# Real Estate



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## **Demanding villas**

Soaring prices for detached homes reveal gap in Saudi supply

- Villa sale prices accelerate across Saudi Arabia in H1 2011 by a median 20.5% from H2 2010, propelled by sharp climb in East, North Riyadh surpassing 30%
- Apartment sale prices climb modestly in all 12 areas surveyed; East Riyadh leads gains
- Median residential land prices gain 4.8% in Saudi Arabia. Plot prices jump 29% in North Riyadh, 18.6% in Khobar
- Villa rents climb almost 11% from H2 in parts of Jeddah, Riyadh; rent inflation for large apartments slows

Asking prices for villas in the Saudi capital Riyadh continued their upward climb in the first half of 2011, leading a general rise in property and land prices across the country as developers rush to fill a widening gap in supply. Banque Saudi Fransi's H1 2011 BSF Real Estate Survey showed the average advertised rate of high-demand smaller villas in Riyadh has soared by almost a third in the past year, the most-pronounced price rises in the kingdom. Rents for homes and offices steepened most in the Eastern Province, commercial land prices started escalating again in all Saudi districts and residential plots prices extended broad gains, particularly in Jeddah, North Riyadh and Khobar.

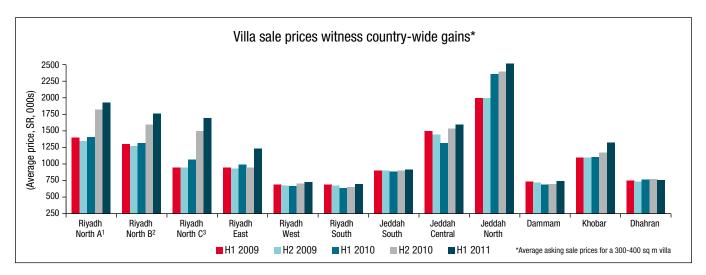
The April 2 to April 27 survey was conducted as Saudi authorities chart out a plan to implement a royal order announced in March to build 500,000 new homes without delay using SR250 billion in funds allocated by the government. Our estimates show the Saudi housing market needs 1.65 million new units by 2015, or 275,000 new units per year, to meet demands of a population that has doubled in size since 1988 and continues to grow more than 2% per year.

Youth below the age of 30 accounted for almost 60% of the Saudi population in 2009 and this group of potential new homebuyers is poised to keep the pressure on Saudi real estate prices. Aside from villas, the going rates for large apartments also gained moderately in H1, particularly in north and east districts of Riyadh, according to the survey, which draws on real estate price data collected on six Saudi cities: Riyadh, Jeddah, Dammam, Khobar, Dhahran and Makkah.

The BSF Real Estate Survey is conducted twice a year to gauge trends in the kingdom's real estate market. Property asking prices were collected from 37 real estate companies and agencies across Saudi Arabia. Given the lack of reliable data on the Saudi property sector, these data should be taken as an indication of the direction and level of asking prices, understanding that great discrepancies exist even within neighbourhoods.





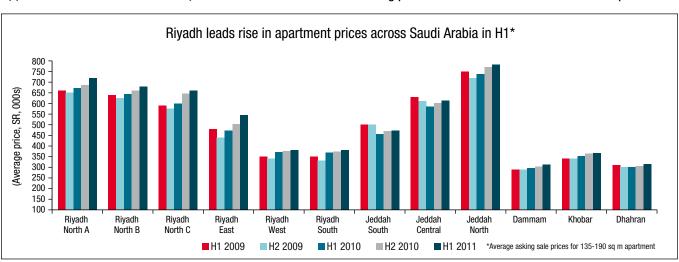


Agencies were requested to provide average asking prices for apartments of 120-135 square metres (sq m) (1,292 sq ft - 1,453 sq ft) and 135-190 sq m (1,453 sq ft - 2045 sq ft) in size, as well as smaller villas spanning 300-400 sq m (3,229 sq ft - 4,306 sq ft) and larger villas of 400-700 sq m (4,306 sq ft - 7,535 sq ft). Respondents were further asked to give average advertised prices for empty residential and commercial plots of land per sq m (10.8 sq ft) by neighbourhood. BSF also gathered data on average office rents charged per sq m, rental rates for apartments and villas, and building material prices. A full breakdown of the survey's findings is available in Appendix 1-5 at the end of the report.

# Villa prices lead upward thrust in property prices

Saudi families tend to prefer living in villas than in apartments, but affording detached homes has become extremely prohibitive. As a result of this, smaller-sized villas (300-400 sq m) and larger apartments (135-190 sq m) are the most sought after units for sale in Saudi Arabia's real estate sector at the moment. These preferences have guided price trends across the country.

In the 12 Saudi districts surveyed by the index, the median asking price of a small villa soared 20.5% compared with



<sup>1</sup> Al Nakheel, Nakheel West, Khozama, Rayed, Al Ghadeer, Huteen, Thagar, Mohamadeya, Rahmaneya, Al Mathar North, Ageeg Al Mosa, Al Waha, Al Worood

<sup>&</sup>lt;sup>2</sup> Al Morooj, Al Mursalat, Al Nozha, Al Ta'awon, Al Sahafa Gold, Al Falah, Al Rabea, Al Mogarazat, Al Malga, King Fahad

<sup>&</sup>lt;sup>3</sup> Al Sahafa, Al Ageeg, Al Wadi, Al Nafl, Al Qerowan, Al Amanah, Al Yasmeen, Hutteen Al Namothoji





H2 2010 to SR1.28 million, with some substantial price discrepancies based on the neighbourhood. The sharpest increases in H1 occurred in upscale neighbourhoods of north and east Riyadh and north Jeddah, in addition to Khobar, the most-expensive city in the Eastern Province. Larger villa (400-700 sq m) asking prices also gained by a median 13.2% to SR2.03 million.

