Windmills

Producing Opportunities

Kingdom of Saudi Arabia

Market Research Report 2025

Windmills
Producing Opportunities

Executive Summary - KSA 2025

Saudi Arabia’s economy in 2025 demonstrated resilient, broad-based growth, underpinned by the continued execution of Vision 2030 and strong non-oil sector expansion. Real GDP growth is estimated at ~2.5%–3.5%, with non-oil activities growing at ~4%–5%, driven by construction, tourism, logistics, and financial services.

City	Total Stock (Units)	2025 New Supply	Market Positioning
Riyadh	2.17 Million	~24,500	Primary growth hub; large-scale expansion
Jeddah	1.23 Million	~8,600–9,000	Strong pipeline; coastal demand driver
Dammam Metro	725,000	Moderate	Stable, demand-led growth

Giga-Projects Driving Transformation

Project	Strategic Role	Key Focus
NEOM	Future city development	Innovation, sustainability (The Line, Trojena, Oxagon)
Qiddiya	Entertainment hub	Sports, leisure, tourism
Red Sea Project & Amaala	Luxury tourism	High-end resorts, global tourism appeal
Diriyah	Cultural destination	$50B heritage-led development
ROSHN	Housing supply	Large-scale community development, homeownership

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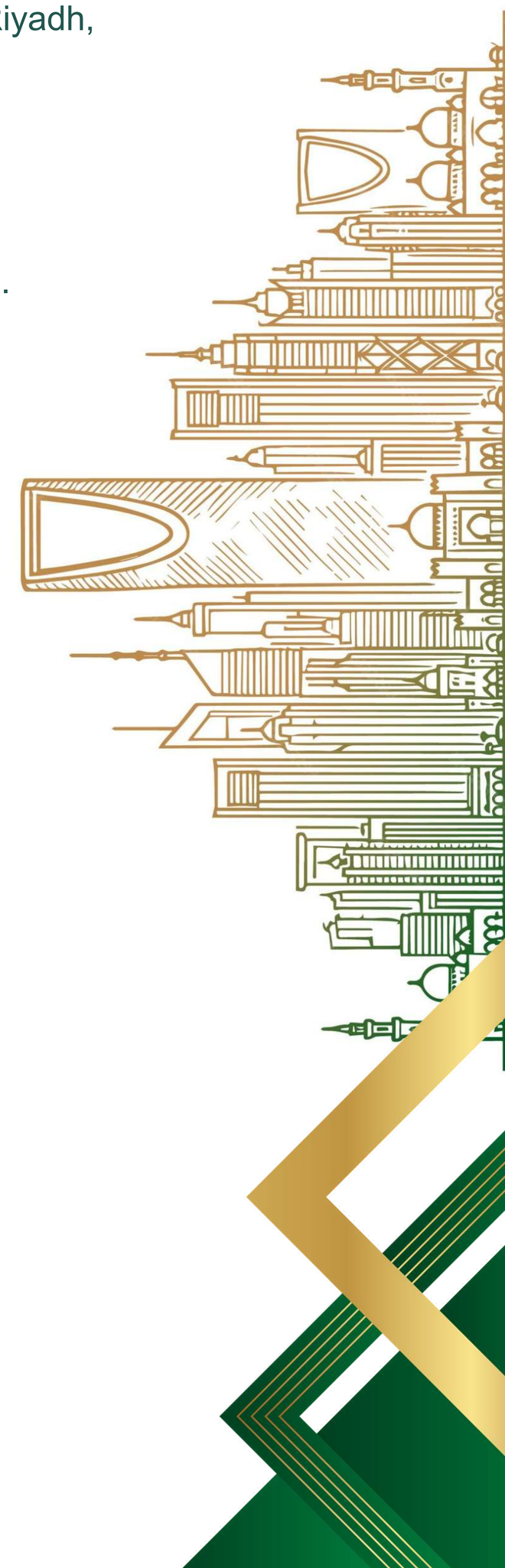


KSA Macroeconomic Overview

IMF Forecast Revisions (2025)

- Growth outlook strengthened 2025 خلال:
  - 3.0% (April) → 3.5% (June) → ~3.6% (latest)
- Upgrade driven by Vision 2030 project momentum and strong non-oil expansion

