1% to SAR 91.06bn last year.

Initiatives such as the establishment of the Saudi Mortgage Guarantees Services Company, or Dhamanat, which is a government-backed mortgage guarantee service, are in large part driving the surge in home financing levels for citizens.

### Rising supply

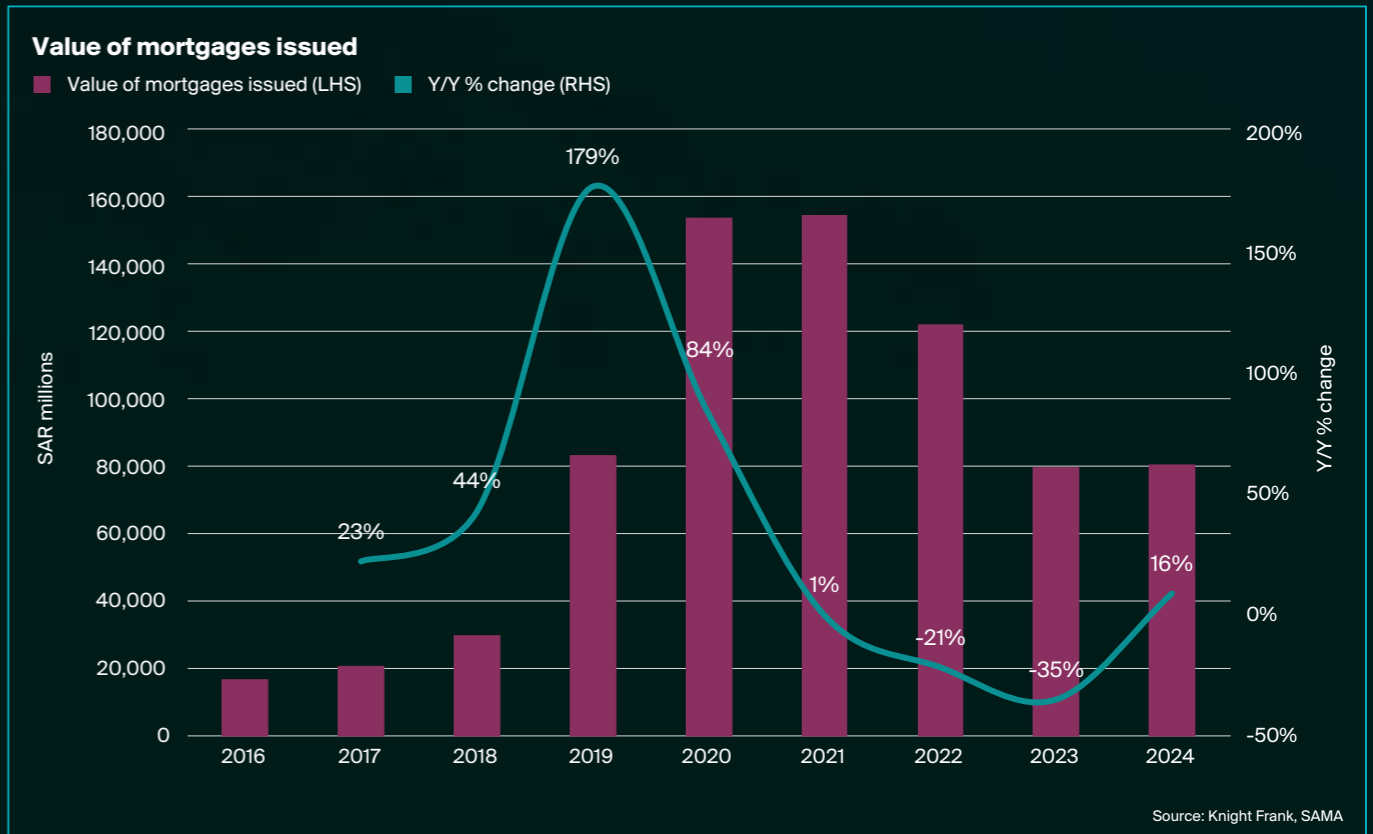
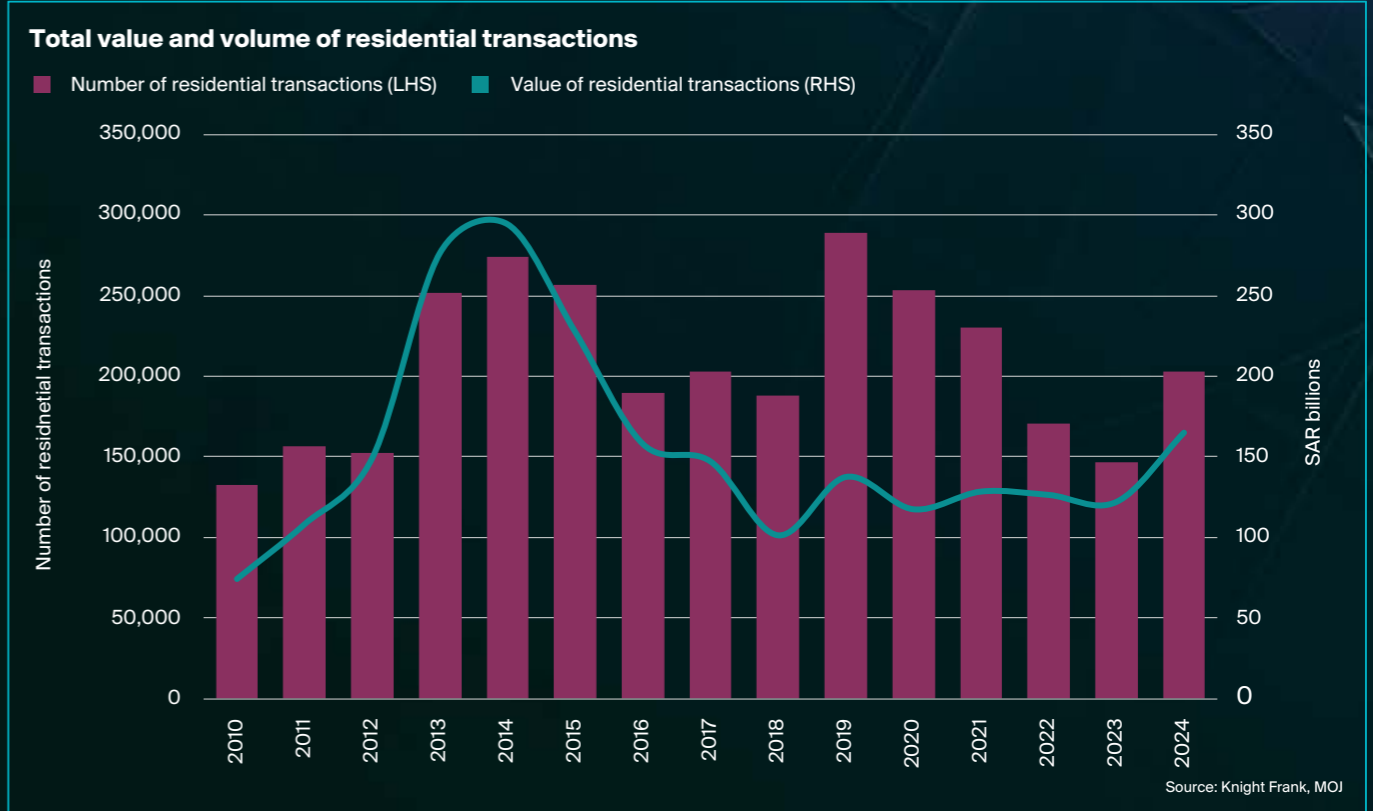
From a supply perspective, the Ministry of Housing remains committed to expanding affordable housing options to meet rising demand and support the government's goal of achieving a 70% home ownership rate by 2030. The Ministry has launched numerous projects across Saudi Arabia in collaboration with private-sector developers.

The residential supply across Saudi Arabia's five major markets totals 3.5 million units. Based on our analysis, this figure is projected to reach nearly 3.9 million units by the end of 2028, reflecting the government's ongoing efforts to enhance housing availability.

### Premium Residency Visa boost?

The introduction of regulations allowing foreign investors to own property in Saudi Arabia through new Premium Residency Visa options unveiled in January 2024 has, for the first time, opened the market to international buyers and investors. Among the new Premium Residency Visa options, one that particularly stands out is the visa linked to owning real estate worth over SAR 4 million.

This initiative marks a pivotal shift in the Kingdom's approach to residency and property ownership by non-Saudis and will have substantial implications for the demand dynamics of the residential market.





# SAUDI ARABIA'S RESIDENTIAL MARKET: RIYADH

Riyadh's emergence as the new economic powerhouse in the Kingdom has underpinned a job creation surge, with almost half of all new jobs created in the last 5 years being in the Saudi capital. This, combined with the government's Regional HQ programme, which has encouraged multinationals to establish their main regional hubs in the city, has also contributed to the jump in demand for housing. Unsurprisingly, this driven home values into record territory. Apartment prices are up 75% on 2019 levels, while villa prices have risen by 40% over the same period.

### A dynamic growth leader

We forecast Riyadh's population to increase from the 7 million recorded in the 2022 Census to 9.6 million by 2030, comprised of 4.1 million Saudis and 5.5 million expats. This represents a 38% increase, equivalent to a compound annual growth rate of 4.1%. To learn more, click here to read our white paper: [How Population is Driving Development – Riyadh's Near Future](#).

The growing population, coupled with increasing urban migration and ongoing government housing initiatives to achieve 70% home ownership by the end of the decade, is supercharging housing demand. Our estimates show that the city will need 305,000 new homes over the next 10 years to house Saudi nationals alone.

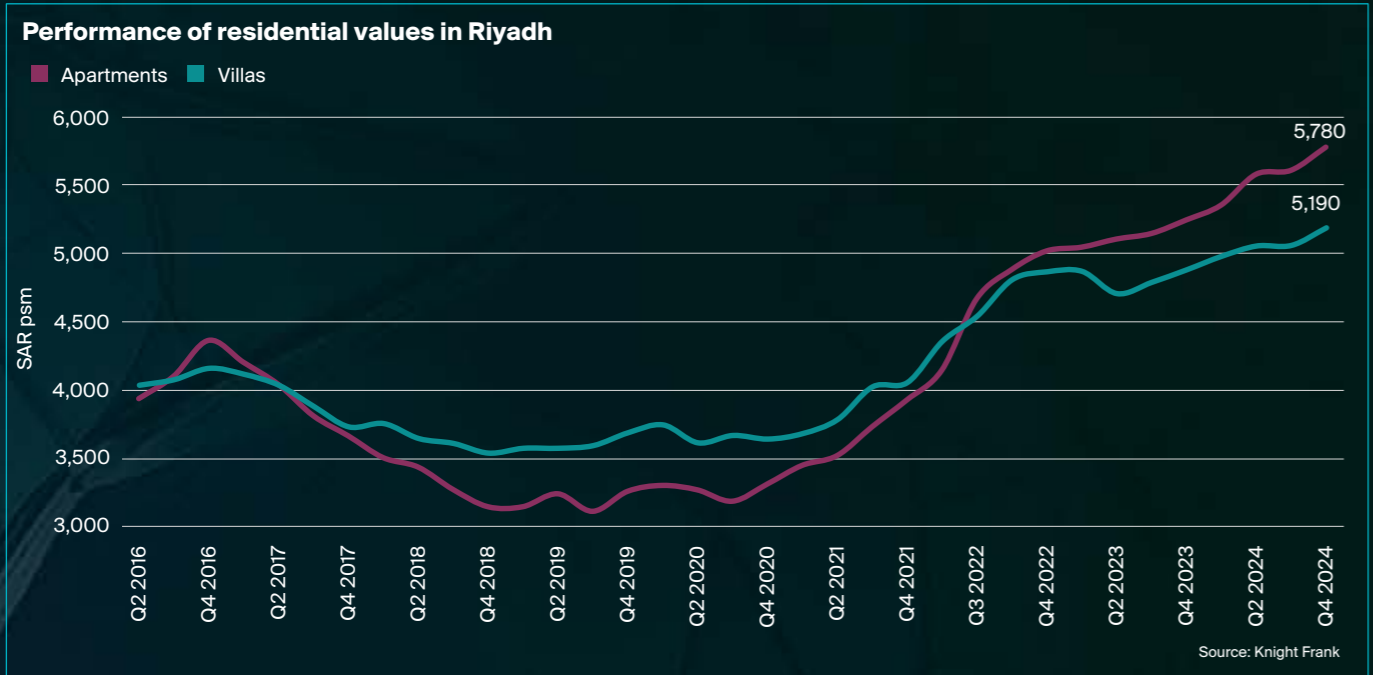
Already-announced projects by government-related entities are expected to add c.330,000 housing units to Riyadh's housing stock, all of which are scheduled to be finished by 2030.

### House prices continue to climb

The rising demand for housing in the capital has sustained growth in home values, with apartment prices climbing 10.6% during 2024, while villa prices grew by 6.3% over the same period.

Residential transactions also continued to increase in number and value. Home sales accounted for 61.5% of all real estate deals by total value in Riyadh during 2024. There were 63,000 sales, a 44.2% increase on 2023. This compares to 59,720 sales totalling SAR 46.9bn in 2019.

Despite the upswing in transaction volumes, the total value of residential transactions in Riyadh rose by a more modest rate of 30% during 2024 to SAR 75.7bn. This suggests a rapid tapering of the strong price growth registered over the last two to three years and points to affordability challenges in some segments of the market, particularly in the mid-market housing segment.



An apartment building in Riyadh's King Abdullah Financial District



# SAUDI ARABIA'S RESIDENTIAL MARKET: JEDDAH

Saudi Arabia's second city and Red Sea gateway, Jeddah, continues to experience more modest house price growth compared to Riyadh. Lower average incomes and the migration of talent and businesses to Riyadh since the launch of the National Transformation Plan in 2016 have contributed to the more muted performance. However, this has started to reverse, with the government investing US\$ 134bn in new real estate and infrastructure projects in the city since 2016. It is driving up job creation rates and underpinning a degree of reverse migration from Riyadh. Furthermore, anecdotal evidence shows that residents from districts previously demolished in south Jeddah are now receiving financial compensation from the government and are redirecting these funds back into the property market. This is catalysing overall demand, and prices are responding.

### Transaction levels grow

In 2024, the housing market in Jeddah experienced the most pronounced growth in transactions compared to other major cities. Residential sales swelled by 53%, increasing from 18,303 deals in 2023 to 28,072 deals in 2024. The total value of residential transactions increased by 43% over the same period.

The Saudi Central Bank has played a crucial role in driving this growth by significantly reducing the minimum down payment for property purchases from 30% to just 5%. This policy change has made home ownership more accessible, encouraging greater participation in the real estate market and accelerating its expansion.

### Apartment prices increase marginally

Despite the rise in demand, apartment prices increased marginally by 3.1% over the last 12 months, ranging from an average of SAR 3,570 psm in Al Rayaana to SAR 6,925 psm in Obhur Janubiyah. Citywide, the average home price stands at SAR 4,215 psm.

### Villa prices dip

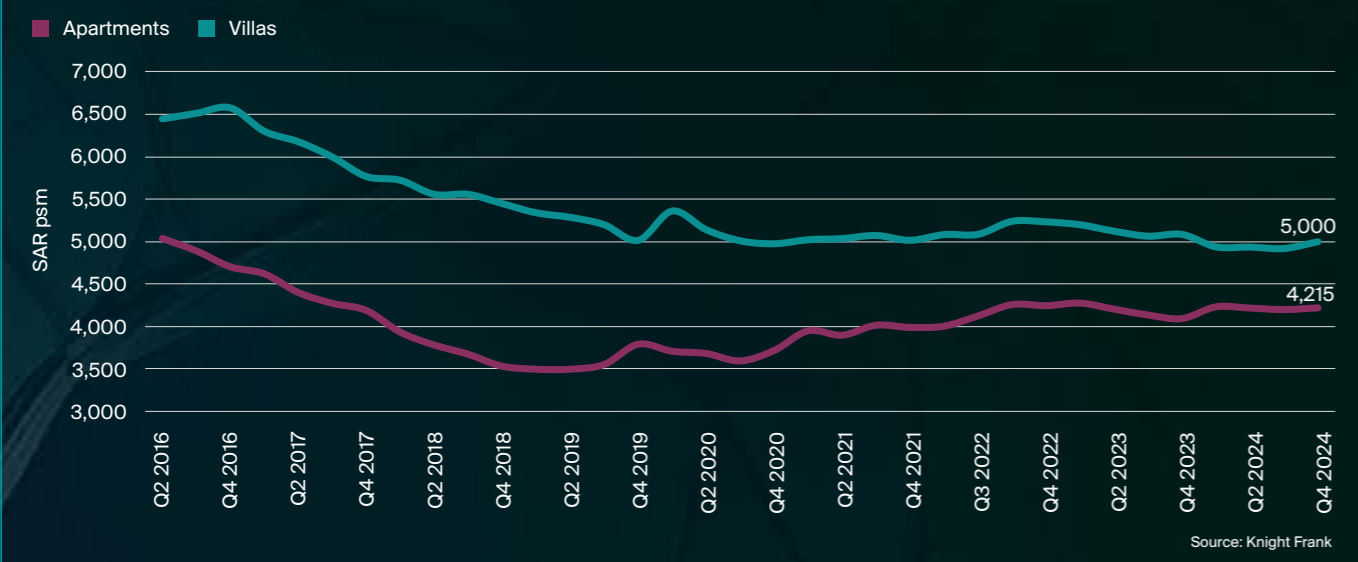
Citywide, the average home price stands at SAR 4,215 psm. In contrast, villa prices in Jeddah decreased by 1.7% during 2024, settling at an average of SAR 5,000 psm. Premium districts such as Al Shatea and Al Khaldiyah recorded the highest values at SAR 8,125 and SAR 7,600 psm, respectively.

### Government attempts for demand regeneration

The modest growth in apartment prices and decline in villa prices underline affordability challenges. To address this, the government has introduced targeted programs, including subsidised home financing for Ministry of Housing (MoH) or Real Estate Development Fund (REDF) beneficiaries earning less than SAR14,000 monthly.

Additionally, urban regeneration initiatives like the 'Jeddah Urban Renewal' project are improving the city's accessibility and appeal, tackling affordability issues, and supporting sustainable residential market growth in Jeddah.

Performance of residential values in Jeddah



Park Hyatt, Jeddah



# SAUDI ARABIA'S RESIDENTIAL MARKET: DAMMAM METROPOLITAN AREA

On the Kingdom's eastern seaboard, the Dammam Metropolitan Area (DMA), which encompasses Dammam, Dhahran, and Khobar (DMA), has witnessed growth in its residential market, aligning with the broader trends in Riyadh and Jeddah.

### Transaction volumes rise

In 2024, residential transactions in the DMA leapt by 49%, reaching 11,275 deals compared to 7,571 in 2023. The total value of these transactions climbed by 44%, growing to SAR 13.5bn over the same period.

Prices climb up

The boom in transaction activity has led to a notable increase in residential prices across the DMA. Apartment prices rose by 6.2%, reaching an average of SAR 3,743 psm.

In Khobar, apartment prices average SAR 4,070 psm, surpassing Dammam's SAR 3,510 psm by 16%. This price difference reflects Khobar's higher demand levels, underpinned by its large population of Aramco employees.

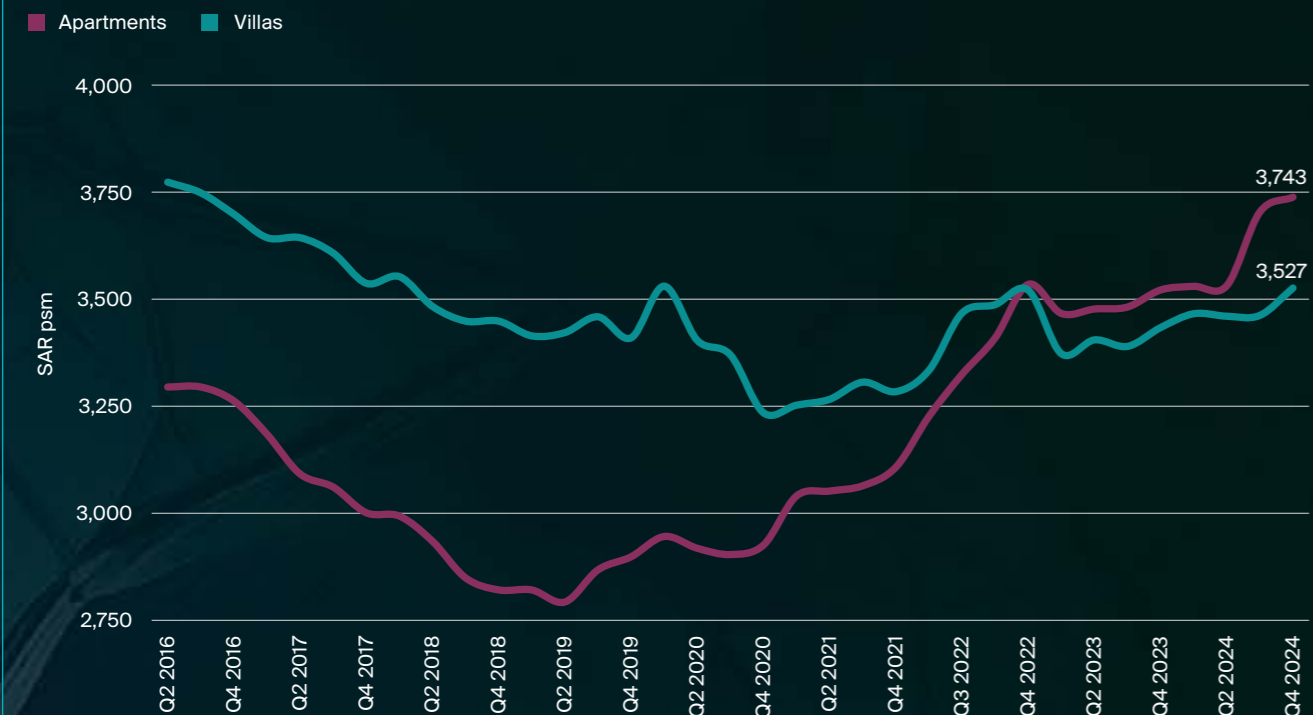
In contrast, villa prices experienced a modest year-on-year increase of 2.7%, with average prices settling at SAR 3,530 psm.

### Rising supply

The Ministry of Housing remains committed to increasing affordable housing options to meet rising demand while also supporting the government's objective of achieving a 70% home ownership rate by 2030. In 2024, the Ministry of Housing completed 2,838 units across nine housing projects in the Eastern Province.

The total housing stock in the Eastern Province stood at 373,710 units at the end of 2024, reflecting a 2% annual increase.

Performance of residential values in DMA



Source: Knight Frank



King Abdul Aziz Centre for World Culture, Dhahran

# SAUDI ARABIA'S RESIDENTIAL MARKET: MAKKAH AND MADINAH

In the Kingdom's Holy Cities of Makkah and Madinah, house prices, on average, remain lower than in other major cities. However, certain developments command the highest prices in Saudi Arabia, especially those close to Islam's holiest site, the Kaaba. With the current restrictions on home ownership limiting home sales to Saudi nationals, there is growing demand from international Muslim high net worth individuals (HNWI), who are waiting in the wings for when laws permit them to enter the market. Indeed, in our *Destination Saudi report 2024*, we found that 82% of global Muslim HNWI who are non-residents in Saudi plan to spend around US\$ 2bn on residential real estate in the Holy Cities when rules permit.

### Makkah: Mixed market signals

Makkah's residential market experienced a mixed performance during 2024. Residential transactions increased by 12% last year, while the total value of sales increased by 10%.

Average apartment prices increased marginally by 0.5% in 2024, reaching SAR 3,670 psm, while villa prices fell by 1.5% to SAR 3,462 psm.

The existing residential supply in Makkah stands at 428,200 units. Notable projects completed in 2024 include Jawharat Al Russeifa (1,035 units) and Sakenah Residence (379 units).

### Madinah: High-value transaction growth

In 2024, Madinah recorded a 45% increase in the number of residential transactions, with the total value of home sales increasing by 29% to SAR 5.2bn.

Apartment prices increased by 6.6%, reaching SAR 3,865 psm, while villa prices remained stable at SAR 3,517 psm.

Upcoming supply, driven by ongoing residential projects, is expected to expand the city's housing stock and cater to increasing demand, particularly from international buyers through much-anticipated residency ownership reforms.



The Prophet's Mosque, Madinah





# HOUSING AFFORDABILITY

**Affordability issues have intensified in Saudi Arabia's major cities, like Riyadh, over the last 12-24 months, mainly because of rising housing prices and living costs. Below, we look at income multipliers, i.e., the number of years of income needed to purchase a home in Riyadh, Jeddah and the DMA. Our calculations are based on data from the Household Income and Consumption Expenditure Survey by GASTAT, which indicates that average annual incomes stand at SAR 311,940 in the Riyadh Region, SAR 186,924 in the Makkah Region and SAR 223,932 in the Eastern Province. Typically, and around the world, a multiplier of 6x annual incomes is considered affordable.**

Riyadh experienced the highest income growth among regions, with average monthly disposable income rising by 62.4% on 2018 levels to reach SAR 25,995. However, this increase in income has been outmatched by a 67% expansion in apartment prices over the same period, leading to pronounced affordability challenges across most of the city's neighbourhoods.

While apartments generally fall within what can be classed as affordable, villas remain unaffordable for the majority of low- and middle-income Saudi nationals.

Neighbourhoods like Qurtaba exhibit high-income multipliers of 11x for villas, making them inaccessible to most middle-income households. However, neighbourhoods like Tuwaiq, with multipliers of 5x for villas, remain relatively affordable.

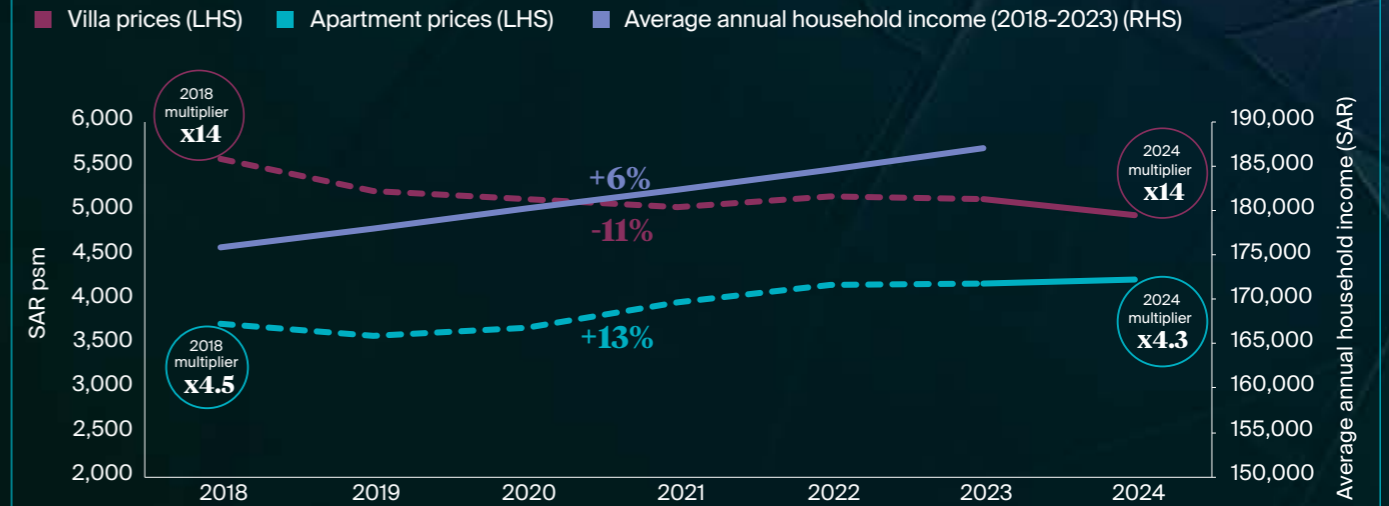
Jeddah experienced limited disposable income growth at 6.3% between 2018 and 2023, with the average

monthly income reaching SAR 15,577. This modest growth contrasts with mixed property price trends. Despite the villa price decline, income multipliers remain high for most neighbourhoods, such as Obhur Al-Shamaliyah (13x for villas). Apartments show better affordability due to slower price growth and lower starting prices, with multipliers of 4x (or less) in most neighbourhoods in Jeddah.

The DMA exhibits the most stable and consistent dynamics, with disposable income growing by 4.4% from 2018 to 2023. At the same time, residential price growth has been minimal.

The DMA's stable property prices align well with modest income growth, maintaining income multipliers in the affordable range. Neighbourhoods like Ash Shulah and Al-Hamra'a exhibit multipliers of 7x for villas and 3x for apartments, making the DMA a favourable market for middle-income households.

**Jeddah income multiplier trends (2018-2024)**

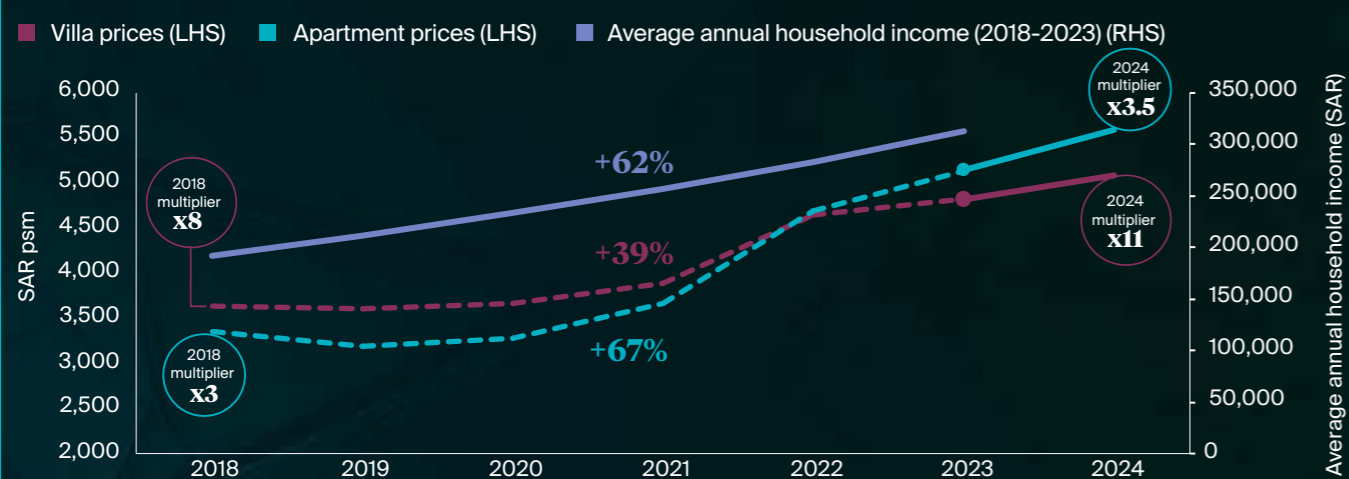


**Income multipliers (by neighbourhood)**

	Villas	Apartments
Obhur Al-Shamaliyah	13	4
Al Ajwad/Manar	12	4
Al Rawdah	-	5
Al Basateen	16	-

Source: Knight Frank, GASTAT

**Riyadh income multiplier trends (2018-2024)**

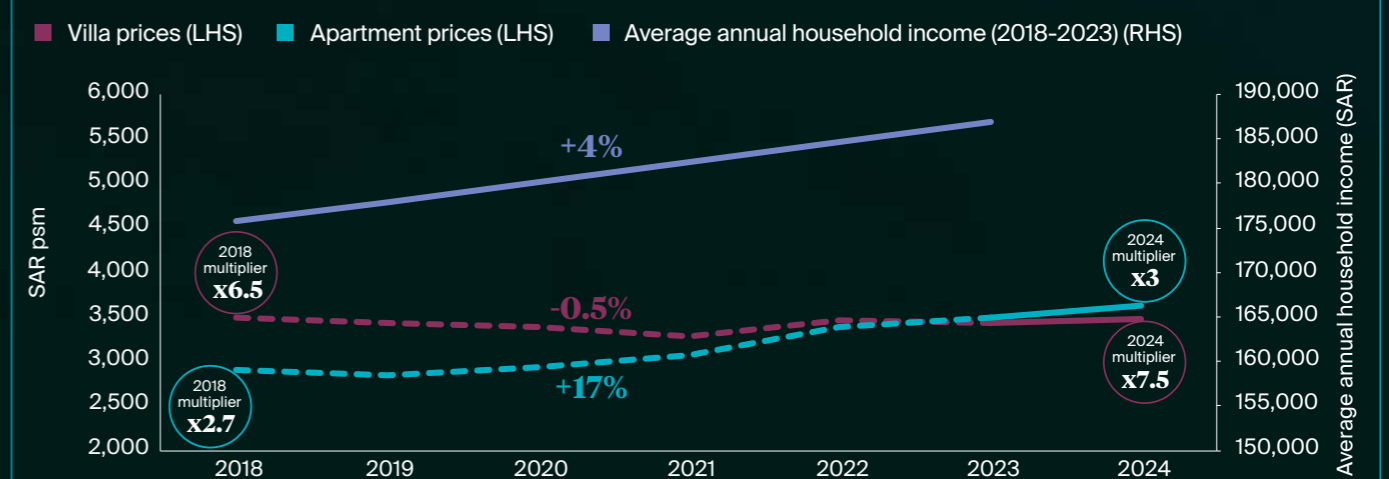


**Income multipliers (by neighbourhood)**

	Villas	Apartments
Qurtaba	11	4
Al Monisiyah	10	3
Ishbiliah	9	3
Tuwaiq	5	2

Source: Knight Frank, GASTAT

**DMA income multiplier trends (2018-2024)**



**Income multipliers (by neighbourhood)**

	Villas	Apartments
Al-Hamra'a	7	3
Ash Shati Al Gharbi	7	4
Al Andalus	-	4
Al Qusur	10	-

Source: Knight Frank, GASTAT

# HOME OWNERSHIP ASPIRATIONS SLIP FURTHER

As we have previously reported, a high interest rate environment and rampant house price growth across the Kingdom over the last five years, particularly in cities such as Riyadh, has impacted the housing market. Combined with rising home ownership rates, an upward creep in demand for renting (instead of owning, among younger Saudis) appears to be dampening demand for home purchases. Indeed, our survey results have shown that just a third of Saudi nationals and Saudi-based expats would like to purchase a home in 2025.

## Deferred ambitions?

In our 2022 Saudi Report, we found that 84% of Saudi nationals who were renting at the time were keen on transitioning to home ownership in the same year. In 2023, 40% of Saudi nationals were planning to buy their first home or upgrade.

Our results this year have shown that just 29% of Saudi nationals who are currently tenants plan to buy a home during 2025. In contrast, 33% of existing Saudi homeowners plan to buy a second home or upgrade their current arrangements during the same period.