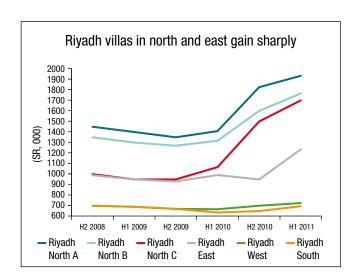
Country-wide, the rise in apartment prices was more subdued in H1: median asking prices for large apartments rose 4.6% to SR508.33 billion. Smaller apartments (120-135 sq m) increased in price by a median 1.7% compared with H2. The promise of a string of new, state-financed housing projects could lead some Saudis to put off plans to buy homes for a year or two in anticipation that prices may stabilise or fall once new supply enters the market.

## Surge in Riyadh villa prices persists, north and east in focus

It has become considerably more expensive to own a villa in Riyadh in the past year. The average asking price of smaller villas in the 31 high-end neighbourhoods of north Riyadh has risen by as much as a massive 59.4% since H1 2010 in area C, which includes Al Sahafa, Al Ageeg and six other districts. The average price of a North Riyadh villa in this area stood at SR1.7 million compared with SR1.07 million in H1 2010, and 13.3% higher than H2.

Even after these gains, Area C is still the least-expensive part of North Riyadh, where the average asking price of villas in area A, including such districts as Al Nakheel and Khozama, is SR1.93 million. That is up 37.3% in the past year and the most expensive rate in Riyadh, second only to north Jeddah for the priciest villas in the country.

The Saudi capital is home to around a quarter of the Saudi population and serves as the kingdom's financial and business capital. Gauging real estate price shifts in Riyadh is therefore a crucial benchmark for assessing the dynamics and health of the country's property sector. The average small villa cost SR1.34 million in Riyadh in H1,



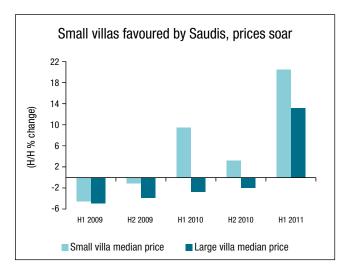
up 11.5% from H2, while large villas (400-700 sq m) rose in price by an average 8% to SR1.83 million, data show.

Apart from the north, East Riyadh, where accommodation costs are more expensive than the south and west, posted the biggest jump in villa prices across Saudi Arabia since H2. Small villa prices rose 30% to an average advertised rate of SR1.24 million in the east's 11 neighbourhoods, including Al Andalos and Al Manar. Large villa asking prices were up 17.2% to SR1.97 million. By comparison, small villas cost an average of SR725,000 and SR695,000 in west and south Riyadh, respectively, both marking more moderate gains of around 9% on the year.









The appeal of East Riyadh stems from the fact that its neighbourhoods offer good quality at a lower price than the north. Affordability is a key challenge for the kingdom as the vast majority of the population does not earn enough to afford costly detached units.

Apartment prices were more restrained in the capital. Large apartments (135-190 sq m) climbed an average of 3.8% in Riyadh to SR560,833 compared with H2, while their cost was up 7.5% from a year ago. East Riyadh, again, showed the steepest rise, with apartment prices there climbing 15.1% from H1 2010 to SR502,667 on average. The cost of a large apartment varies from as low as SR380,000 in south Riyadh to almost double that in parts of the north. Smaller apartment (120-135 sq m) prices in Riyadh were up 1.6% from H2 at an average SR428,334, the survey showed.

The slower momentum in apartment prices reflects citizens' preferences for villas. A demographic survey conducted in 2007 showed that only one-third of Saudis living in apartments own their flats, compared with ownership ratios of 85% for villas.

### Pricey Jeddah villas gain broadly

Small villa prices in Jeddah, which had fallen on the

heels of mass floods at the end of 2009, have returned to 2008 levels, but apartments are still slightly cheaper than they were two years ago. Property price rises were not as marked in H1 in Jeddah as they were in Riyadh.

Real estate in Jeddah, located on the coast of the Red Sea in Western Saudi Arabia, is among the most-costly in the country. As the second-largest Saudi city, Jeddah hosts the kingdom's main port, acts as an important commercial centre and, due to its proximity to the holy cities of Makkah and Madinah, as a gateway for religious tourism.

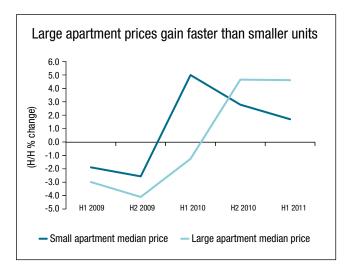
The average price rise of a smaller Jeddah villa (300-400 sq m) was 6% in H1 from H2 2010 to SR1.71 million. Villas in upscale North Jeddah are the most expensive in the country, averaging SR2.63 million in H1, up nearly 11% year on year. Large villas in the same area cost an average of SR3.6 million, up 3.9% on the year, the data show. Elsewhere in Jeddah, going rates for large villas in the south jumped 14.9% in H1 compared with the previous period to SR1.28 million, while smaller villas cost SR916,667 there, reflecting a more modest 1.9% gain. Small villas in central Jeddah, which had shed the most value after the floods, have risen 21.5% in the past year to an average SR1.6 million.

Average Jeddah apartment prices also gained moderately,









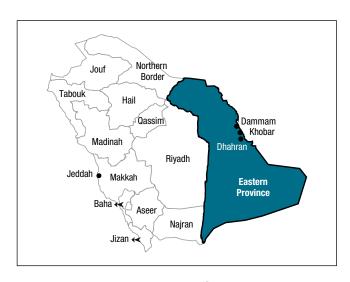
reaching SR783,333 for a large apartment in the north – the highest price in the kingdom, marking a rise of 1.7% from H2. On average for the city, apartment prices were up 1.5% from H2 to SR622,778. Smaller Jeddah apartments rose an average of 2.1% in all districts from H2 to SR501,111, also the most expensive in the country.