Indicator	2024	2025 (Est.)	Trend
Real GDP Growth	~1.5%–2.0%	~3.5%–3.6%	▲ Strong recovery
Non-Oil GDP Growth	~4.5%	~4.7%–5.0%	▲ Sustained strength
Oil Sector Growth	~(0.5%) – 1.0%	~3.0%–3.8%	▲ Rebound
Overall Drivers	Non-oil led	Non-oil + oil recovery	▲ Broad-based growth

Full-Year 2025 Budget:
Revenues SR 1.18 trillion, expenditures SR 1.28 trillion, leaving a deficit of SR 101 billion (~US$27 billion). Fitch projects deficit at ~4% of GDP in 2025, narrowing to 3.6% by 2027.

Non-Oil Diversification (2025)

- Non-oil GDP growth: ~4.7%–5.0% (strong expansion)
- Share of GDP: ~56% of total GDP (post-2024 rebasing)
- Structural shift: Non-oil private sector expanded ~28% (2024 rebasing impact)
- Key drivers: Construction, tourism, real estate, logistics, retail, financial services

Key Insight:
Growth is now clearly non-oil led, with private sector activity forming the core of Saudi Arabia's economic expansion in 2025.

SOURCE: ARAB NEWS

KSA GIGA Projects

1. NEOM (26,500 km²)
- 100% renewable mega-region
- Trojena: Ski & mountain resort (2026)
- Oxagon: AI & clean industrial hub
- The Line: 170 km car-free city (9M residents)

2. Qiddiya (334 km²)
- Entertainment & sports hub near Riyadh
- Six Flags + major water park
- Racetrack, golf course, resorts (~8,000 rooms)

3. Red Sea & Amaala
- Red Sea: 28,000 km² eco-tourism destination
- Amaala: Ultra-luxury wellness & arts hub
- Focus on sustainable high-end tourism

4. Diriyah – Cultural Landmark
- ~$50B heritage-led redevelopment
- Restoration of UNESCO At-Turaif district
- Cultural, hospitality & lifestyle destination

5. ROSHN – Housing Scale-Up
- National master-planned communities platform (PIF)
- Driving homeownership & urban development
- Large-scale affordable residential supply

SOURCE: Vision 2030 | PIF | NEOM | Qiddiya | Red Sea Global | Diriyah Company | ROSHN Group

KSA Residential Market Overview

Core Market Supply

City / Metro	Residential Inventory (2025)	Units Delivered (2025)	Source-aligned 2025 supply position
Riyadh	~2.18 million units	~24,500 units	Largest housing stock; strongest delivery pipeline nationally
Jeddah	~1.23 million units	~8,640 units	Stable supply growth, moderate annual additions
Dammam Metropolitan Area (DMA)	~725,800 units	~2,600 units	Lowest new supply volume among major metros

Key Structural Insight (2025 Market Reality)

- Riyadh dominates both stock and new delivery volume
- Jeddah acts as a stable secondary residential hub
- DMA remains a low-supply but demand-supported market
- Total new housing additions across KSA remain modest relative to total stock base, indicating tight underlying supply conditions

SOURCE: JLL,ARAB NEWS

KSA Saudi Property Price Index – (2024–2025)

