

REAL ESTATE MARKET REVIEW



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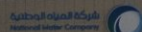
# Saudi Arabia Real Estate Market Review

Q4 2025

REPORT

Accelerating Execution: Strategic  
Spending and Private Capital  
Fueling the Next Growth Phase

CBRE RESEARCH  
January 2026



# Accelerating Execution: Strategic Spending and Private Capital Fueling the Next Growth Phase

## Macroeconomic Overview

- Saudi Arabia’s real GDP growth reached 4.8% year-on-year (y-o-y) in Q3 with full year estimates revises upwards to 4.4%. This was driven by increased oil production activities which grew 8.3% in the same quarter, approaching 9.5 million barrels per day, alongside a resilient 4.3% expansion for the non-oil sectors.
- The December PMI reading of 57.4 further illustrates the stability of the private sector economy as it moves into 2026.
- Inflation has remained relatively benign, growing 1.9% y-o-y in November, down from 2.2% in October.
- Net FDI inflows rose 34.5% y-o-y in Q3 to SAR 24.9 billion, largely due to a sharp decline in capital outflows which helped to balance investments.
- The recently approved 2026 Budget signals the start of the third phase of Vision 2030, prioritising implementation intensity. The government has projected 2026 revenues of SAR 1.147 trillion against expenditures of SAR 1.313 trillion.
- The resulting SAR 165 billion deficit (3.3% of GDP) is an intentional fiscal maneuver to sustain expansionary spending.
- To fund this, a SAR 217 billion borrowing plan has been finalised, shifting heavily toward private funding channels which will now account for roughly 50% of the total required financing.

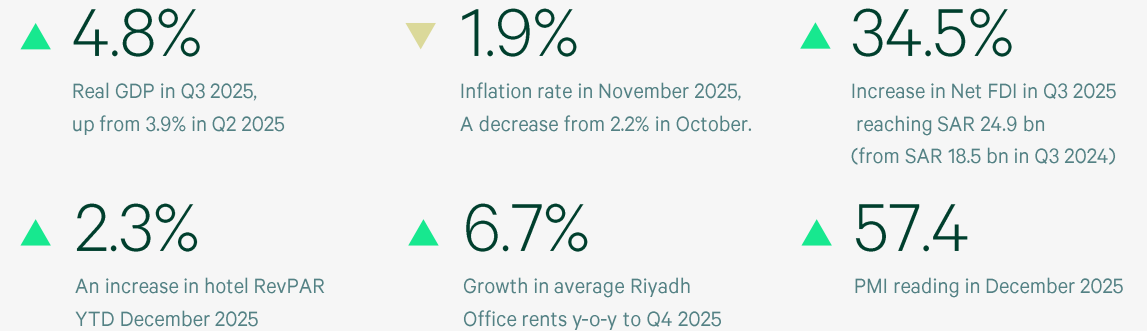
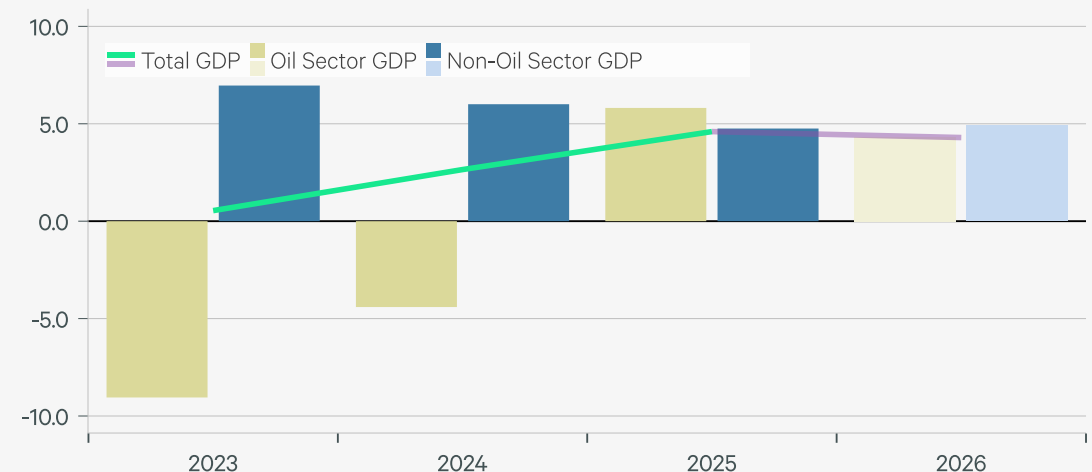


FIGURE 1: Saudi Arabia, Gross Domestic Product



Source: CBRE Research/ Oxford Economics

# Real Estate Market

The final quarter of 2025 served as a bridge between the planning stage and project execution in the Kingdom. Whilst Q3 2025 was clearly defined by several regulatory and legislative changes, including price controls and property ownership law, Q4 shifted toward the practical implementation of these frameworks and a strategic recalibration of national spending in the 2026 budget. Accordingly, the real estate narrative has moved from one of more speculative appreciation to one of targeted delivery and operational sustainability.



## Regulatory & Policy Shifts

### Ownership liberalisation and the 2026 Readiness

The landmark Law of Real Estate Ownership by Non-Saudis entered its final pre-implementation phase in Q4, with the launch of the Saudi Properties digital portal. This mandatory gateway aims to centralise the process for eligibility checks and developer interactions and effectively transitions the Kingdom to a more structured designated zone model in major urban centers like Riyadh, Jeddah, and the Eastern Province.

Crucially, as confirmed in the 2026 Budget Forum, these zones are not city wide; ownership is strategically limited to specific districts to prevent price inflation in middle income Saudi neighborhoods and preserve affordability.