## Khobar home prices widen gap in Eastern Province

The gap between house prices in Khobar and neighbouring Dammam and Dhahran in the Eastern Province widened in H1 as the former saw sharp rises in advertised villa and apartment prices.

Smaller villas in Khobar, the province's commercial hub, rose 12.8% from H2 levels to an average asking price of SR1.33 million, while larger villas advanced in price by 15.4% to SR2.19 million. By contrast, in Dhahran, headquarters of oil giant Saudi Aramco, villa prices fell 1.3% for smaller villas to SR758,333 and rose 6.7% to SR1.07 million for larger villas, on average.

Dammam, the largest town in the eastern region and home to a key port situated close to major oil terminals, is also the province's cheapest site for real estate. A small villa in Dammam cost SR744,167 on average in H1, up 7.3% from H2. Large villas are 61% cheaper than



they are in Khobar at an average SR863,333, unchanged from H2.

Going rates for apartments in the Eastern Province were more muted. The average advertised rate for large apartments climbed 2.1% to SR331,389, while smaller apartments were up 1.8% to an average SR236,944.

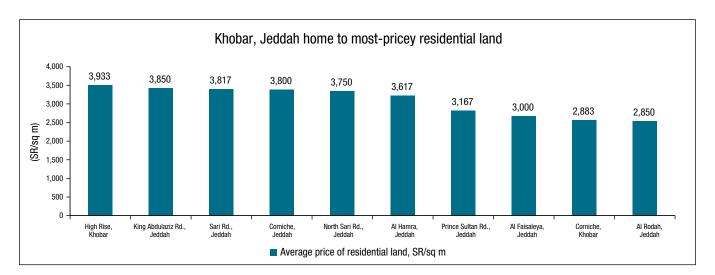
## High-priced areas lead gain in residential land costs

Land prices in Saudi Arabia are on the rise again, posting gains across the board, with particularly sharp rises in higher-income neighbourhoods. Plots of residential land are now more expensive than they were in H2 2008. As a result of the economic slowdown that followed the global financial crisis, the median price of a plot of residential land in Saudi Arabia fell almost 10% by the first quarter of last year. Since then, demand has picked up and the median price of land for home building is now SR1,631 per sq m, 13.5% higher than the same period last year and up 4.8% from H2.

Jeddah and Khobar land prices most supported this rise, the average asking prices for land in these cities advancing 18.3% and 20.2%, respectively, from a year ago.



May 2011

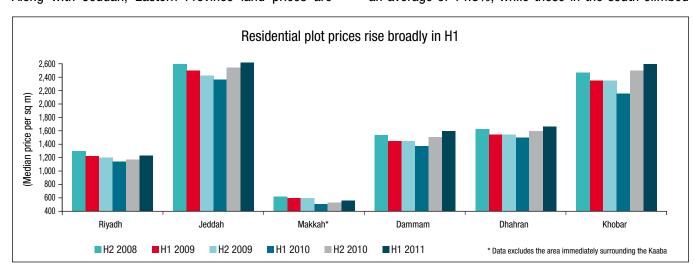


Khobar is home to the priciest land in Saudi Arabia. In the district going by the name "High Rise", including beachfront plots situated next to the causeway to Bahrain, land costs SR3,933 per sq m, up 7.3% from last year and the most expensive price for Saudi residential land. Seven of the 10 most-expensive residential neighbourhoods measured by the survey, meanwhile, were in Jeddah in H1; land prices surpassed SR3,000 per sq m in all cases. It is important to note that data for Makkah excludes the prime real estate plots immediately surrounding the Kaaba.

Along with Jeddah, Eastern Province land prices are

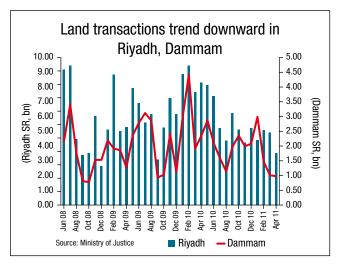
in many cases higher than in the capital Riyadh. The average cost of land was SR2,800 per sq m in Jeddah in H1, followed by SR2,600 in Khobar, SR1,667 in Dhahran, SR1,596 in Dammam, SR1,233 in Riyadh and SR558 in Makkah.

Still, Riyadh land prices have risen quickly in many neighbourhoods, particularly more-expensive districts. For instance, north Riyadh – where villa prices have soared – also saw land prices jump by an average 29.3% from a year ago, and 7.2% from H2, to SR2,239 per sq m. On an annual basis, east Riyadh land prices were up an average of 14.3%, while those in the south climbed









10.8% and in the south 7.5%. Makkah land prices gained more slowly in H1, rising 4.7% from H2 levels on average.

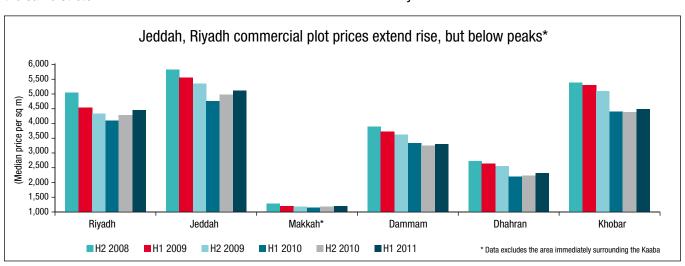
Prices may be on the rise, but transactions for land are trending sharply downward, the survey showed. The value of land transactions in Riyadh fell 35.6% in March compared with the year earlier. In Dammam, the value of transactions was down 47%, data of the Ministry of Justice show. In the six months to April, SR27.3 billion worth of land transactions took place in Riyadh, down almost 43% from the same period a year earlier. Land transactions decreased a sharp 30.6% in Dammam over the same stretch.

