

SAUDI ARABIA REAL ESTATE MARKET OVERVIEW

Q1 - 2023

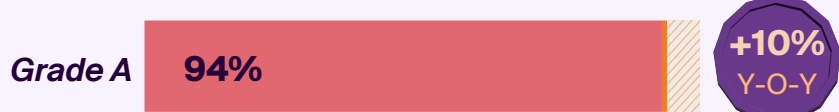
Office market

Grade A & B occupancy rates

Riyadh



Jeddah



DMA



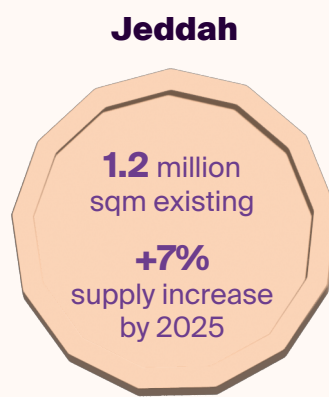
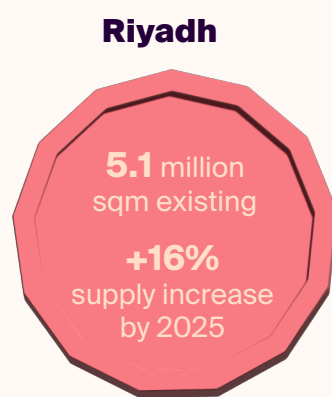
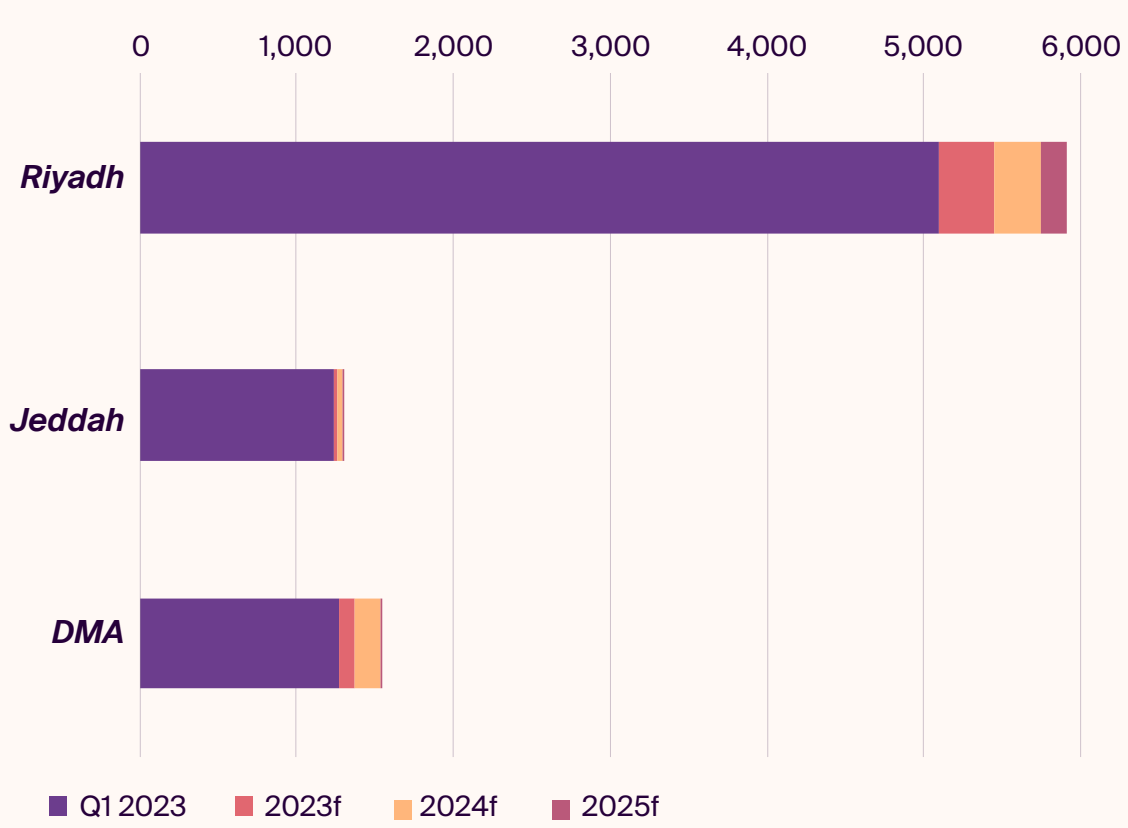
■ Occupancy ■ Vacancy