Home ownership aspirations appear to be highest amongst the country's top earners, with 45% of Saudi nationals earning over SAR 50,000 per month keen on transacting during 2025.

## Understanding the lack of appetite to purchase

Notably, the primary reason cited by our respondents for not wanting to purchase a home is that they already own the property they live in (31%). This figure is even higher for our Saudi national respondents, ranging from 45% for those earning SAR 20,000-30,000 per month to 75% for those earning over SAR 30,000-40,000 per month.

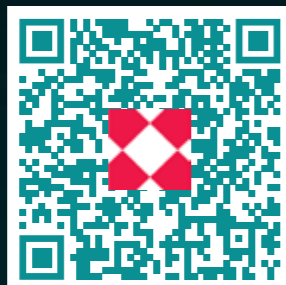
The rising proportion of home ownership in the Kingdom, in large part fostered through the government's wide-ranging and highly successful home ownership programmes, has put the 70% ownership rate target amongst Saudi nationals by 2030 within touching distance.

So, it is to be expected that the level of demand for primary homes would begin to ebb unless new sources of demand, i.e., amending rules to permit international ownership, are unveiled.

The second most significant reason for not wanting to purchase, or move home is that our respondents have 'no reason to move' and are happy where they live currently. For expats who earn over SAR 30,000 per month, this is the most cited reason. The government's goal of creating world-class housing communities appears to be paying dividends.

These two points, together with 'house prices being too high' (13%), round off the top three reasons our respondents are not keen to move or buy a new (or a second) home. A third (33%) of Saudi nationals earning over SAR 50,000 per month see this as a significant hurdle, behind the high interest rate environment (67%).

DISCOVER OUR EXPERT INSIGHTS



## Future homeownership plans\*

**55%** of Saudi nationals and Saudi-based expats earning over SAR 80,000 per month have the intention to move or make a purchase during 2025.

**40%** of respondents from Madinah plan to purchase within the next two years, followed by Makkah (36%).

**34%** of respondents are looking to buy a home within the next 1-2 years.

**33%** of Saudi nationals and Saudi-based expats plan to purchase a home in 2025.

**17%** of respondents are looking at a longer home-purchase horizon of over 5 years.

**9%** of respondents do not plan to purchase, while 7% are undecided.

\*Percentages indicate number of times each option was selected by survey respondents

Source: Knight Frank, YouGov

## Reasons for not wanting to purchase a home\*

**67%** of Saudi nationals earning over SAR 50,000 per month view high interest rates as a major hurdle to their purchase plans.

**36%** of Saudi-based expat respondents are content with their current living arrangements and 9% are unsure if they're permitted to own a home under current rules.

**31%** of respondents already own their property, and 13% find house prices too high.

**23%** of respondents are satisfied with their current homes and have no plans to move.

\*Percentages indicate number of times each option was selected by survey respondents

Source: Knight Frank, YouGov

## Reasons for considering a property move or purchase\*

**43%** a bigger home

**34%** a good investment opportunity

**30%** greater proximity to place of work

**39%** move to a better neighbourhood

**30%** proximity to family

**17%** downsizing

\*Percentages indicate number of times each option was selected by survey respondents

Source: Knight Frank, YouGov



# HOME OWNERSHIP ASPIRATIONS SLIP FURTHER

## Key motivations

For those keen on purchasing a home, 'upgrading to a bigger home' (43%) tops the list of drivers for both Saudi nationals and Saudi-based expats. For expats with a monthly income of over SAR 30,000, this is especially important, with 47% of our expat respondents in this salary bracket citing the need for more space as the primary driver to move or purchase a new home.

For all our respondents, this is closely followed by the desire to access a better lifestyle by moving to a different neighbourhood (39%).

Irrespective of whether the respondents were Saudi nationals or Saudi-based expats, 'being closer to friends and family', 'moving to a different neighbourhood to access a better lifestyle' and the perception of a home purchase being 'a good property investment' jointly top the list of motivators for those earning over SAR 80,000 per month.

## Preference for completed homes

Most (53%) of our survey respondents show a clear preference for buying completed properties. The desire is highest amongst Saudi nationals, ranging from 55% for those on monthly incomes of SAR 10,000-20,000 per month, climbing to 64% for those earning SAR 40,000-50,000 per month.

38% of expats earning over SAR 30,000 per month are keen on purchasing a completed home.

Overall, the desire to buy a ready-to-move-into home is greatest amongst the highest earners, irrespective of whether respondents were Saudi nationals or Saudi-based expats, ranging from 50% of those on a monthly income of over SAR 80,000, climbing to 67% for those with a monthly income of SAR 70,000-80,000.

## Interest in off-plan purchases

Just under a quarter (23%) of all our respondents had a preference for off-plan purchases, making it the second most popular choice. Perhaps unsurprisingly, this preference is notably popular among respondents with lower incomes, such as those earning SAR 20,000-30,000 (24%), who may view an off-plan purchase as a more affordable or flexible way to access home ownership.

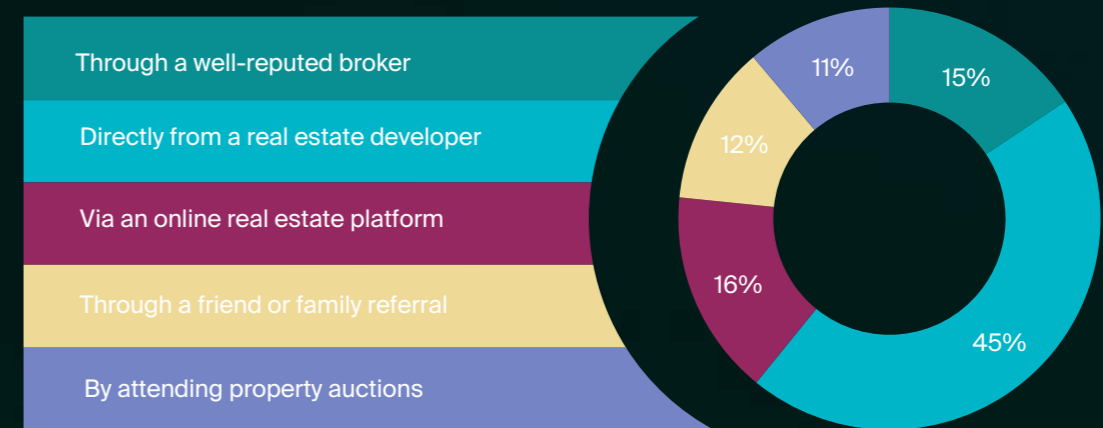
Just 15% of expats with a monthly income of over SAR 30,000 are keen on an off-plan purchase.

## Property purchase preferences (Saudi nationals vs. Saudi-based expats)



Source: Knight Frank, YouGov

## Preferred property purchase method (all respondents)



Source: Knight Frank, YouGov



Al Balad district in Jeddah

## EXPERT OPINION

“Our survey shows a strong demand for completed properties, particularly among higher-income groups and Saudi nationals, who value the convenience of ready-to-move-in homes. We are also seeing interest in off-plan purchases from those seeking potentially lower upfront costs.”

**Mohamad Rabih Itani**  
Partner - Residential Sales and Marketing Projects, KSA

# RELOCATION INTENTIONS REVEALED

Our survey results highlight the pull of major cities in the Kingdom on both nationals and expats, shaped in large part by economic growth, quality of life enhancements and the strategic goals of Vision 2030. Riyadh and Jeddah continue to attract a significant number of residents due to burgeoning economic opportunities, while the Dammam Metropolitan Area (DMA), Makkah, and Madinah are also gaining popularity.

## Riyadh remains the top preferred location

Riyadh tops the list as the most preferred destination by both Saudi nationals and Saudi-based expats for the third time, with 53% of respondents showing interest in moving there. This compares to 35% in 2022 and 49% in 2023.

This preference is markedly higher among high-income earners (71% for those earning SAR 70,000-80,000 per month), validating the capital's status as a burgeoning economic and cultural hub, as well as its position as the leading city for job creation in the Kingdom.

Riyadh also has a very high internal retention rate, with 82% preferring to stay or relocate within the city, highlighting the city's appeal for job opportunities, lifestyle, and amenities.

## High interest in Jeddah

Jeddah follows as the second most preferred city (40%). The Red Sea gateway is particularly favoured by high-income respondents (57% of those earning SAR 70,000-80,000 per month).

Moreover, the residents of Jeddah show the highest preference for remaining in their city among all cities surveyed, with 83% preferring to remain in the city, rather than move elsewhere in the Kingdom.

Just over one in five (21%) favour moving to Makkah. Those earning over SAR 80,000 per month appear to have an even stronger attraction to Islam's holiest city (30%).

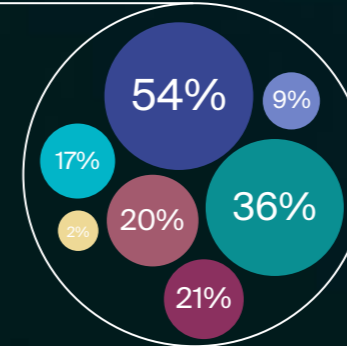
The DMA and Madinah shared the equal preference among our respondents at 19% each. The DMA is also preferred by high-income individuals, with 29% of those earning SAR 70,000-80,000 per month showing a preference for this region. Madinah, too, commands a high level of attention, especially among its residents (69%), suggesting that its cultural and spiritual significance continues to play a crucial role in attracting new residents.

About 4% of respondents are considering moves outside of Saudi Arabia, with this inclination most pronounced among high-income respondents (20% for those earning SAR 80,000+), hinting perhaps at global lifestyle aspirations, international career goals, and/or international second-home desires.

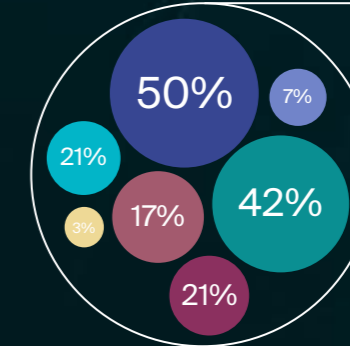
## Most popular location for a home purchase (by monthly income)

- Riyadh
- Jeddah
- DMA
- Makkah
- Madinah
- Elsewhere in Saudi Arabia
- Outside Saudi Arabia

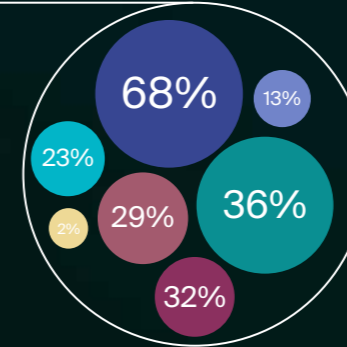
Saudi nationals (SAR 10,000-20,000)



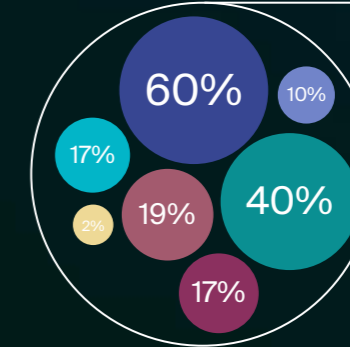
Saudi nationals (SAR 20,000-30,000)



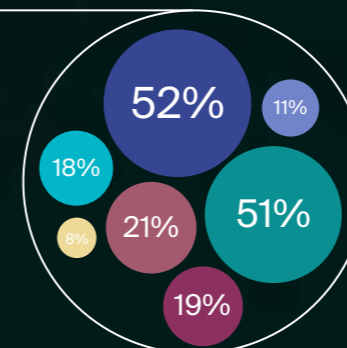
Saudi nationals (SAR 30,000-40,000)



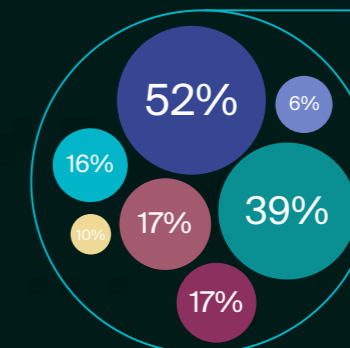
Saudi nationals (SAR 40,000-50,000)



Saudi nationals (SAR 50,000+)



Saudi-based expats (SAR 30,000+)



Source: Knight Frank, YouGov

## Most popular city for a home purchase

- Saudi Nationals
- Saudi-based expats

Outside Saudi Arabia  
3% 10%

Madinah  
19% 17%

Jeddah  
40% 39%

Makkah  
21% 17%



Source: Knight Frank, YouGov

## DISCOVER OUR DATA





# HOME PREFERENCES REVEALED

Property preferences among respondents reveal distinct patterns across cities and income levels, showcasing the types and sizes of homes sought by Saudi nationals and Saudi-based expats. Our survey results highlight the continued strong preference to purchase and/or live in a villa amongst both Saudi nationals and expats; however, most Saudi-based expats (55%) still prefer to purchase or live in an apartment.

## Home aspirations

Villas are the most preferred property type by both Saudi nationals and Saudi-based expats (51%), particularly among high-income earners. 75% of those earning between SAR 60,000-70,000 per month, for instance, would prefer to live in a villa.

Amongst Saudi nationals, 48% earning between SAR 10,000-20,000 per month would like to live in and/or own a villa, and this rises to 69% amongst those earning over SAR 50,000 per month.

The preference for villa living is lowest among expatriates who earn more than SAR 30,000 per month (21%).

Apartments, on the other hand, are highly desirable for those with incomes of SAR 10,000-20,000 (32%), as well as Saudi-based expats earning over SAR 30,000 per month (55%).

Among expats earning SAR 30,000+ monthly, 3-bedroom villas are particularly popular (34%). When it comes to apartments, 3-bedroom properties are in highest demand (39%).

Higher-income groups show considerable interest in 4-bedroom apartments, with a 50% preference among those in the SAR 50,000-60,000 monthly income bracket, rising to 67% of those with incomes of SAR 70,000-80,000 per month.

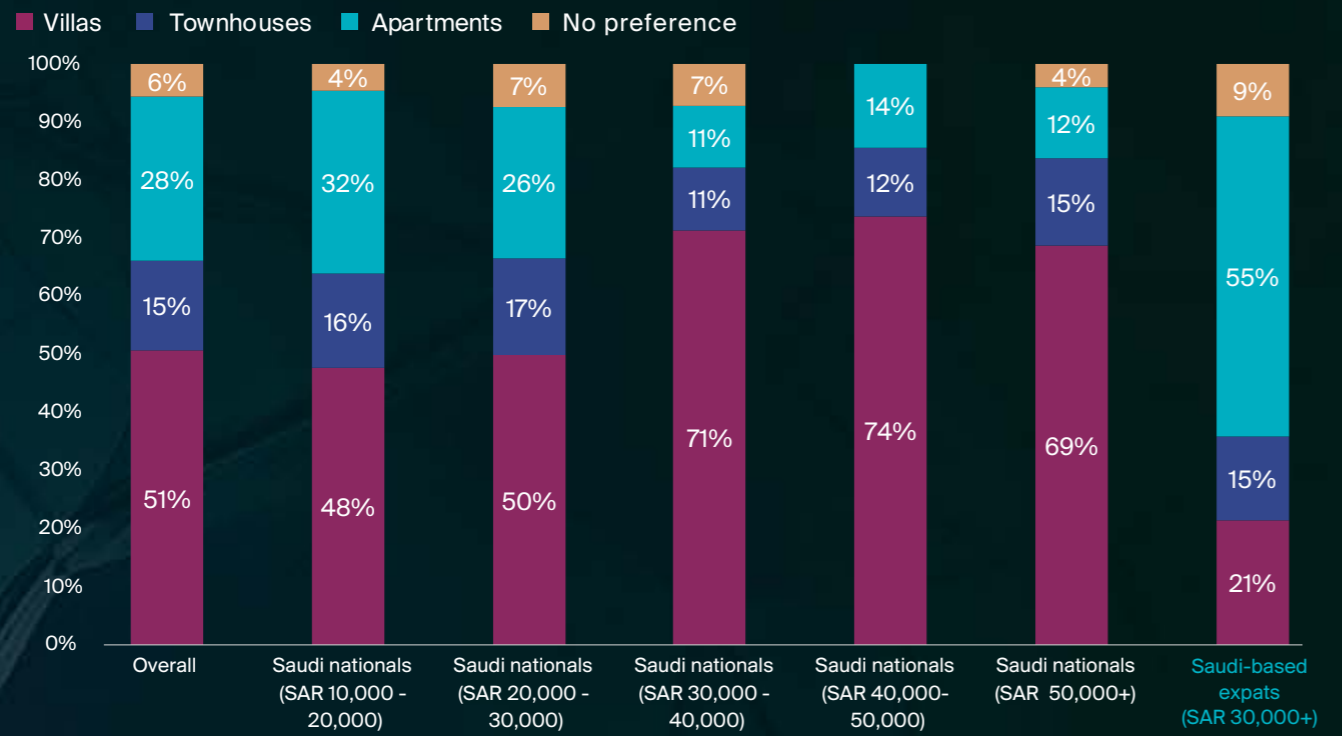
For 45% of Saudi-based expats earning over SAR 30,000 per month, 3-bedroom apartments are the most attractive choice.

As the cost of home ownership continues to rise and apartment living becomes more socially and culturally acceptable, we expect to see greater demand from young Saudi nationals for this type of accommodation.

## Property size preferences

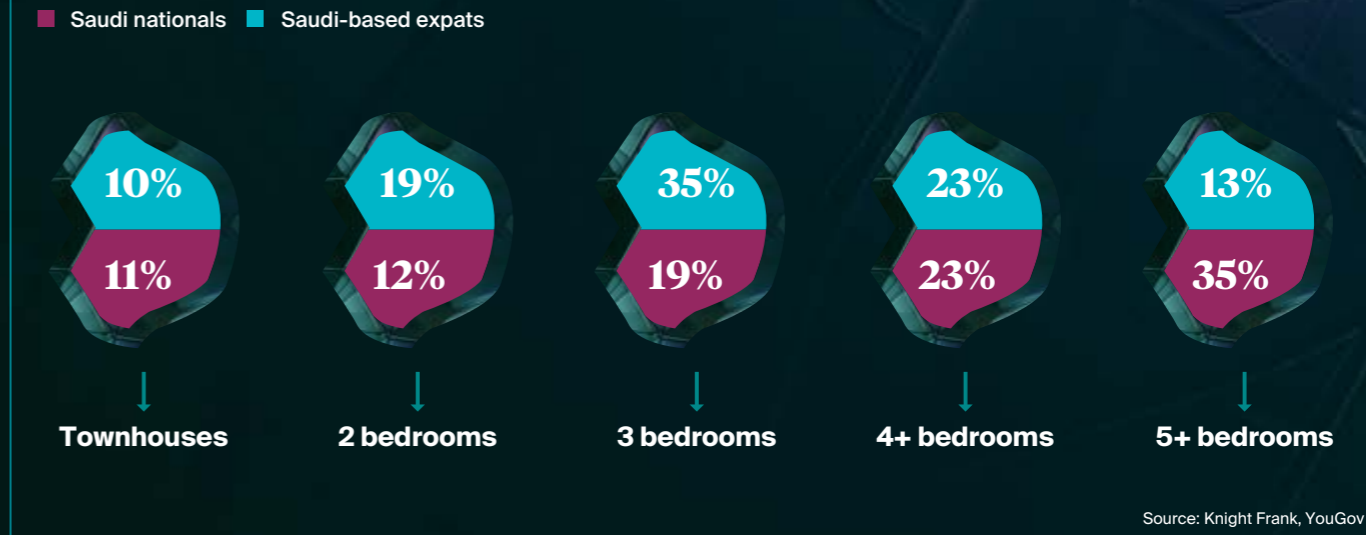
5+ bedroom villas are highly sought by the highest earners, especially those earning SAR 40,000-50,000 per month (48%) and SAR 70,000-80,000 per month (47%). For Saudi nationals, this appetite is even stronger, rising to 57% for those with monthly incomes of SAR 80,000+.

### Preferred property types (by monthly income)



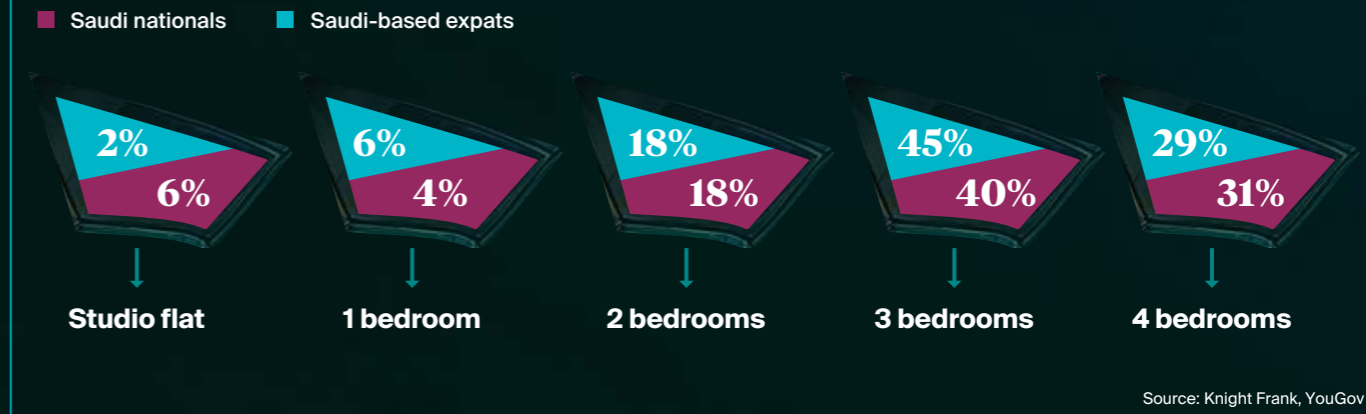
Source: Knight Frank, YouGov

### Respondents' preferred villa type



Source: Knight Frank, YouGov

### Respondents' preferred apartment type



Source: Knight Frank, YouGov

## NEED TO KNOW:

- In Riyadh, 56% of our survey respondents prefer villas, 17% townhouses, and 23% apartments.
- Respondents in Jeddah exhibit a balanced preference across all property sizes and types, with notable demand for 3-bedroom apartments (37%).
- In Makkah, 3-bedroom apartments (35%) are most sought after by all our respondents.
- In Madinah, villas are the most preferred property type amongst all our survey respondents (59%).

# KEY MOTIVATIONS FOR HOME BUYERS

## Personal use dominates

When asked about buying a residential property in the Kingdom, 79% of Saudi nationals and Saudi-based expats say the primary reason would be for personal reasons.

48% intend to use it as a main residence, while a further 31% would buy a home for their 'children or extended family'.

The latter trend is strongest among Saudi nationals with monthly income in excess of SAR 50,000 (37%).

Overall, those earning between SAR 60,000-70,000 per month are most likely to buy for personal reasons (92%), with 47% planning a purchase for use as a main residence.

Notably, 71% of tenants plan to purchase a property to use as their main home.

## Investment appears to be a low priority

Just 13% of our respondents plan to buy a home as an investment.

That said, Saudi-based expats have a greater desire to purchase for investment reasons. For instance, 21% of Saudi-based expats with monthly incomes over SAR 30,000 will purchase a home purely as an investment.

Meanwhile, just over a fifth (22%) of Makkah-based respondents want to buy a home for investment reasons, presumably to capitalise on the high demand for holiday rentals in the city from visiting pilgrims.

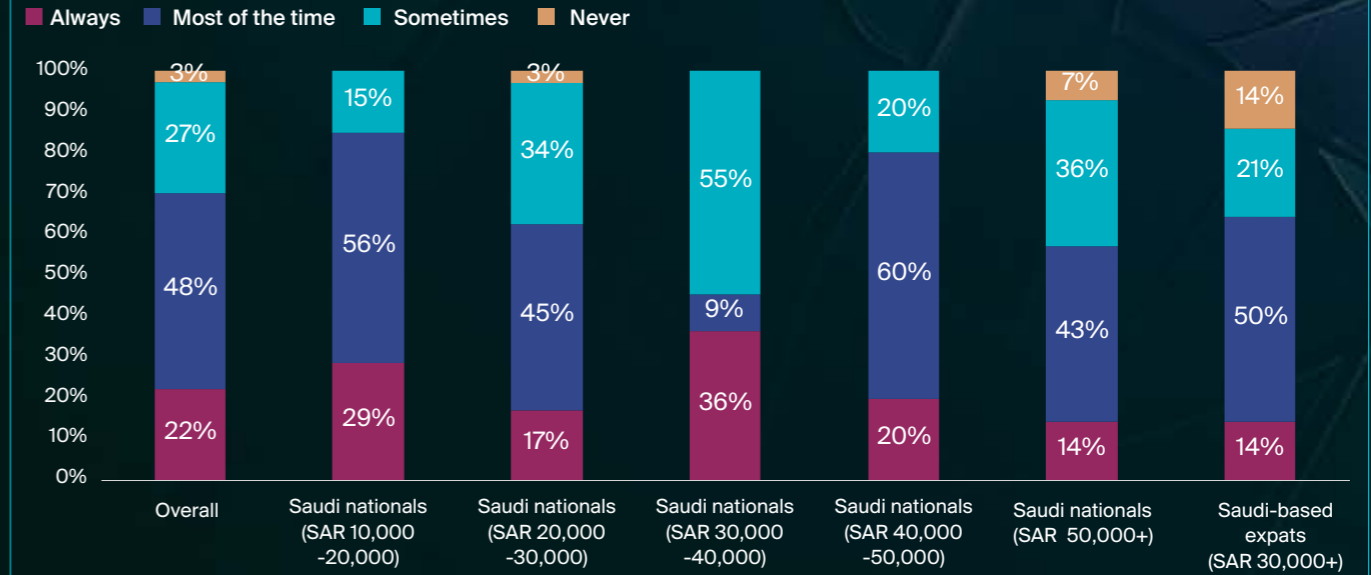
## Premium residency visa boost yet to materialise

Only a small proportion (4%) of our Saudi-based expat respondents expressed interest in acquiring residential real estate as a means to qualify for a Premium Residency Visa. The low figure is likely linked to the relatively high SAR 4 million qualification threshold and/or a lack of awareness of the scheme.



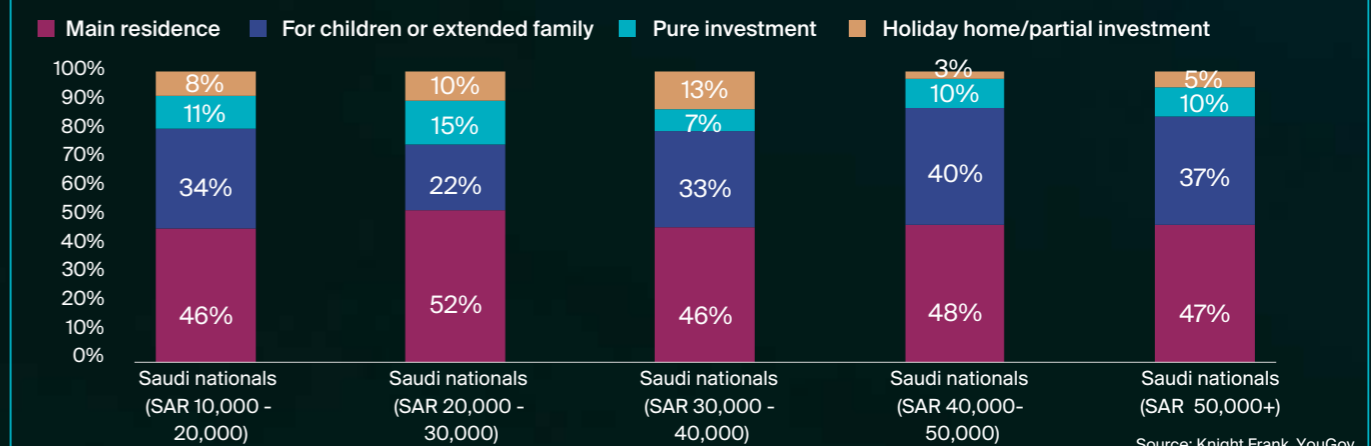
Olaya district in Riyadh

## Likelihood of renting out home purchase (by monthly income)



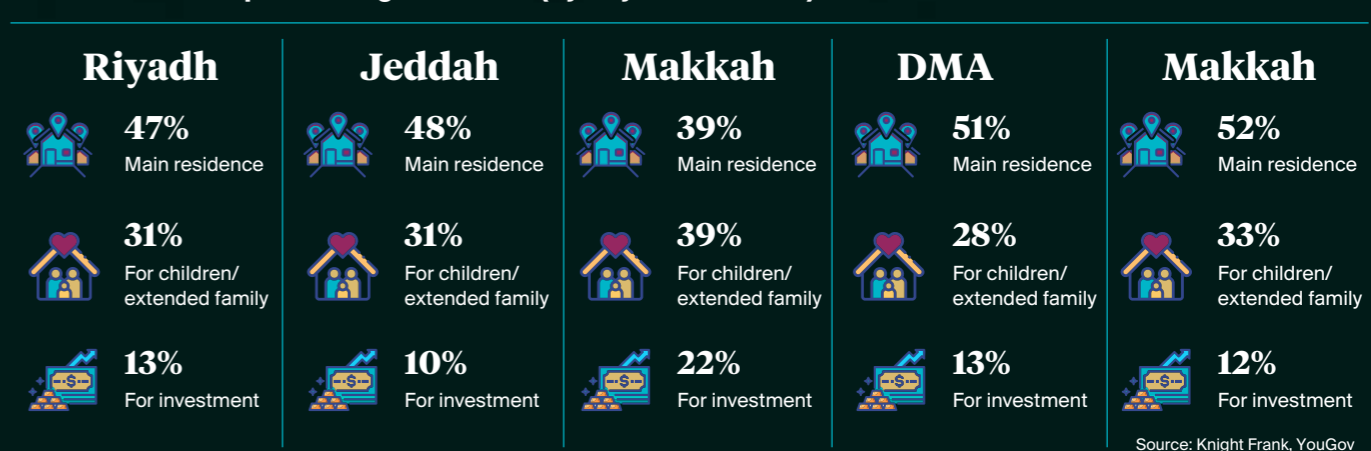
Source: Knight Frank, YouGov

## Saudi nationals' home purchasing intentions (by monthly income)



Source: Knight Frank, YouGov

## Saudi nationals' purchasing intentions (by city of residence)



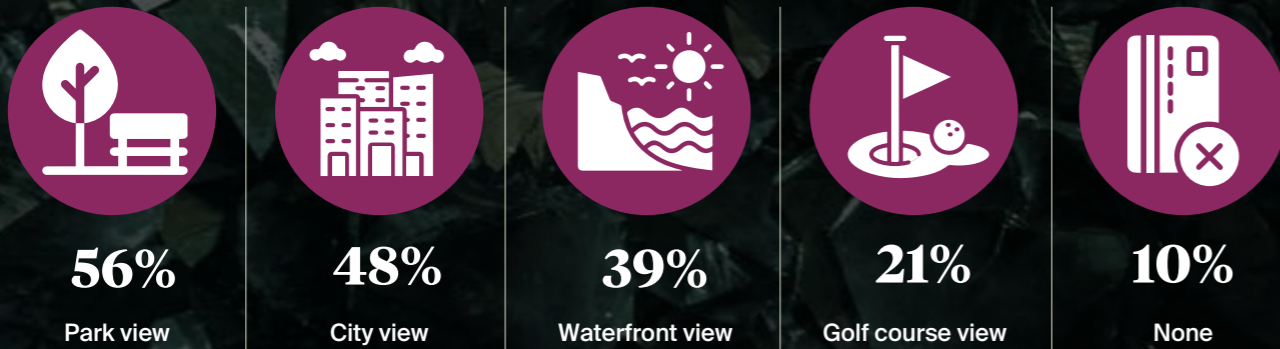
Source: Knight Frank, YouGov



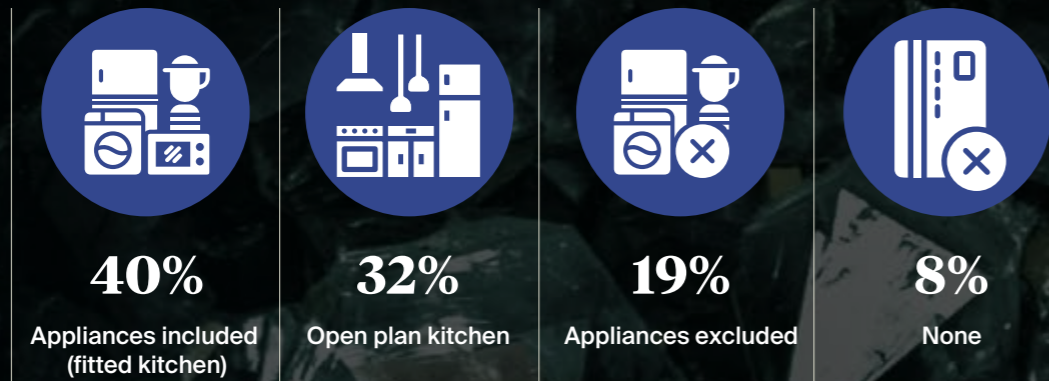
# HOME PREFERENCES

In our survey, we also investigated the features that potential home buyers would be willing to pay a premium for. Below, we detail our findings, comparing preferences between Saudi nationals and Saudi-based expats.