This somewhat calibrated approach, aims to ensure that assumed demand arising from the new freehold law, is channeled into high growth corridors without disrupting local market equilibrium.

Notably, while non-residents are limited to designated zones, the latest guidelines confirm that resident expatriates may now acquire a single residential unit outside these zones, anchoring global talent within the local fabric.

Investors should note a calibrated fee structure; total transaction costs for non-Saudis are now approximately 10% combining the standard 5% real estate transfer tax (RETT) with a 5% transaction fee to ensure market stability.

Complementing ownership reforms is the effort to ensure supply matches this global demand. The white land tax transitioned in Q4 2025 into a definitive market clearing mechanism; following fee increases to a maximum of 10%, land prices across northern Riyadh have typically dropped.

To bridge this gap, the Tawazoun platform successfully allocated over 10,000 residential plots at a capped price of SAR 1,500 per sqm.

Simultaneously, REGA introduced Wafi instant licensing, reducing off-plan approval times to immediate approval.

These initiatives, paired with the five-year Riyadh rent freeze, are incentivizing a shift from short-term flipping toward institutional build-to-rent (BTR) models that prioritize long-term managed portfolios.

### Capital Market Integration: The "Liquidity Bridge"

The Saudi Exchange (Tadawul) will officially open to all international investors as of February 1, 2026, marking a significant shift in how capital can enter the Kingdom, following changes to the Qualifying Foreign Investor (QFI) rules, with the Saudi Capital Market Authority (CMA) removing the US\$ 500 million asset requirement, allowing smaller funds and individual investors to participate in the market for the first time. This is likely to drive higher liquidity into the system, creating potentially new avenues of capital for local REITs and developers, and a much broader pool of equity to fund projects.

This shift also offers a practical way for investors to navigate existing geographic restrictions. While direct ownership in Makkah and Madinah is still restricted to Saudi nationals, international investors can now get financial exposure to these areas through listed REITs.

Additionally, the timing of the stock market opening aligns with the new Foreign Ownership Law to support digital fractional ownership. This essentially allows investors to buy smaller, tradable shares of a property via digital platforms, lowering the entry cost and making real estate ownership more akin to equities.

# Real Estate Market



## Development Pipeline: Progress, Scale, and Execution Outlook

### Investment Scale and Strategic Pivot

Recent updates from the 2026 Budget Forum and the Ministry of Finance signal a shift toward a more disciplined fiscal strategy, focusing capital on projects with the highest multiplier effect for the non-oil economy. Under this adjusted approach, the government is prioritizing programs such as the National Industrial Development and Logistics Program (NIDL), specifically targeting the logistics, mining, and digital infrastructure sectors to secure faster strategic yields. This transition suggests that future real estate growth will be increasingly tied to these industrial requirements, moving away from the more speculative urban expansion seen in previous years.

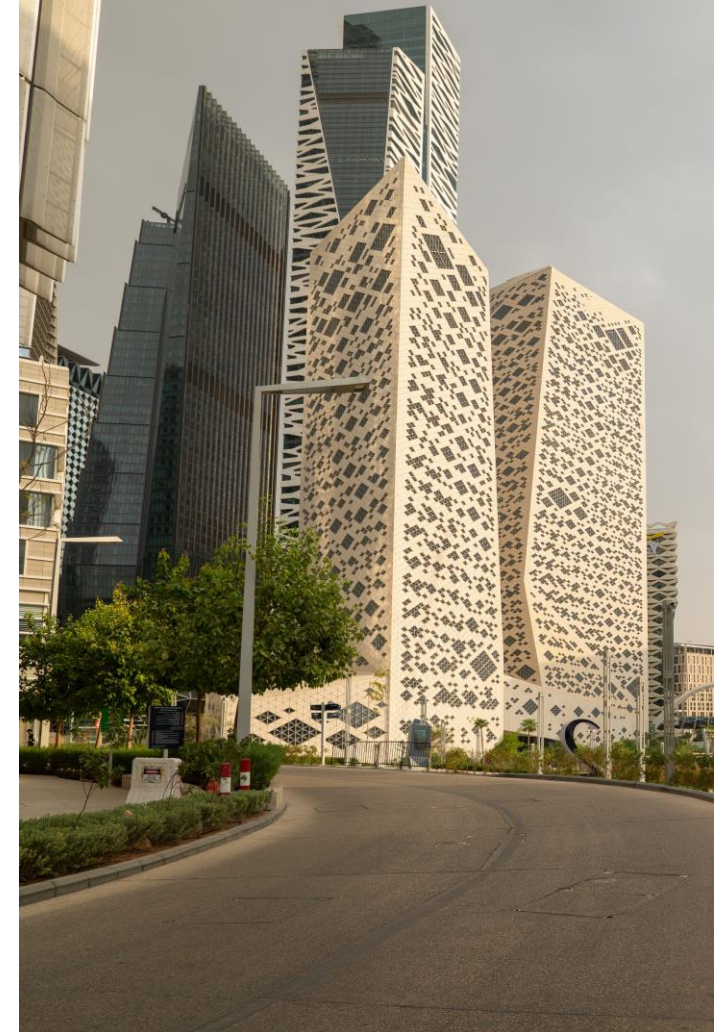
### Execution Outlook: From Construction to Operation

The government's decision to take stock of the national project pipeline, is now maturing into a deliberate spending strategy. This is best evidenced by a normalization of related contract awards, following a record US\$ 148 billion in awards during 2024. During 2025, the market saw a moderation, reflecting a transition from awarding initial construction shells to managing long-term operational services.

Riyadh remains the primary focus of this activity. The Regional Headquarters (RHQ) program has exceeded all initial expectations, with over 780 licenses issued to multinational firms by the end of October 2025. This surge in corporate presence is driving an immediate requirement for Grade A office space and high-end residential inventory in the capital.