Key highlights

- International business are increasing their presence across the country's key cities.
- Occupiers are looking for high quality office spaces

Office supply

Sqm (thousands)



Grade A & B lease rates

Riyadh

1,850 SAR/sqm **960** SAR/sqm



Grade A **+19%** Y-O-Y
Grade B **+15%** Y-O-Y

Jeddah

1,125 SAR/sqm **750** SAR/sqm



Grade A **+9%** Y-O-Y
Grade B **+6%** Y-O-Y

DMA

990 SAR/sqm **615** SAR/sqm



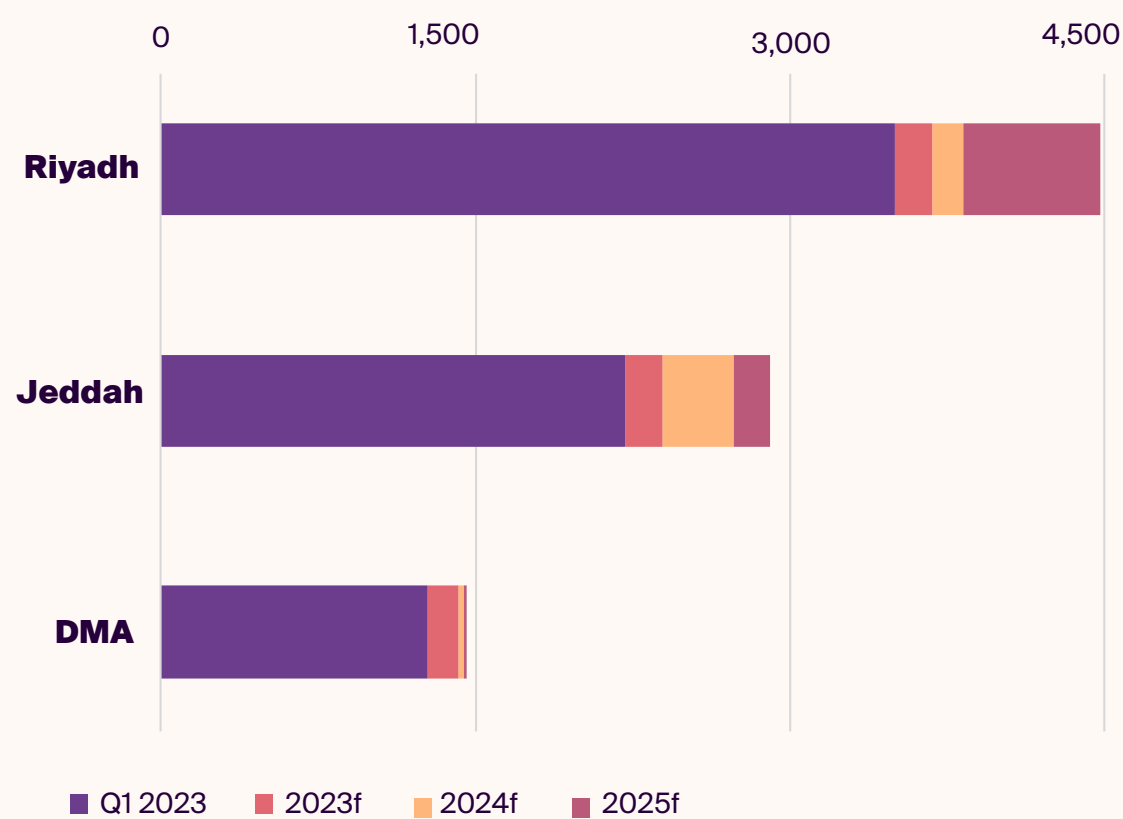
Grade A **+8%** Y-O-Y
Grade B **+3%** Y-O-Y