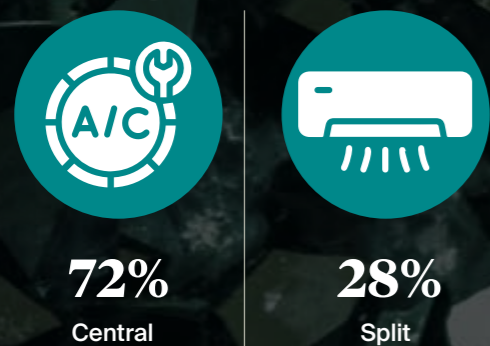
## View preferences



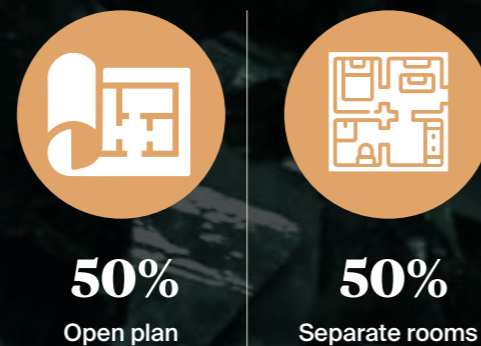
## Kitchen preferences



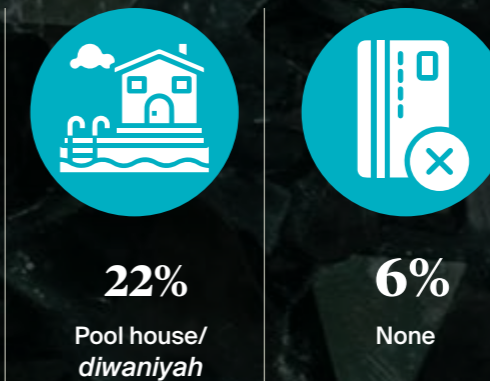
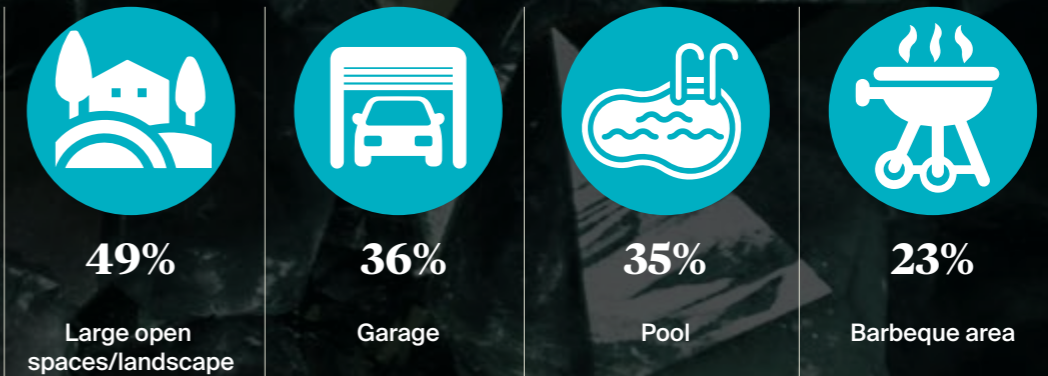
## Air conditioning preferences



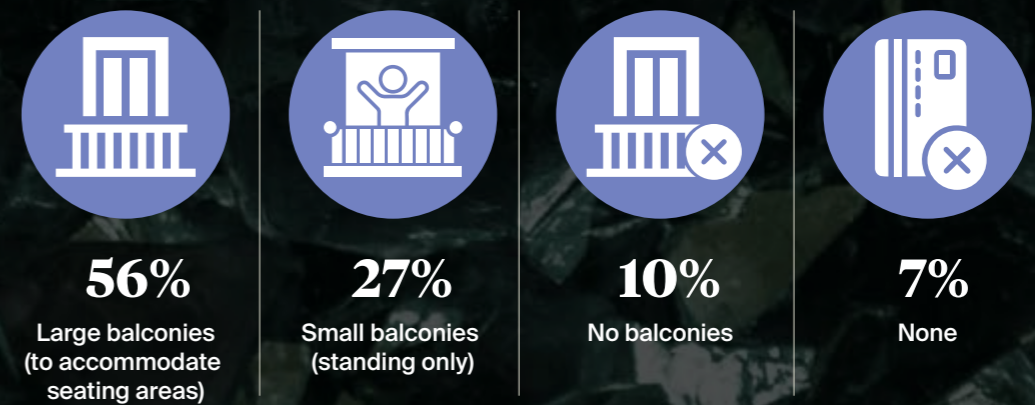
## Layout preferences



## Amenity preferences



## Balcony preferences





# SAR 1.83BN OF SPENDING POWER

In both our 2022 and 2023 Saudi Reports, we found the delta between market pricing and potential home buyers' budgets was misaligned and pointed to an opportunity to develop homes that are more affordable. Our survey results this year suggest the mismatch between expectations and reality remains, with 42% of our survey respondents prepared to spend up to SAR 1.5 million on a new home. This compares to an average 4-bedroom villa price in Riyadh of around SAR 2.8 million.

### Budgets and market prices remain misaligned

The average home purchase budget for Saudi nationals ranges from SAR 2.1 million for those with monthly earnings between SAR 10,000-20,000 and rises to SAR 3.7 million for those earning between SAR 70,000-80,000 per month.

For context, the average ticket price for a 4-bedroom villa in Riyadh is SAR 2.8 million, suggesting that villas may be less affordable for middle-income Saudi households without additional financial support or alternative financing options.

While it is encouraging to note that there are those with deeper pockets, this segment of the population remains small. More than 1 million residential units are due to be built for sale across the Kingdom by 2030, most of which we expect to be priced above US\$ 1 million. There is a potential risk of an oversupply of luxury housing over the next five to ten years unless new sources of demand are identified or tapped into, i.e., international buyer demand.

### Expat budgets appear to rule out villa purchases

The bulk of our respondents (52%), both Saudi nationals and Saudi-based expats, are prepared to spend between SAR 750,000 and SAR 2.5 million on a home in the Kingdom. A further 16% say they will spend between SAR 3.5-5.5 million, while only 3% have a budget of over SAR 5.5 million.

16% of Saudi nationals are likely to commit more than SAR 5.5 million on their next home purchase.

Overall, regardless of whether respondents were Saudi nationals or Saudi-based expats, 50% of those with a monthly income greater than SAR 80,000 are prepared to buy a home in the Kingdom for over SAR 5.5 million.

In contrast, expatriates with a monthly income of over SAR 30,000 have an average home purchase budget of SAR 1.41 million, well below the villa benchmark of SAR 2.8 million.

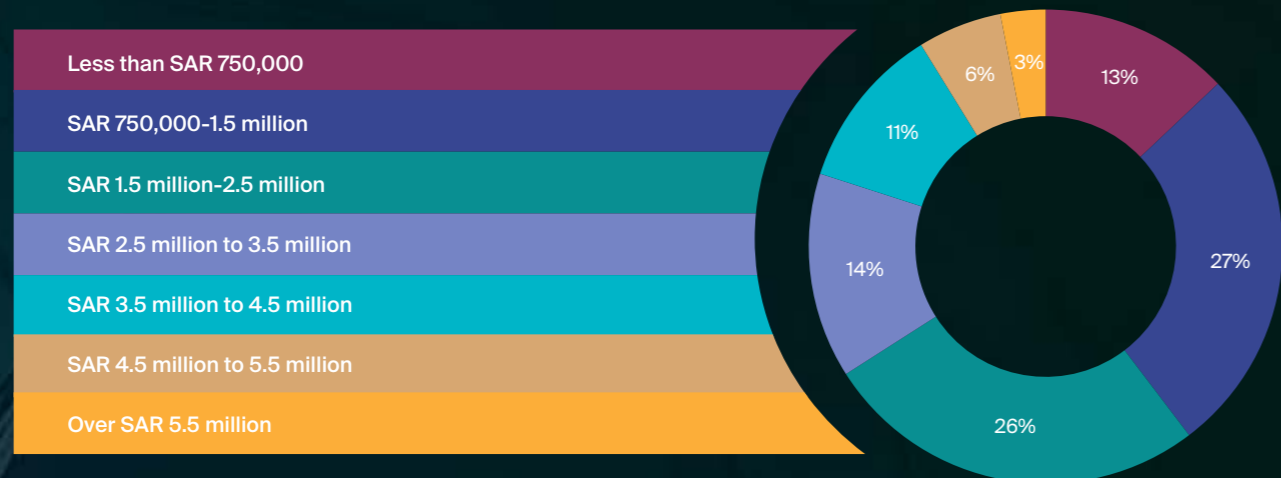
### SAR 1.83bn of spending power

To get a better understanding of the pent-up demand for housing in the Kingdom, we have combined the top-line budgets of all of our survey respondents.

This reveals a total of SAR 1.83bn of private capital that is waiting in the wings, ready to be deployed into the Kingdom's housing markets.

This figure is broken down by a total combined budget of SAR 1.7bn amongst Saudi nationals and SAR 75 million amongst Saudi-based expats.

### Home purchase budgets (all Saudi national respondents)



Source: Knight Frank, YouGov

### Average home purchase for Saudi nationals (by monthly income)

**SAR 2.1 million**

Saudi nationals  
(SAR 10,000-20,000)

**SAR 2.1 million**

Saudi nationals  
(SAR 20,000-30,000)

**SAR 2.7 million**

Saudi nationals  
(SAR 30,000-40,000)

**SAR 2.5 million**

Saudi nationals  
(SAR 40,000-50,000)

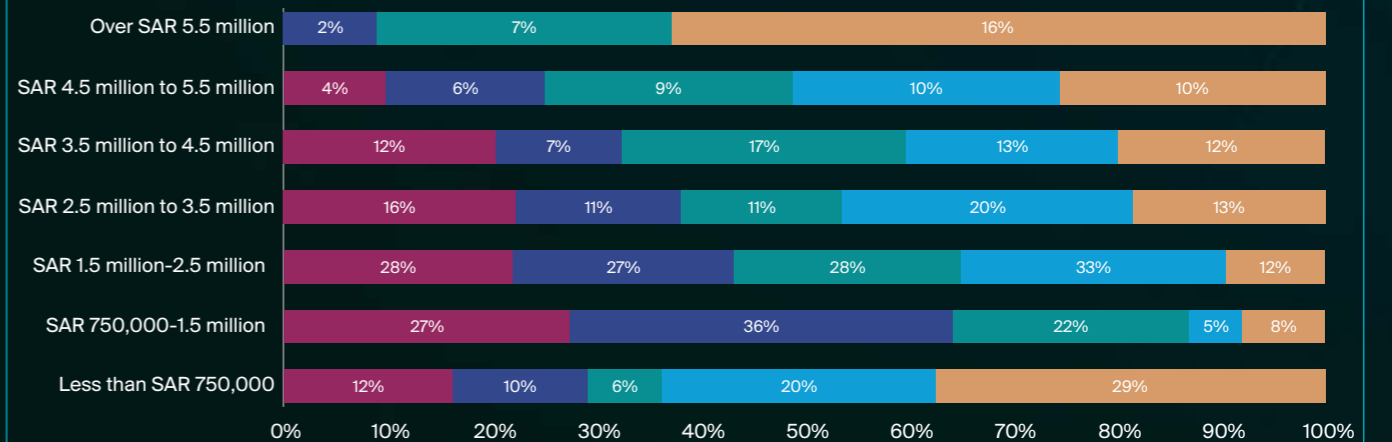
**SAR 2.8 million**

Saudi nationals  
(>SAR 50,000)

Source: Knight Frank, YouGov

### Saudi nationals' home purchase budgets (by monthly income)

Legend: Saudi nationals (SAR 10,000-20,000), Saudi nationals (SAR 20,000-30,000), Saudi nationals (SAR 30,000-40,000), Saudi nationals (SAR 40,000-50,000), Saudi nationals (SAR >50,000)



Source: Knight Frank, YouGov

## NEED TO KNOW:

- Nearly a two-third (64%) of our survey respondents in Riyadh, Jeddah, and Madinah have purchasing budgets of between SAR 750,000 and SAR 2.5 million
- 80% of respondents from DMA and Makkah are prepared to spend between SAR 750,000-2.5 million on a home
- Only a small percentage (4% in Riyadh and 3% in Jeddah) are willing to spend over SAR 5.5 million, reflecting a limited demand for high-end homes
- 26% of Saudi nationals earning SAR 50,000+ per month are willing to spend over SAR 4.5 million on a new home
- Most expats (91%) have budgets of between SAR 750,000-2.5 million
- Only 4% of expats plan to spend between SAR 3.5-5.5 million



# NAVIGATING HOME FINANCING

## Support from family

Family financial support, often referred to as the 'Bank of Mum and Dad', remains a crucial factor for home ownership in the Kingdom.

58% of all of our respondents expect to rely on family assistance to help fund their home purchase. This support is particularly critical among expatriates, with 71% of those earning SAR 30,000+ per month anticipating family help. It highlights the dependency of expatriates on family resources, presumably due to affordability challenges and/or complications in securing local financing options.

Among Saudi nationals, reliance on family support varies by income level. 58% of those earning between SAR 10,000–20,000 per month expect to turn to their families for support, while 50% of those earning over SAR 80,000 per month are likely to rely on the 'Bank of Mum and Dad'. This shows a consistent level of dependency across income groups, suggesting that family support is a widespread and culturally embedded practice for home purchases in the Kingdom.

This reliance is especially evident among lower-income respondents (earning SAR 10,000–20,000 each month), for both Saudi nationals and Saudi-based expats, with 60% of this group likely to seek family assistance, underscoring the need for supplemental budget support. Conversely, higher earners, particularly those in the SAR 60,000–70,000 per month range (42%), demonstrate greater financial independence.

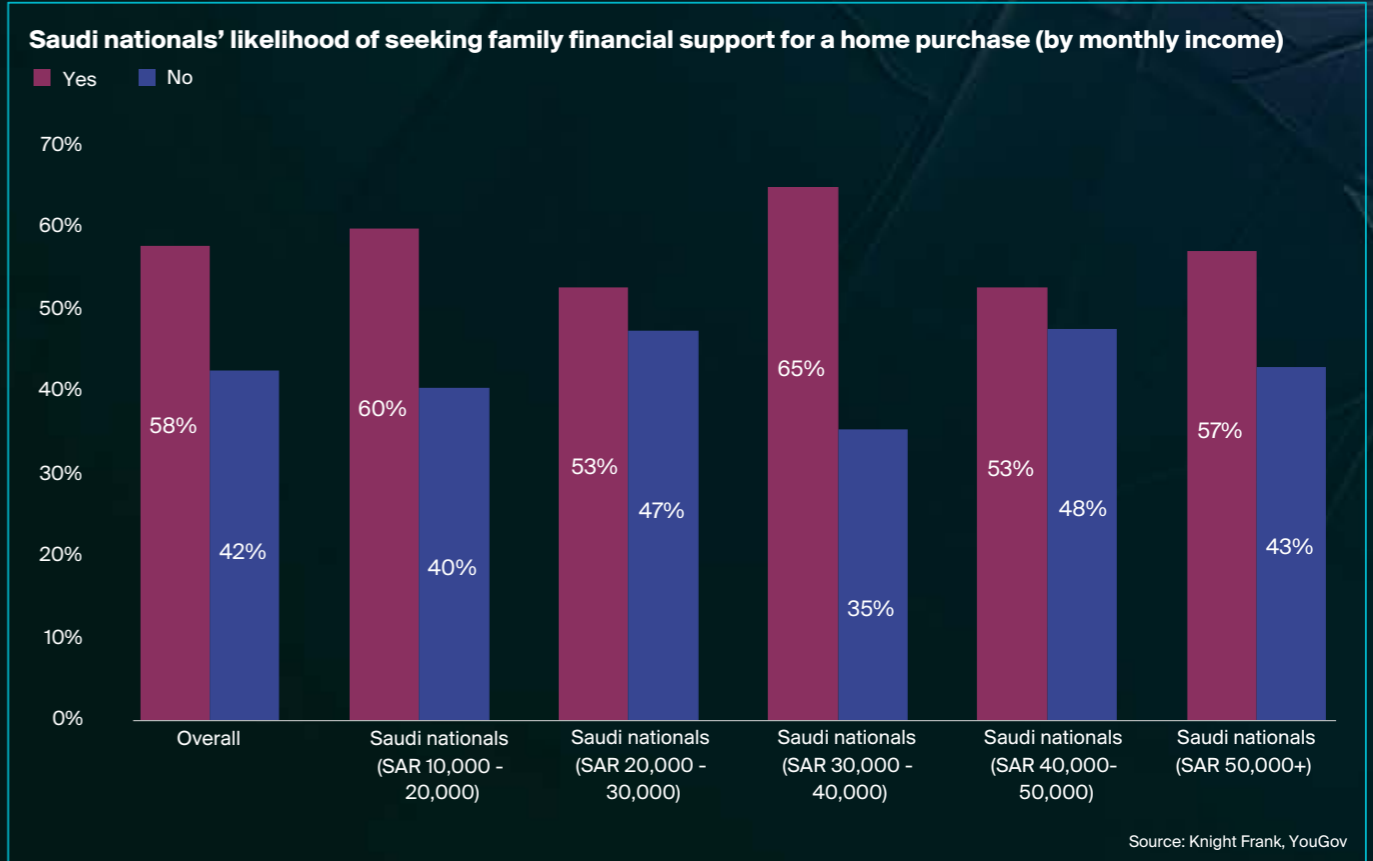
## Developer-linked financing

Away from family financial aid, developer and self-seeking financing options remain highly favoured among homebuyers. According to our survey results, 49% of Saudi nationals and Saudi-based expat respondents expect to obtain financing options directly from developers.

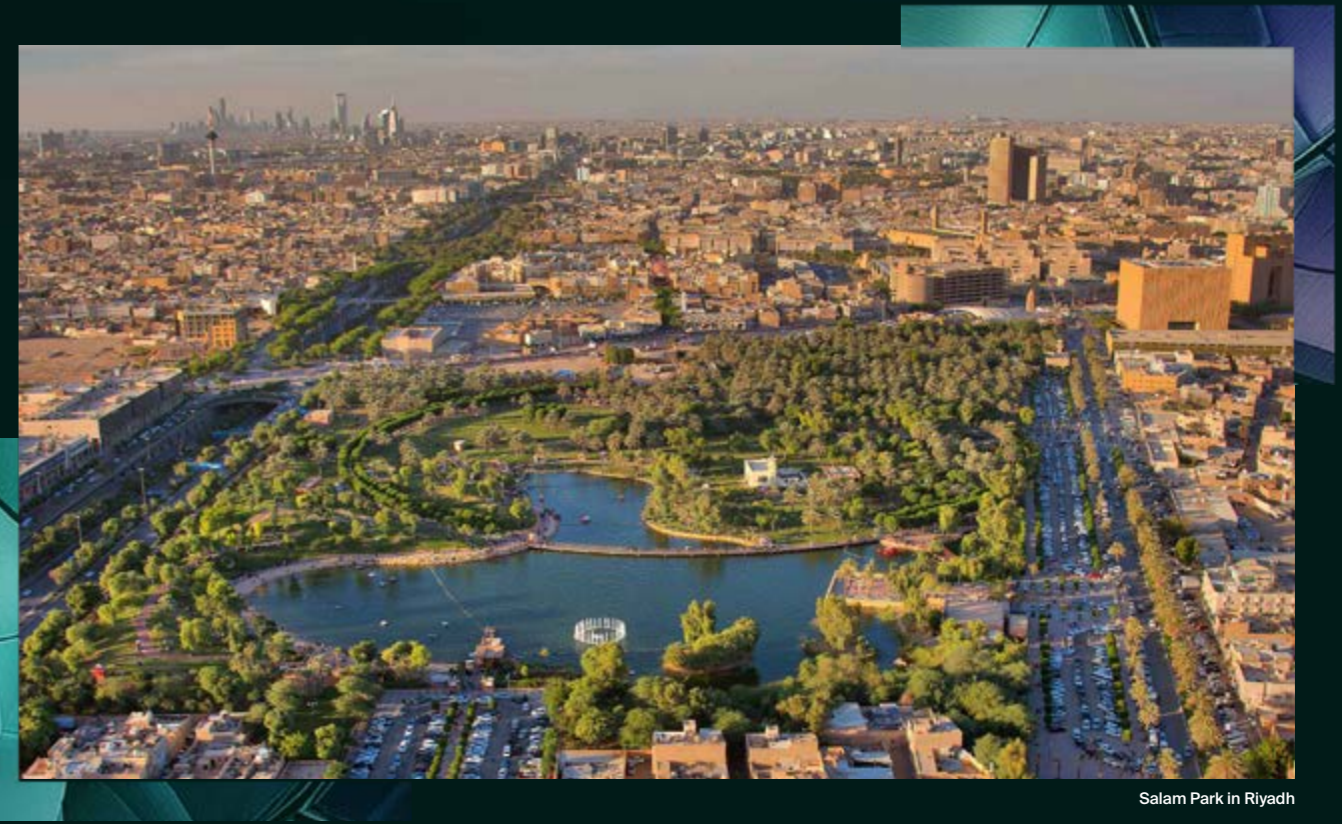
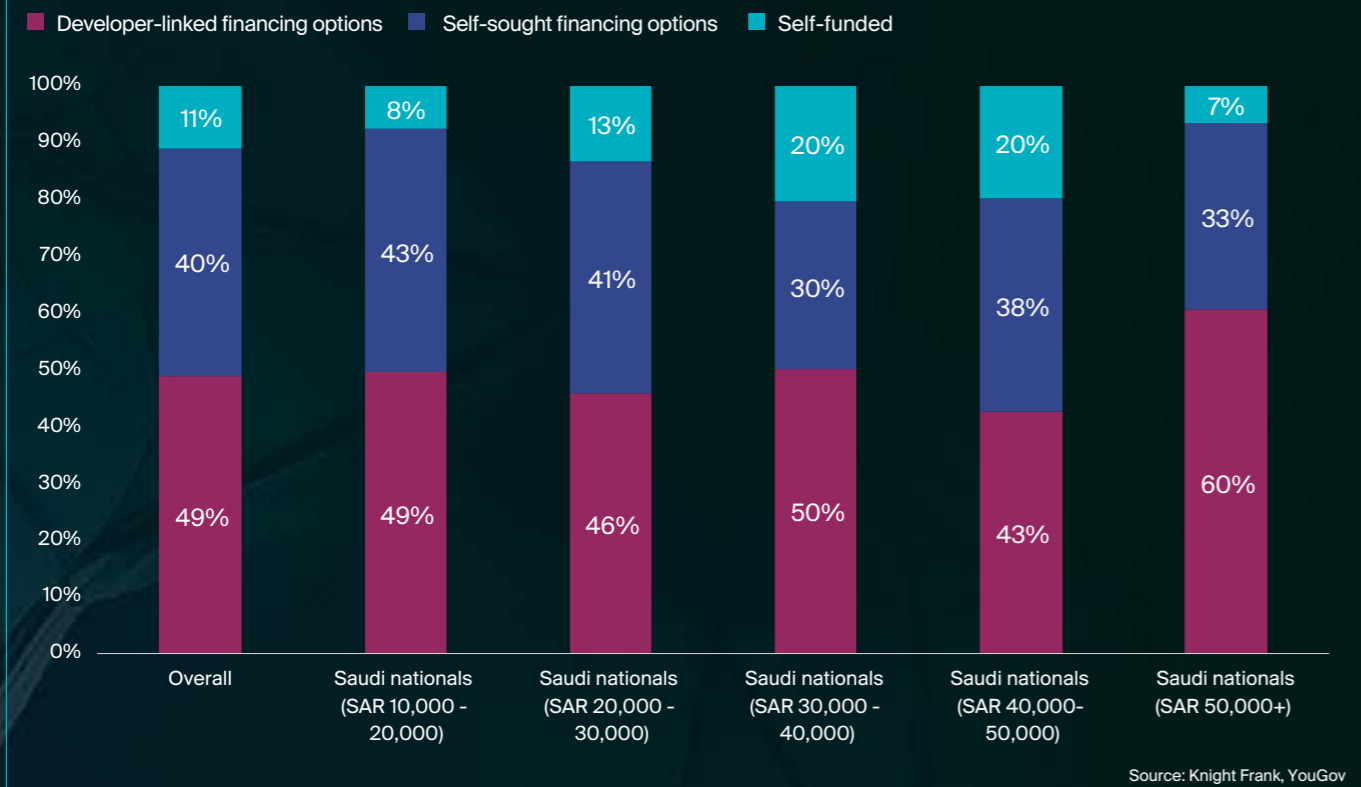
Among Saudi nationals with a monthly income of over SAR 50,000, 60% would prefer a developer to offer financing options. This compares to a slightly lower proportion (43%) of expats earning over SAR 30,000+ each month.

Overall, high-income respondents, both Saudi nationals and Saudi-based expats earning SAR 70,000–80,000 per month, show the greatest preference for developer-linked financing options (82%).

At a city level, the residents of Jeddah and Riyadh are the locations with the highest demand for developer-led financing at 52% and 39%, respectively.



## Saudi nationals' financing preferences (by monthly income)



# NAVIGATING HOME FINANCING

## Payment plan preferences

The importance of fiscal support in a market with rapidly escalating house prices is further highlighted by our r  
The importance of fiscal support in a market with rapidly escalating house prices is further highlighted by our respondents' preferences for loan-to-value (LTV) ratios and payment plans.

Most (36%) Saudi nationals and Saudi-based expats favour a 10-20% down payment with the balance paid beyond handover, indicating a strong preference for extended payment flexibility. Meanwhile, 17% are willing to make a 10-20% down payment while paying the full balance on handover.

When it comes to larger down payments, 24% of all our respondents prefer a 50% down payment with the rest settled at handover, while 10% would opt for a 50% down payment with the remaining payments extending beyond handover. Additionally, only 7% of respondents are prepared to pay the full amount upfront, underscoring a broader trend toward staggered payment plans. This figure is even lower amongst Saudi nationals earning SAR 10,000-20,000 per month at 3%.

Overall, our data shows a clear preference for flexible financing structures, with a substantial (46%) proportion of all our respondents looking to extend payments beyond handover and a slightly smaller percentage (42%) prepared to pay the remainder upon handover.

Notably, 50% of those with monthly incomes in excess of SAR 80,000 are prepared to make a 50% downpayment on a new home, with the balance to be paid in instalments post-handover.

## Mortgage instalments as a percentage of income

All our respondents have shown clear preferences for monthly mortgage instalments relative to their income, revealing high levels of budgetary awareness.

20-30% of monthly income is the most preferred instalment range, with 40% of all respondents opting to allocate this percentage of their income to secure a home. The option is especially favoured by Saudi nationals earning SAR 10,000-20,000 per month (45%).

32% of respondents are happy to part with 10%-20% of their monthly earnings to own a home. This range is particularly appealing to expats earning over SAR 30,000 per month (42%) and 37% of respondents from Dammam, suggesting a more conservative approach to monthly mortgage commitments.

Amongst the highest earners, 42% of those with an income of SAR 70,000-80,000 per month are prepared to spend 30-40% of their monthly earnings on a home mortgage, while 24% of those who take home over SAR 80,000 each month are happy to direct 40-50% of their monthly income to a mortgage.

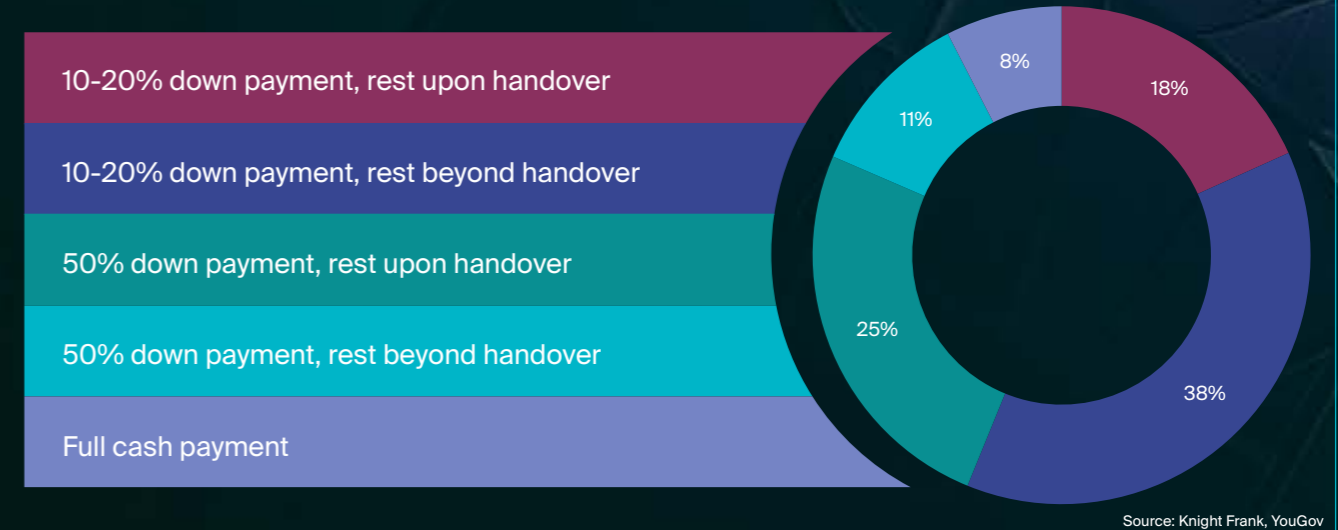
## Service charges

As home ownership rates continue to climb, the concept of service charges, i.e., regular fees used for the maintenance and upkeep of communal areas and facilities, is becoming more entrenched in buyers' minds.

Our results show that the bulk of respondents (53%) are happy to pay up to SAR 110 psm annually, with a further 22% willing to spend between SAR 130-150 psm annually.

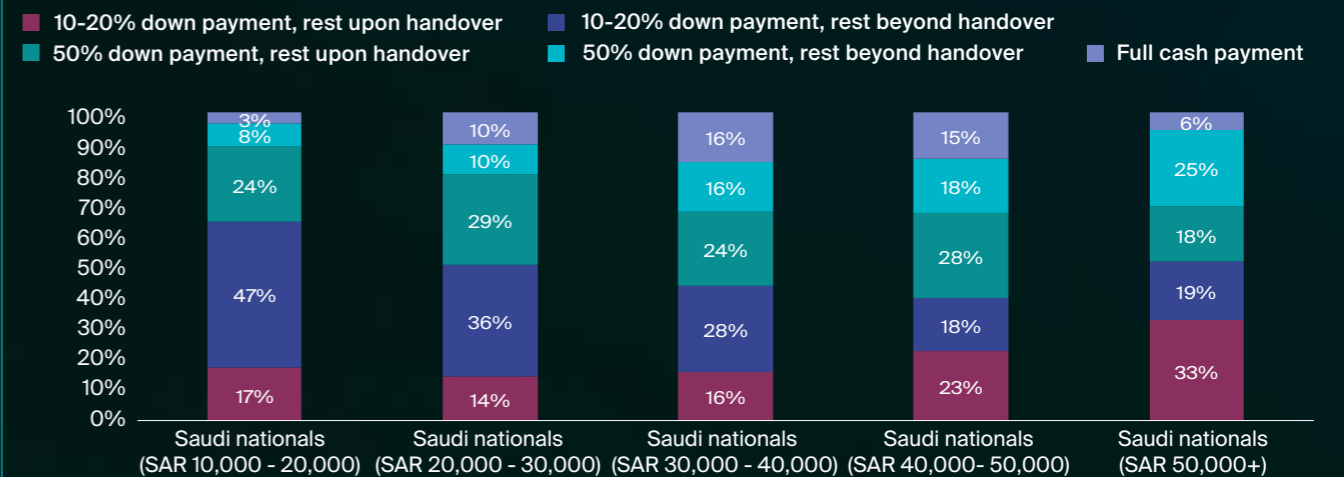
Current annual service charge rates across the Kingdom vary considerably, ranging from around SAR 100-150 psm in high-end developments in Riyadh to a more modest SAR 50-100 psm in mainstream residential markets across the country. This suggests that the bulk of respondents' service charge expectations are very much in line with market realities.

## Saudi nationals' payment plan preferences



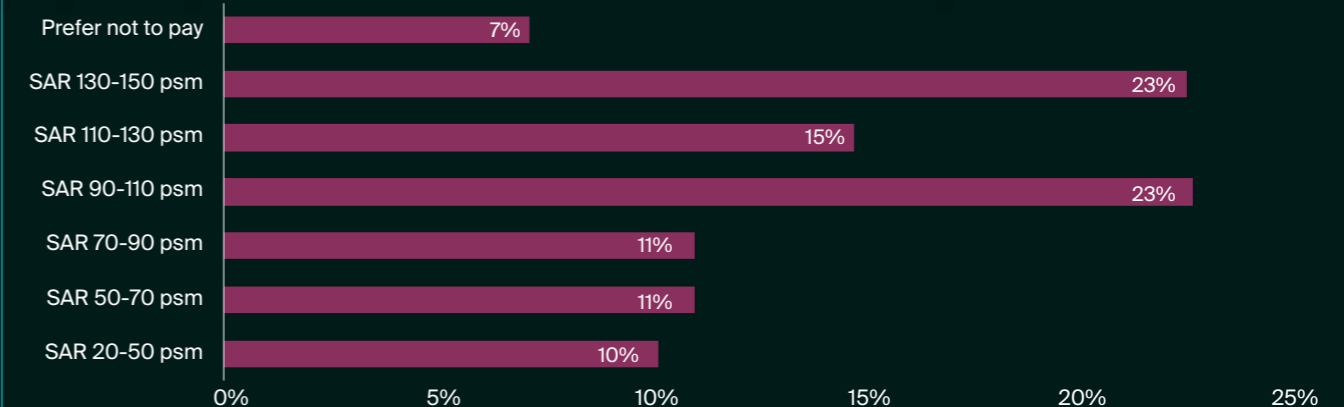
Source: Knight Frank, YouGov

## Saudi nationals' payment plan preferences (by monthly income)



Source: Knight Frank, YouGov

## Saudi nationals' service charge expectations



Source: Knight Frank, YouGov

## EXPERT OPINION

**“The strong preference for flexible payment plans and staggered down payments underscores the need for additional financing solutions in the Saudi real estate market. With nearly half of the respondents favouring extended payment plans beyond handover, it is evident that home buyers are looking for affordability without compromising on their home ownership aspirations.”**

**Amar Hussain**  
Associate Partner – Research, ME



# AFFORDABILITY, FLEXIBILITY, AND MORE: TOP REASONS FOR RENTING

## 40% of expats still keen on renting

While remaining in rented accommodation appears to be the least popular option for all of our survey respondents (12%), it remains highly sought by expats earning over SAR 30,000 per month (40%).

The high cost of housing combined with the need to save ever bigger deposits were cited as the top two reasons for preferring to rent, and not own, by both Saudi nationals and Saudi-based expats.

The 'flexibility that comes with renting' was named as the third strongest reason to continue living in rented accommodation. For expats earning over SAR 30,000 per month, this was the second most important reason, just behind high house prices, which are viewed as a barrier to ownership. This behaviour points to a strong opportunity in the build-to-rent sector, a theme we revisit in our Opportunities chapter.

## Ownership vs rental preferences

The view on renting is, however, quite different among Saudi nationals. For instance, of those with a monthly income of SAR 10,000-50,000, 91% favour buying.