### Key Project Progress Highlights

- **Riyadh Expo 2030:** The project moved to large-scale construction following the award of a US\$ 1 billion contract for main utilities and infrastructure. The work includes 50 km of integrated networks and site grading to prepare the 6 million sqm site for national pavilion construction.
- **Qiddiya City:** On 31 December 2025, Six Flags Qiddiya City officially opened as the first operational anchor of the district. This milestone de-risks the broader masterplan and provides the necessary footfall to support the upcoming launches of the Gaming and Esports District and the Prince Mohammed bin Salman Stadium.
- **Connectivity & Transit:** Q4 saw the official award of the Riyadh Metro Red Line extension. This adds 8.4 km and five stations to the network, linking King Saud University directly to Diriyah. This extension is a critical component of the Expo 2030 transit strategy, reducing travel time to the district to under 20 minutes.
- **Industrial & Aviation:** The masterplan for Eastern Region airports is now being integrated into a SAR 280 billion investment in national transport and logistics. Air cargo volumes surged by 34% over the past year, reaching 1.2 million tons as the logistics hubs in Riyadh, Jeddah, and Dammam become fully operational.



# Offices

## The Rise of Pre-Leasing and "Flight-to-Quality" Continues

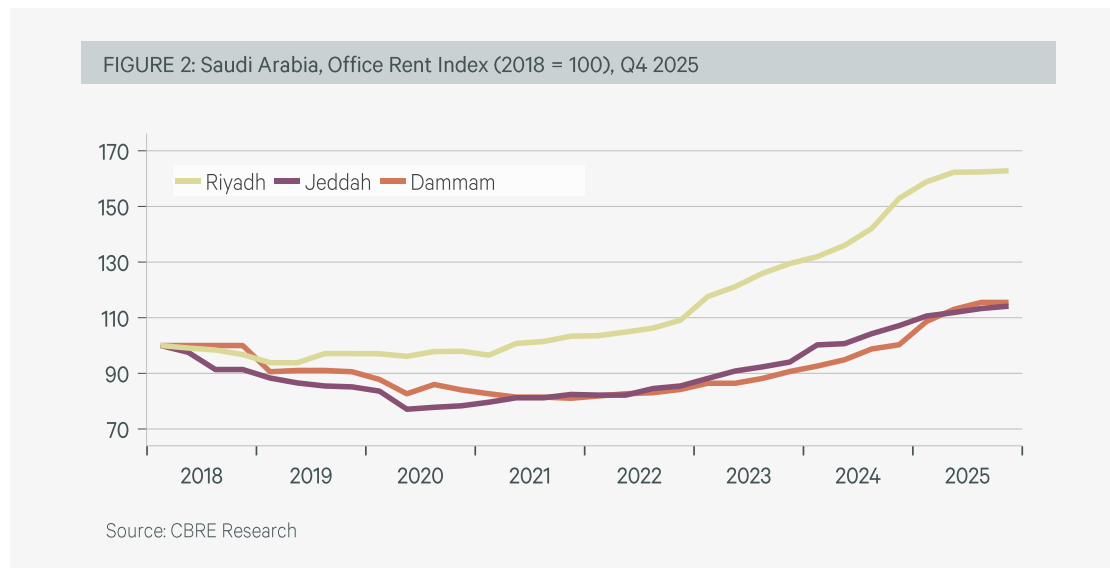
Riyadh's office market continues to be supported by the city's growing status as an international business hub, with activity from the RHQ program continuing to grow, with over 780 licenses to multinational firms have been awarded. This has significantly surpassed the original 2030 targets. Accordingly, the sustained influx of international corporations has pushed average Grade A occupancy rates across the capital to nearly 99%. This is helping to establish a more prevalent pre-leasing market, as occupiers look towards future stock to meet with existing and future growth requirements, in a market defined by an acute shortage of premium space and significant regulatory shifts.

To manage escalating operational costs for businesses, the government implemented a landmark five-year rent freeze in late 2025. The regulation aims to fix commercial rates for existing and new leases within Riyadh's urban boundaries to provide long-term predictability for occupiers. While this measure stabilizes expenses for current tenants, it has intensified competition for upcoming developments, with

prime rents in districts like The King Abdullah Financial District (KAJD) reaching SAR 3,230 per sqm.

KAJD remains the epicenter of corporate activity comprising of 95 completed buildings. Of these, 64 are towers that primarily house Grade A office space and luxury residences. The district's appeal as a 10-minute city is being further bolstered by progress on the 3.6 km driverless monorail system and the integration with the Riyadh Metro Red Line, connecting the financial district to Diriyah in under 20 minutes.

Due to the near-zero vacancy rates and high number of new market entrants, demand for flexible workspace solutions has accelerated rapidly. This shift was highlighted by recent opening of The Executive Centre's 36,500-square-foot premium coworking hub in the district.



**Riyadh**

**97.8%**  
Riyadh Office Occupancy (Q4 2025)

**~1.5mn sqm**  
Office Supply (2026-2028)

**83/17%**  
Private vs. Mega Projects (2026-2028)

**72%**  
Located in Northern Riyadh (2026-2028)

# Offices

**Riyadh** is preparing for a significant influx of new supply throughout 2026, with approximately 0.5 million sqm of office accommodation expected to be completed. This growth is driven by landmark projects such as Misk City, Westfield Riyadh, and initial phases of Diriyah South. Whilst the upcoming stock is expected to help moderate current high levels of rental growth in the longer-term, sentiment at the end of 2025 suggests there is still further rent escalations likely through 2026, as demand for Grade A space continues to outpace supply.