## General rise in commercial plots, yet prices well below peak

Commercial land plot prices are also climbing in Saudi Arabia, although over all they remain notably lower than they were in 2008. Business activity and private sector expansion have taken turns for the better in the kingdom, and this has led commercial land prices to start strengthening after the median price fell almost 17% between H2 2008 and H1 2010. The advertised rates of commercial land are up by an average 2.7% in H1 compared with H2 2010, and almost 5% higher than a year ago, the survey showed.

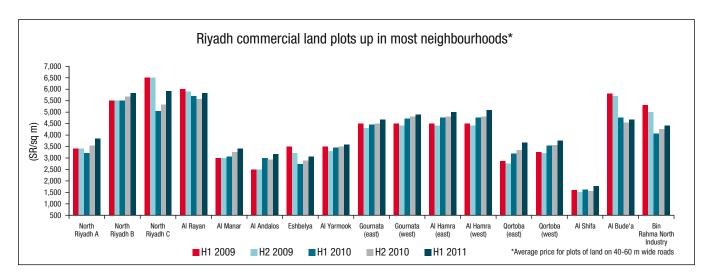
In Riyadh, the asking price for prime commercial land situated on roads 40-60 m wide rose by a median 3.9% in H1 compared with H2 to SR4,417 per sq m. Land costs had fallen 19% in Riyadh between H2 2008 and H1 2010, along with the general decline in economic activity. The median price in Riyadh is still 12% below 2008 levels.

The cost of land nonetheless gained quite quickly in a handful of Riyadh neighbourhoods. Qortoba in the east, for instance, saw prices rise 10% from H2 levels, while the cost of land in Al Shifa in the south advanced almost 14% over the same period. Prices climbed 11% in the North Riyadh C district.



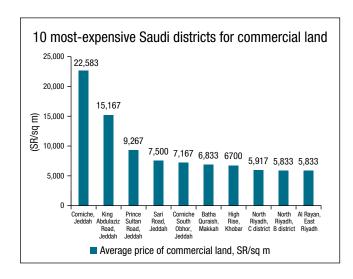


May 2011



Outside of Riyadh, commercial plot prices did not witness double-digit gains in any neighbourhood. Prime plots in some posh Jeddah districts – such as the Corniche and Prince Sultan Rd. – rose more than 5% from H2 levels, but they remain cheaper than 2008-2009 levels. The average cost for commercial land in Jeddah of SR5,067 per sq m is almost 15% above Riyadh levels. The five most-expensive neighbourhoods for commercial land were in Jeddah, with prices ranging as high as SR22,583 per sq m on the Corniche.

Land prices vary greatly in Makkah, where there are a



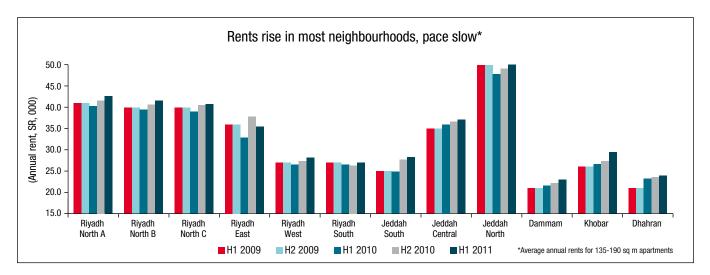
lot of rundown neighbourhoods adjacent to grand new developments surrounding the Holy Mosque, site of the Kaaba. Land within the immediate radius of Islam's holiest site would easily stretch above SR50,000 per sq m. This territory is not included in the survey.

The cost of commercial land per sq m ranges from SR708 per sq m in south Makkah to a high of SR6,833 in the east Makkah district of Batha Quraish, making it the sixth most-expensive district measured by the survey. Prices there are still about 15% below peak levels in late 2008-early 2009, although they have steadily risen in the past year. Batha Quraish is situated close to the entrance of the territory enclosing the Kaaba.

Eastern Province land prices for commercial purposes climbed most in Dhahran, where the median price was up almost 4% from H2, although still 12% below levels from two years ago. In Khobar and Dammam, land prices edged higher after falling consistently in each survey conducted since the second half of 2008. Khobar land prices, up 2% from a year ago, are still down almost 17% from peak levels.







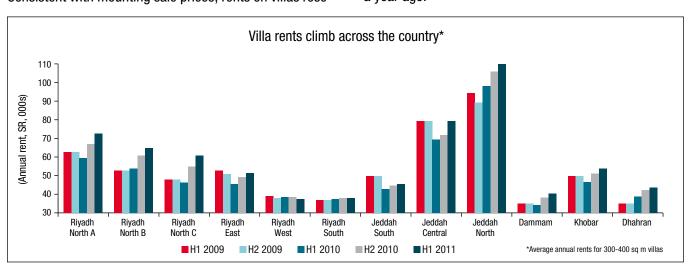
### Villa rents steeper, track mounting sale prices

Mounting rents for apartments and villas have been a principal thrust behind Saudi inflation in recent years, and the H1 survey showed leasing rates continued to climb in most neighbourhoods. Rent inflation as measured by the Central Department of Statistics has held at or near double-digit levels since mid-2007. Many young families have been unable to afford to buy their homes, opting to rent instead, while a large proportion of expatriates, who account for almost a third of the population, prefer to lease their homes partly due to limited buying opportunities.

Consistent with mounting sale prices, rents on villas rose

much more quickly than apartments in H1. High-demand smaller villas (300-400 sq m) leased for a country-wide median price of SR52,875, up 5% from H2 and almost 15% from a year ago. Jeddah villa rents rose most rapidly by a median 10.9% from H2 to SR80,000, while in Riyadh the median price climbed 7.7% to SR56,375.