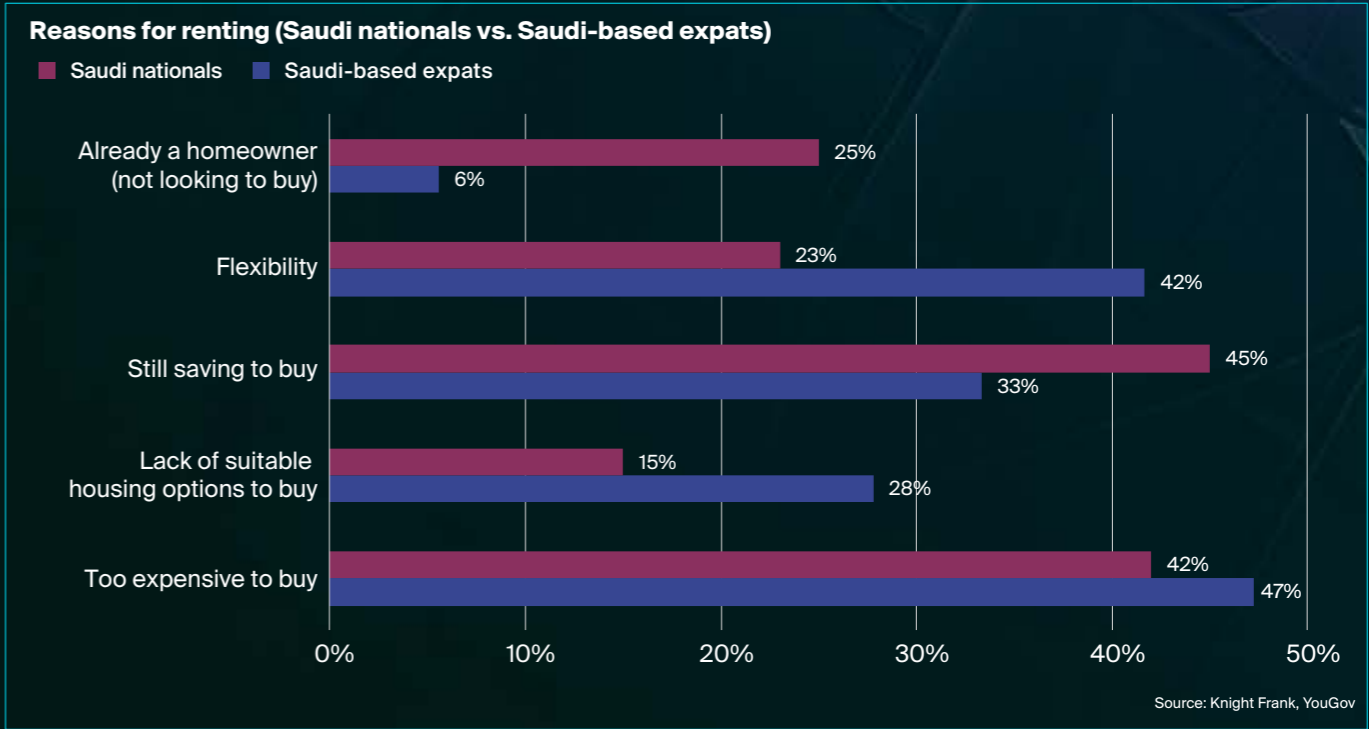
Similarly, 90% of Saudi nationals with an income of more than SAR 50,000 per month prefer buying over renting.

## Top 3 reasons for preferring to rent

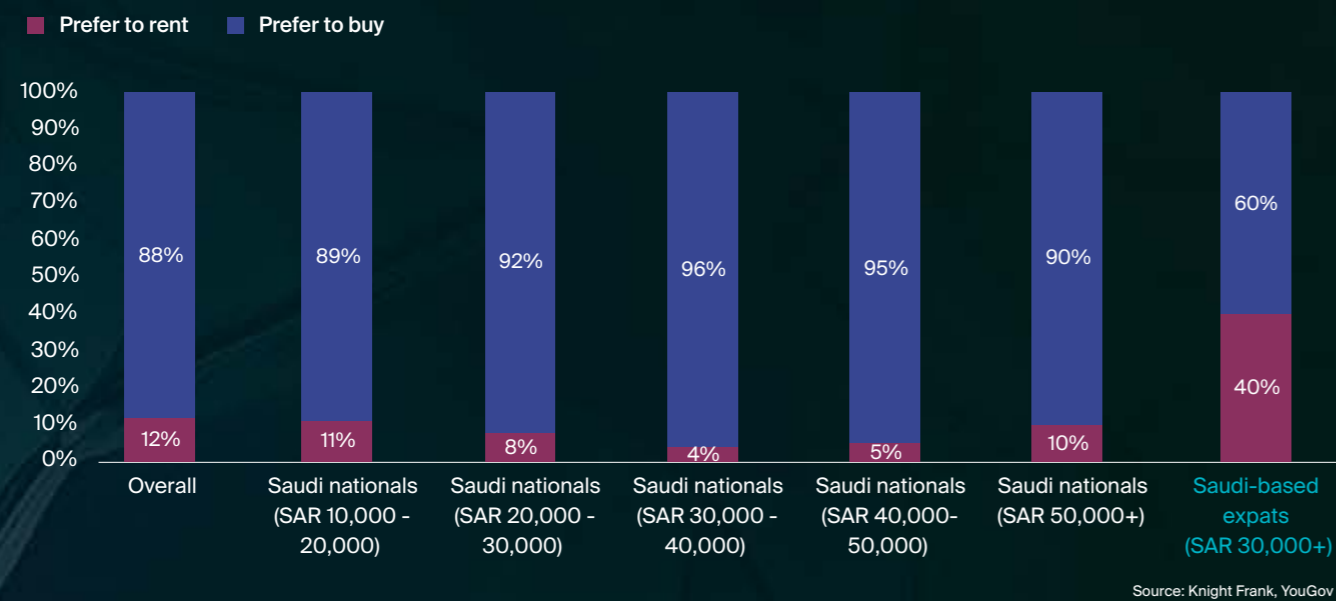
**1. High property prices:** A significant proportion of all our respondents (45%) cited property prices being 'too expensive to buy' as the primary reason for renting. This sentiment is more pronounced among expats with SAR 30,000+ income (47%) and Saudi nationals earning over SAR 50,000 (50%), indicating that high property costs are a barrier to ownership.

**2. Limited housing options:** The 'lack of suitable housing options' is another major factor for 42% of our survey respondents who prefer to rent. This concern is particularly high among lower-income Saudi nationals (57% among those earning SAR 20,000-30,000 per month), as well as expats with monthly earnings greater than SAR 30,000 (33%).

**3. Still saving:** 42% of respondents say they are still saving for a property purchase, with the highest proportion (43%) in a lower monthly income bracket (SAR 10,000-20,000). This suggests a significant future pool of potential buyers that have been effectively forced into a holding pattern while they save a deposit.



## Living arrangements (Saudi nationals vs. Saudi-based expats) (by monthly income)



Buildings under construction in Al Yasmin district in Riyadh



# RENTAL BUDGETS DECODED

## Low rental budgets

Of our respondents who would choose to continue renting instead of purchasing a home, most (37%) are prepared to spend SAR 20,000–40,000 annually on rent. This would not allow tenants to secure even a one-bedroom apartment in Riyadh or Jeddah.

Most (56%) Saudi-based expats earning over SAR 30,000 per month are prepared to spend this amount, with just 3% each ready to commit either SAR 60,000–80,000, SAR 80,000–100,000 and SAR 100,000–120,000 annually.

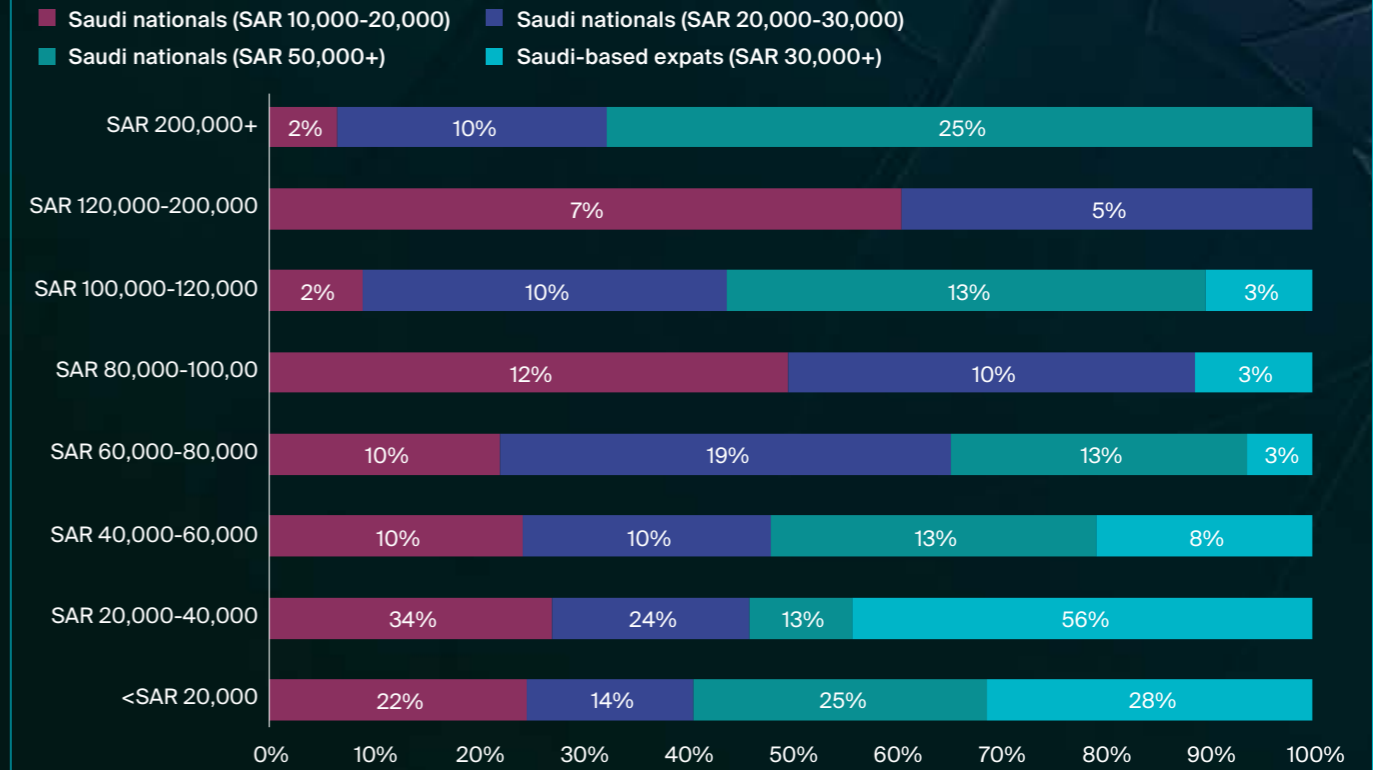
The apparent high demand for affordable homes for rent hints either at cost-conscious tenants who may be saving to buy and/or expats who may be single and are looking for smaller homes and/or hoping to save most of their earnings.

## Current annual rents (SAR)

	Villas	Apartments
<b>Riyadh</b>		
1-bed	-	80,000
2-bed	-	85,000
3-bed	125,500	96,000
4-bed	154,200	110,000
5+ bed	183,000	-
<b>Jeddah</b>		
1-bed	-	65,000
2-bed	-	75,000
3-bed	110,000	85,000
4-bed	-	95,000
5+ bed	-	-
<b>DMA</b>		
1-bed	-	65,000
2-bed	-	91,000
3-bed	100,000	95,000
4-bed	140,000	-
5+ bed	155,000	-

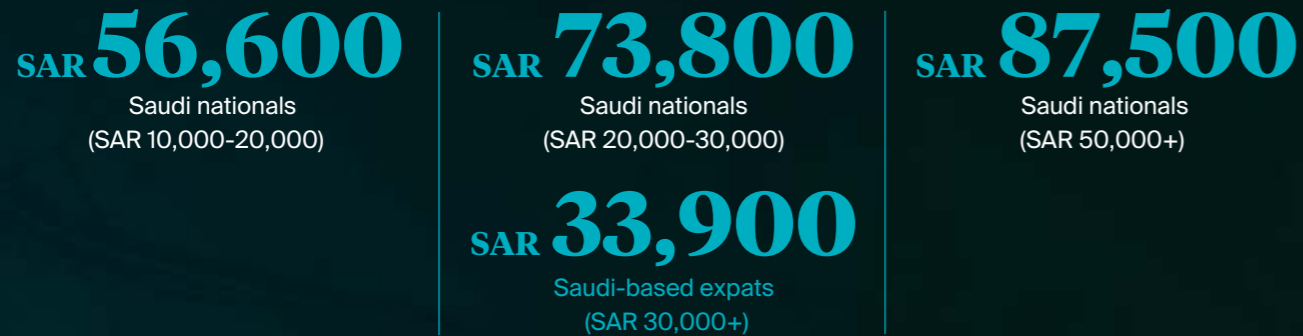
Source: Knight Frank

## Annual rental budgets (by monthly income)



Source: Knight Frank, YouGov

## Average annual rental budgets (Saudi nationals vs. Saudi-based expats) (by monthly income)



Source: Knight Frank, YouGov

## Annual rental budgets (all respondents)



Source: Knight Frank, YouGov



King Abdullah Financial District in Riyadh





# DEMAND FOR GIGA PROJECTS

# TRANSFORMATIONAL GIGA PROJECTS SHAPING THE KINGDOM

## Riyadh Province

Riyadh remains firmly at the centre of the Kingdom's economic transformation. The Saudi capital is a magnet for young Saudis from elsewhere in the country seeking better employment opportunities. Indeed, we estimate some 50,000 young Saudi nationals have moved to the capital over the last five years. The migration to Riyadh has largely been catalysed by jobs growth, with 50% of all new jobs created in the Kingdom since 2018 located in the capital. Unsurprisingly, this, combined with an influx of expats, is putting pressure on the city's housing stock, as reflected in the 50% increase in house prices over the last 4 years.

### Development driving economic growth

The rising demand for housing is supercharging development activity in the city, with a total of US\$ 314bn in real estate, infrastructure and transportation projects announced since 2016. US\$ 60bn in construction contracts have been awarded to date.

We expect the number of planned developments to receive a further fillip as new projects connected to the 2030 World Expo and the FIFA World Cup in 2034 unleash a slew of new projects across the city.

The sheer scale of the planned development in Riyadh is clear: 340,000 new homes (including ROSHN Group and NHC units), 4.6 million sqm of new offices, 2.6 million sqm of new retail and 28,800 new hotel rooms (from c. 30,000 today) all to be delivered by 2030.

Indeed, the 2030 World Expo alone is expected to add SAR 355bn (US\$ 94.5bn) in new economic activity over the next 25 years, according to Al Rajih Capital.

### Riyadh's real estate development plan

US\$ **195bn** Total value of real estate and infrastructure projects unveiled since 2016

Total value of commissioned projects  
US\$ **35bn**

Total value of projects in the pipeline  
US\$ **71bn**

Retail space  
**2.6 million+** sqm

Residential units\*  
**340,000+** units

Office space  
**4.6 million+** sqm

Hotel keys  
**28,800+** keys

Source: Knight Frank, MEED Projects

\*Residential units in this table include ROSHN Group and NHC units, which are detailed on page 60

## RIYADH PROVINCE - GIGA PROJECTS

### THE NORTH POLE

US\$ 20bn 18 km<sup>2</sup>  
10,000 2030

### SPORTS BOULEVARD

US\$ 6.8bn US\$ 3.9bn  
US\$ 5.8bn 8,000  
40,000 120,000  
1,000 122 km<sup>2</sup>  
2030

### RIYADH EXPO 2030

US\$ 7.8bn 2030  
432,000  
6 million sqm

### QIDDIYA

US\$ 21.8bn US\$ 6.9bn  
US\$ 17bn 11,000+  
80,000-100,000 3,000+  
150,000+ 367 km<sup>2</sup>  
2030

### NEW MURABBA

US\$ 50bn US\$ 100 million  
US\$ 7.1bn 104,000  
1.4 million 980,000  
9,000 19 km<sup>2</sup>  
2030

### MISK FOUNDATION CITY

US\$ 4bn US\$ 1.6bn  
US\$ 2.9bn 6,500+  
200,000 100,000+  
3.4 km<sup>2</sup> 2028

### KING SALMAN PARK

US\$ 10.4bn US\$ 5.5bn  
US\$ 7.9bn 12,000  
600,000 500,000  
2,300 16.9 km<sup>2</sup>  
2027

### KING ABDULLAH FINANCIAL DISTRICT

US\$ 10.5bn US\$ 8.3bn  
US\$ 800 million 1,000+  
900,000 100,000+  
500+ 2027  
1.6 million sqm

### DIRIYAH GATE

US\$ 63.9bn US\$ 9.0bn  
US\$ 29.6bn 20,000  
1.4 million+ sqm 250,000  
2,000-4,000 2027  
7.1 million sqm

- Project value
- Value of projects in the pipeline
- Office (sqm)
- Retail (sqm)
- Expected completion
- Total value of commissioned projects to date
- Residential units
- Hotel keys
- Total land area

Source: Knight Frank, MEED Projects



# TRANSFORMATIONAL GIGA PROJECTS SHAPING THE KINGDOM

## Western Province

On Saudi Arabia's western seaboard and the surrounding areas, no less than 17 giga projects are currently underway. Together, this half of the Kingdom has seen US\$ 685.5bn of announced giga projects and new infrastructure since 2016, with US\$ 54.4bn in construction contracts, including those connected to the US\$ 500bn super-city NEOM. Together, these projects will add 382,500 new homes to the Kingdom's housing stock, in addition to 3 million sqm of new offices, 4.3 million sqm of new retail space and 330,000 new hotel rooms, all by 2030. We detail some of the biggest giga projects in western Saudi Arabia below.

### Western Saudi Arabia's real estate development plan

US\$ **685.5bn** Total value of real estate and infrastructure projects unveiled since 2016

Total value of commissioned projects  
US\$ **54.4bn**

Total value of projects in the pipeline  
US\$ **116.2bn**

Retail space  
**4.3 million+** sqm

Residential units  
**382,500+** units

Office space  
**3.0 million+** sqm

Hotel keys  
**330,000+** keys

Source: Knight Frank, MEED Projects

## WESTERN SAUDI ARABIA

### JEDDAH CENTRAL

US\$ 20bn US\$ 1.5bn  
US\$ 4.1bn 17,000+  
2030 2,700+  
5 million sqm

### JABAL OMAR

US\$ 6bn US\$ 2.5bn  
US\$ 0.8bn 1,670+  
45,600+ 13,000+  
2 million sqm 2026

### JEDDAH HISTORIC DISTRICT

US\$ 5bn 9,300+  
650,000+ 1,800+  
650,000+ 2030  
3 million sqm

### AL ULA

US\$ 16bn US\$ 1.8bn  
US\$ 5bn 10,000+  
5,000+ 22,500 km<sup>2</sup>  
2027

### THE MONOLITH (PROJECT W)

US\$ 1bn 1,000+  
US\$ 100 million 2029

### QIDDIYAH COAST

US\$ 300 million 13.5 km<sup>2</sup>  
2030

### NEOM

US\$ 500bn US\$ 28.7bn  
US\$ 71bn 300,000+  
1-2 million 1-2 million  
40,000-80,000 26,500 km<sup>2</sup>  
2030

### THAKHER

US\$ 1bn US\$ 1.3bn  
US\$ 100 million 750+  
39,000+ 60,000+  
320,000 sqm 2030

### SHAMS AL AROUS

US\$ 2bn 10,000+  
863,000 sqm 2025

### RUA AL MADINAH

US\$ 37bn US\$ 1.6bn  
US\$ 10bn 88+  
HQ building 47,000+  
29,000+ 1.5 million sqm  
2030

### RUA AL HARAM

360,000+ sqm 9,000+  
70,000+ 854,000 sqm  
2030

### RED SEA GLOBAL

US\$ 17bn US\$ 14.2bn  
US\$ 6.2bn 1,000+  
5,000-10,000 8,000+  
10,000+ 28,000 km<sup>2</sup>  
2030-35

### OBHUR CITY

US\$ 15bn 2,556+  
US\$ 500 million 400,000 sqm  
4,280+ 387,523+  
2023

### MASAR-MAKKAH

US\$ 10bn US\$ 6.9bn  
US\$ 5bn 10,000+  
185,000+ 40,000+  
1 km<sup>2</sup> 2030

### JEDDAH ECONOMIC CITY

US\$ 20bn US\$ 2.2bn  
US\$ 200 million 200+  
800,000+ 5.3 million sqm  
470,000+ 2028

### KNOWLEDGE ECONOMIC CITY

US\$ 8bn US\$ 1.8bn  
US\$ 1.8bn 1,200+  
Business centre 112,000+  
42,000+ 6.8 million sqm  
2025

### KING ABDULLAH ECONOMIC CITY

US\$ 27bn US\$ 0.2bn  
US\$ 3bn 10,000+  
95,000+ 250+  
11,000+ 1.7 million sqm  
2028

Project value Total value of commissioned projects to date Value of projects in the pipeline  
Residential units Office (sqm) Hotel keys Retail (sqm) Total land area Expected completion

Source: Knight Frank, MEED Projects

# TRANSFORMATIONAL GIGA PROJECTS SHAPING THE KINGDOM

## Other province and national projects

The giga projects planned in other regions and on a national scale collectively represent a US\$ 115bn investment in Saudi Arabia's future. They are crucial not only for the economic diversification of the Kingdom but also for enhancing the quality of life for its citizens.

### Supporting economic diversification efforts

While much focus has been on developments in Riyadh and the Western regions, substantial investments are also being made in other parts of the country.

These projects are vital for the diversification of the economy as they aim to enhance infrastructure, boost tourism, and create new economic opportunities across the Kingdom's various regions.

We detail some of the most significant giga projects in other provinces across the Kingdom below.

## OTHER PROVINCES

### SOUDAH & RIJAL ALMAA

- US\$ 7.7bn
- US\$ 80 million
- US\$ 2.98bn
- 1,300+
- 2,700+
- 300 units
- 627 km<sup>2</sup>
- 2031

### KING SALMAN ENERGY PARK

- US\$ 3.2bn
- 50 km<sup>2</sup>
- US\$ 690 million
- 2035
- 1 office development
- US\$ 390 million

### AL WADI PROJECT - ARDARA

- US\$ 1bn
- US\$ 1.45bn
- 2,000
- 2028
- 2.5 million sqm

### OPDC - THE RIG TOURISM PROJECT

- US\$ 1.5bn
- 800+
- US\$ 1.45bn
- 2027
- 300,000 sqm

Source: Knight Frank, MEED Projects

## Other regions' and national real estate development plans

US\$ **115bn** Total value of real estate and infrastructure projects unveiled since 2016

Total value of commissioned projects  
US\$ **23.2bn**

Total value of projects in the pipeline  
US\$ **49bn**

Retail space  
**415,000+** sqm

Residential units  
**535,500+** units

Hotel keys  
**3,500+** keys

Source: Knight Frank, MEED Projects

## NATIONAL PROJECTS

### SAUDI ENTERTAINMENT VENTURE (SEVEN)

- US\$ 13.3bn
- US\$ 4.7bn
- US\$ 5.7bn
- 415,000+ sqm
- 380,000+ sqm
- 2025

### ROSHN GROUP

- US\$ 30bn
- US\$ 6bn
- US\$ 9.4bn
- 2027
- 69 million sqm
- 32,000+ units

### SAUDI DOWNTOWN COMPANY

- US\$ 6bn
- 2028
- US\$ 2.5bn
- 10 million sqm

### NHC - NATIONAL HOUSING COMPANY

- US\$ 52bn
- US\$ 12bn
- US\$ 26.3bn
- 2030
- 500,000+ units

- Project value
- Value of projects in the pipeline
- Office (sqm)
- Retail (sqm)
- Expected completion

- Total value of commissioned projects to date
- Residential units
- Hotel keys
- Total land area

Source: Knight Frank, MEED Projects



# NEOM: THE KINGDOM'S CROWN JEWEL

NEOM is the crown jewel in the Kingdom's transformation plans. Effectively a new super-state within the Kingdom, the US\$ 500bn mega project has, so far, unveiled details of 12 destinations within its borders. Of them, the US\$ 150bn The Line is the largest project to date, which will house over 9 million residents in some 300,000 homes on completion. Elsewhere, US\$ 3bn worth of construction projects are underway at Trojena, the host location of the 2029 Asian Winter Games. It includes the construction of the world's largest man-made lake, which will stretch for 2.8km. Below, we examine all of NEOM's subprojects and the expected volume of new real estate.



DISCOVER OUR DATA



## MAGNA (summary)



💰 Project value
🏠 Total value of commissioned projects to date
🏗️ Value of projects in the pipeline
  
🏠 Residential
🏢 Office (sqm)
🏨 Hotel keys
🛒 Retail (sqm)
📐 Total land area
📅 Expected completion

# NEOM STILL THE MOST POPULAR GIGA PROJECT FOR SAUDI NATIONALS

**NEOM is somewhat of a superstar giga project in the Kingdom and has positioned itself as a super-city of the future. With billboards from London's Waterloo station to Times Square in New York and Dubai's Sheikh Zayed Road, NEOM is known worldwide. It is no surprise that both Saudi nationals and expats are eager to own a home here, with 16% of our survey respondents declaring a desire to live in NEOM.**

## Other giga projects' popularity gaining on NEOM

While NEOM continues to take pole position as a location Saudi nationals would like to live, its popularity has decreased from 84% in 2023 to 16% this year. There are likely to be a range of reasons for this, from the emergence of other giga projects over the last two years, perceptions around households' ability to afford to own a home in any of NEOM's subprojects, a lack of ready-to-move-into homes, a lack of homes actually on the market to purchase, or a combination of the above.

## A home for everyone

Irrespective of income profiles, however, NEOM has, for the third time in a row, emerged as the most desirable giga project amongst Saudi nationals, with those on monthly incomes of SAR 10,000-50,000 (17%) showing a higher level of interest in living in the Belgium-sized super-city than those with incomes in excess of SAR 50,000 (10%). For the latter group, Jeddah Central has greater appeal (14%), with NEOM following in second place.

Overall, those on monthly incomes of between SAR 40,000-50,000 show the highest level of interest in owning a home in NEOM (28%).

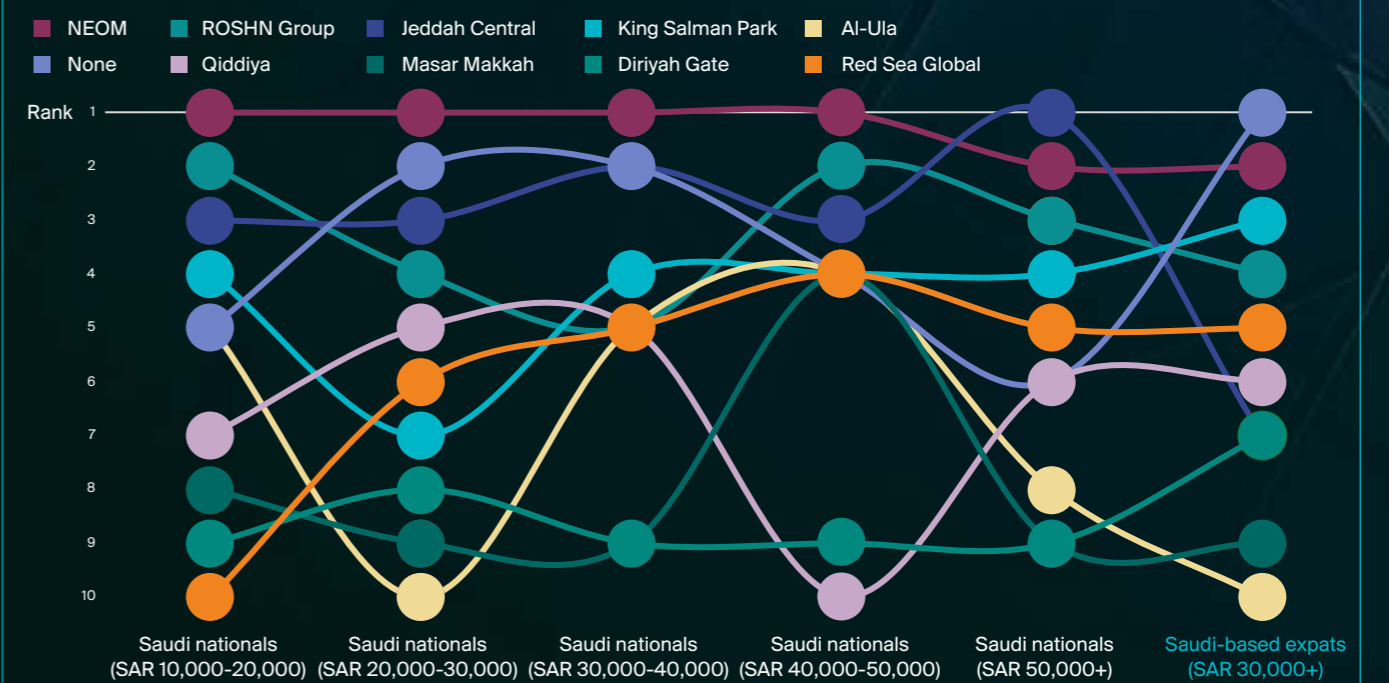
## Some expats reluctant to purchase?

While expats with a monthly income of over SAR 30,000 also favour NEOM as their most preferred location to own a home (15%), it is notable that 20% of all the expats we surveyed have no desire to purchase residential real estate in any of the giga projects.

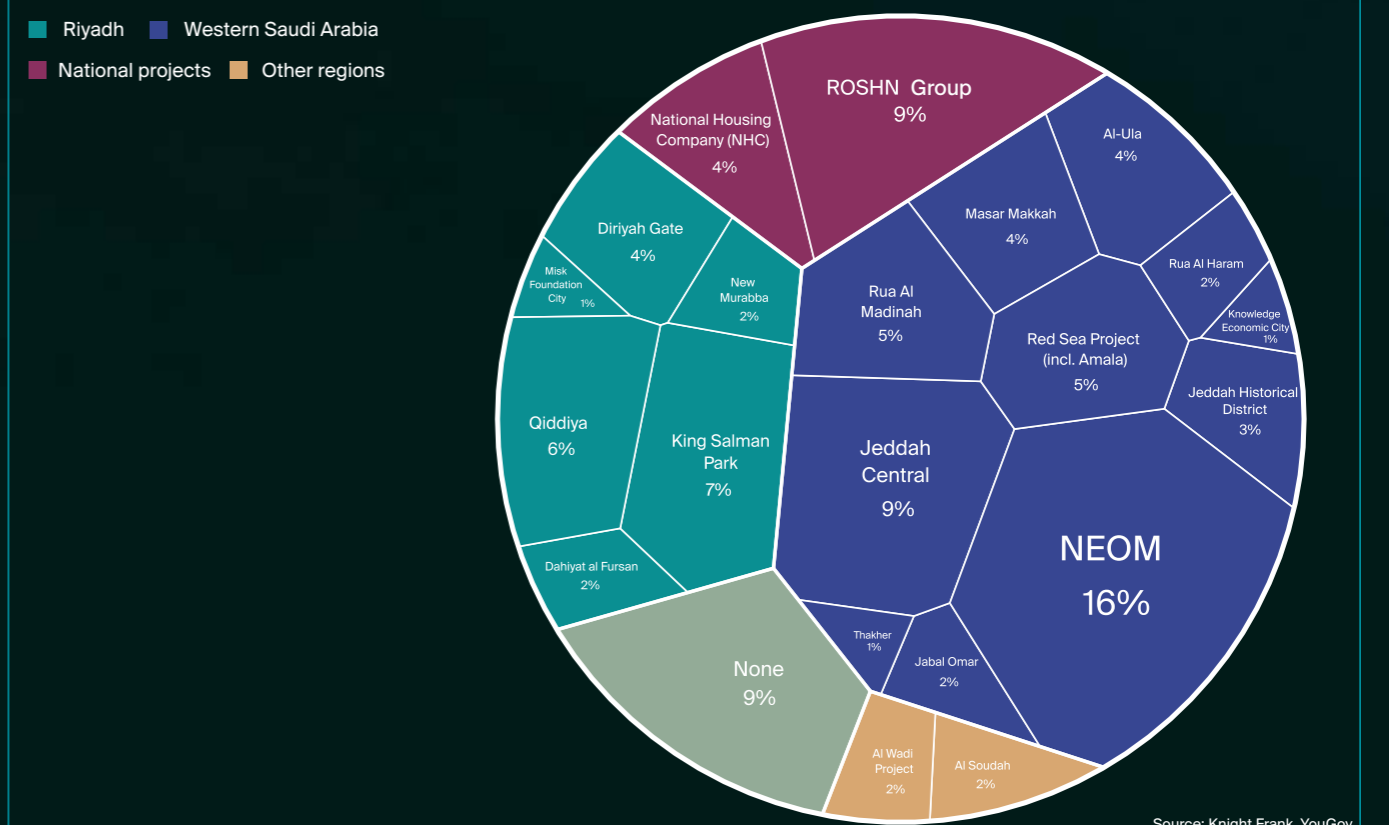
This perhaps stems from a lack of understanding of what will eventually be available, a lack of proof of concept, difficulty navigating expat ownership rules, the complexities around securing a mortgage, the relative lack of data transparency, or a combination of all these.

We expect this to change over time, especially once details of the much-anticipated change to foreign ownership laws are unveiled.

## Respondents' preferred giga projects for a home purchase (by income group)



## Respondents' preferred giga projects for a home purchase



An artist's impression of Trojena



# THE LINE EMERGES AS THE MOST SOUGHT AFTER NEOM SUB-PROJECT

US\$ 28.7bn in construction contracts have been awarded for projects across NEOM at the time of publishing this report at the beginning of 2025, including US\$ 100 million at Magna and a further US\$ 10.5bn at The Line. On completion, The Line hopes to redefine the urban layout of large cities by confining the development to just two 170km long, 500m high towers. Unsurprisingly, the incredible vision for The Line has helped to propel it to the top of NEOM home buyers' wish lists, with almost a third (32%) of our survey respondents interested in buying a home there.

### Universal appeal?

Of our survey respondents of Saudi nationals and expats, the popularity of The Line is highest among those with monthly incomes of SAR 10,000–20,000 (35%) and SAR 20,000–30,000 (31%). 29% of those with monthly incomes of SAR 40,000–50,000 would like to own a home at The Line.

The apparent tapering in the desirability of The Line as a place to live and own a home as incomes grow could reflect the perception of The Line as a “mass-market project”, with those on higher incomes perhaps in favour of somewhere more exclusive. The Line has positioned itself as a sprawling metropolis, albeit a linear one, which may not necessarily appeal as much to wealthy households.

Indeed, our results have shown that the largest proportion of those on monthly incomes of between SAR 70,000–80,000 would prefer to own a home at the Red Sea Project (14%) and King Salman Park (14%). For this group, NEOM overall trails at just 5%.