Looking further ahead to 2027 and 2028, the capital's commercial landscape will expand by an additional 1.0 million sqm, including giga-projects such as Diriyah Square. During this two-year window, the delivery schedule shifts noticeably towards the private sector, which is responsible for close to 90% of the total completions during that period, before shifting back to major giga-projects, from 2029 onwards.

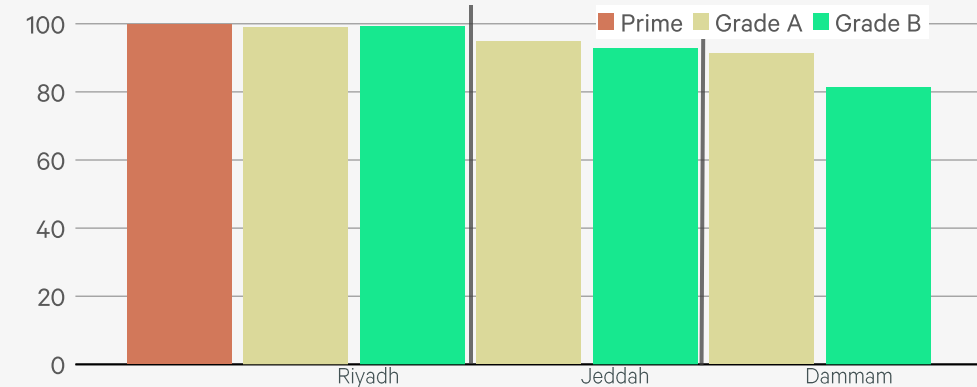
The balance between government back projects and the private sector, is an essential element for Riyadh's long-term competitiveness, with the private-sector providing short-term agility to support continuation of the RHQ program, followed by a future wave of public sector projects to deliver scale by Expo 2030.

This scarcity is also driving a noticeable flight to quality in secondary markets. **Jeddah** ended the year with a robust performance as Grade A occupancy reached nearly 95% and rents climbed to an average of SAR 1,490 per sqm. In contrast, **Dammam** continues to display wider divergence in asset performance, with top-tier stock remaining steady at 91% occupancy, Grade B assets have softened as tenants prioritise modern, well-connected buildings. This trend suggests that new Grade A developments will remain the primary target for the Kingdom's administrative footprint.

Occupier demand through 2025 has been defined by concentration within high-growth industries, with three primary sectors accounting for over half of all market activity. Based on data for the full year, the Tech (21%), Financial Services (17%), and Healthcare (14%) sectors collectively drove 52% of all office requirements, with remaining market activity distributed across a diversified range of sectors.

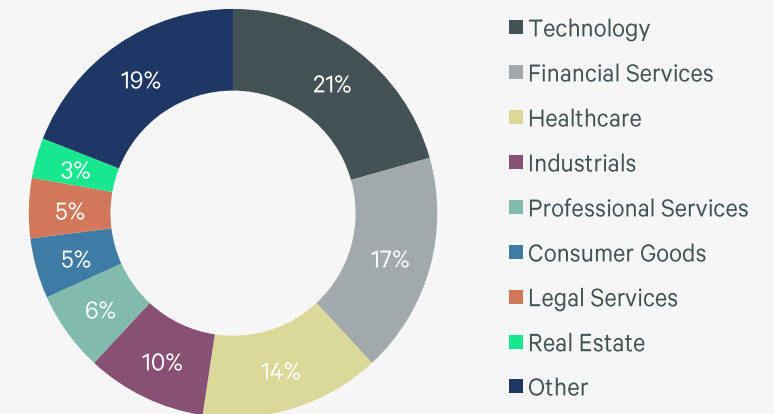
Industrials and Professional Services remained consistent contributors, representing 10% and 6% of the annual requirements, respectively. Segments including Legal Services (5%), Consumer Goods (5%), and Real Estate (3%) also maintained a steady presence, while a variety of niche industries accounted for the remaining 19% of activity. This broad-based demand sustained pressure on existing Grade A inventory, reinforcing the importance of new supply slated for delivery in 2026.

FIGURE 3: Saudi Arabia, Office Occupancy (%), Q4 2025



Source: CBRE Research

FIGURE 4: Riyadh's Office Demand by Sector, 2025



Source: CBRE Research

# Residential

## Supply Acceleration and Market Rebalancing

The residential sector remains the most active part of the Kingdom’s real estate market, officially commanding a 72.7% relative weight in the national price index. However, there was a marked shift in the market’s character during the later months of the year, moving away from the rapid price growth towards stabilisation. According to GASTAT, the residential price index saw a 2.2% annual decline in Q4 2025, a transition that appears to be in response to the higher completions during 2025, totalling approximately 22,500 units, and the emergence of a more aggressive unit delivery schedule for 2026 and 2027. Riyadh alone is expected to see approximately 70,000 new units over the next 24 months, supported by momentum from the National Housing Company and private developers such as Retal and Dar Wa Emaar, as well as ROSHN. According to the developer, ROSHN has already settled over 1,000 families in its SEDRA community, signaling a successful move from construction to livability.

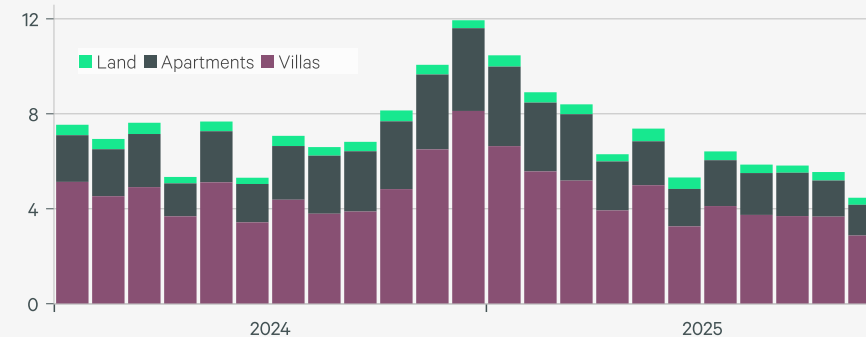
The rise in new home deliveries has helped to soften prices across the capital, with the general price index easing 0.7% y-o-y in the 12 months to Q4 2025, albeit the adjustment is viewed as a constructive rebalancing rather than a loss of market confidence, as many investors have chosen to adopt a wait and see approach to the market following significant recent regulatory changes. In Q4 2025, apartment values in Riyadh averaged SAR 5,670 per sqm, whilst villas averaged SAR 5,480 per sqm.