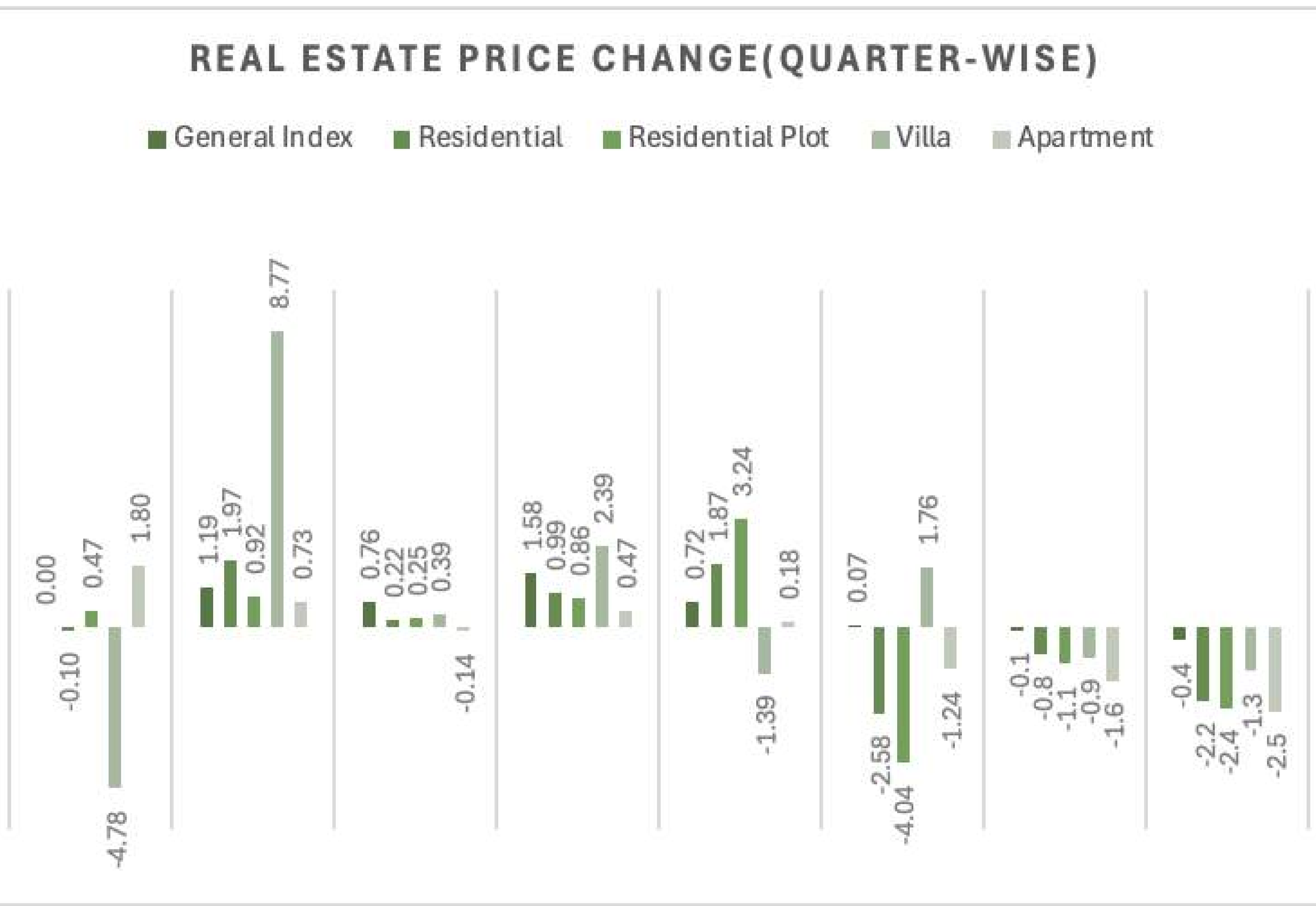
General Index
The market showed steady growth through 2024, peaking in Q4, before losing momentum in 2025. Growth flattened in Q1–Q2 and turned slightly negative by late 2025, indicating a shift from expansion to market cooling and consolidation.

Residential
Residential prices rose through 2024 but reversed in 2025 after peaking in Q1. A sharp decline in Q2 and continued weakness in H2 2025 reflects a clear correction phase driven by softer demand and affordability pressure.

Residential Plots (Land)
Land prices were highly volatile, with steady 2024 growth followed by a sharp spike in Q1 2025 and a strong correction from Q2 onward. This segment remains the most cyclical and sentiment-driven.

Villas
Villas experienced strong volatility across the period, with a sharp rebound in 2024 and mixed performance in 2025. Despite fluctuations, the segment shows relatively resilient underlying demand.

Apartments
Apartments remained stable in 2024 but turned weaker in 2025, with gradual declines in H2. This indicates softening demand in the mid-market residential segment.



SOURCE: GENERAL AUTHORITY FOR STATISTICS

KSA Residential Market Supply

Riyadh's residential supply shows steady growth from 2020–2023 (3–4% annually), followed by a flat 2024 and a sharp +55.7% jump in 2025, marking a clear shift to a delivery-driven cycle.