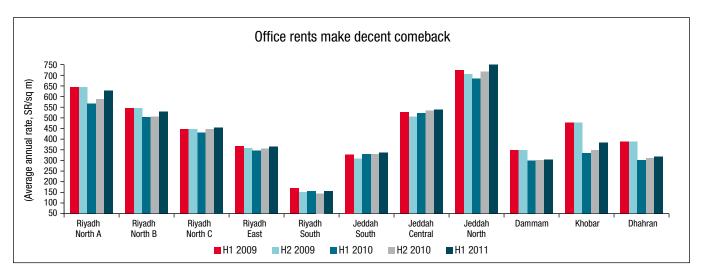
In Riyadh's North C district, rental rates for small villas have soared almost 32% in the past year – the sharpest rise in the country – to SR61,083. Rents are most expensive in North Jeddah, where an equivalent villa costs SR113,333, on average, per year, up 14.5% from a year ago.





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May 2011



Landlords typically extend rental contracts of between one and three years. Tenants, as a result, may experience the pull of rental inflation only every few years. Leasing rates for large apartments (135-190 sq m), meanwhile, went up most in Khobar, climbing 7.6% compared with H2 to an average SR29,417. Country-wide, the median rent for an equivalent flat climbed a moderate 0.9% over the same period to SR32,459. Rates increased modestly in all Riyadh neighbourhoods except the east, where they fell 6.2%.

Reflecting the continued improvement in the business climate, office rents rose across the board in H1. The median office rental per sq m was SR387 in Saudi Arabia

in H1, up 8.1% from H2 – yet still down a substantial 21% from H2 2008 levels. Up to the second half of last year, leasing rates for office space were falling rapidly as private sector growth stagnated following the onset of the global financial crisis.

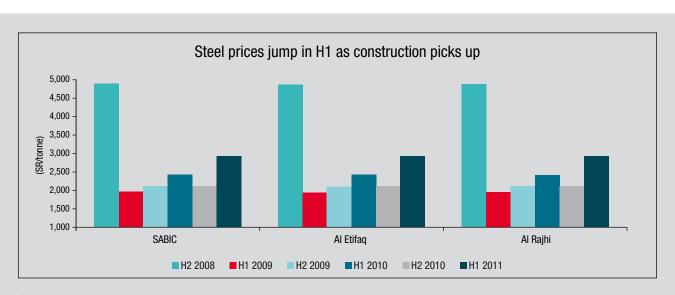
Average H1 prices varied across the kingdom from a low of SR305 per sq m in Dammam to a high of SR757 per sq m in North Jeddah. Khobar office rents showed the sharpest rise in H1 of 10.6%. Rents in that Eastern Province city had fallen the most following the financial crisis. The median rate of an Eastern Province office is still 20% below peak 2008 levels, compared with smaller discrepancies of 8.4% in Riyadh and 1.5% in Jeddah.

Average annual rent for offices (SR/sq m)							
	H2 2008	H1 2009	H2 2009	H1 2010	H2 2010	H1 2011	
Riyadh North A	700	650	650	572	592	633	
Riyadh North B	600	550	550	507	508	533	
Riyadh North C	500	450	450	433	450	458	
Riyadh East	385	370	360	349	358	367	
Riyadh South	180	170	150	155	145	157	
Jeddah South	350	330	310	332	332	338	
Jeddah Central	550	530	510	525	537	542	
Jeddah North	750	730	710	690	723	757	
Dammam	360	350	350	300	303	305	
Khobar	490	480	480	337	350	387	
Dhahran	400	390	390	302	312	320	
Median	490	450	450	349	358	387	



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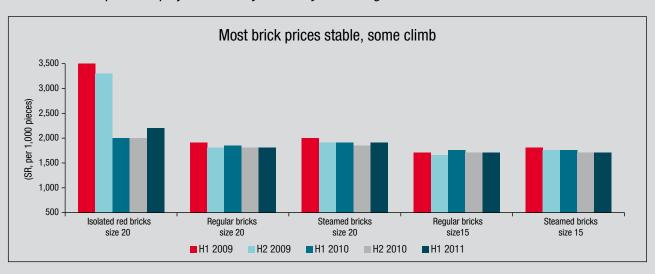
May 2011



### Steel prices soar as building input costs face pressure

Input costs for construction, which have been relatively stagnant in the past two years, showed signs of tightening in H1, particularly for steel. Steel rebar prices soared 37.9% in H1 compared with H2 2010, the survey showed. The median cost of electric cables climbed 10% from H2. Cement prices have held steady for more than a year, while the price of bricks – still almost 45% below peak levels – remained either stagnant or rose slightly.

The pressure on building material prices is likely to build as state and private developers push ahead with plans to build 500,000 new residential units in the coming years, in addition to progress being made on numerous energy, utilities and transportation projects currently underway in the kingdom.







### Conclusion

The mismatch between supply and demand, particularly for smaller villas, will be a key challenge for state and private sector investors to address in the coming years. Saudi Arabia's real estate market benefits from a consistent flow of indigenous demand that is poised to swell due to the young demographic. Focusing on affordability will be crucial. Since many Saudis earn less than SR8,000 a month, prevailing property prices are beyond their range of affordability.

The government has tackled this drawback through state-held Real Estate Development Fund (REDF), which provides non-interest-bearing home loans for citizens and currently accounts for about 81% of total home financing. The government injected SR40 billion into REDF this year in order to reduce the waiting period for loans and enable the body to offer maximum credit per customer of SR500,000, up from SR300,000 previously.

Bank lending for home purchases has also picked up pace in the past two years. Outstanding fourth-quarter 2010 real estate loans among Saudi banks stood at SR23.1 billion, up almost 30% from a year earlier. New minimum wage requirements in the public sector, furthermore, could potentially expand the homebuyer pool by giving a lift to wages in other brackets, and possibly compelling the private sector to do the same.

The country's long-awaited mortgage law should be implemented in the medium term, which would open the door for greater home ownership if accompanied with attractive interest rate and tenure terms by banks. The benefits ushered in by the law's eventual passage are most likely to be felt over the longer term, however.