As the market pauses to measure the impact of new laws, transactional activity has also dipped. However, conversely Jeddah has demonstrated significant resilience, registering a 5.7% y-o-y increase in transaction volumes during the same period. This suggests that demand remains fundamentally strong, even as participants adjust to the evolving regulatory landscape.

In contrast, the market continues to see rapid acceleration of the primary development pipeline, with the Al Fursan suburb seeing a SAR 5.2 billion agreement signed to develop over 4,800 units. Within the same district, Mountain View KSA launched Hayat, a project featuring 1,700 villas designed around integrated wellness themes. In Jeddah, ROSHN MARAFY canal reached 40% completion, in what is expected to be a new lifestyle community for the city. This is being complemented by the Sadayem suburb’s progress on 8,000 residential units. These developments, alongside the Jeddah Tower crossing the 80-storey mark and the launch of the Trump International Golf Club in Wadi Safar, are helping to reposition the Kingdom as a destination for luxury and branded residences.

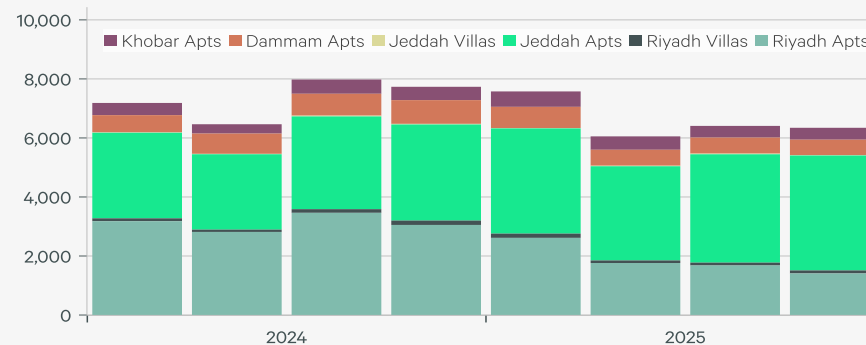
The most transformative catalyst for the year ahead is expected to be the implementation of the new foreign ownership law as of 21 January 2026, allowing non-Saudis to acquire property in designated investment enclaves. This has seen a spate of new launch activity across master-planned communities, including Q4 launches such as Manazel AlHadawi in Diriyah and the Masar Branded Residences in Makkah.

FIGURE 5: Saudi Arabia, New Monthly Bank Mortgages (Saudi Banks) by Value (SAR billions)



Source: CBRE Research / Saudi Central Bank

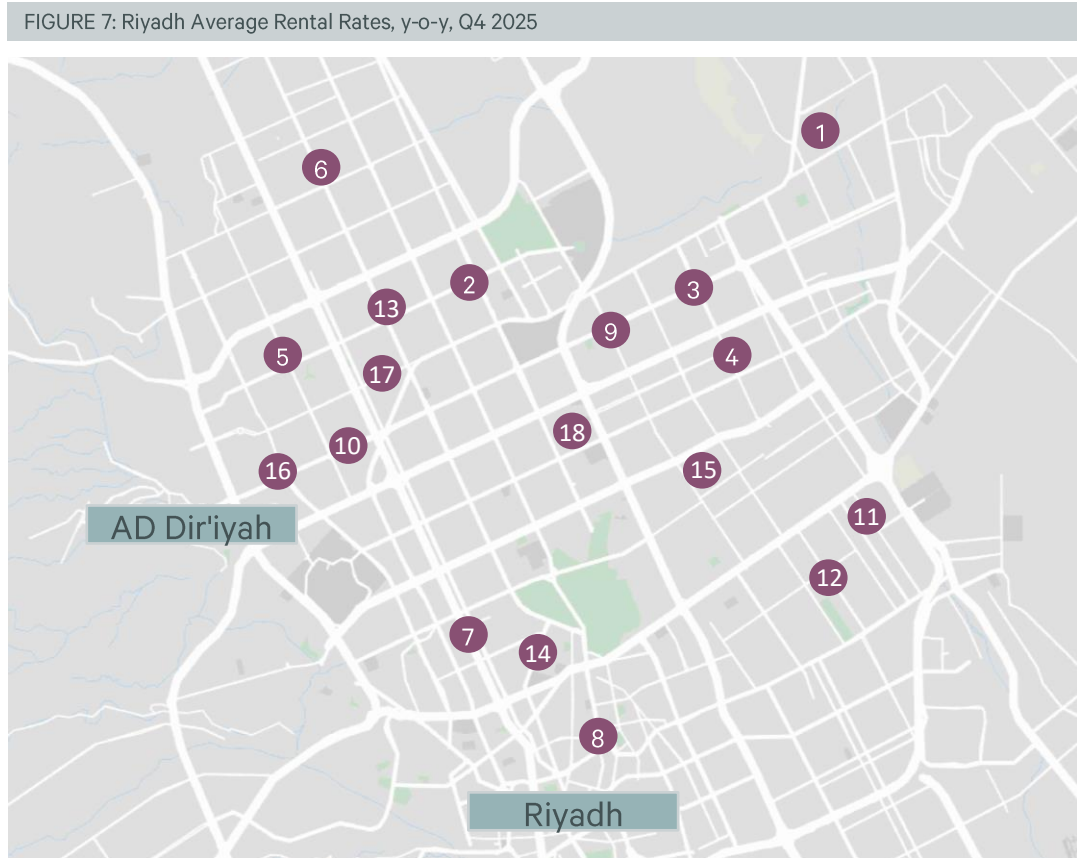
FIGURE 6: Saudi Arabia, Quarterly Residential Transactions by Volume (Villas & Apartments) to Q4 2025