Source: Knight Frank

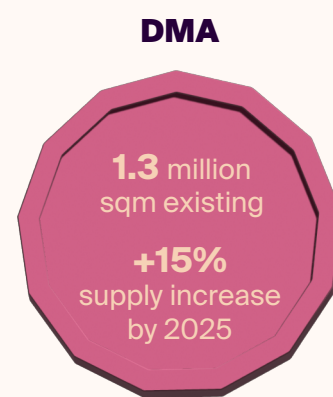
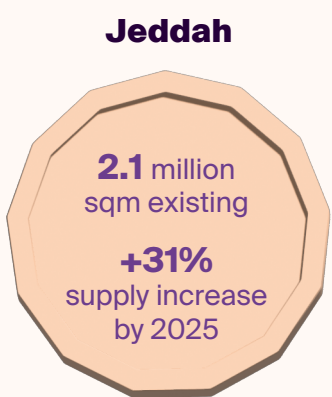
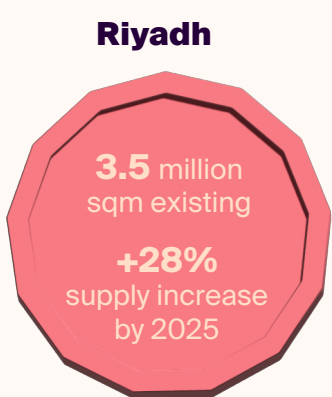
Retail market

Retail supply

Sqm (thousands)



■ Q1 2023 ■ 2023f ■ 2024f ■ 2025f



Market wide occupancy rate

Riyadh



Jeddah



DMA



■ Occupancy ■ Vacancy

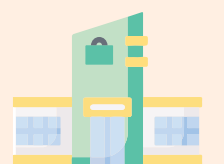
Key highlights

- Developers of older retail centres are revamping their properties to retain tenants
- Retailers are looking for entertainment-led developments