In the meantime, many homebuyers remain in a quandary. The SR1.28-million price tag for a small villa, the median

country-wide price in H1, is too high for most young people to entertain the thought of buying a detached home. We expect some younger families will modify their expectations, choosing instead to buy larger apartments. The size of families in urban areas is getting smaller so it will be feasible for many young people to accommodate their needs in apartments rather than villas. Paying an average SR518,958 for a large apartment will fall within the band of affordability for many more Saudi citizens, particularly as the wage equilibrium improves in the coming years.

While property prices are poised to continue climbing in the short- to medium-term, the prospect of an onslaught of new units being added to the market is likely to lead many Saudis to put off plans to buy properties for a year or two in anticipation that prices would stabilise or fall. Evidence of this is already apparent in rents, which witnessed some sharp gains, particularly in neighbourhoods where villa sale prices have soared in the past year.

Findings of the H2 BSF Real Estate Survey confirmed that confidence in the kingdom's property sector continues to build, with prices for apartments, villas and land climbing across the six cities surveyed. Yet, a marked decline in the value of land transactions once again highlights the need for the government to consider providing residential land, supplemented with basic services and facilities, at more reasonable rates in the major urban centres. Reducing the cost of land would relieve an enormous burden from construction costs. Also on the regulatory front, the government's move toward enabling to developers to sell units while real estate is still under construction, known as off-plan sales, should encourage greater private sector participation in the kingdom's real estate market.





## **Map of Saudi Arabia**





APPENDIX 1								
	Average ask	ing price of apartme	nts for sale (120 - 13	5 sq m) (SR, 000)				
	H2 2008	H1 2009	H2 2009	H1 2010	H2 2010	H1 2011		
Riyadh North A	460	450	445	450	463	487		
Riyadh North B	450	440	435	447	450	462		
Riyadh North C	435	425	425	438	445	448		
Riyadh East	450	435	410	457	475	467		
Riyadh West	360	350	330	346	350	357		
Riyadh South	360	350	330	348	348	350		
Jeddah South	365	360	355	366	381	392		
leddah Central	465	460	450	468	477	487		
leddah North	610	600	600	577	615	625		
Dammam	219	210	210	201	203	208		
Khobar	256	250	250	259	270	276		
Dhahran	228	220	215	214	225	228		
	Average ask	ing price of apartme	nts for sale (135 - 19	0 sq m) (SR, 000)				
liyadh North A	670	660	650	672	685	720		
Riyadh North B	650	640	625	644	662	678		
Riyadh North C	610	590	575	600	647	660		
Riyadh East	500	480	440	473	502	545		
Riyadh West	360	350	340	371	375	382		
Riyadh South	360	350	330	369	373	380		
leddah South	510	500	500	455	470	472		
eddah Central	635	630	610	586	601	613		
leddah North	760	750	720	738	770	783		
Dammam	300	290	290	297	304	312		
Chobar	350	340	340	352	363	368		
Dhahran	330	310	300	300	306	315		
	Average :	asking price of villas	for sale (300 - 400 s	g m) (SR, 000)				
Riyadh North A	1450	1400	1350	1408	1825	1933		
Riyadh North B	1350	1300	1270	1317	1600	1767		
Riyadh North C	1000	950	950	1067	1500	1700		
Riyadh East	990	950	930	992	950	1235		
Riyadh West	700	690	670	667	700	725		
Riyadh South	700	690	670	635	650	695		
eddah South	915	900	900	882	900	917		
eddah Central	1580	1500	1450	1317	1542	1600		
leddah North	2050	2000	2000	2367	2408	2625		
Dammam	750	730	720	688	693	744		
Chobar	1150	1100	1100	1108	1175	1325		
hahran	770	750	730	762	768	758		
	Average :	asking price of villas	for sale (400 - 700 s	g m) (SR, 000)				
liyadh North A	3000	2900	2750	2567	2683	2950		
liyadh North B	2200	2100	2400	2117	2233	2317		
ivadh North C	2000	1950	1850	1867	1950	2083		
iyadh East	2200	1950	1900	1833	1678	1967		
liyadh West	820	810	800	828	850	875		
liyadh South	810	800	800	792	800	817		
eddah South	1160	1100	1100	1067	1117	1283		
eddah Central	2530	2500	2400	2517	2633	2683		
eddah North	3250	3200	3100	3467	3483	3600		
ammam	920	890	880	858	863	863		
	920 2100	2000	2000		863 1900	2192		
(hobar	∠100	2000	2000	1817	1900	2192		