Source: CBRE Research / MoJ / Paseetah

# Residential

Driven by sustained demand, residential rental rates in Riyadh recorded a y-on-y increase of 10.8% for all residential properties in Q4 2025. While the following data highlights the pricing momentum established earlier in the year, the implementation of the five-year rent freeze in late September 2025 has introduced a regulatory anchor to the market. Consequently, district-level figures now reflect a transition from aggressive annual escalation towards a phase of price consolidation, providing a stabilised baseline for both existing tenancies and new-to-market inventory.



Source: CBRE Research / Pasetah

| No. | Riyadh Districts   | Apartment             |         | Villa                 |         |
|-----|--------------------|-----------------------|---------|-----------------------|---------|
|     |                    | Q4 2025 AVG SAR/Annum | y-o-y % | Q4 2025 AVG SAR/Annum | y-o-y % |
| 1   | Al Rimal           | 37k                   | 4%      | 187k                  | 5%      |
| 2   | Al Narjis          | 53k                   | 7%      | 129k                  | -1%     |
| 3   | Al Munisiyah       | 40k                   | 19%     | 133k                  | 6%      |
| 4   | Al Yarmouk         | 32k                   | 1%      | 96k                   | -5%     |
| 5   | Al Malqa           | 56k                   | 1%      | 211k                  | -2%     |
| 6   | Al Aridh           | 49k                   | 11%     | 137k                  | 7%      |
| 7   | Al Olaya           | 54k                   | -3%     | 153k                  | 9%      |
| 8   | Al Malaz           | 33k                   | 4%      | 122k                  | 7%      |
| 9   | Qurtobah           | 60k                   | -2%     | 253k                  | 4%      |
| 10  | Al Aqeeq           | 48k                   | 6%      | 124k                  | 5%      |
| 11  | Al Nasim Al Sharqi | 28k                   | 6%      | 93k                   | -7%     |
| 12  | Al Nasim Al Gharbi | 27k                   | 7%      | 138k                  | -1%     |
| 13  | Al Yasmeen         | 60k                   | 0%      | 148k                  | 7%      |
| 14  | Al Sulaymaniyah    | 44k                   | 3%      | 126k                  | 1%      |
| 15  | King Faisal        | 42k                   | 12%     | 125k                  | -6%     |
| 16  | Hittin             | 62k                   | 18%     | 207k                  | 5%      |
| 17  | Al Sahafa          | 49k                   | -1%     | 148k                  | 3%      |
| 18  | Al Ezdhar          | 45k                   | -6%     | 123k                  | 2%      |

# Retail

## Experiential Transformation and "Super-Regional" Dominance

The Saudi retail sector continues to evolve, with a gradual shift taking place from a traditional shopping landscape into a more experiential ecosystem. This is reflected by works on major "super-regional" destinations such as The Avenues Riyadh, where the mall component reached 80% completion in late 2025. This development is on track to deliver 370,000 sqm of leasable area in 2027, serving as a cornerstone for the capital's northern expansion.

This is resulting in a growing supply pipeline, which includes a larger number of destination retail concepts, whilst supporting a noticeable "flight-to-quality" shift towards newer retail facilities. As new inventory enters the market, super-regional and regional mall rents have stabilized at around SAR 2,820 per sqm per annum.

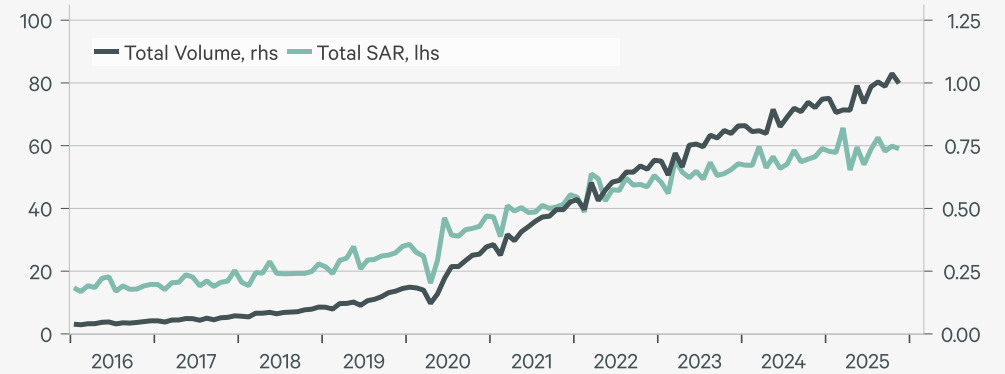
Landlords are increasingly pivoting toward wellness, luxury, and digital integration to help maintain competitiveness, replacing traditional "big box" layouts with pedestrian-first and mixed-use hubs. This evolution will be further anchored by the opening of Westfield Riyadh (formerly Jawharat Riyadh) in Q3 2026, which will add 185,000 sqm of Grade A retail and office space to the market. This shift toward lifestyle retail is further evidenced by ROSHN's transition into a multi-asset developer. Following its successful acquisition of ROSHN Front in Riyadh, the group is now embedding retail as a community anchor, notably through the 2.4 km pedestrian boulevard currently under development within ALAROUS community in Jeddah.