Regional & super regional mall lease rates

Riyadh

2,720 SAR/sqm



+2% Y-O-Y

Jeddah

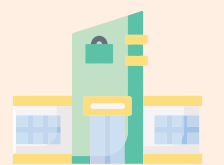
2,630 SAR/sqm



+1% Y-O-Y

DMA

2,300 SAR/sqm



0% Y-O-Y

Source: Knight Frank



Hospitality market

Hospitality market performance

YT Feb 2023

Riyadh



ADR
SAR 796

+22%
Y-O-Y



Occupancy
75.5%

+8%
Y-O-Y



RevPAR
SAR 601

+32%
Y-O-Y

Jeddah



ADR
SAR 553

-1%
Y-O-Y



Occupancy
53.7%

+17%
Y-O-Y



RevPAR
SAR 297

+15%
Y-O-Y

DMA



ADR
SAR 399

+3%
Y-O-Y



Occupancy
61.0%

-3%
Y-O-Y

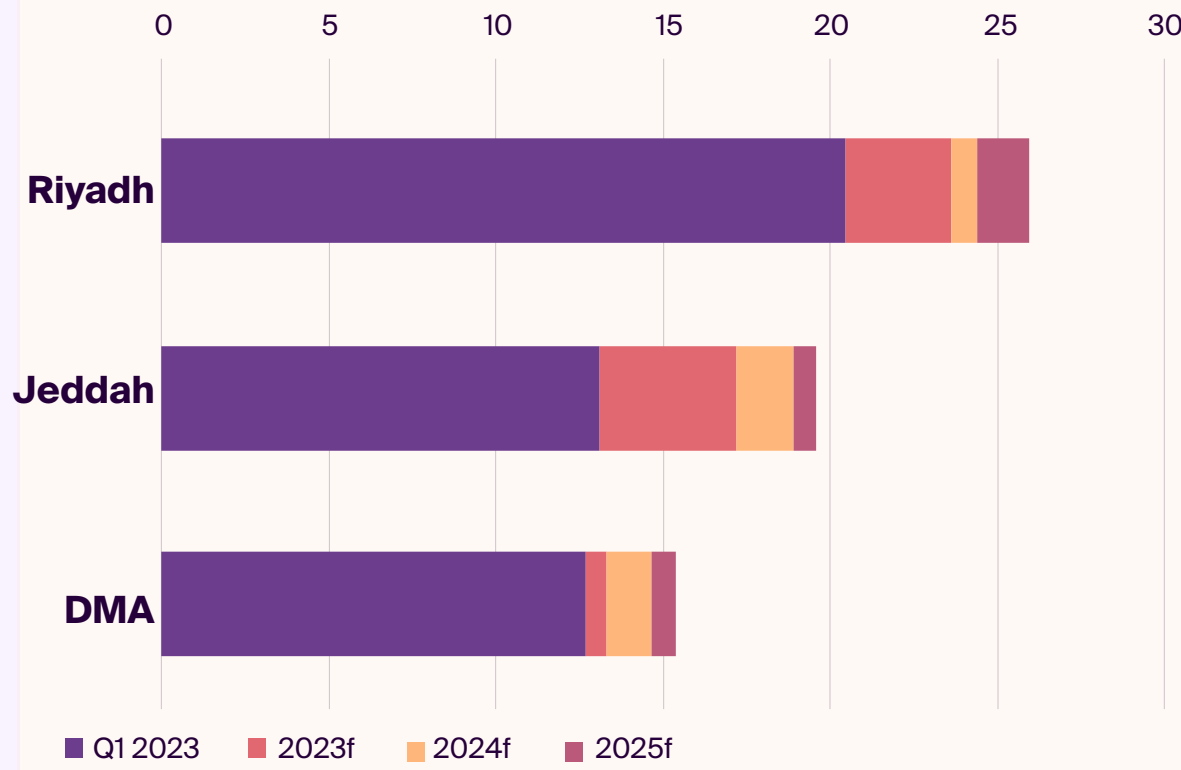


RevPAR
SAR 243

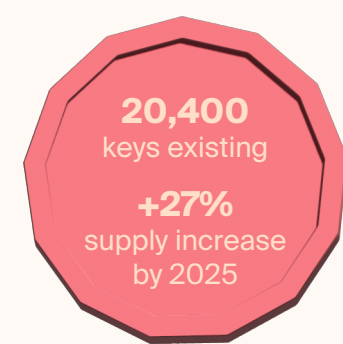
0%
Y-O-Y

Hotel supply

keys (thousands)



Riyadh



Jeddah



DMA

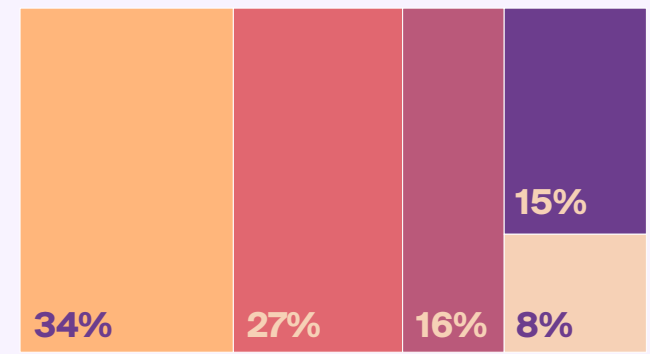


Key highlights

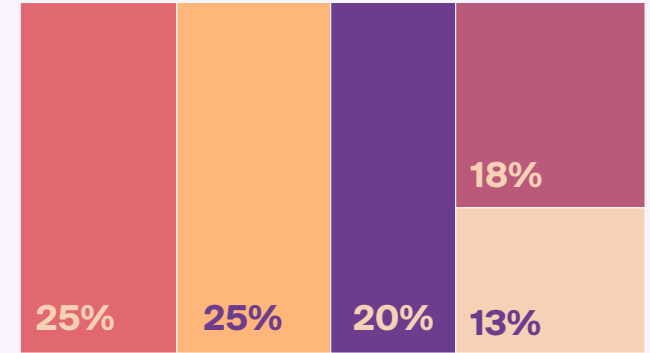
- New hotel concepts are emerging, such as wellness resorts and eco-resorts
- Global hoteliers continue expanding their portfolio across the Kingdom

Hotel supply configuration

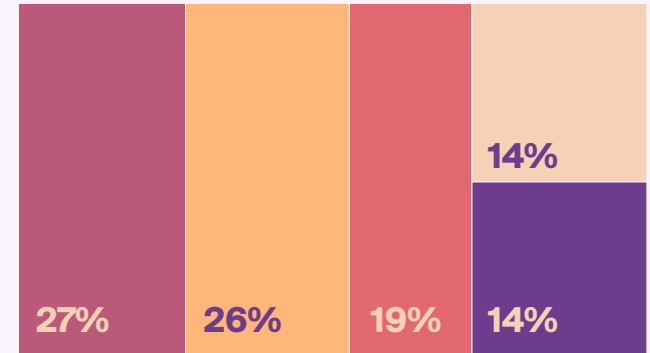
Riyadh



Jeddah



DMA



Legend: Luxury (Purple), Upper Upscale (Red), Upscale (Orange), Upper Midscale (Pink), Midscale (Light Orange)