### Oxagon and Trojena

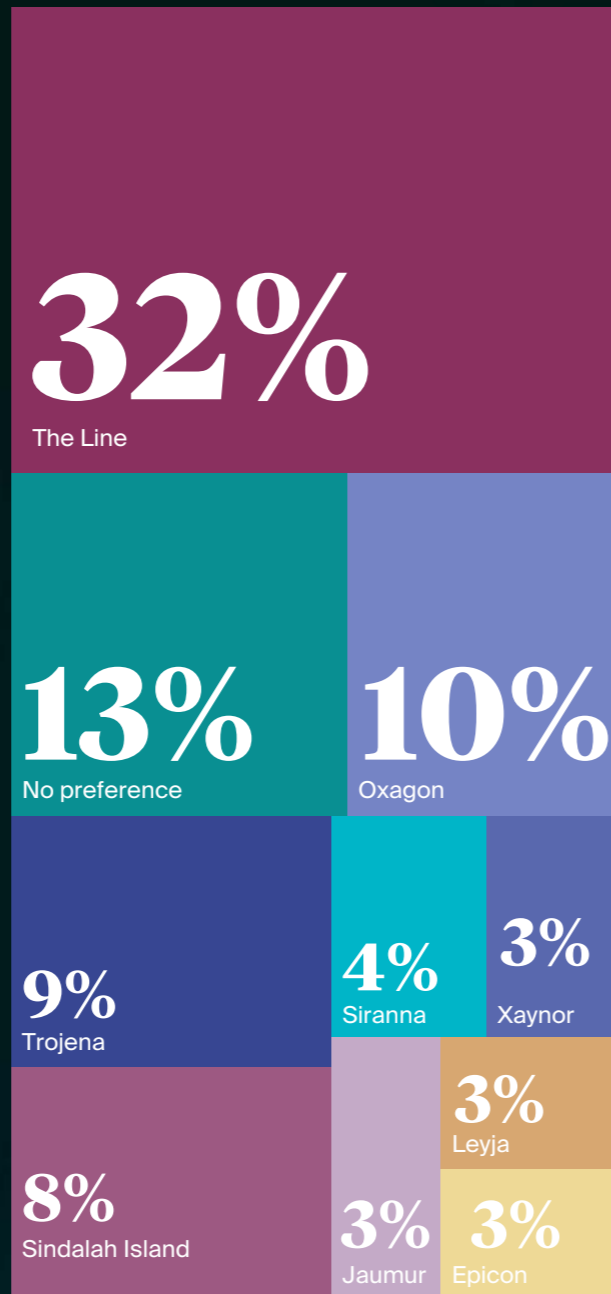
Oxagon is billed as the world's largest floating city and promises to be powered entirely by renewable energy and house more robots than people on completion. It has emerged as the second most popular NEOM sub-project for 10% of our respondents keen on home ownership in NEOM. This figure rises to 30% for Saudi nationals earning over SAR 50,000 per month.

Trojena, the host location of the 2029 Asian Winter Games, is ranked as the third most popular location for home ownership by 9% of our survey respondents, rising to 20% for those earning over SAR 50,000 a month.

### Other NEOM sub-projects

Projects like Sindalah Island (8%), Siranna (4%), Jaumur (3%), and Leyja (3%) command lower levels of interest among our respondent pool. This is likely due to lower levels of awareness or familiarity with these projects, which we explore below. 13% of respondents indicated no preference, suggesting limited familiarity with NEOM's sub-projects.

### Respondents' preferred NEOM sub-projects for a home purchase



Source: Knight Frank, YouGov



NEOM and some of its sub-projects

# DISCONNECT BETWEEN GIGA PROJECT FAMILIARITY AND DESIRABILITY

In our survey, we investigated familiarity with the Kingdom's various giga projects to identify any correlation between familiarity and the appetite for home ownership. Our results have yielded an apparent disconnect, with other factors likely playing a far more significant role in the selection of a giga project as a location where respondents would like to own a home.

## NEOM's popularity declining?

While NEOM, at 54%, is the giga project our survey sample is most familiar with, just 16% would like to own a home there.

Similarly, among Saudi-based expats on monthly incomes of over SAR 30,000, nearly every three in five (59%) state a high level of understanding of NEOM and its sub-projects, but only 15% of this group shows a desire to purchase property in the US\$ 500bn super-city.

The highest level of familiarity with NEOM is among Saudi nationals on monthly incomes of SAR 30,000-40,000 (62%).

Notably, for the highest earners (monthly income > SAR 80,000), projects by ROSHN Group are the most well-known and understood (70%), with 11% of this high-income group interested in buying a home in any ROSHN Group development.

Similarly, Al-Ula and King Salman Park, both at 46%, rank in second. However, just 4% would like to purchase in Al-Ula, and 7% at King Salman Park.

## Interpreting the results

While we did not necessarily expect a 100% correlation between familiarity and the desire for home ownership in the Kingdom's various giga projects, the disconnect points perhaps to other structural issues in the market.

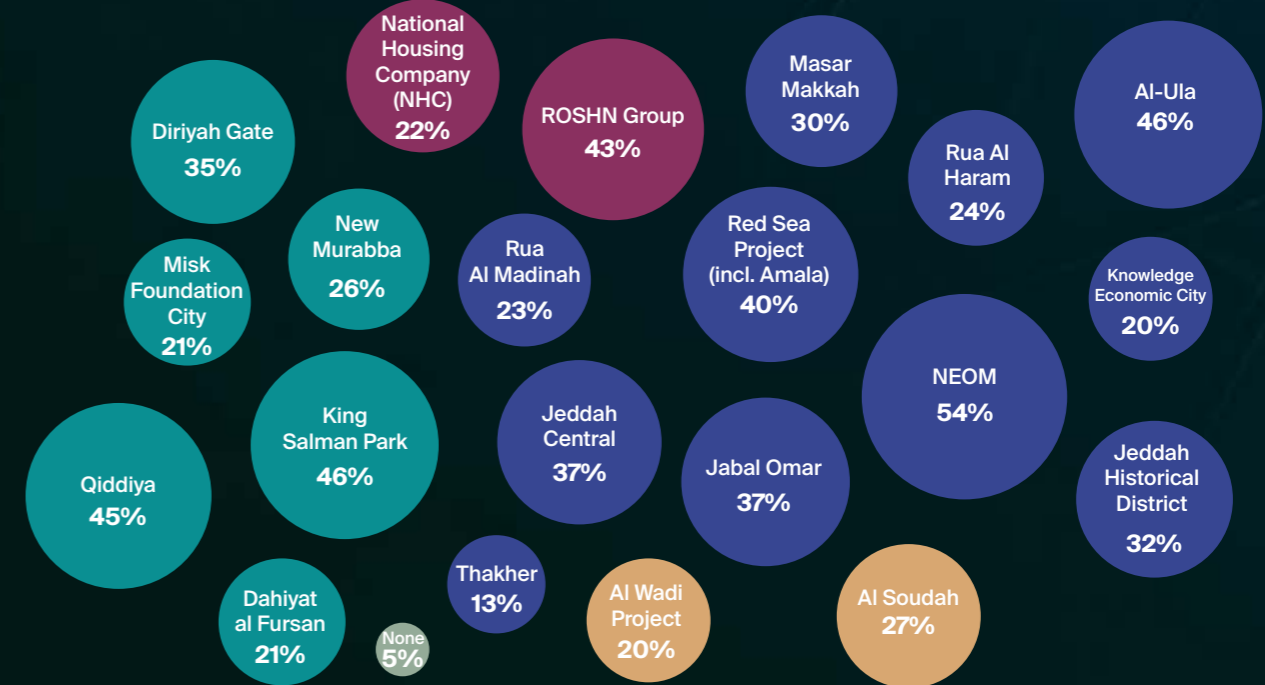
Affordability issues, for instance, which we detail on pages 26-27, undoubtedly play a critical role in influencing the popularity of giga projects. ROSHN Group for instance, has positioned itself as a champion of affordable homes across Saudi, as has the National Housing Company (NHC). Together, we expect that these two entities alone will be responsible for the delivery of c.30% of the 1.04 million new homes planned and/or under construction and due for delivery by 2030.

With house prices escalating across the country over the last 5 years (by as much as 75% for apartments and 40% for villas in Riyadh, for instance), it is no surprise that households are under pressure to save for ever-increasing deposits to transition from renting to owning.

While projects like NEOM and Al-Ula are well known nationwide, NEOM is still very much in an emerging phase, with clarity around development timelines only now beginning to crystallise. Meanwhile, while more advanced in its development, Al-Ula has very much positioned itself as a luxury holiday destination or for the luxury second-homes market, which may not necessarily resonate with the majority of Saudi national households.

## Respondents' familiarity with the giga projects

■ Riyadh ■ Western Saudi Arabia ■ Other regions ■ National projects



Source: Knight Frank, YouGov

## DISCOVER OUR EXPERT INSIGHTS



Our Habitas luxury hotel in Al-Ula



# ROSHN GROUP PROJECTS ARE SECOND MOST POPULAR TARGET FOR HOME BUYERS

Away from NEOM, our respondents have named projects by ROSHN Group (9%) as their second most popular home purchase target, alongside Jeddah Central (9%). ROSHN Group has positioned itself as the Kingdom's leading residential community developer and is working toward setting new benchmarks in creating integrated neighbourhoods that blend modern living with traditional Saudi heritage.

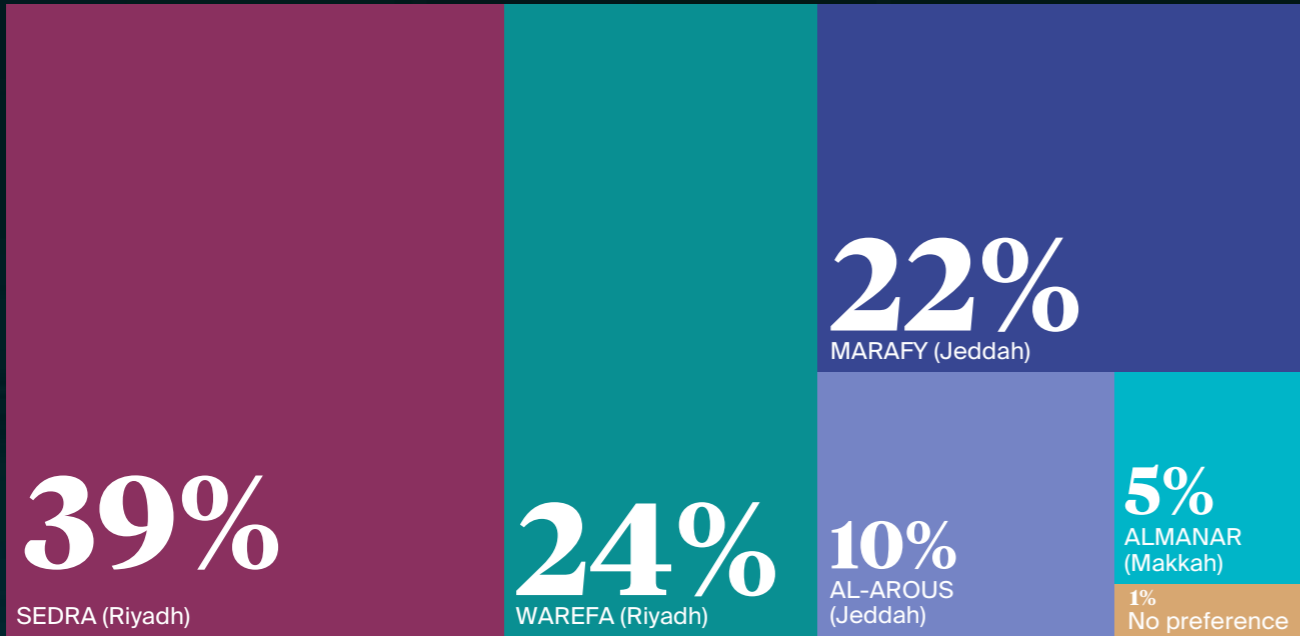
## ROSHN Group projects

ROSHN Group SEDRA project in Riyadh has been named as the most popular target by 39% of our survey respondents, who cite the 30,000-home super-community as their most preferred development to buy a home. This popularity edges up to 44% of those earning SAR 10,000–20,000 and 45% among those on monthly incomes of SAR 20,000–30,000.

ROSHN Group Warefa development in Riyadh and Marafy by ROSHN Group in Jeddah round off the top three most popular ROSHN Group developments at 24% and 22%, respectively.

The appeal of ROSHN Group projects overall among Saudi nationals has largely been aided by its focus on developing affordable homes and having a community setting, which, as discussed earlier, is highly sought after by both Saudi nationals and expats.

## Respondents' most preferred ROSHN Group projects



Source: Knight Frank, YouGov

## ROSHN Group projects

### RIYADH PROVINCE

**SEDRA**

- 📍 Riyadh 💰 US\$ 30bn
- 🏠 30,000 📊 45%
- 📅 2029

**WAREFA**

- 📍 Riyadh 💰 US\$ 250 million
- 🏠 2,380 📊 30%
- 📅 2027

### MAKKAH PROVINCE

**AL-AROUS**

- 📍 Jeddah 💰 US\$ 5.3bn
- 🏠 18,000 📊 44%
- 📅 2027

**MARAFY**

- 📍 Jeddah 💰 US\$ 5bn
- 🏠 52,000 📊 23%
- 📅 2028

**ALMANAR**

- 📍 Makkah 📊 28%
- 🏠 4,150 📅 2026
- 💰 US\$ 345 million

- 📍 Location
- 💰 Project value
- 🏠 Residential units
- 📊 Progress
- 📅 Expected completion

Source: Knight Frank, MEED Projects

## DISCOVER OUR INSIGHTS



# GIGA PROJECTS' ALLURE

While the levels of interest in owning a home in specific giga projects has varied over time, the overall appetite to own a home in a giga project development remains strong. This year, 72% of those we surveyed are keen to own a home in one of the Kingdom's iconic giga projects.

## Giga projects continue to appeal

The highest level of interest in home ownership in the giga projects sits among Saudi nationals on monthly incomes in excess of SAR 50,000 (93%), while around half (54%) of Saudi-based expats want to buy property for personal use in any of the giga projects.

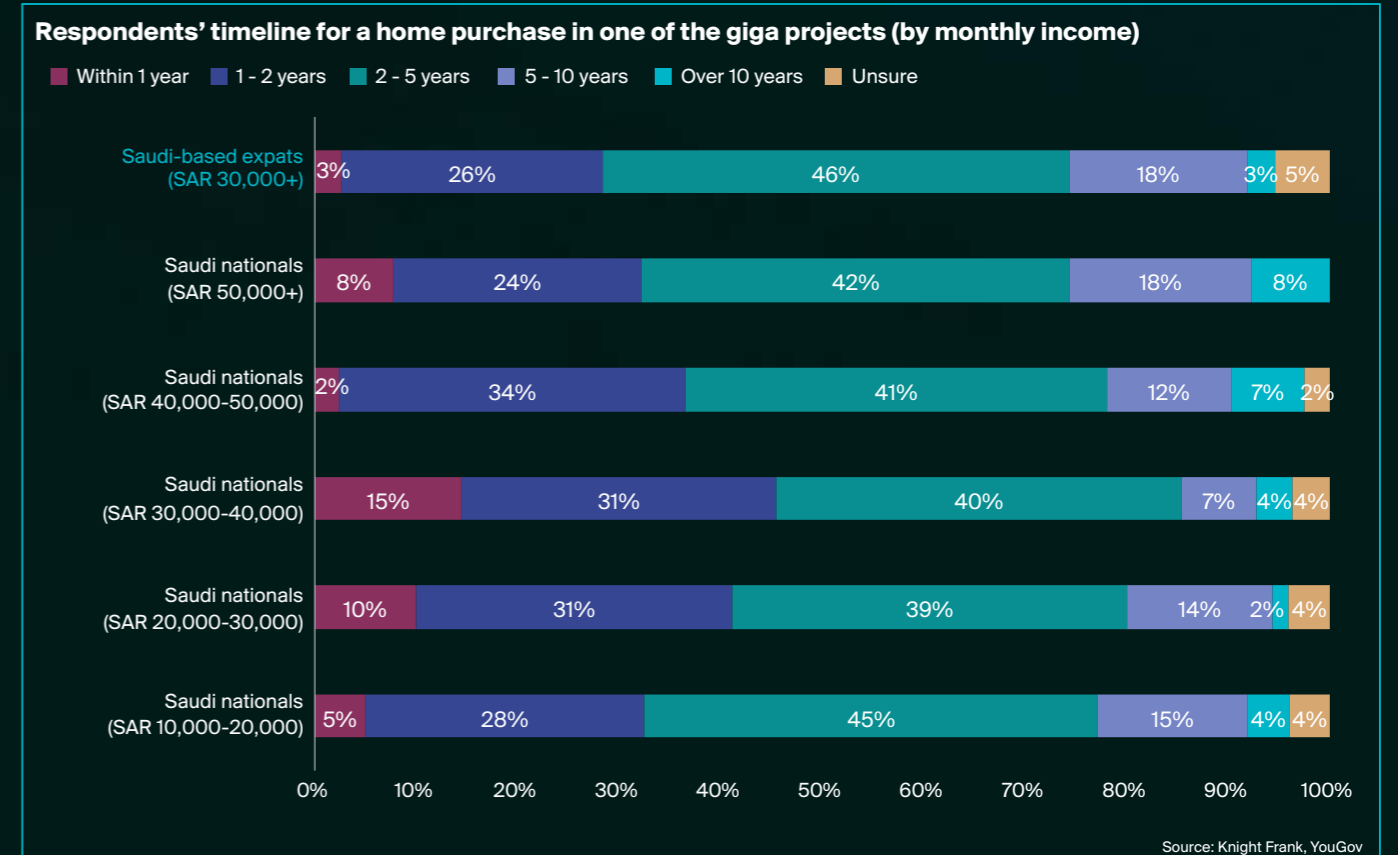
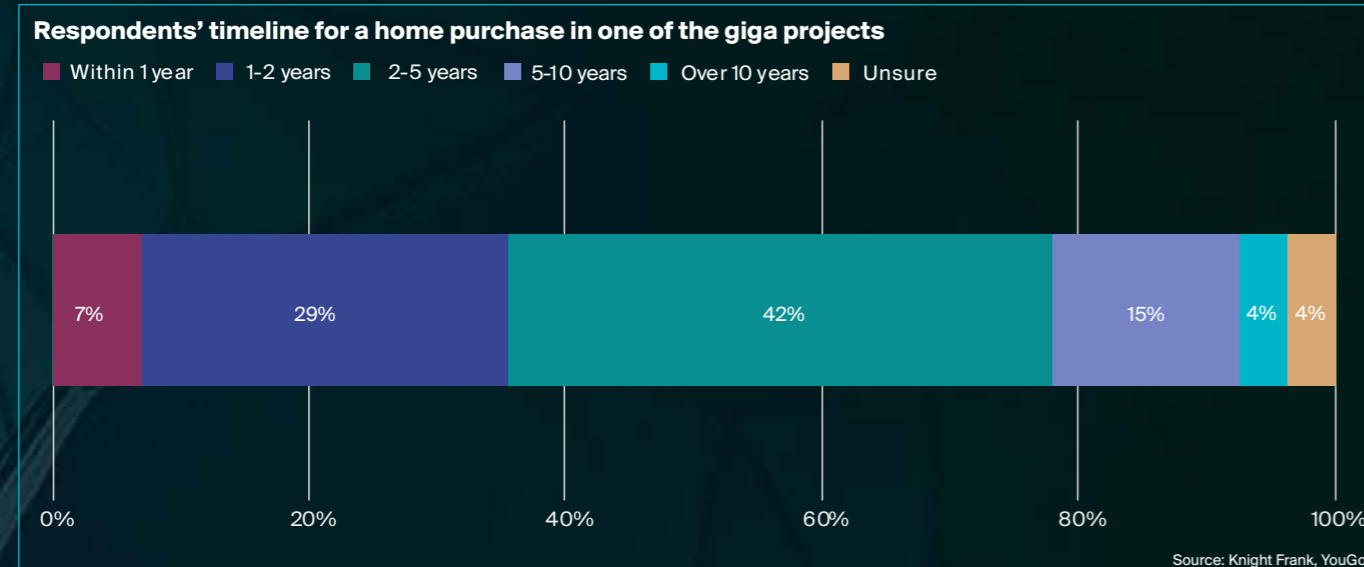
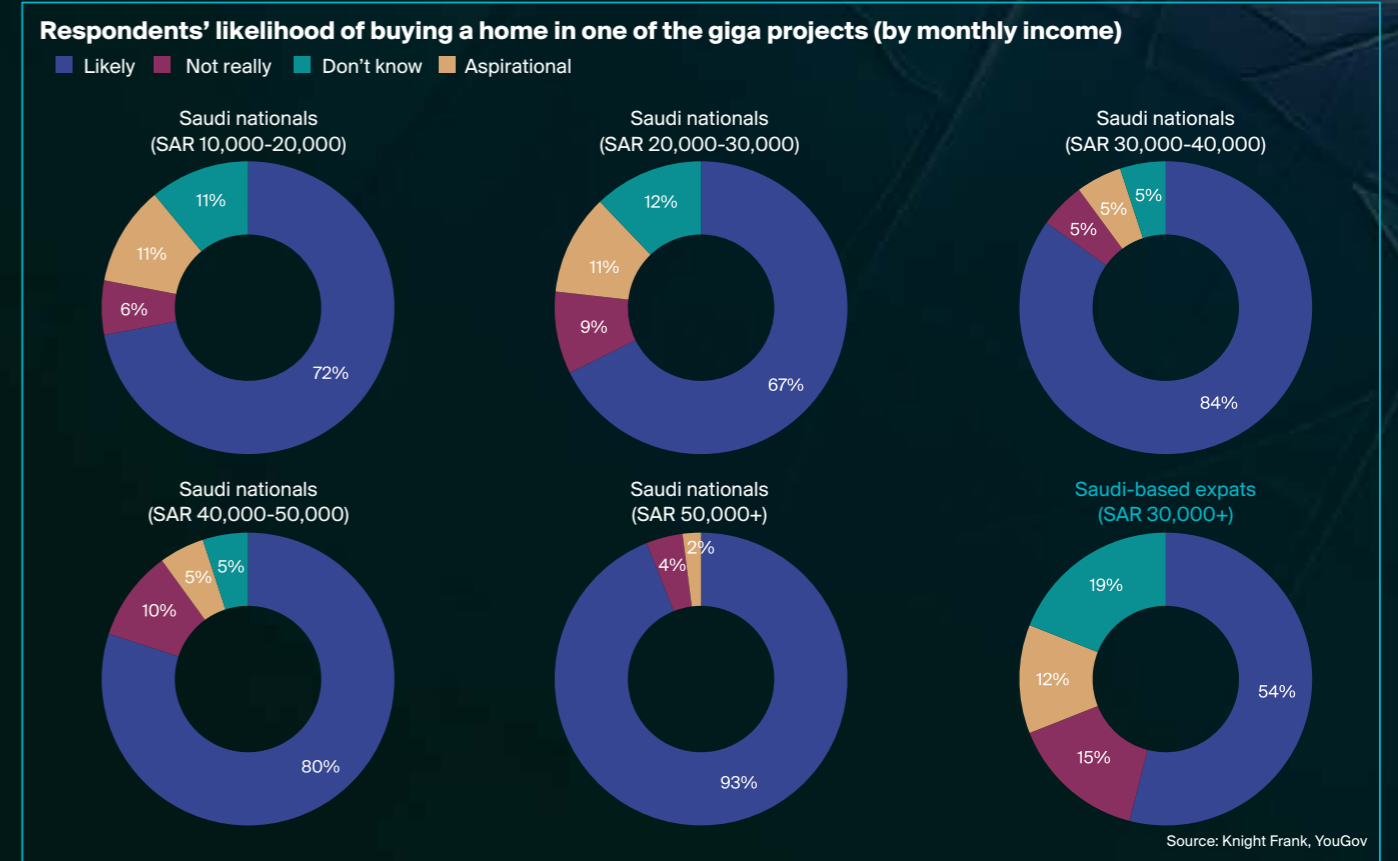
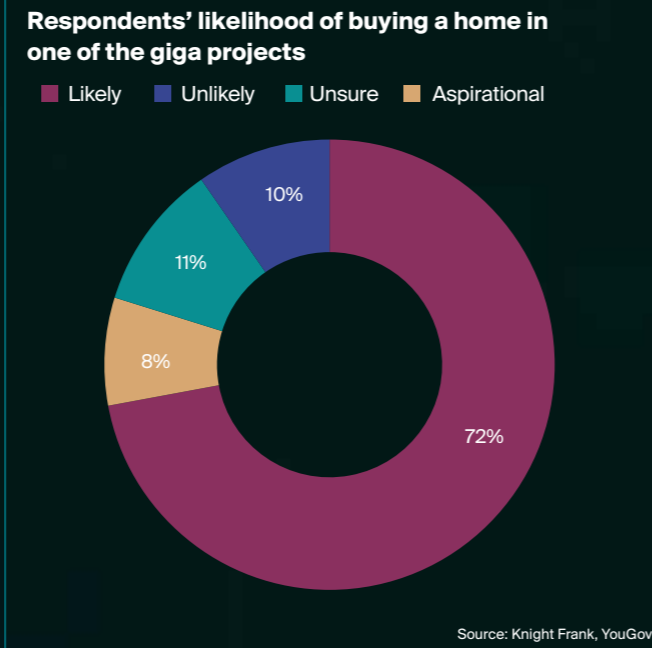
With the exception of those on monthly incomes of SAR 10,000-20,000 (71%), there is an exponential rise in the appetite to buy a home in the giga projects, rising from 66% for those earning between SAR 20,000-30,000 per month to 94% for the highest earners (SAR 80,000+ per month).

Notably, 15% of expats earning over SAR 30,000 per month say they are 'unlikely' to buy in the Kingdom's giga projects. This hints at a number of opportunities, including the growing need to develop a wide range of build-to-rent offerings to satisfy this group and the need for clarity around international investor ownership rules. We explore this in more detail in our Opportunities chapter.

## Biding their time

When it comes to the anticipated timeframe for potential buyers moving into their most preferred giga project, the vast majority (42%) believe they will need to wait for 2-5 years before taking possession of their home.

Almost a third (29%) of Saudi nationals earning over SAR 80,000 each month believe they will have to wait longer still, for between 5-10 years. This perhaps suggests an awareness of the likely adjustments to construction schedules for some of the announced developments and/or a desire to 'wait and see' while further clarity emerges on delivery timelines and the type of residential products that will be available to purchase.





# SAR 2.7BN OF SPENDING POWER

Our survey results have revealed that there is SAR 2.75bn of potential private capital among both Saudi nationals (SAR 2.62bn) and Saudi-based expats (SAR 133.7 million) that is poised to take aim at residential real estate within the Kingdom's giga projects.

### Higher budgets for giga project homes

While 42% of respondents are prepared to spend a maximum of SAR 1.5 million on a home outside a giga project, our respondents appear ready to commit higher budgets to live in one of the iconic giga projects. Indeed, nearly 1 in 5 (20%) of survey respondents are willing to commit over SAR 4.5 million to a residential purchase in a giga project.

Overall, the average giga project budget of our respondents stands at SAR 3 million, compared to SAR 2.2 million for a non-giga-project home.

Saudi nationals with monthly incomes in excess of SAR 50,000 appear to have the deepest pockets, with average budgets of SAR 5.2 million, nearly 3 times any potential allocation from Saudi-based expats with monthly incomes over SAR 30,000 (SAR 1.8 million).

### Big spenders form a small subset of the population

At the top end of the salary scale, there appear to be divergent views on potential spending on homes in giga projects, with 55% of Saudi nationals earning between SAR 60,000-70,000 only willing to spend up to SAR 750,000 – the largest proportion for any income profile.

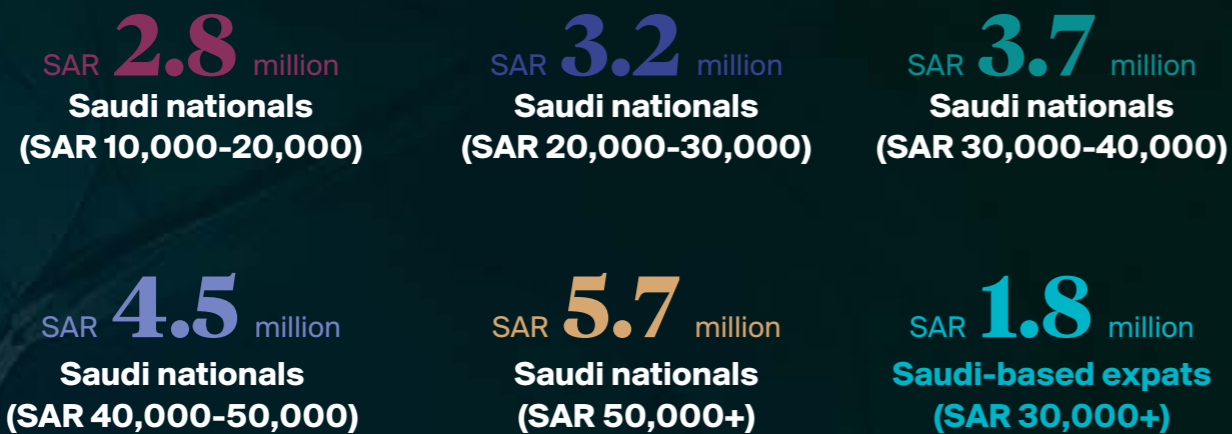
Meanwhile, 41% of those who earn over SAR 80,000 a month would be willing spend over SAR 20 million on a giga project home.

While this is encouraging for giga project developers, this super-high-income group forms a relatively small proportion of the Kingdom's population. We remain concerned that the market still runs the risk of an oversupply of luxury homes unless new/external (non-Saudi-based) sources of demand are tapped into.

We understand the pressures faced by giga project developers in delivering the quantum of real estate planned by the end of the decade: 1.04 million homes, 7.7 million+ sqm of offices, 7.4 million+ of retail space and 362,000 hotel rooms, all of which are putting pressure on resources, such as the availability of skilled/unskilled labour and raw materials, not to mention the surging cost of land.

In our Opportunities chapter, we explore ways to mitigate some of these challenges.

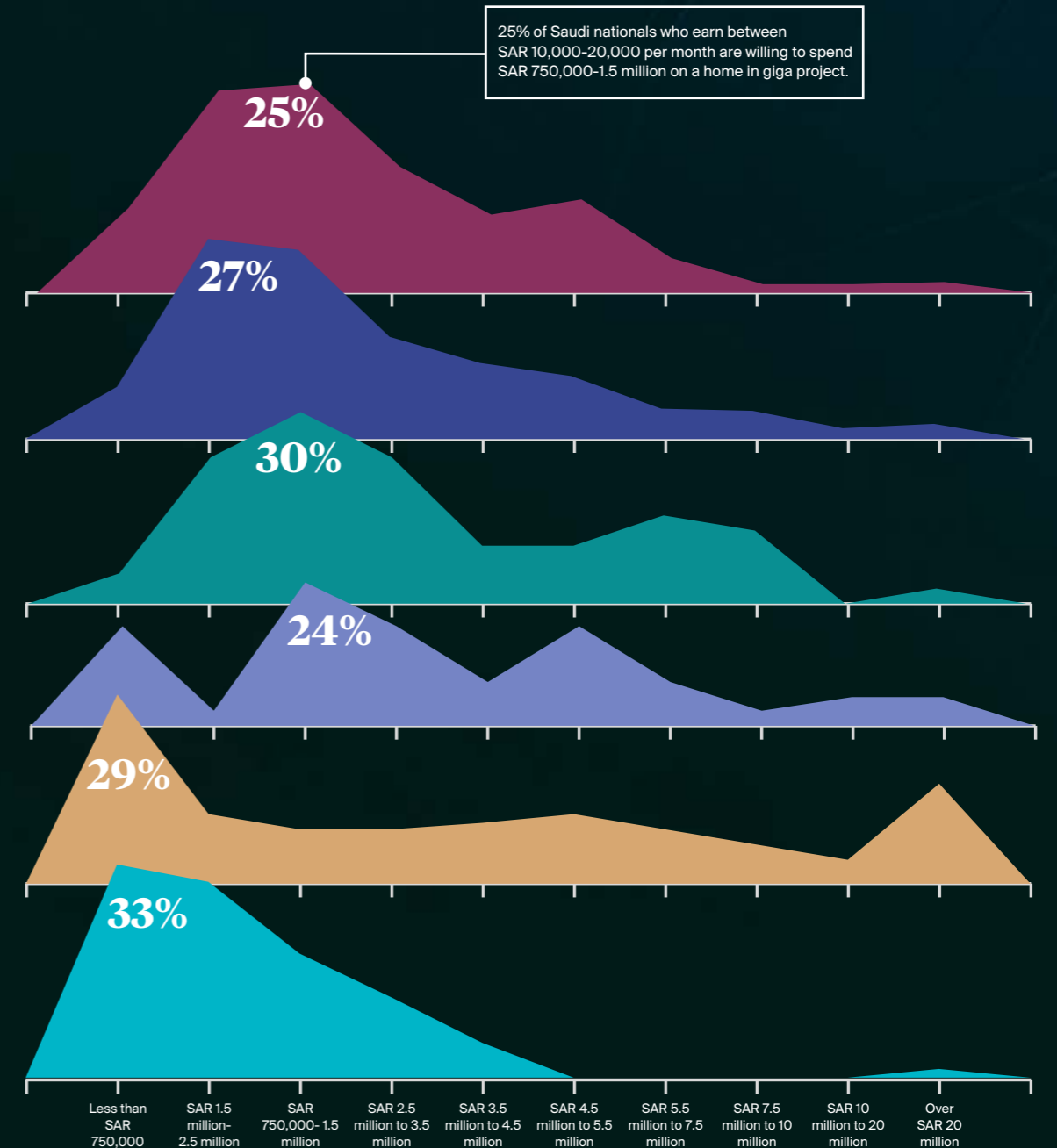
### Average purchasing budgets for giga projects (by monthly income)



Source: Knight Frank, YouGov

### Respondents' giga projects budgets (by monthly income)

- Saudi nationals (SAR 10,000-20,000)
- Saudi nationals (SAR 20,000-30,000)
- Saudi nationals (SAR 30,000-40,000)
- Saudi nationals (SAR 40,000-50,000)
- Saudi nationals (SAR 50,000+)
- Saudi-based expats (SAR 30,000+)



Source: Knight Frank, YouGov



# WILLINGNESS TO PAY PREMIUMS FOR GIGA PROJECT LIVING

## Privilege worth paying for

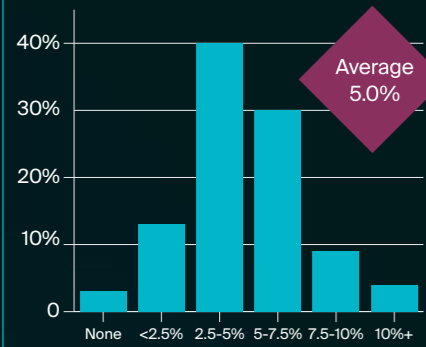
When probed on the premium they would be willing to pay for living in any of the giga projects (compared to a non-giga project), over a third (35%) of our respondents said they would be prepared to pay a premium of 2.5-5% above the prevailing market rate, while 30% indicated that they would pay a premium of 5-7.5%.