In Jeddah, the Jeddah Front development is progressing as a premier commercial destination, which aims to offer a mix of work and leisure facilities, supporting retail demand throughout the day. This strategy is also being mirrored at Westfield Jeddah (formerly Jawharat Jeddah), with completion expected in Q2 2026, with main construction estimated at 97% completion at the end of 2025, as the 87,145 sqm asset aims to become a differentiator in the city's evolving retail landscape.

The shift from traditional retail is reflected in the growth of luxury retail and the F&B industry, which continue to outpace the broader market, with restaurant and café transactions alone accounting for approximately 13% of all point-of-sale (POS) spending by the end Q4 2025. This reflects a growing consumer trend prioritizing high-end dining and leisure over traditional commodity retail.

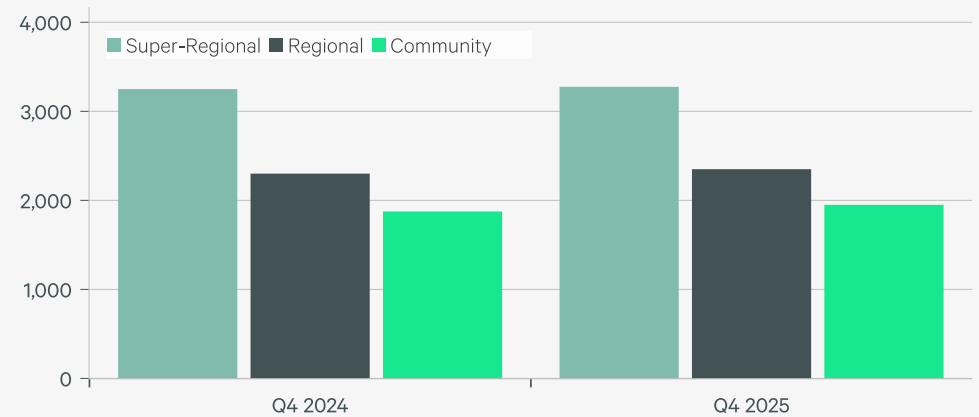
Digital integration also remains a priority for the retail sector, with E-commerce seeing sustained growth in market share, commanding nearly 21% of all retail-related POS transactions through the Mada network. This shift toward an omnichannel model is being supported by practical innovations in smart logistics, such as the autonomous delivery robots recently deployed at ROSHN Front.

FIGURE 8: Saudi Arabia, Retail POS (Total Value and Volume in billions)



Source: CBRE Research / Saudi Central Bank

FIGURE 9: Saudi Arabia, Retail Rents, Q4 2024 v Q4 2025



Source: CBRE Research

# Hospitality

FIGURE 10: Key Tourism Indicators in the Kingdom, 2024 vs. 2025

29.7mm

Inbound Visitors (Million)

~30\*mm

Inbound Visitors (Million)

Source: CBRE Research/ Ministry of Tourism  
\*Estimates

## Strategic Expansion and Yield Diversification

Saudi’s hospitality sector has continued to solidify its position as a key growth engine for the non-oil economy, with record growth in tourism spending recorded. Based on Ministry of Tourism (MoT) data, total tourism spending for H1 2025 reached SAR 161.4 billion, representing a 4% increase over the same period in 2024. To support this demand, the MoT has also set a national target to reach 675,000 hotel rooms by 2030, with approximately 120,000 of those keys planned for Riyadh.

Despite the strong tourism growth, the impact of new room supply and pressure on corporate travel dynamics in the Kingdom, resulted in weak hotel performance dynamics, with Riyadh’s occupancy rates falling 2.5% y-on-y, averaging just over 60% for the 12-month period, notably lower than other regional markets such as Dubai, Abu Dhabi and Doha.

However, positive steps were made from a wider infrastructure perspective, as the Red Sea International Airport (RSI) is now officially fully operational, providing essential support for destinations like AMAALA, which is on schedule for its 2026 opening, and of course the growing number of operational hotels in Red Sea itself. A further significant milestone for the hospitality ecosystem was marked by the official opening of Six Flags Qiddiya City on December 31, 2025. As the first major anchor asset of the masterplan with the park serving as a primary demand generator for the southwest corridor of the city, supporting demand for a long-term development pipeline of over 25 adjacent hotel properties currently in various stages of construction and planning.

As has been noted across other sectors, there is a growing shift towards the luxury sector and particularly luxury heritage and branded projects. Recent agreements in Diriyah include an US\$ 827 million deal for the Four Seasons Hotel and Private Residences and the January 2026 unveiling of the Trump International Golf Club at Wadi Safar. The 2.6 million sqm development includes a championship course and 550 luxury mansions. At the same time, the debut of Rove Olaya Riyadh has addressed a clear gap in the market for quality mid-market products, offering design-focused midscale options for business travelers and digital nomads.

Religious tourism remains a cornerstone of the sector’s performance. In Makkah, the Masar Destination saw a major advancement with the November 2025 announcement of the Masar Branded Residences. This project will introduce approximately 320 five-star apartments located near the Grand Mosque to meet the demand for premium pilgrim accommodations.

With international visitor numbers reaching approximately 30 million for the full year 2025, the hospitality sector is on a firm path toward its target of a 10% contribution to national GDP by 2030. These results highlight the critical role of the sector in the national economic transformation, supported by the ongoing delivery of flagship projects and the cultural expansion of Diriyah.