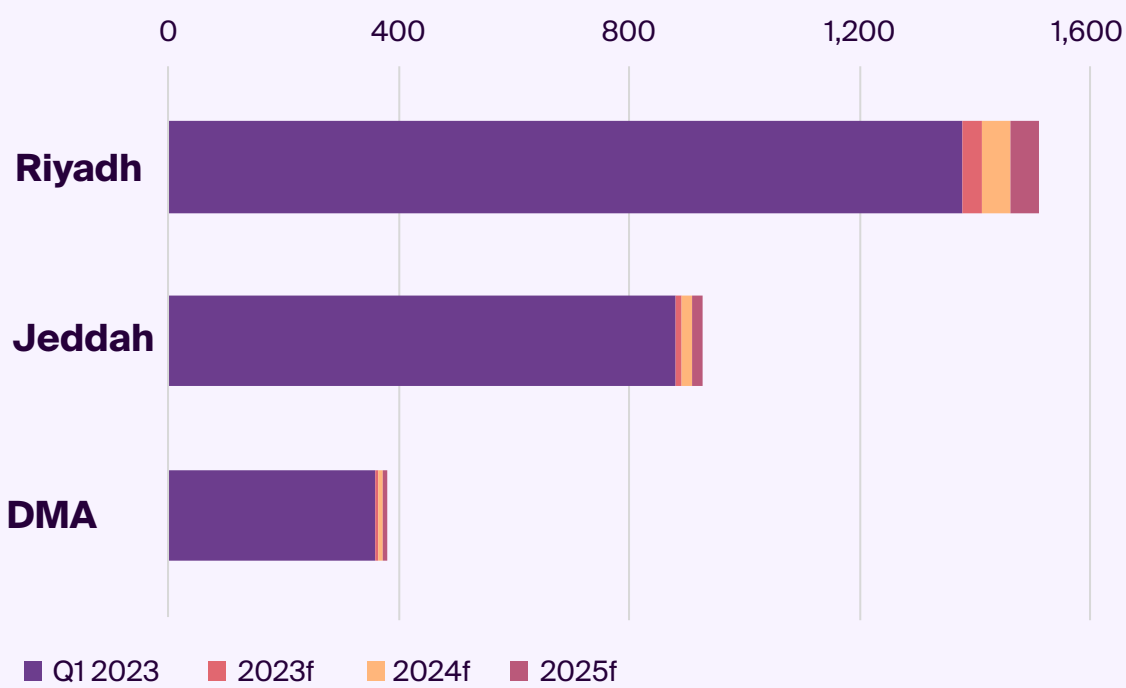
Source: Knight Frank, STR



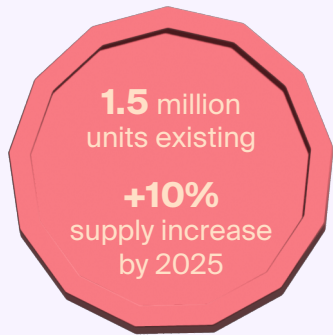
Residential market

Residential supply

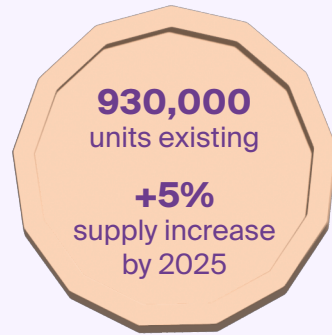
Units (thousands)



Riyadh



Jeddah



DMA



Key highlights

- Households are favouring high-quality residential communities that come with facilities and amenities
- Buyers are looking for more affordable housing units

Average sale prices

Riyadh



Apartments
5,050

+22%
Y-O-Y



Villa
4,960

+12%
Y-O-Y

Jeddah



Apartments
4,270

+7%
Y-O-Y



Villa
5,200

+2%
Y-O-Y

DMA



Apartments
3,470

+7%
Y-O-Y



Villa
3,470

+1%
Y-O-Y

Annual change in residential transactions

Riyadh



Volume of transactions
-57%



Value of transactions
-44%

Jeddah



Volume of transactions
-67%



Value of transactions
-54%

DMA



Volume of transactions
-31%



Value of transactions
-27%

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Source: Knight Frank, Ministry of Justice (MOJ)