APPENDIX 2									
Average annual rents for apartments (120 - 135 sq m) (SR, 000)									
	H2 2008	H1 2009	H2 2009	H1 2010	H2 2010	H1 2011			
Riyadh North A	38.0	38.0	38.0	36.5	38.2	38.5			
Riyadh North B	37.0	37.0	37.0	35.5	36.7	37.7			
Riyadh North C	37.0	37.0	37.0	35.3	36.3	37.0			
Riyadh East	32.0	31.0	31.0	30.3	31.8	33.2			
Riyadh West	26.0	25.0	25.0	24.3	24.2	25.3			
Riyadh South	26.0	25.0	25.0	22.3	22.8	23.8			
Jeddah South	19.0	18.0	18.0	18.4	19.7	21.0			
Jeddah Central	24.0	23.0	23.0	23.3	23.8	24.5			
Jeddah North	34.0	33.0	33.0	33.3	34.7	35.5			
Dammam	18.1	18.0	18.0	16.4	17.3	18.1			
Khobar	22.1	22.0	22.0	22.1	22.6	22.7			
Dhahran	18.1	18.0	18.0	18.2	19.6	20.5			
			rtments (135 - 190 sc		44 =	40.7			
Riyadh North A	42.0	41.0	41.0	40.3	41.7	42.7			
Riyadh North B	41.0	40.0	40.0	39.5	40.7	41.6			
Riyadh North C	41.0	40.0	40.0	39.0	40.5	40.8			
Riyadh East	37.0	36.0	36.0	32.8	37.8	35.5			
Riyadh West	28.0	27.0	27.0	26.5	27.3	28.2			
Riyadh South	28.0	27.0	27.0	26.5	26.3	27.0			
Jeddah South	26.0	25.0	25.0	24.8	27.7	28.3			
Jeddah Central	36.0	35.0	35.0	36.0	36.7	37.2			
Jeddah North	52.0	50.0	50.0	47.8	49.2	50.2			
Dammam	21.5	21.0	21.0	21.5	22.2	23.0			
Khobar	26.5	26.0	26.0	26.7	27.3	29.4			
Dhahran	21.6	21.0	21.0	23.2	23.6	23.9			
	Avera	ge annual rents for v	rillas (300 - 400 sq m	) (SR. 000)					
Riyadh North A	65.0	63.0	63.0	59.7	67.3	73.0			
Riyadh North B	55.0	53.0	53.0	54.0	61.2	65.2			
Riyadh North C	49.0	48.0	48.0	46.5	55.2	61.1			
Riyadh East	55.0	53.0	51.0	45.5	49.5	51.7			
Riyadh West	40.0	39.0	38.0	38.7	38.5	37.3			
Riyadh South	38.0	37.0	37.0	37.5	38.0	38.2			
Jeddah South	52.0	50.0	50.0	42.8	44.8	45.5			
Jeddah Central	84.0	80.0	80.0	69.8	72.2	80.0			
Jeddah North	99.0	95.0	90.0	99.0	106.7	113.3			
Dammam	37.0	35.0	35.0	34.2	38.3	40.4			
Khobar	52.0	50.0	50.0	46.7	51.3	54.1			
Ohahran	37.5	35.0	35.0	38.8	42.3	43.8			
onanan	J1.J	33.0	33.0	30.0	42.3	40.0			
			villas (400 - 700 sq m						
Riyadh North A	80.0	75.0	73.0	72.7	82.5	88.7			
Riyadh North B	68.0	67.0	66.0	65.7	71.3	76.8			
liyadh North C	58.0	58.0	58.0	53.8	60.5	71.2			
iyadh East	57.0	57.0	57.0	52.5	56.5	58.8			
Riyadh West	46.0	45.0	45.0	42.0	43.0	44.7			
Riyadh South	45.0	44.0	44.0	40.8	42.3	43.5			
eddah South	83.0	80.0	80.0	78.3	81.0	88.3			
eddah Central	99.0	97.0	95.0	97.8	99.7	102.2			
leddah North	115.0	110.0	100.0	115.0	121.7	128.3			
Dammam	39.4	39.0	39.0	44.0	49.0	52.7			
	60.5	60.0	60.0	57.8	61.8	66.7			
Khobar									





APPENDIX 3  Average asking price of residential lands (SR/sq m)							
Discalle Descripes							
Riyadh Province Riyadh North							
Riyadh North A	2,500	2,400	2,400	2,150	2,550	2,767	
Riyadh North B	1,900	1,900	1,900	1,717	1,950	2,000	
Riyadh North C	1,500	1,500	1,500	1,367	1,767	1,950	
<b>Riyadh East</b> Al Rayan	1,900	1,700	1,600	1,667	2,017	2,083	
Al Manar	1,350	1,250	1,200	1,233	1,400	1,417	
Al Andalos	1,350	1,250	1,200	1,092	1,117	1,183	
Eshbelya	1,200	1,150	1,100	1,100	1,150	1,183	
Al Yarmook	990	950	950	900	1,017	1,083	
Gournata (East) Gournata (West)	1,100 1,400	1,050 1,350	1,050 1,300	983 1,217	1,200 1,133	1,267 1,233	
Al Hamra (East)	1,270	1,200	1,200	1,165	1,108	1,167	
Al Hamra (West)	1,300	1,250	1,200	1,250	1,433	1,467	
Qortuba (East)	850	800	800	887	1,075	1,133	
Qortuba (West)	1,300	1,200	1,200	1,275	1,317	1,350	
<b>Riyadh West</b> Al Dour'ya	1,350	1,300	1,300	1,175	1,250	1,317	
Erga	1,300	1,300	1,300	1,175	1,200	1,317	
Riyadh South	.,	.,	.,	.,	-,==-	.,==5	
Al Shifa	850	800	770	750	850	892	
Al Suwaidi	1,200	1,150	1,100	1,017	1,008	1,050	
Al Bude'a Bin Rahma North Industry	830 850	760 800	750 800	797 775	842 750	850 783	
biii haiiiia worui iiiuusuy	030	000	000	775	750	703	
Makkah Province							
Makkah South							
Al Shwaqeyah	1,650	1,600	1,550	1,550	1,567	1,617	
Al Obaid 1	530	500	500	442	492	508	
Al Obaid 2	520	500	500	433	492	500	
Al Obaid 3 Al Obaid 4	520 520	500 500	500 500	437 442	442 467	442 467	
Makkah North	320	300	300	442	407	407	
AL Nawareya	620	600	600	508	533	558	
Makkah East	200	200	200		200	252	
Al Shara'e Bat-ha Quraish	620 1,440	600 1,300	600 1,280	597 1,425	633 1,483	650 1,533	
Al Awali	1,350	1,300	1,280	1,348	1,383	1,450	
	.,	-,	-,=	-,	1,222	.,	
Jeddah							
Al Haranaia	2,400	2,300	2,200	2,458	2,750	3,000	
Al Haramain Al Bandar	2,100 1,300	2,000 1,250	1,900 1,200	2,142 1,217	2,283 1,433	2,383 1,500	
King Abdulaziz Rd.	4,150	4,000	3,800	3,892	3,733	3,850	
Corniche	3,600	3,500	3,300	3,250	3,483	3,800	
Corniche (South Obhur)	2,600	2,500	2,450	2,200	2,467	2,683	
Prince Sultan Rd.	3,100	3,000	2,900	2,900	3,000	3,167 3,750	
North Sari Rd. Sari Rd. (Madinah and West)	3,600 3,600	3,500 3,500	3,400 3,500	3,500 3,500	3,617 3,717	3,750 3,817	
Nahdha District	2,600	2,500	2,400	2,367	2,550	2,800	
Al Hamra	3,600	3,500	3,300	3,550	3,517	3,617	
Prince Abdulmajeed Rd. (North Obhur)	1,200	1,100	1,100	1,008	1,067	1,067	
Al Rodah Al Sefa	2,900 1,750	2,800 1,650	2,750 1,600	2,767 1,592	2,783 1,683	2,850 1,717	
Al Mohamadiya	1,750 2,300	2,200	2,150	1,592 1,950	2,033	1,717 2,067	
Lo'alo'a	2,400	2,300	2,250	2,250	2,300	2,333	
Al Rabea	2,200	2,200	2,150	2,108	2,200	2,233	
Footown Drovings							
Eastern Province Dammam							
Dorat Al Corniche	1,600	1,500	1,500	1,867	2,000	2,083	
Al Khalideya	1,700	1,600	1,600	1,483	1,558	1,642	
Al Waha	1,400	1,300	1,300	1,267	1,467	1,550	
Mazro'eya	1,480	1,400	1,400	1,245	1,333	1,367	
<b>Khobar</b> Corniche	2,400	2,200	2,200	2,225	2,767	2,883	
Al Hizam Al Thahabi	2,700	2,500	2,500	2,383	2,750	2,833	
Al Khozama	900	800	800	825	950	1,017	
Al Faisaliyah	500	480	480	472	517	567	
Al Hizam Al Akhdar	2,550	2,500	2,500	2,100	2,250	2,367	
High Rise <b>Dhahran</b>	4,500	4,500	4,300	3,667	3,750	3,933	
Telal Al Doha	1,800	1,700	1,700	1,600	1,717	1,767	
Al Qosour	1,450	1,400	1,400	1,400	1,483	1,567	
	1, 100	1,100	1,100	1,100	1,100	1,007	