14% of those earning over SAR 50,000+ defined their premium benchmark in excess of 10%. This rises to 41% for Saudi nationals earning over SAR 80,000 per month.

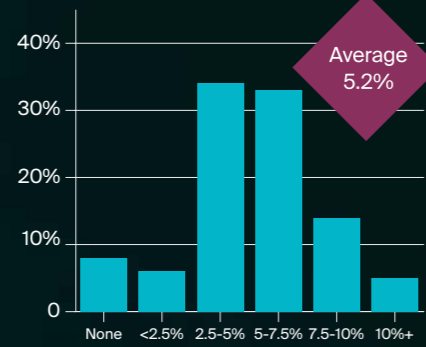
At 43%, most Saudi-based expats on monthly incomes in excess of SAR 30,000 are ready to pay a premium of 2.5-5%.

### Residential premium respondents are willing to pay for giga project purchases (by monthly income)

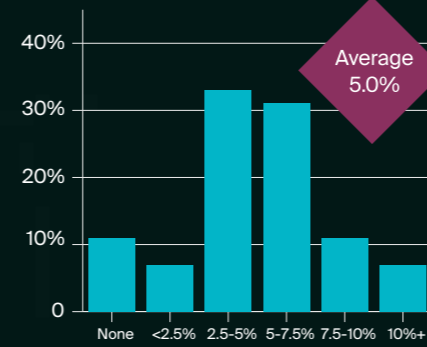
Saudi nationals (SAR 10,000-20,000)



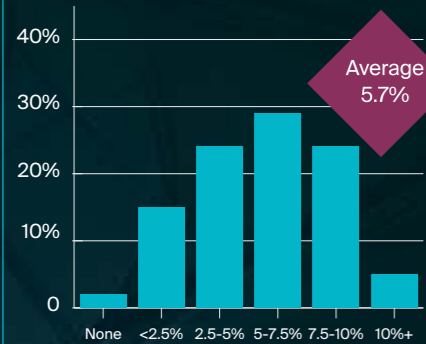
Saudi nationals (SAR 20,000-30,000)



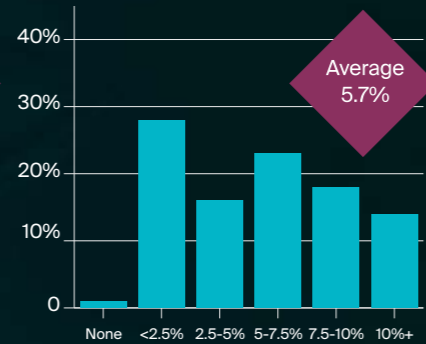
Saudi nationals (SAR 30,000-40,000)



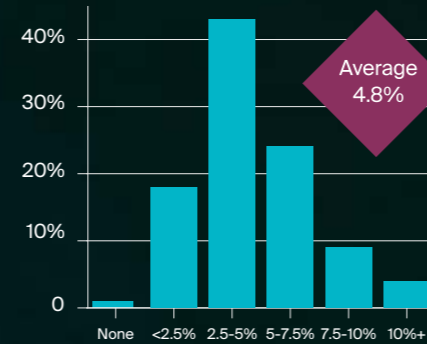
Saudi nationals (SAR 40,000-50,000)



Saudi nationals (SAR 50,000+)



Saudi-based expats (SAR 30,000+)



Source: Knight Frank, YouGov





# APPEAL OF THE GIGA PROJECTS

With the plethora of giga project developments around the Kingdom, we wanted to understand the factors most likely to influence Saudi nationals and Saudi-based expats when selecting a giga project to purchase a home for personal use. We detail our findings below.

## Factors that make giga projects attractive home purchase locations\*



**38%**

Family entertainment



**32%**

World-class entertainment/  
theme parks



**28%**

Climate/weather



**36%**

Parks & green spaces



**29%**

Innovative downtown area



**26%**

World-class healthcare



**34%**

Investing in the Kingdom's  
future / Vision 2030



**28%**

Build quality/adoption  
of global standards



**26%**

International-level  
luxury experiences



**25%**

Sustainability premise



**23%**

Coastal location



**22%**

Major sports venues



**25%**

World-class hotels & resorts



**23%**

Environmental credentials



**21%**

Arts and culture (theatres,  
opera houses, etc.)



**25%**

World-class education



**23%**

Cultural and religious reasons



**18%**

World-class golf courses



**25%**

Quiet/rural area

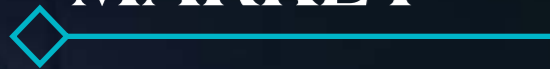
\*Percentages indicate number of times each option was selected by survey respondents

Source: Knight Frank, YouGov





# THE BRANDED RESIDENTIAL MARKET





# DISECTING BRANDED HOME DEMAND

The branded residential sector in Saudi continues to emerge, with locations such as Riyadh's Diriyah Gate, Al Ula and Jeddah standing out as key hotspots for branded residential operators and developers. Historically, the branded residential market in the Kingdom has been a relatively small segment of the residential sector, but this is changing rapidly. The prestige factor, but more importantly, the virtual guarantee of world-class facilities and property management, combined with the ability to instantly access a certain lifestyle, 'live the brand' and place your home in a rental pool, are adding to the allure of branded residential acquisitions in the Kingdom. Two-thirds of Saudi nationals in our survey have declared an intent to purchase a branded home.

## High demand levels among Saudis

The likelihood of buying a branded residence is closely correlated with income and social status. As income rises, so does the probability of buying a branded residence among our respondents. Indeed, 81% of Saudi nationals earning over SAR 50,000 a month are 'likely' to purchase a branded residence in the Kingdom.

The group with the highest desire to own a branded residence in the Kingdom, at 89%, is Saudi nationals earning between SAR 60,000-70,000 each month.

This compares to 66% of Saudi nationals on monthly incomes of between SAR 10,000-50,000.

## Expats less keen on branded homes

Perhaps due to uncertain long-term residency plans and/or yet-to-emerge clarity on international homeownership rules and regulations, Saudi-based expat respondents to our survey with monthly incomes of over SAR 30,000 are least likely (53%) to purchase a branded home.

## No apparent rush to purchase branded residences

In terms of timing, 36% of our survey respondents are interested in purchasing a branded residence within the next 2-5 years, with a further 28% interested in purchasing within the next 1-2 years.

Notably, just 15% of those surveyed are keen to make a branded residential acquisition this year.

This apparent hesitation could be linked to a limited range of branded residential developments and/or perhaps high pricing. Branded residences often command a significant price premium. In Riyadh, some branded residences are being sold for prices in excess of SAR 65,000 sqm, which is well above the non-branded market-wide average of around SAR 5,500 psm.

Saudi nationals earning over SAR 80,000 per month have the highest level of appetite to purchase a branded home, with 39% keen to buy this year.

## Non-hospitality branded residences in demand

Curiously, 55% of our respondents say they would prefer to own a branded home in a non-hospitality-linked development. This preference intensifies with income, rising to 76% among Saudi nationals earning between SAR 60,000-70,000 per month.

We believe the lack of a wide range of true branded residential developments and hospitality-linked branded residential options in the Kingdom may be the key driver behind this.

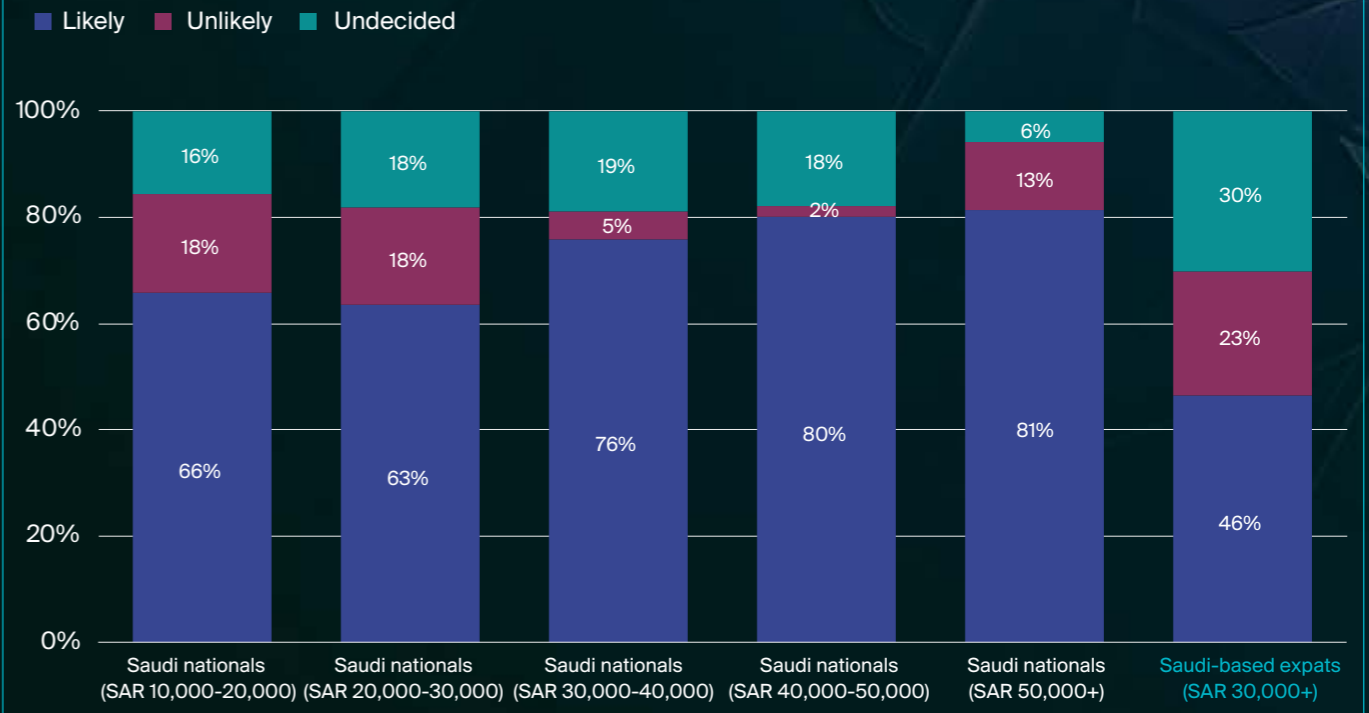
## Understanding the type of branded residences

Typically, branded residences are a result of collaborations between renowned brands (hospitality or non-hospitality brands) and developers, pooling expertise in design and operations to craft exceptional properties intertwined with a luxury lifestyle. Developers gain the rights to market and sell properties bearing the brand's typically prestigious trademark, with the brand often assuming oversight and service responsibilities to uphold exemplary standards. This partnership allows owners numerous advantages, including the assurance of service and access to an unparalleled range of facilities.

### There are two types of branded residences:

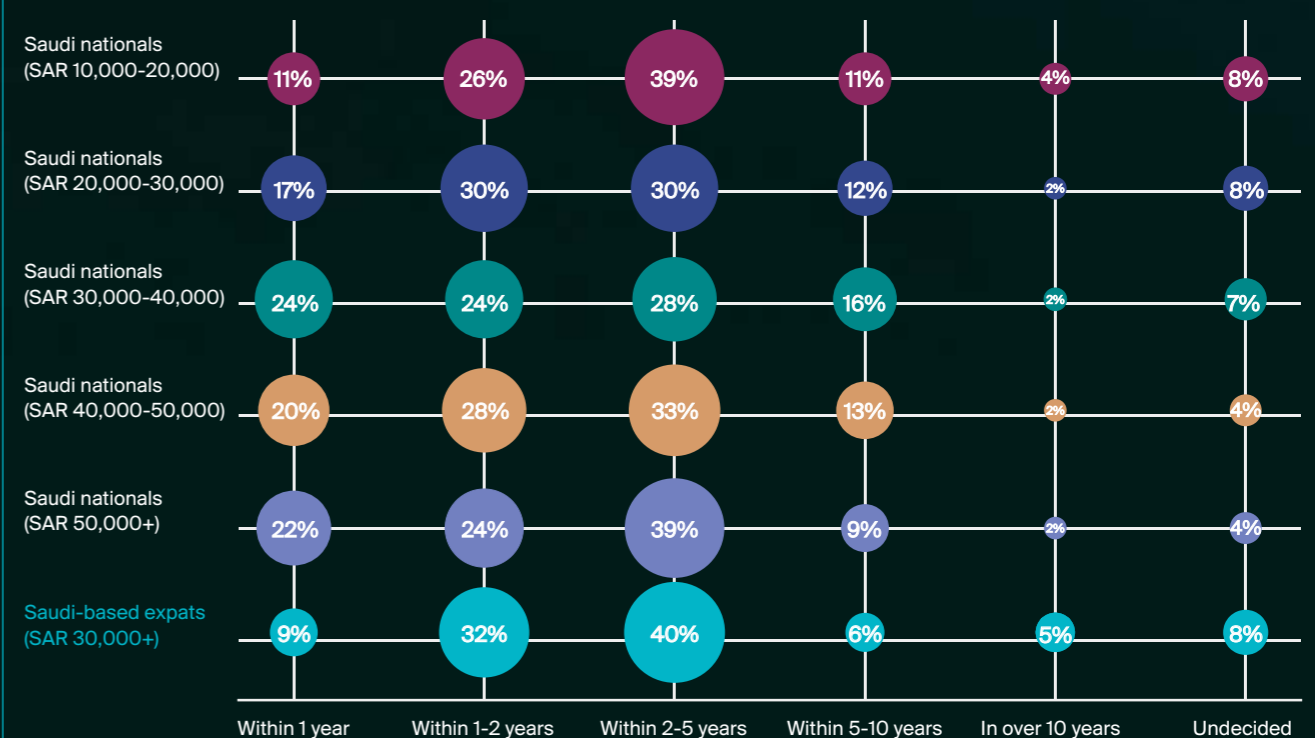
1. Hospitality-linked branded residences are residential developments connected to a hotel (usually a luxury hotel brand). By owning a property in the development, residents gain access to all the hotel's facilities and amenities, such as the pool, gym, spa, room service, housekeeping, etc., in addition to usually their own dedicated facilities.
2. Non-hospitality-linked branded residences are usually fashion or automotive-linked brands. These non-hotel-linked brands often provide access to amenities and some also offer hospitality partnerships with the same positioning as the brand. They also usually include tailor-made services and member-only benefits. Non-hospitality brands are also usually more experimental with design and architecture. In contrast, hospitality brands follow the established look and feel of a hotel, with the former, therefore, very often seen to be more exclusive.

## Likelihood of purchasing a branded home in 2025 (by monthly income)



Source: Knight Frank, YouGov

## Timeline for purchasing a branded residence



Source: Knight Frank, YouGov

# DISECTING BRANDED HOME DEMAND

## Family first

In a similar way to when we have spoken with potential branded residential purchasers elsewhere in the region, both Saudi nationals and Saudi-based expats are keen, first and foremost, to buy a branded home for personal reasons, with 39% keen on using the acquisition as a main residence. This figure rises to 51% among Saudi nationals earning between SAR 60,000–70,000 per month.

A further 31% of all our respondents aspire to buy a branded home for their children or extended family. Those especially keen on accommodating their children and extended family in branded homes are Saudi nationals whose monthly income ranges from SAR 70,000–80,000 (48%).

Just under a fifth (19%) would look to make the purchase purely for investment reasons.

As a side note, in Riyadh's Diriyah Gate, branded residential properties are currently trading for 8-10x times the value of unbranded homes in the city. This highlights the price delta for branded homes and the premium buyers are willing to pay to secure branded residential properties in desirable neighbourhoods.

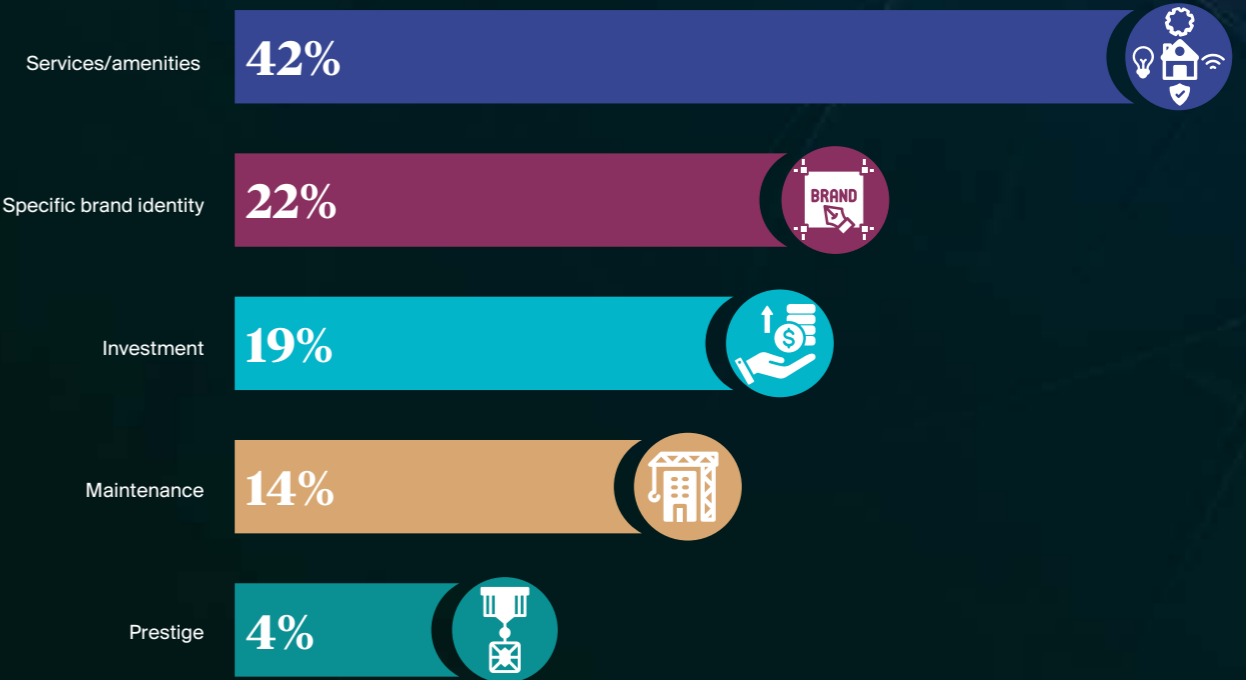
## Never really 'just an investment'

Of those who plan to purchase a branded home as an investment property, just 17% say they would permanently rent out their acquisition. 56% say they would rent the property 'most of the time', while 24% say it would be available for lease 'sometimes'.



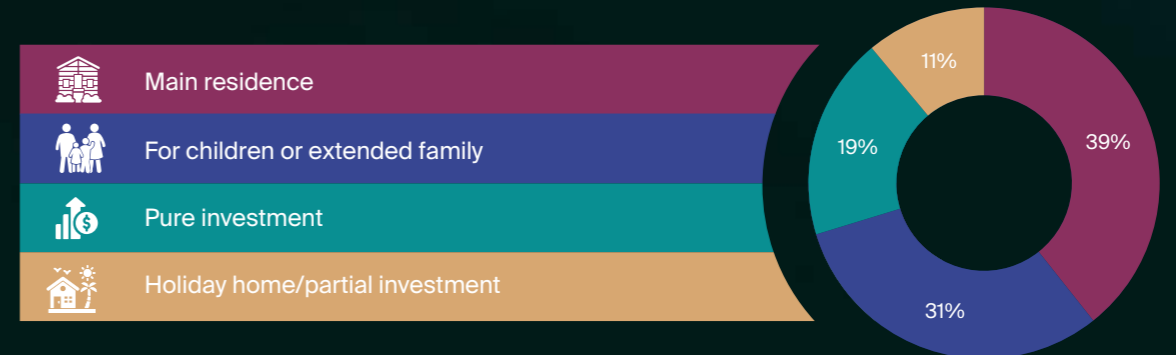
Diriyah Gate, Riyadh

## Factors that make branded residential purchases attractive



Source: Knight Frank, YouGov

## Planned use of a branded residential purchase



Source: Knight Frank, YouGov

**The unique allure of branded residences lies in their exclusivity, enhanced by the assurance of high-quality service and maintenance provided by associated brands, making them especially appealing investments with strong potential for asset value appreciation.**

**Clare Moukabaa**  
Partner - Residential Consultancy



# BRANDED RESIDENTIAL DEVELOPMENTS

As of the end of 2024, we were tracking 2,500 branded residential units that are planned or under construction across the Kingdom. With 1,000 branded units in the pipeline and due to be completed by 2027, Riyadh leads other locations in the Kingdom, with Jeddah following in second place (480 units due by 2025). Below we take a closer look at the branded residential developments, both existing and planned, across Saudi.

## RIYADH

<b>Fraser Suites Riyadh</b> Operational 95 units   2016	<b>Ascott Villas</b> Operational 92 units   2017	<b>Courtyard by Marriott Hotel and Executive Apartments</b> Operational 230 units   2016
<b>Diriyah Gate: Armani Hotels and Resorts</b> Design stage 70 units   2028	<b>ROSHN - Sedra District Etoile by Elie Saab</b> Under construction 163 units   2025	<b>The Avenues Branded Residential Tower</b> Under construction 242 units   2028
<b>Diriyah Gate: The Chedi Hotel</b> Under construction 100 units   2027	<b>Damac Towers - Fendi</b> Operational 195 units   2016	<b>Ascott Rafal Residence</b> Operational 335 units   2015
<b>Diriyah Gate: The Ritz-Carlton Residences</b> Under construction 106 units   2026	<b>Damac Towers - Paramount</b> Operational 229 units   2017	<b>Diriyah Gate: Corinthia Residences</b> Design stage 2028
<b>Mondrian Riyadh Al Malga Hotel and Residences</b> Bid evaluation 200 units   2027	<b>Diriyah Gate: La Vie Baccarat Residences</b> Design stage 15 units   2027	

## KHOBAR

<b>Ritz-Carlton Al Khobar Resort</b> Under construction 130 - 48 units   2028
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## AL ULA

<b>Aman Luxury Resorts: Aman Hegra Resort</b> Bid Evaluation 30 units   2027
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## JEDDAH

<b>The VUE</b> Under construction 36 units   2025	<b>Four Seasons Hotel and Private Residences</b> Under construction 75 units   2025	<b>Versace - Al Jawhara Tower</b> Operational 252 units   2014
<b>Shangri-La Residences</b> Operational 346 units   2020	<b>Aqua Raffles Towers</b> Under construction 369 units   2025	

## MAKKAH

<b>Thakher - Radisson</b> Under construction 230 units   2028	<b>Thakher - Novotel</b> Under construction 242 units	<b>Abraj Al-Bayt - Movenpick</b> Operational 2009
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## RED SEA

<b>Rosewood Hotel</b> Under construction 25 units   2025	<b>Four Seasons Hotel</b> Under construction 25 units   2025
<b>Village Boutique Hotel</b> Under construction 118 - 20 units   2024	<b>Ritz Carlton Hotel</b> Under construction 395 units   2028

🏠 Status
🏢 Units
📅 Opening date

Source: Knight Frank, MEED

## DISCOVER OUR INSIGHTS



# DISECTING BRANDED HOME DEMAND

## How to boost demand further

While the results of our survey have shown that two-thirds of Saudi nationals and Saudi-based expats are keen to purchase a branded residential property, there are ways in which this demand can be further bolstered.

As outlined above, the high cost associated with purchasing a branded home may be a barrier for many Saudi households, particularly when you consider that the average monthly income in Riyadh stands at SAR 25,995, while in Jeddah, the figure is SAR 15,577.

Therefore, it is not surprising that the main factor that would make a branded home purchase more attractive to potential buyers would be the availability of 'financing plans offered by local banks' (39%).

For expats, this is higher still at 47% and likely, in large part, stems from the complexities around securing home financing, especially for those looking for income multipliers in excess of 8-10x times annual income levels.

## More supply being demanded

As already shown, the branded residential market in the Kingdom remains in its nascency, with just 1,775 existing branded residential units nationwide, with a further 2,500 units due by 2028.

Potential buyers have cited the lack of branded property types and sizes as the second most important factor that needs to be addressed to make the sector more attractive (38%). Over half (54%) of those earning between SAR 60,000-70,000 per month cited this as their most important concern, hinting at an opportunity to develop this segment of the market further. We will return to this theme in our Opportunities chapter.

## More brands, please

Linked to this is the limited number of branded residential operators in the Kingdom at present. A third (33%) of our survey respondents – both Saudi nationals and Saudi-based expats – claim the shortage of brands operating branded residential developments is another area they would like to see addressed.

Alongside the greater availability of financing from local banks (44%), this ranked jointly as the most important area of concern for Saudi nationals earning between SAR 50,000-60,000 per month.

### Factors that would make branded residences more attractive

- Greater familiarity with the concept
- Wider selection of brands
- Wider selection of property types/sizes
- Fractional ownership
- Operator managed
- Financing plans offered by local banks



Source: Knight Frank, YouGov





# DISECTING BRANDED HOME DEMAND

## Small proportion of big spenders

When queried on per square metre budgets, we have found that most (26%) Saudi nationals and Saudi-based expats are prepared to spend between SAR 20,000-30,000 psm on a branded residence.

While this budget may not necessarily be in line with current market pricing, which, as noted above in Riyadh, stands at 8-10x times the price of a non-branded home (7-8x times in Jeddah), 20% of our survey sample is prepared to commit over SAR 40,000 psm, with 12% willing to spend over SAR 50,000 psm. This proportion climbs to 56% amongst Saudi nationals earning in excess of SAR 80,000 per month.

While it is encouraging to identify demand for ultra-luxury branded residential homes, the proportion of buyers who fall into this category is relatively low.

## SAR 3.57bn of pent-up demand

Turning to overall budgets, we have found that 21% of Saudi nationals and Saudi-based expats would like to spend between SAR 750,000-1.5 million on a branded home, with a further 21% prepared to commit between SAR 1.5-2.5 million.

While these budgets may appear slightly out of kilter with our respondents' per square metre preferences given current market pricing, it does hint at yet another market opportunity that we will return to later in the report.

At the top end of the budget spectrum, 39% of Saudi nationals earning over SAR 80,000 per month would be willing to spend upwards of SAR 30 million, while just 1% of Saudi-based expats earning over SAR 30,000 per month would commit SAR 20-30 million.

The average budget amongst all our respondents for a branded residence stands at SAR 3.4 million. For expats earning over SAR 30,000 each month, the figure is lower at SAR 2.2 million.

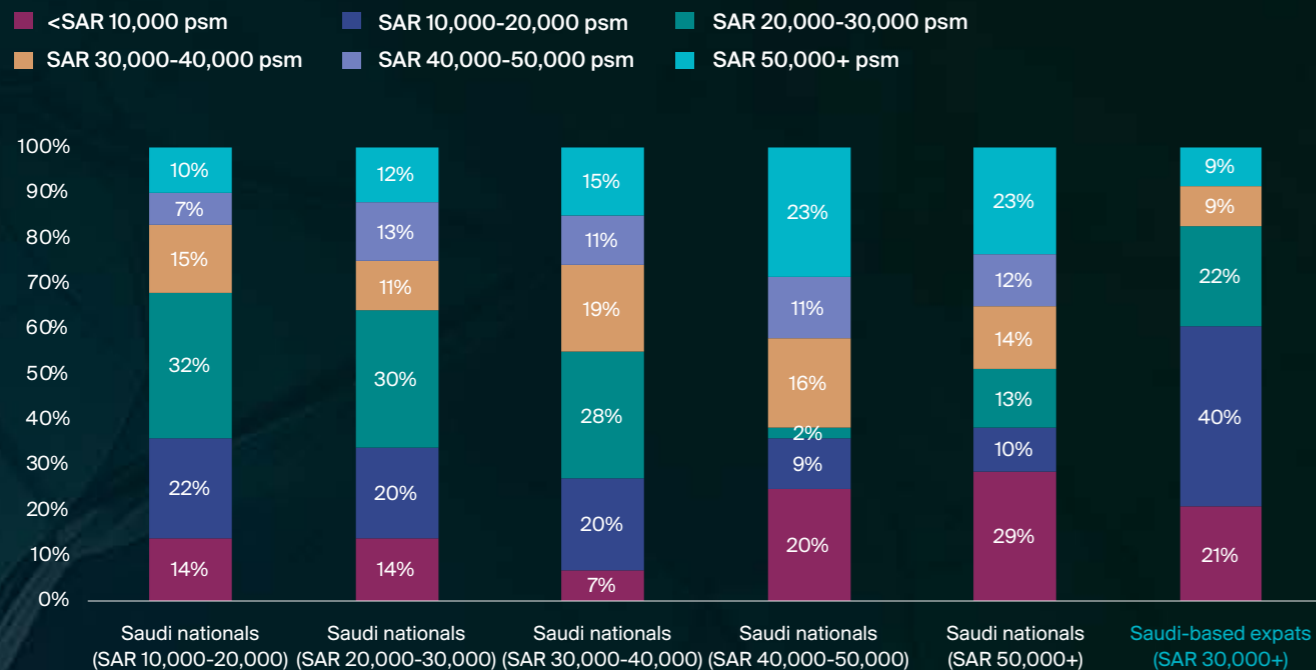
To better understand the potential pool of private capital that has amassed amongst Saudi nationals and Saudi-based expats, we combined all of our respondents' top-line budgets. This has unveiled a combined budget of SAR 3.57bn to spend on branded residences.

## Cash is not king

Notably, just over half (53%) of our survey respondents would seek a sale that included a payment plan. Amongst expats earning over SAR 30,000 per month, this figure climbs to 75%.

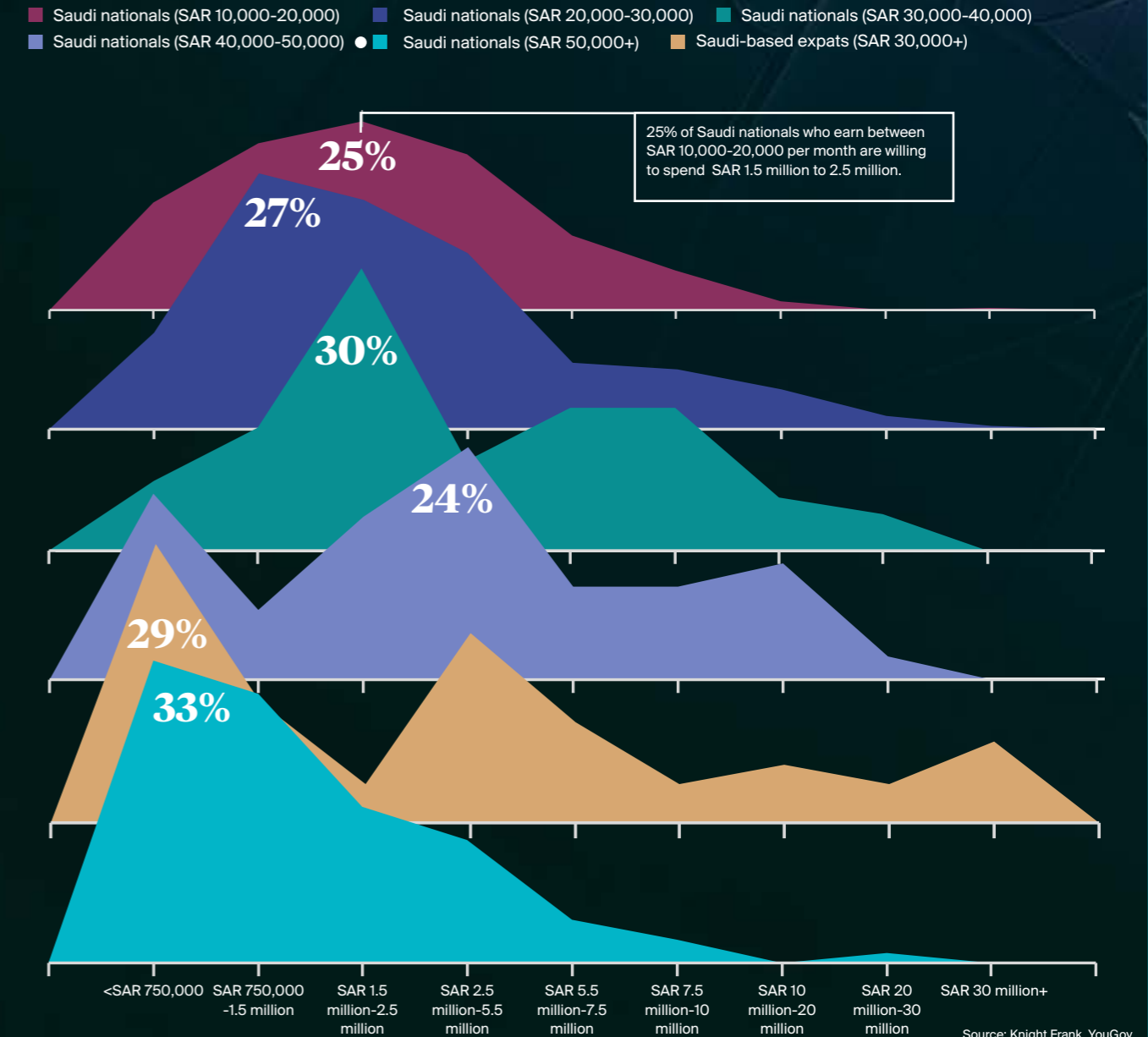
For Saudi nationals, the highest earners (SAR 70,000-80,000 and SAR 80,000+ per month), payment plans appear less important, with 86% and 61%, respectively, of these groups planning to purchase a branded home outright.

## Budgets for purchasing a branded residence (by monthly income)



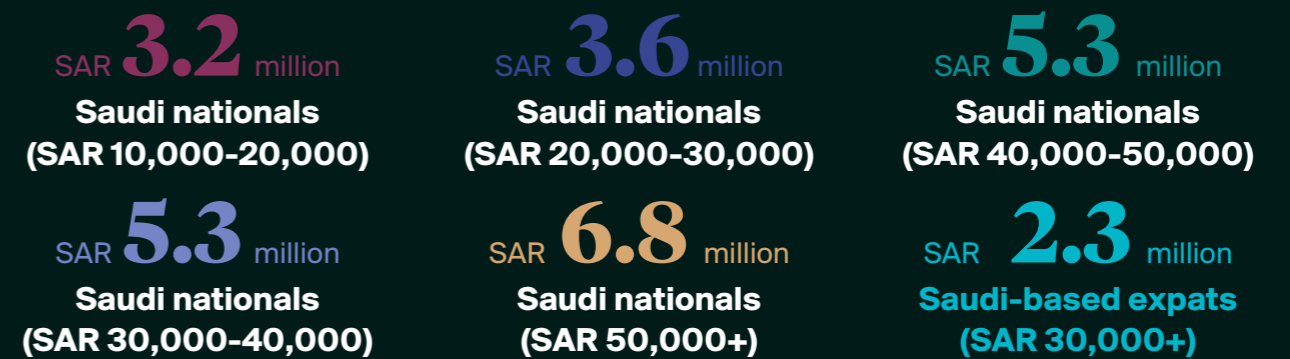
Source: Knight Frank, YouGov

## Spread of purchasing budgets for branded homes



Source: Knight Frank, YouGov

## Average purchasing budget for branded homes (by monthly income)



Source: Knight Frank, YouGov

# DISECTING BRANDED HOME DEMAND

## Property size preferences

The most popular branded residential property size amongst our survey respondents is three-bedroom apartments (23%). For expats earning over SAR 30,000 per month, this figure climbs further to 37%.