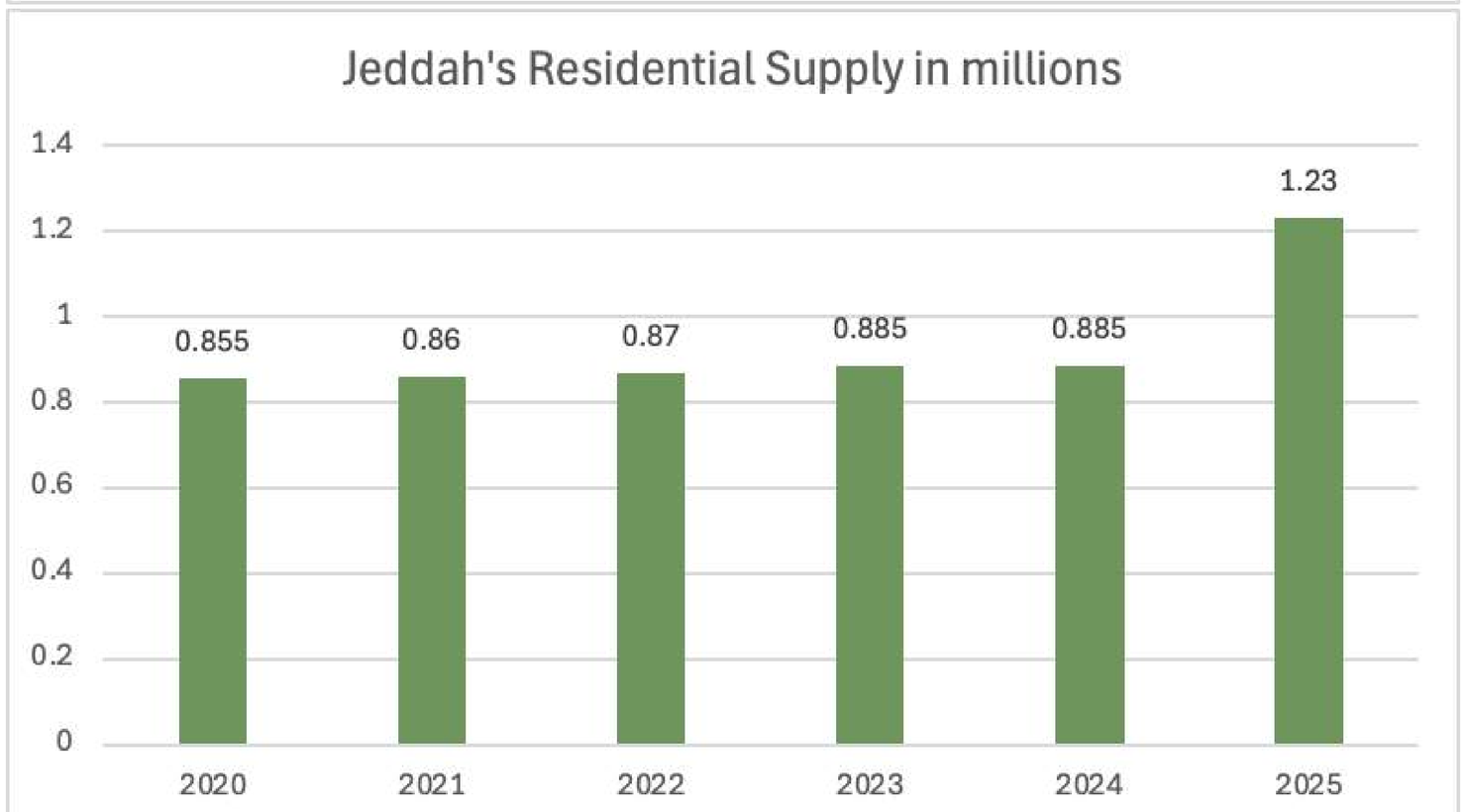
Key highlights (Riyadh):

- 2020–2023: stable gradual expansion
- 2024: stagnant year
- 2025: strong step-change (+55.7%) driven by major completions

Jeddah experienced very weak growth from 2020–2024, with near stagnation in 2024, before rebounding in 2025 with a +39% increase, signaling renewed development activity.