FIGURE 11: Saudi Arabia, Hospitality Market, Hotel KPIs, y-o-y Change (%)

| Location                            | Current Month- December 2025 vs. December 2024 |              |                                   | Year to Date - December 2025 vs. December 2024 |              |                 |
|-------------------------------------|--|--------------|-----------------------------------|--|--------------|-----------------|
|                                     | Occ. Change                                    | ADR % Change | RevPAR % Change                   | Occ. Change                                    | ADR % Change | RevPAR % Change |
| Month Change December 2025 vs. 2024 |  |              | YTD Change December 2025 vs. 2024 |  |              |                 |
| Saudi Arabia                        | 5.6%   | -0.4%        | 5.2%                              | 2.7%   | -0.5%        | 2.3%            |
| Jeddah                              | 15.3%  | -4.7%        | 9.9%                              | 3.5%   | -7.4%        | -4.2%           |
| Riyadh                              | -4.4%  | -14.9%       | -18.7%                            | -2.5%  | -7.8%        | -10.1%          |

Source: CBRE Research / Co-Star

# Industrial

## Smart Logistics and High-Standard Infrastructure

Saudi's industrial sector continues to gain prominence as a pivotal part of the country's diversification strategy, and as a key recipient of both domestic and foreign investment activity.

As per data from General Authority for Statistics showing the Industrial Production Index (IPI) increased by 10.4% in November 2025, fueled by a 12.6% rise in mining and quarrying activities, which in the context of Saudi relates to higher oil production, which reached 10.1 million barrels per day. This was alongside an 8.1% increase in Manufacturing activities. Within the manufacturing sub-sector, growth was particularly robust in the production of refined petroleum products, which jumped 14.5%, and chemical products, which saw a 10.9% increase.

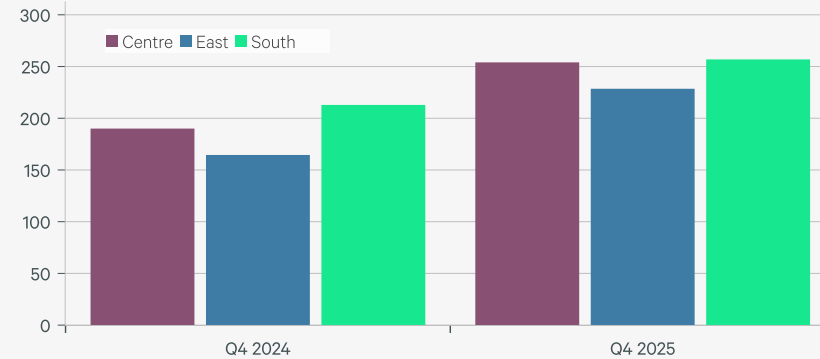
Driven by the sustained industrial expansion and rapid growth of e-commerce, rental rates for Grade A warehousing and logistics spaces have seen significant upward movement during the year. For Riyadh, the South and Central corridors have reached average rents of SAR 257 per sqm and SAR 254 per sqm respectively, whilst Riyadh East has increased to SAR 229 per sqm.

In Jeddah, Jeddah East remains the premium industrial location with rates at SAR 287 per sqm, followed by Jeddah South at SAR 190 per sqm, reflecting a stable 10.9% annual growth. This momentum has been supported by the Ministry of Transport and Logistics securing over US\$ 74.6 billion in private sector investments, which has already fueled a 34% surge in air cargo volumes and the inauguration of the SAR 611 million Agility Logistics Park in Jeddah.

Modernization remains central to the sector's demand and activity, as evidenced by a strategic agreement between JINGDONG Property and MODON to develop 2 million sqm of smart logistics assets. These projects are concentrated with the Kingdom's Golden Triangle, the economic corridor connecting Riyadh, Jeddah and the Dammam/Al Khobar area. By linking Red Sea trade routes to the industrial Eastern Province via the capital, the project places infrastructure in the regions with the highest consumption and industrial output.

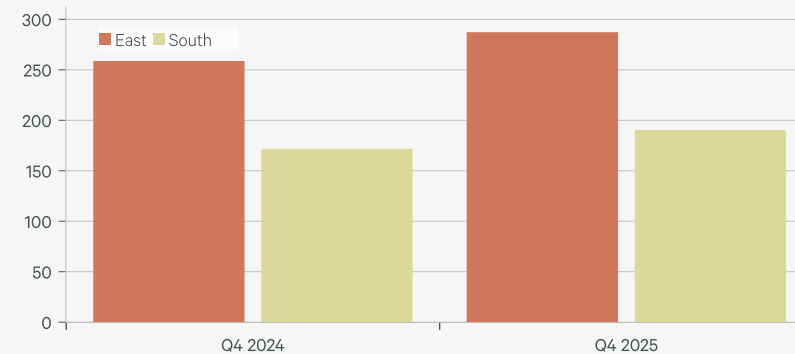
In addition, a joint venture between STC and the PIF-backed Humain, aims to deliver 1 GW of AI-specialized data centre capacity, to meet rising tech demand, supported by recent infrastructure wins such as the SAR 1 billion utilities contract for the Expo 2030 site. This focus on connectivity is also evident across the Western Province, with the restart of the Jeddah Metro. The 35 km Blue Line will link King Abdulaziz International Airport and the Haramain high speed railway, addressing a major gap in the city's transport network.

FIGURE 12: Riyadh, Industrial Rents Q4 2024 v Q4 2025 (SAR/sqm/annum)



Source: CBRE Research

FIGURE 13: Jeddah, Industrial Rents Q4 2024 v Q4 2025, (SAR/sqm/annum)



Source: CBRE Research

**Average Warehouse / Logistics Rents (Q4 2025)**

**Riyadh Central**  
SAR254/sqm/annum  
33.7% y-o-y

**Riyadh East**  
SAR229/sqm/annum  
38.9% y-o-y

**Riyadh South**  
SAR257/sqm/annum  
20.7% y-o-y

**Jeddah East**  
SAR287/sqm/annum  
11.0% y-o-y

**Jeddah South**  
SAR190/sqm/annum  
10.9% y-o-y

# Contacts

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## Middle East

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