4+ bedroom villas have emerged as the second most popular size and format for a branded residential acquisition.

Notably, while the higher-earning Saudi nationals (SAR 60,000–70,000) most prefer to own a large 4+ bedroom branded residential villa, the bulk (63%) of Saudi nationals earning up to SAR 50,000 per month prefer to own a branded residential apartment, instead of a villa.

This confirms our experience in the market where, historically, Saudi nationals have focussed on securing villas. However, given that over two-thirds of the population is aged below 30, combined with the gradual decline in household sizes, the rising age at which Saudi nationals marry and settle, as well as the high entry costs for the villa segment of the residential market, demand is continuing to climb for smaller apartments. Historical ‘taboos’ around living in an apartment or raising a family in an apartment are also slowly ebbing for the same reasons.

Once again, this points to an opportunity for developers in the branded residential market, which we will discuss in more detail towards the end of the report.

## Off-plan vs ready property

Over half (56%) of our survey respondents indicated they would prefer to purchase a completed branded residence, with 44% willing to buy off-plan.

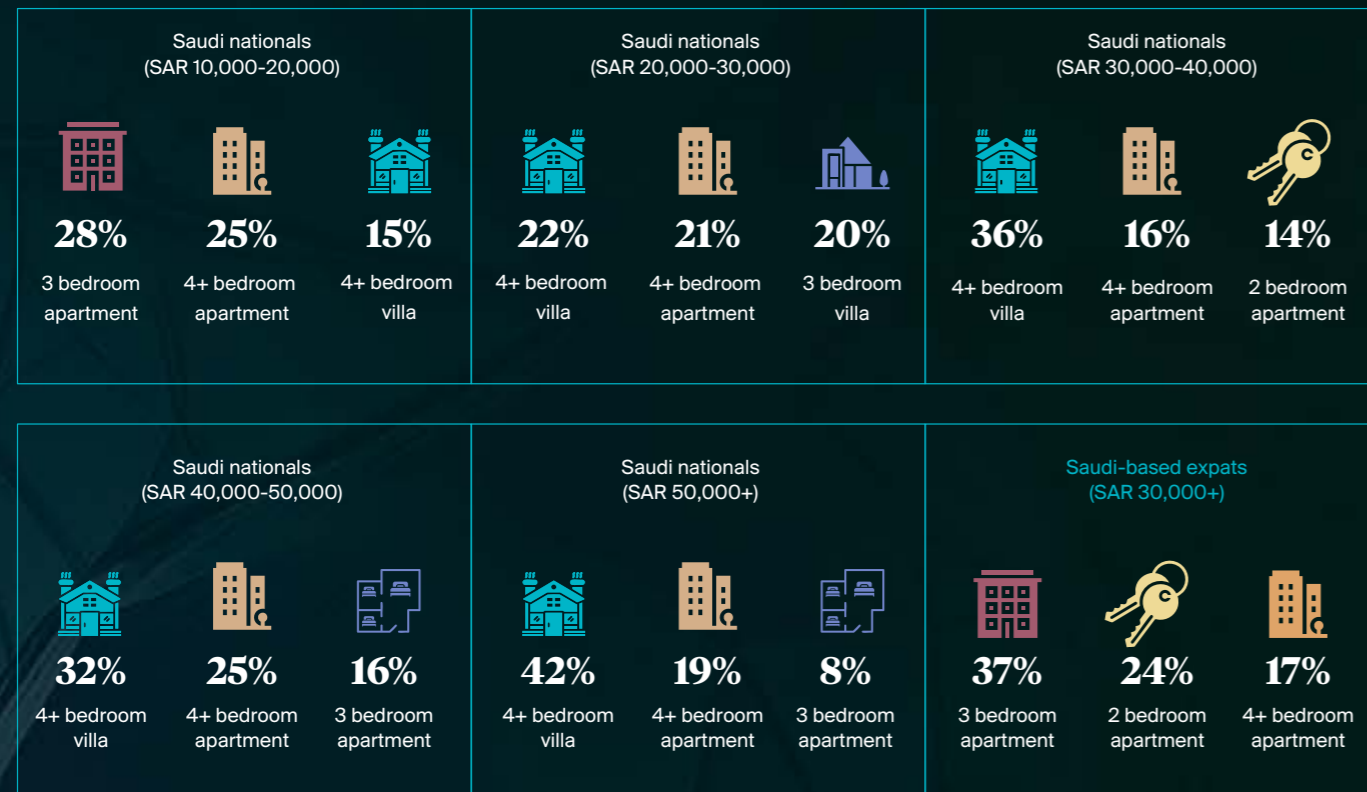
59% of expats earning over SAR 30,000 per month would like to buy a completed branded residential property.

## My home is my castle

Mirroring the fact that 70% of Saudi nationals and Saudi-based expats would like to purchase a branded home as a main residence or for use by their extended family is the fact that 81% would like to have a say in the interior layout and design of their acquisition.

This number climbs to 89% among Saudi nationals with a monthly income of over SAR 80,000, strongly suggesting a desire for a high level of personalisation, especially among the super-rich.

## Branded property size preferences (by monthly income)







# COMMUNITY LIVING

# COMMUNITY LIVING

Beyond the traditional stand-alone villas and apartment blocks, Saudi Arabia's housing market is expanding to include community-led housing solutions. Developers are looking to foster a sense of connection within deliberately planned integrated communities. These communities cater to a broader range of lifestyle preferences as urbanisation continues to accelerate and tastes evolve to include a growing desire to live in residential communities.

### Convenience, comfort and closeness

Community living is making a steady emergence, reflecting a broader trend globally that is driving the creation of residential communities that are centred on convenience, comfort, and closeness.

In our survey, we found that the most important considerations for Saudi nationals and Saudi-based expats when selecting a residential community to purchase a home in are: 'location' (39%), 'safety and security' (39%) 'proximity to parks and green space' (37%) and 'community amenities' (37%).

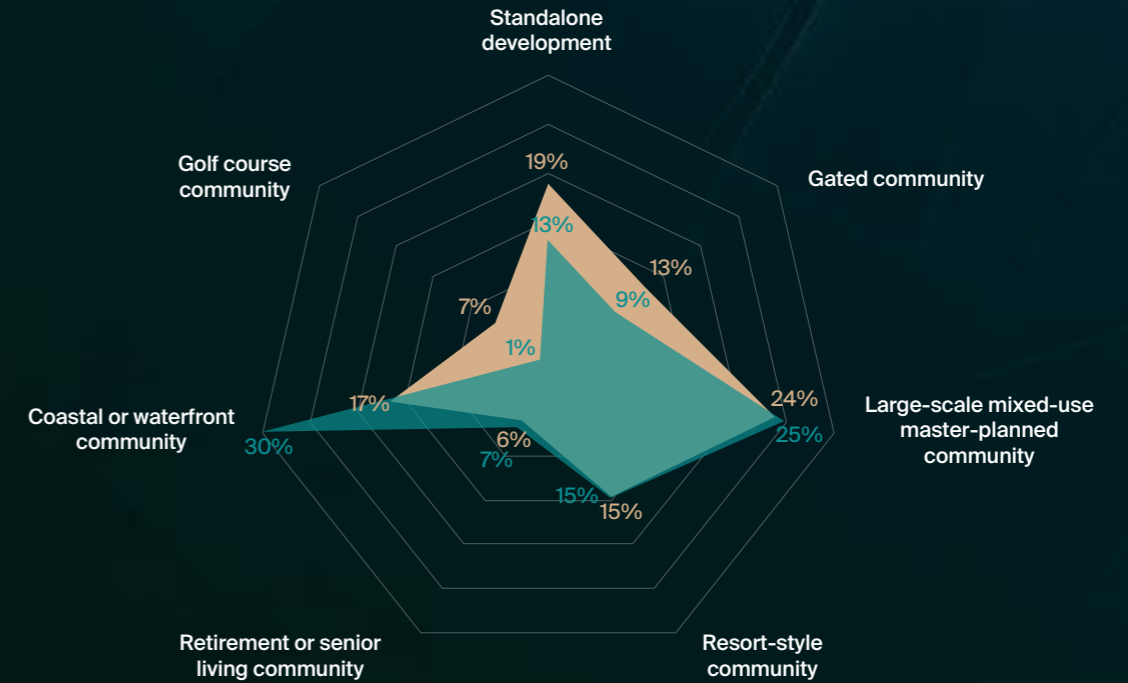
### Wellness considerations

Notably, for Saudi-based expats earning over SAR 30,000 per month, 'location' (48%) is an even more important consideration.

For the wealthiest Saudi nationals (income > SAR 80,000 per month), 'proximity to parks and green space', 'community amenities' and 'location' were ranked equally as top considerations, alongside 'proximity to a mall' (58%), highlighting the importance of convenience retail as well as wellness considerations.

### Factors that make residential communities attractive

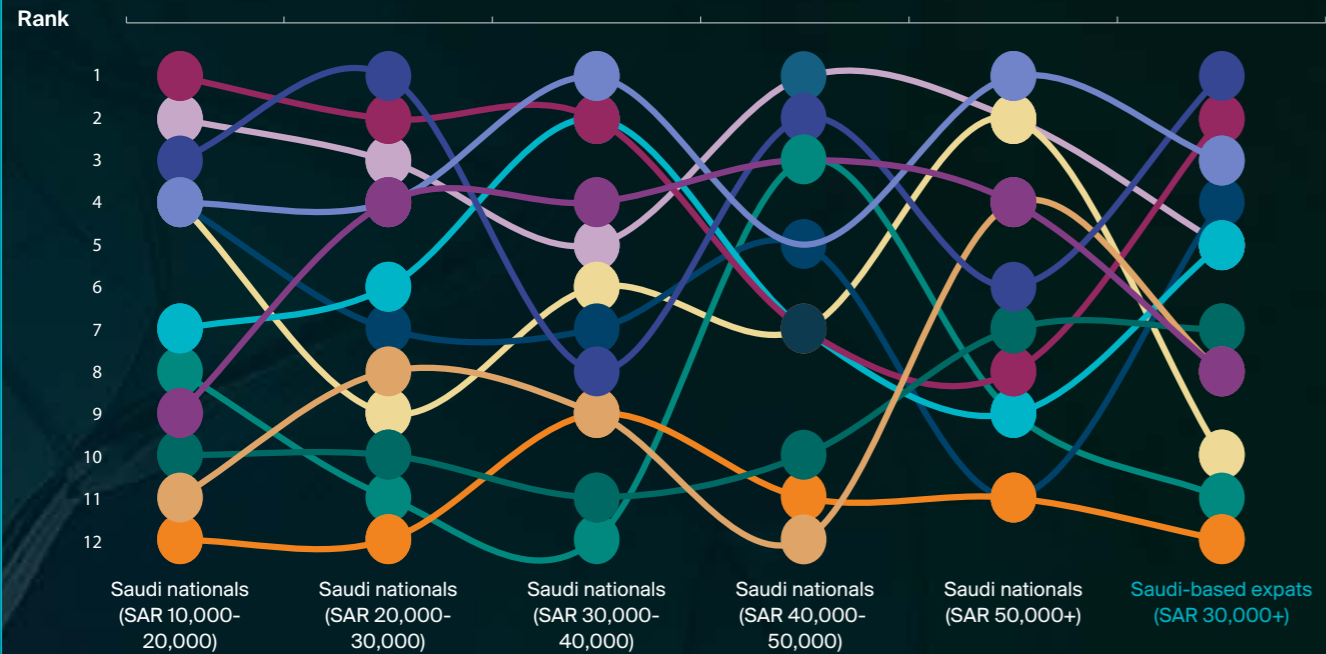
■ Saudi nationals ■ Saudi-based expats



Source: Knight Frank, YouGov

### Factors that make a residential community appealing (by monthly income)

■ Proximity to a mall ■ Safety & security ■ Location ■ Community amenities ■ Proximity to parks & green spaces  
 ■ Access to parks & green space ■ Proximity to hospitals/healthcare centres ■ High standard of build ■ Affordability  
 ■ Beach access ■ Proximity to Metro stations ■ Proximity to high-quality schools



Source: Knight Frank, YouGov

“The younger Saudi generation is more inclined to value pedestrian-friendly neighbourhoods, green space, and proximity to essential services such as education, healthcare, convenience retail, and grocery stores”.

Harmen de Jong  
 Regional Partner - Head of Consulting, MENA



# COMMUNITY LIVING

## Welcome to the Club!

Expats previously almost exclusively sustained demand for gated compounds, however, there is a shift in attitude among Saudi nationals who are also embracing community living.

In line with current demand, both Saudi nationals and Saudi-based expats have the greatest affinity to own a home in 'large-scale, mixed-use master-planned communities' (24%).

'Stand-alone developments' (18%) and 'resort-style developments' (15%) round off the top three most preferred types of residential communities.

For expats with an income of over SAR 30,000 per month, 'coastal or waterfront community' living is the most enticing type of community development. In contrast, for the wealthiest Saudi nationals on an income in excess of SAR 80,000 per month, the privacy of a 'stand-alone' development is the most attractive option for most (25%).

## Strategic partnerships and new community models

Though access to amenities in residential developments was previously synonymous with luxury living in the Kingdom, they have almost become mandatory 'must haves' for both Saudi nationals and Saudi-based expats.

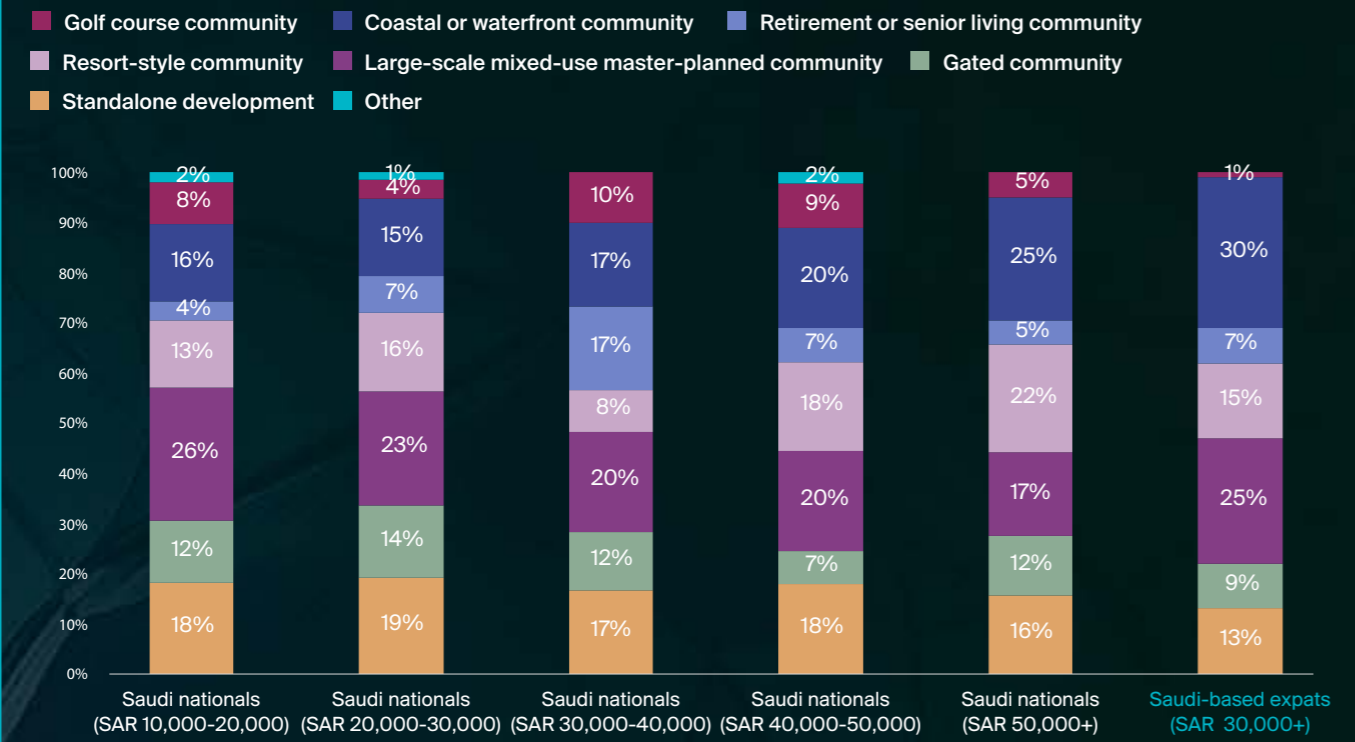
Some developers in the Kingdom are forging strategic alliances and partnerships to deliver new community living models.

For instance, a recent collaboration between ROSHN Group and the Saudi Sports for All Federation (SFA) promises to offer sporting facilities in Riyadh's SEDRA residential development.

Elsewhere, The National Housing Company has signed deals to develop commercial complexes and a mall that would complement the Murcia zone of the Khuzam suburb of Riyadh. It highlights the opportunity developers can unlock through public-private partnerships in residential communities.



Most preferred residential community type for a home purchase (by monthly income)



Source: Knight Frank, YouGov



# MOST PREFERRED COMMUNITIES

## ROSHN blazing a trail

When presented with residential community options, 57% of our Saudi national and Saudi-based expat respondents showed a preference for projects developed by ROSHN Group.

This popularity is likely tied to ROSHN Group's offering of innovative shared residential amenities not previously seen in the market.

At a city level, Riyadh's respondents identified as their top choices Sedra by ROSHN Group (33%), Warefa by ROSHN Group (31%) and Shams Ar Riyadh (34%).

In Jeddah, the most favoured communities for home purchases were also ROSHN Group developments (52%), followed by Shams Al Arous (14%).

ROSHN Group consistent appeal across cities in the Kingdom reflects its distinctive offerings and commitment to reimagining residential experiences.

### Most sought after residential communities to purchase a home (Saudi nationals)

ROSHN Group   Al Aroos (Jeddah) <b>28%</b>	ROSHN Group   Marafy (Jeddah) <b>25%</b>	Shams Al Aroos (Jeddah) <b>22%</b>	Makkah Gate <b>19%</b>	ALMA (Jeddah) <b>18%</b>	ROSHN Group   Almanar (Makkah) <b>18%</b>
ROSHN Group   SEDRA Community (Riyadh) <b>25%</b>	ROSHN Group   Warefa (Riyadh) <b>24%</b>	Shams Ar Riyadh <b>20%</b>	National Housing Company (NHC) <b>19%</b>	MISK Foundation City (Riyadh) <b>17%</b>	Knowledge Economic City (Madinah) <b>16%</b>
				Dahiyat Al Fursan (Riyadh) <b>17%</b>	Widyan (Riyadh) <b>12%</b>

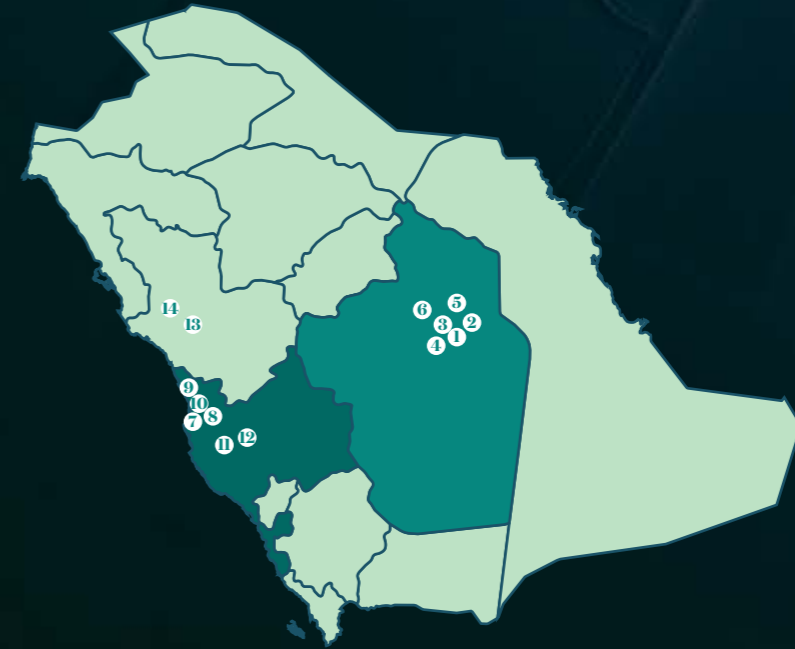
Source: Knight Frank, YouGov

### Most sought after residential communities to purchase a home (Saudi-based expats)

ROSHN Group   Warefa (Riyadh) <b>24%</b>	ROSHN Group   SEDRA Community (Riyadh) <b>19%</b>	Shams Al Aroos (Jeddah) <b>17%</b>	Shams Ar Riyadh <b>14%</b>	National Housing Company (NHC) <b>14%</b>	Roshn   Almanar (Makkah) <b>12%</b>
ROSHN Group   Marafy (Jeddah) <b>20%</b>	ROSHN Group   Al Aroos (Jeddah) <b>17%</b>	Makkah Gate <b>17%</b>	ALMA (Jeddah) <b>11%</b>	Dahiyat Al Fursan (Riyadh) <b>10%</b>	Knowledge Economic City (Madinah) <b>8%</b>
					Widyan (Riyadh) <b>7%</b>
					MISK Foundation City (Riyadh) <b>7%</b>

Source: Knight Frank, YouGov

### Residential development preferences for Saudi nationals



Community name	Project value (US\$)	Housing units	Completion year
1 ROSHN Group   SEDRA Community (Riyadh)	30bn	30,000+ units	2029
2 ROSHN Group   Warefa (Riyadh)	300 million	2,300+ units	2027
3 Shams Ar Riyadh	1.6bn	3,200+ units	On hold
4 MISK Foundation City (Riyadh)	4bn	6,500+ units	2028
5 Dahiyat Al Fursan (Riyadh)	20bn	50,000+ units	2029
6 Widyan (Riyadh)	5bn	17,000+ units	On hold
7 ROSHN Group   Al Aroos (Jeddah)	5.3bn	18,000+ units	2027
8 ROSHN Group   Marafy (Jeddah)	5bn	3,400+ units	2028
9 Alma Project (Jeddah)	350 million	9,000+ units	2028
10 Shams al Aroos (Jeddah)	2bn	10,000+ units	2025
11 Makkah Gate	1.2bn	8,300+ units	2030
12 ROSHN Group   Almanar (Makkah)	340 million	33,000+ units	2027
13 Knowledge Economic City (Madinah)	8bn	1,200+ units	2026
14 National Housing Company (NHC)	52.4bn	500,000+ units	2030

Source: Knight Frank, MEED Projects

## DISCOVER OUR INSIGHTS





# COMMUNITY LIVING

Community developments seamlessly integrate commercial and recreational amenities within a residential setting to bridge gaps in urban mobility through the creation of 15-minute walkable urban hubs.

## Laying the groundwork for active lifestyle

As we have previously reported, the average person can cover a distance of around 830m in 10 minutes. This would need to be reduced during the summer months in the Kingdom, but it does provide a barometer for how far community facilities and amenities need to be from every home in a residential community development.

Perhaps unsurprisingly, The two most important reasons for not wanting to walk to nearby destinations were the hot summer months (44%) and 'dangerous crossings/high speed of cars' (33%). We feel that careful and thoughtful design, such as shaded, or climate-controlled walkways and traffic calming road design can make community residents more comfortable with walking.

## The best is yet to come

Amenities and facilities will be key defining features of some of the Kingdom's flagship giga projects, including The LINE in NEOM, New Murabba in Riyadh, and King Salman Park. All promise to champion the principles of 15-minute urban planning, prioritising sustainable travel and strategically placing services and amenities within easy walking distances.

Riyadh's Diriyah Gate is also adopting a pedestrian-first culture by minimising vehicle access through dedicated underground car parks and other traffic calming and reduction measures.

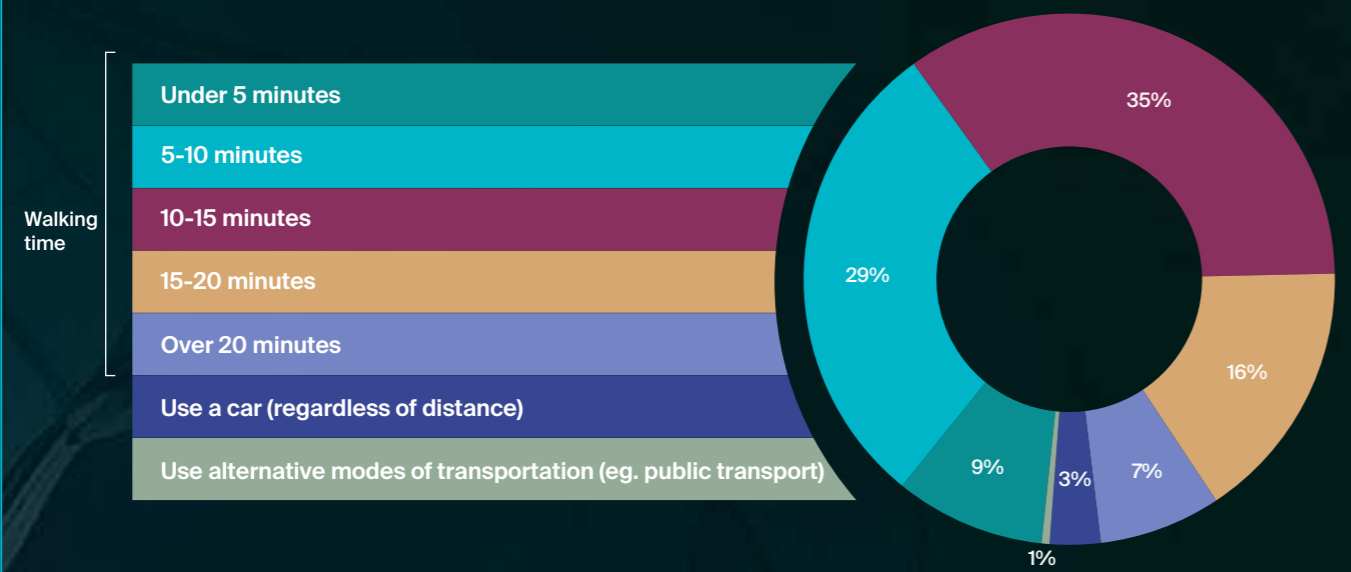
This approach resonates with over a third (35%) of our Saudi national and Saudi-based expat respondents, who expressed a willingness to walk 10-15 minutes to amenities.

Notably, at 24% 'proximity to Metro stations' did not feature as highly on our respondents' wish lists for community amenities as retail conveniences, but this will likely change as using the Metro, particularly in Riyadh, becomes more widespread and encouraged.

It does, however, expose the challenge for developers to create walkable communities for residents, many of whom, for now, appear unable to envisage reducing reliance on their cars for longer commutes.

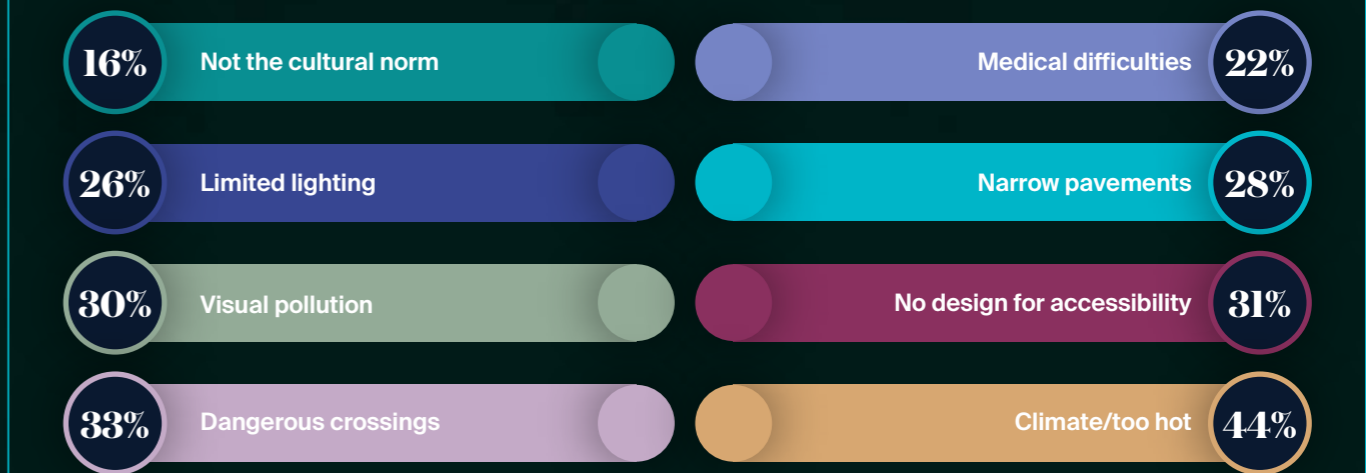


## Willingness to walk to a destination of interest



Source: Knight Frank, YouGov

## Factors that limit walking\*



\*Percentages indicate number of times each option was selected by survey respondents

Source: Knight Frank, YouGov





# RESIDENTIAL MARKET OPPORTUNITIES





# OPPORTUNITIES

**Based on the unique results of our survey of 937 Saudi nationals and 100 Saudi-based expats, we have been able to identify four headline real estate market opportunities for developers and investors, which we outline below.**

## 1) HOUSING THAT IS AFFORDABLE

The results of our survey data once again highlight the gap between average Saudi nationals' budgets, their home aspirations and current market pricing. Indeed, we found that 40% of Saudi nationals are prepared to spend up to SAR 1.5 million on a new home, preferably a villa. The most sought-after villa size by Saudi nationals is a 4-bedroom property. In a city like Riyadh, villa prices average around SAR 2.8 million, highlighting the ever-persistent gap between expectations and market realities.

Delivering homes that are affordable is far from simple. House prices have escalated across the country over the last five years, with villa prices in Riyadh, for instance, rising by as much as 100% in some districts in the north. Income growth has not kept pace with this level of house price inflation.

### Government intervention

To address the affordability issue, the government has established several pathways to ease the financial burden on aspirational households, with programmes such as Wafi and Sakani. During the first half of 2024, 55,000 Saudi families benefitted from Sakani's housing solutions, with over 44,000 families moving into their first homes.

Furthermore, the National Housing Company has championed the development of more affordable housing through its vast new projects such as Dahiyat Al Fursan (50,000 units) and Khuzam (50,000 units) in Riyadh and Sadayem (8,475 units) in Jeddah, for instance.

Despite these efforts, the affordability issue persists, with income multipliers for villas, as we have shown, climbing to as much as 10.5x times in Riyadh and 14.5x times in Jeddah. And yet, rising house prices have not curbed home ownership rates, which hit a record 63.7% at the end of 2023.

The easing of access to the property ladder has contributed to demand and subsequently boosted house prices. For major cities like Riyadh and Jeddah, where land is scarce, land prices have also spiked, while other challenges around a shortage of raw materials, skilled and unskilled labour has exacerbated matters in the face of plans to deliver 1.04 million new housing units nationwide by 2030. Most of these homes, we expect, will be priced above US\$ 1 million, creating a very real risk of an oversupply of luxury housing and homes that are beyond the reach of most Saudi households.

### Speed vs. cost vs. quality

Achieving the golden triangle of speed, high quality, and low cost appears unlikely when you factor in the strains created on raw materials and talent by the other property sectors: 362,000 hotel rooms, 7.7 million sqm of office space and 7.4 million sqm of retail space also be completed by the end of the decade.

### Modern Methods of Construction

This is where we feel the Kingdom has an unparalleled opportunity to increase adoption levels of Modern Methods of Construction (MMC).

While the cost of labour, not just in Saudi but across the wider Middle East, remains lower than in many other global regions, the correct mixing of traditional construction methods with MMC, such as off-site manufacturing, modular housing and/or 3d-printing could ease the burden of delivering the Kingdom's significant quantum of new real estate by 2030.

The added benefit of employing MMC at scale would be the opportunity to be a world leader in this space while also lowering development costs (and passing any savings on to consumers).

### Greener homes?

A further and arguably significant fringe benefit would emerge in the form of lowering developments' carbon footprints and delivering greener assets, which we know house hunters and businesses are increasingly and actively seeking out.

In turn, the development of these greener assets, which in theory could be easier to certify with internationally recognised green ratings (LEED, WiredScore certification, WELL ratings, etc.), would attract international institutional investors who are scouring the globe for such assets.

This would aid the government's long-term strategy of boosting inbound institutional investment at scale, which has eluded the wider region in large part due to relatively smaller lot sizes, shorter commercial lease tenures (than other global regions) and the relative lack of data availability and transparency.

### More townhouses

A final area of opportunity we feel to deliver homes that are more affordable exists in the development of townhouses.

First conceived in 17th century Paris, townhouses, we feel, represent not only a way to give most Saudi nationals what they seek (villas) but also allows developers to increase development densities, thereby reducing the footprint of individual family homes, with the savings being passed on to potential buyers. Private developers such as Majdiya and Al Tahaluf are blazing a trail in this space, but PIF entities such as ROSHN Group are now also entering the fray.

Our estimates suggest that just 5-10% of the 1.04 million homes due for delivery by 2030 are likely to be townhouses. We therefore feel there is significant scope for expansion of this type of residential offering, so long as the price remains capped at c. SAR 1.5 million.



# OPPORTUNITIES

## 2) FINANCING

As outlined above, authorities have actively established pathways to aid Saudi nationals with their home ownership aspirations and this, as reflected in the volume and growth in residential sales volumes, has been a catalyst for the expansion of the Kingdom's residential market.

A further area of opportunity remains in the form of developer-linked financing.

Indeed, in our survey, we found that nearly half (49%) of Saudi nationals and Saudi-based expats would prefer to secure developer-linked financing. This rises to 60% amongst Saudi nationals earning over SAR 50,000 per month and reaches 82% amongst both Saudi and non-Saudi earners who have a monthly income of over SAR 80,000.

### Non-government financing

Our interpretation of the high level of demand for developers to offer financing likely stems from the high interest rate environment (base rates in the Kingdom have climbed from about 1% in July 2020 to around 5.5% at the end of 2024) and/or the complexities associated with securing home financing outside government-sponsored schemes. Another driver for this behaviour could be linked to the perception that developers could perhaps offer better rates.

### Bank partnerships

Some developers around the region have perhaps not gone as far as directly taking on the financial risk themselves but often partner with banks to offer "pre-approved" mortgages to potential buyers, while some also waive (or absorb) property purchase tax liabilities to effectively give purchasers a discount.

Methods such as these have proven to be successful in driving absorption rates.