Key highlights (Jeddah):

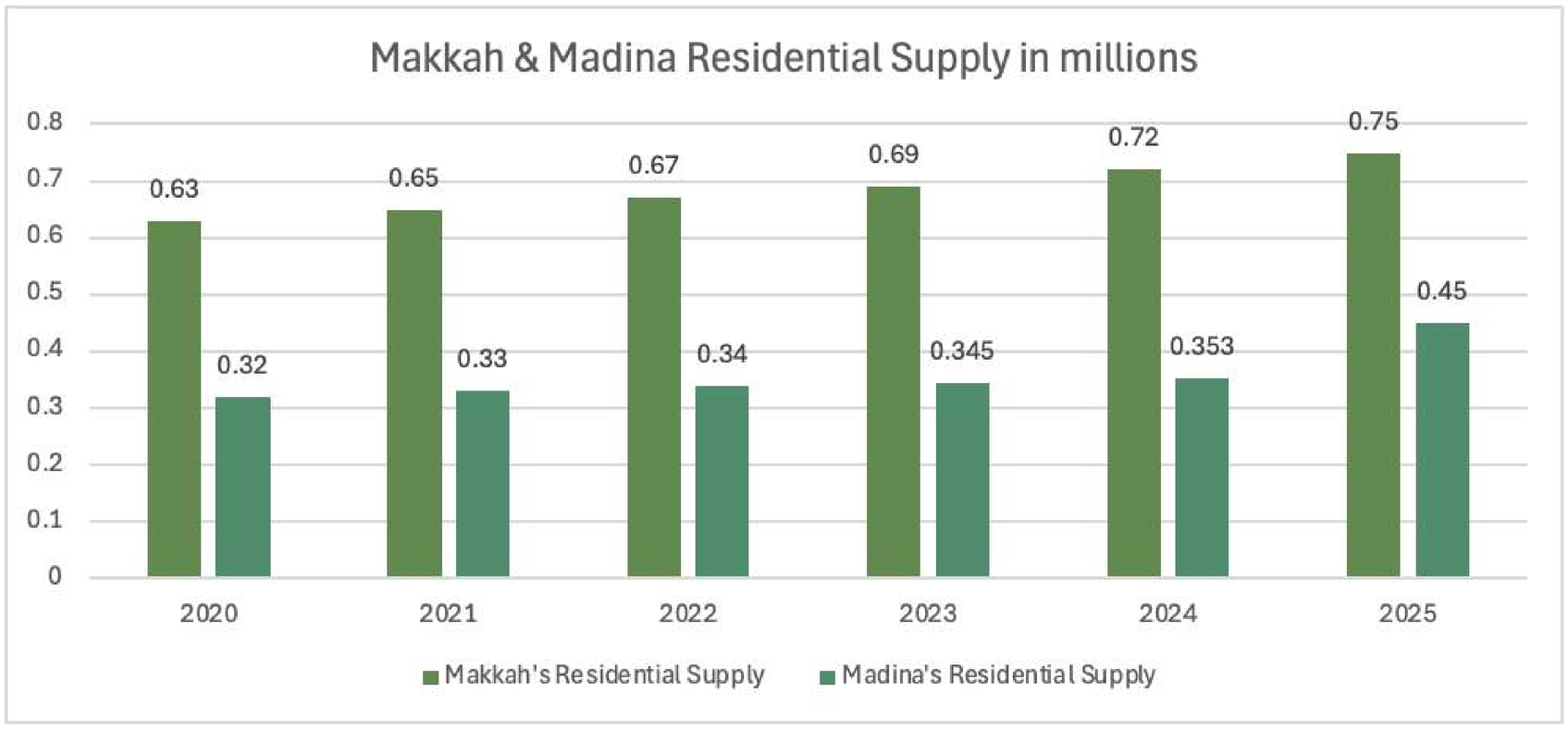
- 2020–2024: low, constrained growth
- 2024: flat market
- 2025: strong recovery (+39%)



Dammam showed steady growth from 2020–2024 (~2% annually), followed by a sharp +99% surge in 2025, indicating a major release of accumulated supply.

Key highlights (Dammam):

- 2020–2024: consistent slow growth
- 2025: near doubling of supply (+99%)



SOURCE: ADVISORY CORP

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