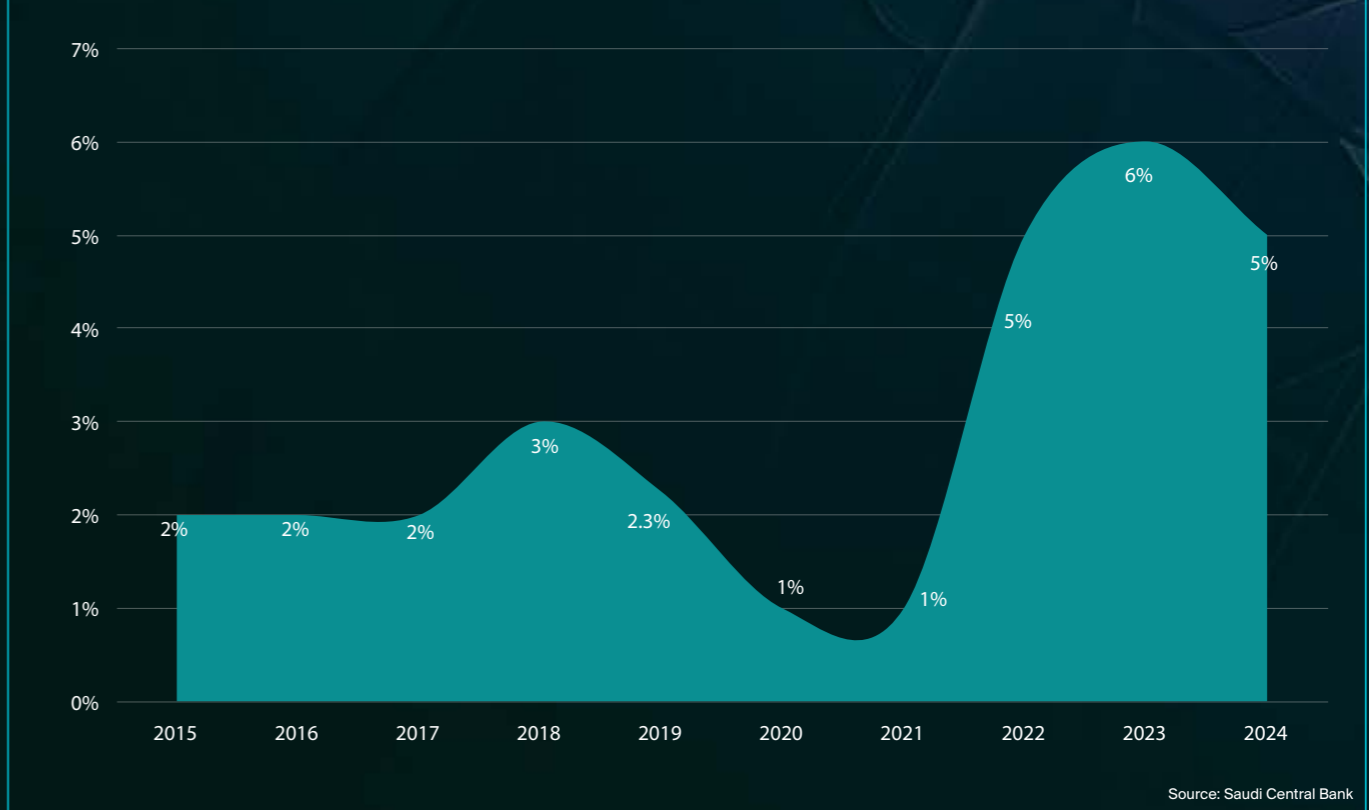
### International buyer demand

Another important aspect of home financing, perhaps less connected directly to developers, is the ability of expats and, indeed, international buyers to access local (in-country) financing options. At present, this remains a challenge while the much-anticipated change in foreign ownership rules remain under wraps. Once international buyers are permitted to enter the market, demand for local financing options will likely soar.

While we wait for the changes to be announced, developers have the opportunity to forge relationships with banks (both local and international) to prepare for the impending influx, mirroring their counterparts elsewhere in the region.

**An important aspect of home financing, perhaps less connected directly to developers is the ability of expats and indeed, international buyers, to access local (in-country) financing options.**

Saudi Arabia's short-term interest rates



DISCOVER OUR INSIGHTS





# OPPORTUNITIES

## 3) BUILD TO RENT MARKET

40% of expats earning over SAR 30,000 per month and 9% of Saudi nationals (overall) are still keen to continue renting.

The high costs associated with home ownership, still being in 'deposit-building mode', and the flexibility offered through renting were cited as the top three reasons for not wanting to make the transition to home ownership.

We have previously discussed the fact that a high level of internal migration amongst Saudi nationals is also contributing to the rising demand for rental accommodation.

### Rental demand drivers

Indeed, our analysis has shown that 50,000 internal migrants were created over the last five years, most of whom are being drawn to Riyadh in search of better employment and career opportunities.

Furthermore, with a rise in the number of expats living in the Kingdom, drawn in by better employment opportunities, demand for rented homes in the Kingdom's largest cities has been further bolstered.

37% of Saudi nationals and Saudi-based expats are prepared to spend SAR 20,000-40,000 annually on renting a home. With this budget range, tenants would find it challenging to even secure a one-bedroom apartment in Riyadh or Jeddah.

This cost-conscious behaviour by most tenants points towards the desire to save a greater proportion of their earnings and/or the fact that they are presumably smaller families or even single occupants who do not need the luxury (or cost) of leasing large family villas.

For developers, we see two distinct areas of opportunity.

### Smaller homes for rent

The first is to develop smaller homes (think studio and one-bedroom apartments) with the specific intention of renting them out, i.e., creating build-to-rent (BtR) stock. Not only are smaller homes scarce in the Kingdom but they are seldom accompanied by an array of amenities and facilities for tenants.

### Creating institutional-grade assets

Expats moving to the Kingdom, at least in the first instance, are likely to gravitate to such accommodation, many of whom will be willing to pay a premium to secure such housing. Major global expat centres from Singapore to London and New York to Dubai have extensive ranges of purpose-built rental accommodation to cater for expats and their families.

Amenities often include onsite security, a concierge service, a pool, a gym, ground-level convenience retail, BBQ facilities, etc. This type of product remains in short supply in the Kingdom.

Such assets, when fully tenanted, also attract institutional investor interest. KKR's acquisition of two of Quintain's BtR residential blocks, comprising 490 units and 40,000 sqft of leisure and retail facilities at its flagship £2.8bn Wembley Park site in London containing 8,400 BtR homes on an 85-acre site is a prime example of this.

### Rent-to-own schemes

The second area of opportunity, perhaps connected to the financing opportunity already presented, would be for developers to offer a 'rent-to-own' scheme. This would effectively allow potential tenants to pay a small premium in rent, which would be held in escrow, allowing them to build a deposit over a number of years, allowing them to then purchase the rented property from the developer.

Clearly, there are risks a developer would need to consider, but this would create a neat exit strategy for developers. This method has been employed in some other regional markets in the past to create buyer demand for smaller homes amongst those still saving to buy and/or those unsure of when they wish to transition from renting to owning.

## DISCOVER OUR INSIGHTS





# OPPORTUNITIES

## 4) MORE BRANDED RESIDENCES

Our estimates show that there are currently 1,780 branded residential units across the Kingdom, with a further 2,500 currently planned or under construction and due for completion by 2030.

Branded residences globally are associated with a certain lifestyle and allow occupants to 'live the brand' while also offering access to world-class facilities, amenities and property management services, especially when the brand is associated with a hospitality brand.

While still an emerging but rapidly growing concept in the Kingdom, the sector, in our view, is undersupplied at present.

Indeed, our research has shown that nearly one in three of our survey respondents would like to see more branded residential developments in the Kingdom.

Our survey results have also demonstrated the depth of demand for branded homes amongst both Saudi nationals and Saudi-based expats, with two-thirds of those we surveyed keen to secure a branded home.

This demand climbs further with income levels, rising to 81% among Saudi nationals earning over SAR 50,000 per month, topping out at 89% for all respondents whose income falls within the SAR 60,000–70,000 bracket each month.

Apart from showcasing the need for more branded properties, we feel there are two distinct opportunities within the sector for developers and investors.

### Hospitality-linked branded residences

The first revolves around the creation of a hospitality-linked branded residential market. We found that over half (55%) of Saudi nationals, as well as Saudi-based expats, would prefer to own a branded residence in a non-hospitality-linked property.

This likely stems from a lack of understanding of the advantages of hospitality-linked branded residential property and/or the shortage of completed/existing stock that falls into that category.

Should developers enter this segment of the market, there is an opportunity to set a new benchmark in terms of quality, as well as pricing, while also satisfying the pent-up demand for this type of stock, both from domestic buyers and international buyers gathering on the sidelines, awaiting changes to foreign ownership rules and regulations.

In fact, from our *2024 Destination Saudi report*, we know that 92% of global Muslim HNWI are interested in a branded residential purchase in either of the Holy Cities, with 40% prepared to spend over US\$ 10,000 psm on a branded home in Makkah.

### Smaller branded homes

The second opportunity is to build smaller branded residential units, such as studio and one-bedroom apartments.

This will not only help to satisfy the growing demand for professionally managed rental accommodation but will also address the relatively low proportion of the population that appears prepared to commit big budgets to branded homes.

21% of Saudi nationals and expats would like to spend between SAR 750,000–1.5 million, with a further 21% willing to consider a higher budget of between SAR 1.5–2.5 million.







# THE HOUSE VIEW



# EXPERT INSIGHT

## SAUDI ARABIA'S REAL ESTATE TRANSFORMATION

Saudi Arabia's real estate sector stands at the forefront of Vision 2030, playing a pivotal role in the Kingdom's economic diversification and global investment appeal. Sweeping regulatory reforms, enhanced foreign investment access, and large-scale infrastructure projects are redefining the real estate landscape, unlocking unprecedented opportunities.

A major breakthrough in this transformation is the opening of real estate markets in Makkah and Madinah to foreign investors through Saudi-listed companies. This move is set to attract institutional capital, increase liquidity, and drive large-scale development in these high-demand locations. Complementing this, the real estate-ownership linked Premium Residency Visa has further strengthened Saudi Arabia's position as a business and lifestyle destination, attracting high-net-worth individuals, executives, and entrepreneurs seeking long-term residency.

The rise of Riyadh as a global business hub is accelerating demand for commercial and residential real estate. With over 500 multinational corporations establishing regional headquarters under the 'Program HQ' initiative, the capital is experiencing rapid expansion. The operational Riyadh Metro is enhancing urban mobility, further increasing the city's appeal for businesses and residents.

Simultaneously, Jeddah is witnessing a resurgence, with US\$ 134bn in real estate and infrastructure investments reversing internal migration trends and driving new growth. Tourism continues to surge, with 100 million visitors in 2023 and a target of 150 million by 2030, fueling demand for hospitality, retail, and mixed-use developments.

The scale of transformation is further reflected in mega-projects like NEOM, the Red Sea Development, and Diriyah Gate, all of which are helping to reshape Saudi Arabia into a global tourism and investment destination. With US\$ 1.3 trillion in announced real estate and infrastructure projects since 2016, the Kingdom is reinforcing its position as one of the world's most dynamic real estate markets.

**“The future of Saudi Arabia's real estate market is unfolding, and its potential has never been greater.”**



**Susan Amawi**  
General Manager – KSA

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Al Khuzam residential development by NHC, in Riyadh



# EXPERT INSIGHT

## HOW SAUDI'S HOUSING PROGRAM HAS TRANSFORMED THE RESIDENTIAL MARKET AND CONTINUES TO ADDRESS THE NEEDS OF SAUDI CITIZENS.

The Kingdom's Vision 2030 program aims to transform Saudi Arabia's economy and society. One key element of the Vision is the Housing Program, which was created in 2018 to meet the needs of the Kingdom's large population of young Saudi nationals.

The Kingdom's housing needs are large and growing. We estimate that from 2024 to 2030, over 115,000 new homes will be needed each year to satisfy the demand from Saudi nationals alone.

The Housing Program has overhauled the governance, delivery, and financial provision of the residential housing market.

For instance, on the demand side, the Sakani program has utilised online service platforms to streamline and speed up housing applications by Saudi nationals, as well as provide access to bank finance.

On the supply side, the National Housing Company (NHC) has announced developments within their new community masterplans that incorporate approximately 200,000 housing units. By the end of 2034, this total is expected to reach 300,000 units.

In total, the Ministry of Municipalities and Housing's initiatives have helped to increase spending on residential construction from 5.5% of non-oil GDP (the average recorded between 2018 and 2021) to 8.5% in 2022.

In the coming years, there is an abundance of opportunities for domestic and international developers to play a role in realising the Kingdom's housing vision. In 2024, the NHC formed a strategic partnership with Talaat Moustafa Group (TMG) to build over 27,000 homes in the Kingdom and, in addition, signed a deal with China's CITIC Construction Group to establish an industrial city and logistics zone for building materials.

We expect to see many more such announcements in 2025 and beyond.

**Housing demand is a function of Saudi Arabia's young population. Around 45% of Saudi nationals are under 20 years old, and 63% are under 30 years old.**

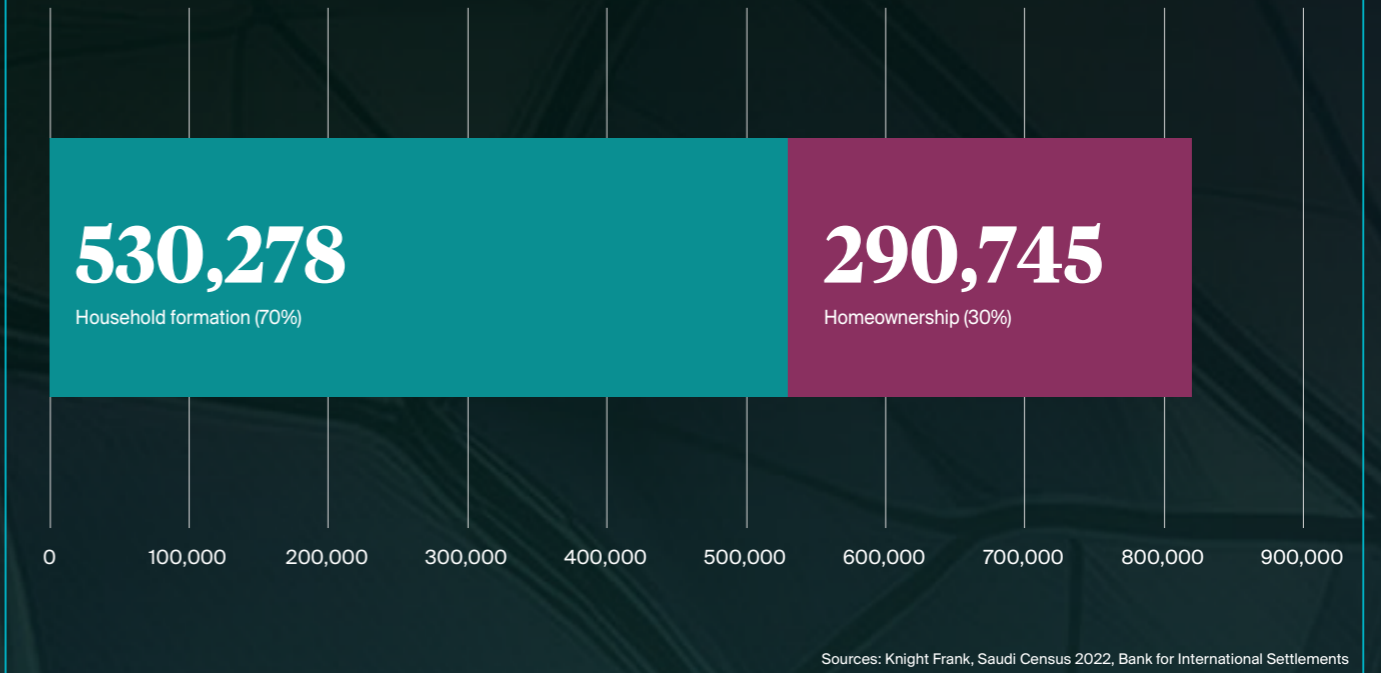


**Dr. Christopher Payne**  
Chief Economist – MENA

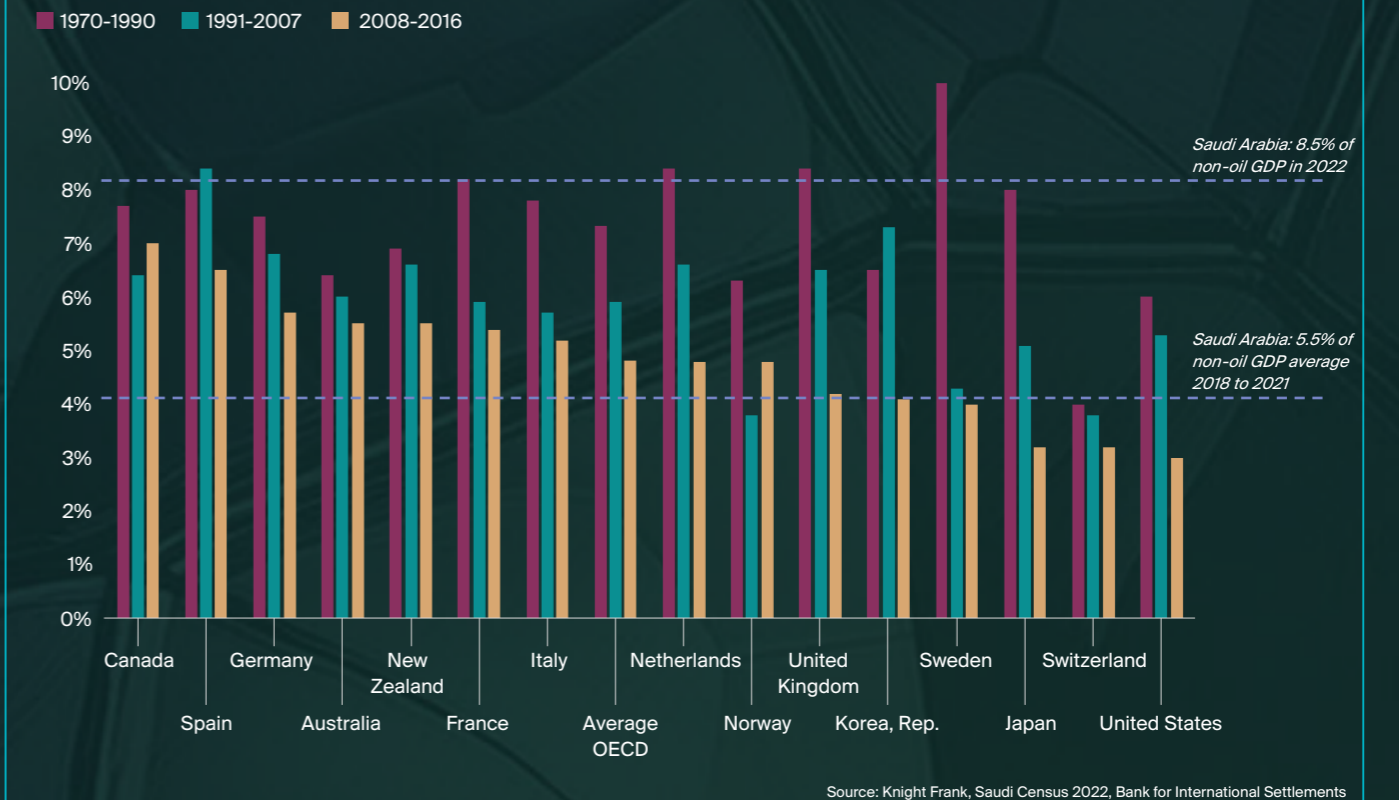
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### Understanding the demand for 825,000 homes (by 2030)



### Housebuilding spending as a % of GDP and non-oil GDP





# EXPERT INSIGHT

## COMMUNITY LIVING IN SAUDI ARABIA

An increasing number of Saudi households are now opting to live in integrated residential communities, marking a new trend in the Kingdom that gained momentum after the National Transformation Plan was announced in 2016.

This shift is particularly evident among young Saudis who have travelled or studied abroad and are less inclined to follow the traditional lifestyle of their parents.

The younger generation seems to value pedestrian-friendly neighbourhoods, green space, and proximity to essential services such as education, healthcare, convenience retail and grocery stores.

When asked why they have not yet purchased a home in a residential community, many young Saudi nationals cite the fact that their families reside in specific neighbourhoods. Leaving the area where the family is based is often a significant challenge, and this cultural attachment to family-centric living remains strong.

Additionally, the maintenance costs of integrated communities are typically covered by its residents through a master community service charge, which is something prospective buyers often overlook. In contrast, most homes in Saudi Arabia are in neighbourhoods that are not part of master-planned communities, where maintenance falls under the responsibility of local municipalities rather than developers.

As integrated residential communities become the norm, paying an annual service charge will become a practice that the Saudi population will need to adjust to, and there are indications in our research that this is already starting to happen.

“As integrated residential communities become the norm, paying an annual service charge will become a practice that the Saudi population will need to adjust to.”



**Harmen De Jong**  
Regional Partner - Head of Consultancy, MENA

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Villa developments to the west of Riyadh



# EXPERT INSIGHT

## INTEGRATING ESG PRINCIPLES INTO SAUDI ARABIA'S RESIDENTIAL SECTOR

As part of Saudi Arabia's Vision 2030, there is a growing focus on integrating ESG (environmental, social and governance) principles into the residential sector. The aim? To create a housing market that is more sustainable, socially responsible and transparent.

### Environmental sustainability

Saudi Arabia is taking bold steps to reduce its carbon footprint and build eco-friendly communities. The Saudi Green Initiative, launched in 2021, is playing a key role in the Kingdom's efforts to fight climate change and build a more sustainable future. One of its big goals is to generate 50% of the country's energy from renewable sources by 2030.

Green building practices are on the rise in the residential sector, with more homes designed to meet sustainability standards like LEED. These homes focus on energy-efficient designs, solar power and water conservation, which reduce environmental impact, while also offering long-term cost savings to residents.

### Social impact

On the social side, efforts are focused on improving quality of life and making homes more affordable. The Sakani program, as of 2023, has signed over 800,000 contracts since its inception in 2017. Additionally, there are 880,000+ contracts yet to be fulfilled, indicating significant future demand for housing.

This is part of a bigger plan to increase home ownership among Saudis to 70% by 2030, up from around 64% at the end of 2023. Plus, new residential developments are being designed with a focus on social infrastructure, including schools, healthcare centres, parks and retail, all combined to create vibrant, well-connected communities that drive demand and boost the desirability of these developments.

### Governance and transparency

The governance side is evolving, too. New regulations now require developers to report on their ESG performance, helping to ensure greater transparency and accountability. This move is also attracting more international investment to the sector, with ESG-focused real estate investments growing by 20% annually, according to the Saudi Real Estate Investment and Development Company. This is helping to build trust with investors and residents alike, making sure development projects meet both environmental and social expectations.

By integrating ESG principles, The Kingdom is paving the way for a more sustainable, inclusive, and transparent future in its residential sector.

**“ In the residential sector, green building practices are on the rise, with more homes designed to meet sustainability standards. ”**



**Wesley Thomson**  
Partner, Head of ESG - MENA

CONTACT ME



King Abdulaziz National Park in Riyadh



# EXPERT INSIGHT

## PARTNERSHIP OPPORTUNITIES EMERGING IN SAUDI'S GIGA PROJECTS

The Kingdom's giga projects are at a critical stage as they transition from vision to reality. Private real estate developers, institutional investors and sovereign funds in the Kingdom, the wider GCC and Middle East region have been watching from the sidelines as these ambitious projects take shape.

We believe there are several partnership opportunities that are likely to emerge over the next few years as giga projects around Saudi widen their outreach (see our *2024 Giga Projects Report* for more detail), seeking not just capital investments but also to partner with the right stakeholders across the entire real estate life cycle, bringing global best practice to the Kingdom.

There is scope for long-term operational partnerships, including asset management and integrated community services, as these giga projects start to complete.

These partnership opportunities would pave the way for international capital investments, as well as foster collaboration in areas such as asset-class specific expertise, technological know-how, modern construction techniques, innovation, and branding.

A select number of private developers in the Kingdom are already in early discussions with various giga projects, especially those in NEOM, Riyadh, and Jeddah.

Beyond traditional private sector involvement, there is room for structured collaborations with global sovereign funds, institutional investors, and development finance institutions looking to enter the Saudi market.

Furthermore, firms with strong credentials in green building certifications and renewable energy integration can carve out significant opportunities as most, if not all, giga projects aim to set new benchmarks for sustainable development.

**There is room for structured collaborations with global sovereign funds, institutional investors, and development finance institutions looking to enter the Saudi market.**



**Pradeep W. Fernandes MRICS**  
Partner, Masterplan Advisory - KSA

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Riyadh Expo 2030 masterplan



# EXPERT INSIGHT

## OPPORTUNITIES AMID RAPID URBANISATION

Cityscape Global 2024, which took place in Riyadh in November, was described as the biggest-ever real estate exhibition in the region. With deals and new project sales of close to SAR 230bn and more than 400 participants and 180,000 visitors, Cityscape Global showcased the Saudi property market to the world, albeit it remains a market that is not yet fully accessible to global buyers and investors.

The Ministry of Housing and Municipalities is working relentlessly to achieve the objectives of Vision 2030, which are chiefly centred around improving the quality of life of Saudi citizens and residents while also raising the home ownership rate among nationals to 70%.

In parallel, we have been seeing rapid transformation in the residential sector, with the development of new products designed to cater to the next generation of Saudis, as well as the influx of expats. These include studios, small apartments, branded residences and community living which, while rapidly becoming integrated into the fabric of the residential sector, remain limited in quantity and in very short supply.

Beyond this, as the market matures, developers are gearing up for the growth in the number of Saudi second-home buyers, as well as investors and those seeking holiday homes. The latter is an evolution of the long-standing Istraha (chalet) homes market.

As the market gradually becomes more accessible to international buyers and investors and with the much-anticipated changes in foreign ownership rules due soon, we expect to see expats and other international buyers seizing the opportunity to purchase homes in the Kingdom. *Our 2024 Destination Saudi report* showed that 82% of global, internationally domiciled HNWI are keen to purchase residential real estate in the Kingdom. This appetite also extends to Saudi giga projects, which includes NEOM, Jeddah Central, King Salman Park, the Red Sea Project, Diriyah Gate and Masar Makkah, among others. [Click here to download our 2024 Destination Saudi report.](#)

Elsewhere, the mortgage market is also preparing itself to offer competitive rates and cater to this expected influx of international and expat buyers.

The role of REGA, the Real Estate General Authority, is crucial to the success of this phase, particularly when it comes to easing access to home financing for projects being developed by the National Housing Company and ROSHN Group.

**“ Developers are gearing up for the growth in the number of Saudi second home buyers, as well as investors and those seeking holiday homes. ”**



**Mohamad Rabih Itani**  
Partner, Residential Sales and Marketing Projects – KSA

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A private villa in Riyadh



# EXPERT INSIGHT

## A NEW BRANDED RESIDENTIAL MARKET EMERGES

**B**randed residences are transforming Saudi Arabia's luxury property market by merging high-end living with the prestige of globally recognised brands, setting new standards for quality and design.

For investors, these properties provide a compelling blend of strong brand recognition, dependable property management, and sustained demand from affluent buyers. This has created a new residential sub-sector in which consistent value appreciation and attractive rental returns are creating strong demand for branded homes, particularly in key cities such as Riyadh and Jeddah, where the overall demand for premium homes remains robust.

Branded residences also contribute significantly to Saudi Arabia's Vision 2030 by supporting tourism growth. They attract high net worth international buyers and visitors, boosting the Kingdom's reputation as a luxury destination.

Diriyah Gate, a US\$ 63bn landmark development comprising 20,000 homes, exemplifies this trend with notable projects such as Baccarat Residences, Four Seasons Residences, and Ritz Carlton Residences. These properties combine stylish, branded designs with the trusted hospitality services of luxury hotel brands, delivering a unique and elevated living experience.

As interest in branded residences continues to grow, developers have an excellent opportunity to capitalise on this demand. Saudi Arabia's property market is raising the bar with contemporary designs, world-class amenities, and thoughtful service.

Offering a mix of luxury, exclusivity, and investment potential, branded residences are more than just homes; they are sound investments and a reflection of the Kingdom's increasingly dynamic property landscape.



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The Shangri-La hotel and residences, Jeddah



# EXPERT INSIGHT

## EFFECTIVE PROJECT MANAGEMENT IN DRIVING GIGA PROJECTS PROGRESS

As various giga projects around the country start to materialise, there is an emerging opportunity to improve the management of these new super cities to ensure timely delivery while staying on budget. Below, we take a look at some of the challenges and ways in which this can be achieved.

### Project management delivery challenges in the Kingdom



### How to drive effective project management and delivery:

1. People experienced in successful delivery
2. Processes to support efficient delivery
3. Protocols and structure to positively affect delivery
4. Harnessing technology to refine delivery
5. Focus on marginal gains and investment to enhance service delivery
6. Learning from underlying delivery issues to control quality of service

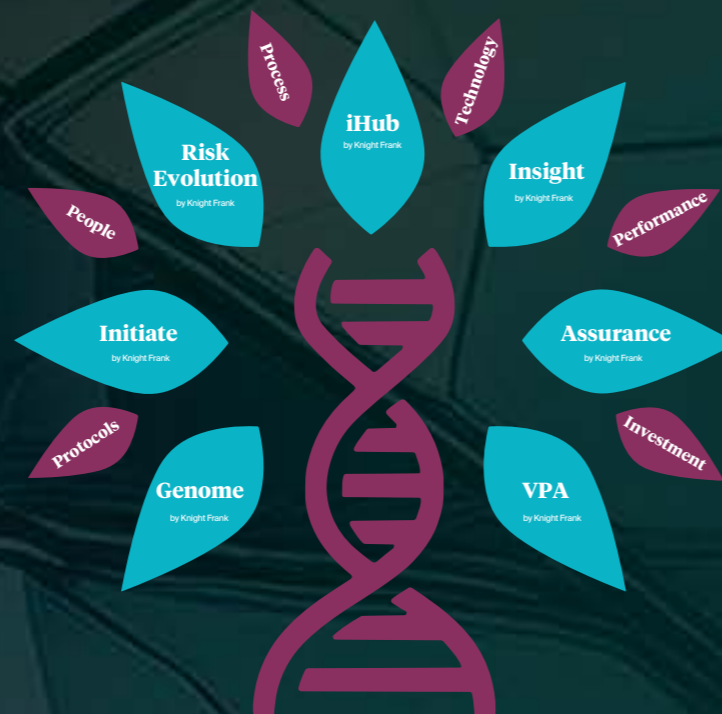
### Integrated solutions assuring optimal project delivery

Knight Frank's Projects & Development Services team has developed a suite of integrated delivery solutions that provide assurance to clients that projects are delivered in a structured, controlled, and efficient manner, harnessing the combined power of people, protocols, processes and technology.

### What is the answer?

Positive disruption: a call to action to approach disruption with a positive mindset, focusing on building upon what has come before, harnessing technology and learning from the hard lessons. The art of managing projects, stakeholders and business partners while staying focused and forward-looking to support delivery is crucial.

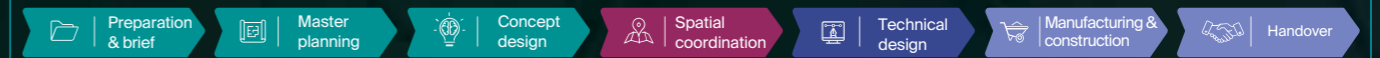
Greater gain for stakeholders can be achieved by simplifying processes and focussing on delivery and support within contract boundaries.



### Delivering Excellence

Project management is a tool. By understanding how the many parts of the development process, such as design strategy and/or procurement methodology, overlap and interface, and by changing the dynamics of these parts during the development cycle, budget, time and the quality of outcomes can all be influenced positively.

### Project Lifecycle



### Environmental, Cultural Assessment, Strategy & Implementation



The diagram above sets out the overall development lifecycle and sequencing. This, of course, can and will vary because of the development specifics, client business cases, and budgetary/time constraints but is presented, without being exhaustive, as a guide to support decision-making around design language and development integration.



**Neil Brierley**  
Acting Head of P&DS KSA

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# THE SAUDI REPORT 2025: NUMBERS YOU NEED TO KNOW



## RESIDENTIAL DEMAND

**89%**

of Saudi nationals would like to purchase a property in 2025.

**58%**

of Saudi-based expats would like to purchase a property in 2025.

**33%**

of Saudi nationals and Saudi-based expats plan to purchase a home in 2025.

**54%**

of Saudi nationals would like to purchase a home in Riyadh.

**48%**

of Saudi nationals intend to use their property as a main residence.

**SAR 1.83bn**

Total private capital circling the residential market (amongst our survey respondents).



## BRANDED RESIDENCES DEMAND

**39%**

of our respondents would like to use their branded home purchase as a main residence.

**55%**

of our respondents would like to purchase a non-hospitality-linked branded home.

**81%**

of Saudi nationals with a monthly income over SAR 50,000 would like to purchase a branded home in 2025.

**26%**

of Saudi nationals and Saudi-based expats are prepared to spend between SAR 20,000-30,000 psm on a branded residence.

**SAR 3.3bn**

Combined budget of our respondents for branded residential purchases.



## DEMAND FOR GIGA PROJECTS

**72%**

of Saudi nationals and Saudi-based expats are likely to buy a home in one of the giga projects.

**17%**

of Saudi nationals would like to buy a home in NEOM.

**32%**

of our respondents named The Line as their most preferred NEOM sub-project for a home purchase.

**29%**

of respondents would like to buy a home in one of the giga projects within the next 1-2 years.

**SAR 3 million**

Average home budget for a giga project purchase.

**SAR 2.75bn**

Total private capital targeting a giga project home purchase amongst our respondents.



## RESIDENTIAL COMMUNITIES

**30%**

of Saudi-based expats with a monthly salary of over SAR 30,000 would prefer a home in a waterfront community.

**22%**

of Saudi nationals with a monthly salary of over SAR 50,000 would prefer a home in a resort-style community.

**57%**

of our survey respondents would like to buy a home in a ROSHN Group community.



# ABOUT US



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- Hospitality Valuation
- PPP & Deal Advisory
- Plant & Machinery Valuation
- Residential Valuation

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- Healthcare Consultancy
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- Masterplan Advisory
- Real Estate Strategy & Consultancy
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- Prime Residential, UAE
- Private Office
- Qatar Residential

## OUR OFFICES





# EXPLORE THE SAUDI REPORT 2025

ANALYSIS

INSIGHTS

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DATA

[knightfrank.com.sa/en/thesaudi-report](https://knightfrank.com.sa/en/thesaudi-report)

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