APPENDIX 4  Average asking price of standard commercial land in Riyadh Province (located next to roads 36 m wide) (SR/sq m)								
Riyadh North								
Riyadh North A	2,680	2,600	2,550	2,517	2,767	3,083		
Riyadh North B	2,300	2,200	2,180	1,983	2,017	2,167		
Riyadh North C	2,200	2,200	2,180	1,817	1,933	2,050		
Riyadh East								
Al Rayan	2,600	2,500	2,500	2,317	2,400	2,417		
Al Manar	3,000	2,700	2,700	2,467	2,450	2,650		
Al Andalos	1,790	1,700	1,650	1,687	1,700	1,733		
Eshbelya	1,700	1,600	1,570	1,527	1,550	1,733		
Al Yarmook	1,700	1,100	1,100	1,132	1,225	1,258		
					1,400			
Gournata (East)	1,400	1,300	1,280	1,368	,	1,425		
Gournata (West)	2,090	1,950	1,900	1,842	1,950	1,975		
Al Hamra (East)	1,670	1,600	1,540	1,650	1,700	1,750		
Al Hamra (West)	1,650	1,600	1,550	1,525	1,650	1,683		
Qortuba (East)	1,280	1,200	1,180	1,302	1,300	1,325		
Qortuba (West)	1,750	1,650	1,600	1,697	1,650	1,675		
Riyadh West								
Al Dour'ya	1,590	1,500	1,500	1,417	1,400	1,500		
Erga	1,700	1,600	1,600	1,483	1,500	1,600		
Riyadh South								
Al Shifa	1,300	1,200	1,150	1,175	1.200	1,250		
Al Suwaidi	1,850	1,780	1,750	1,150	1,200	1,250		
Al Bude'a	2,920	2,700	2,950	1,692	1.600	1,650		
Bin Rahma North Industry	920	900	900	837	800	833		
Аменен	ooking price for prime	nommoreial land in D	ivadh Dravinas (lass	ted on reads 40 CO	m wido) (CD/on m)			
Average Riyadh North	asking price for prime (	commercial famo in K	iyadii Provilice (loca	leu on roaus 40 - 60 i	iii wide) (SK/SQ III)			
Riyadh North A	3,500	3,400	3,400	3,217	3,533	3,833		
Riyadh North B	5,700	5,500	5,500	5,500	5,683	5,833		
Riyadh North C	6,800	6,500	6,500	5,050	5,333	5,917		
Riyadh East								
Al Rayan	6,500	6,000	5,900	5,700	5,567	5,833		
Al Manar	3,500	3,000	3,000	3,050	3,250	3,417		
Al Andalos	3,200	2,500	2,500	2,983	2,933	3,417		
	3,200	3,500	3,200	2,963	2,933	3,050		
Eshbelya Al Varmania	,				,			
Al Yarmook	4,000	3,500	3,300	3,450	3,500	3,583		
Gournata (East)	5,000	4,500	4,300	4,450	4,500	4,667		
Gournata (West)	5,000	4,500	4,400	4,717	4,800	4,883		
Al Hamra (East)	5,000	4,500	4,400	4,750	4,800	5,000		
Al Hamra (West)	5,000	4,500	4,400	4,767	4,800	5,083		
Qortuba (East)	3,300	2,850	2,750	3,192	3,333	3,667		
Qortuba (West)	3,600	3,250	3,200	3,542	3,567	3,750		
Riyadh South								
Al Shifa	1,800	1,600	1,500	1,617	1,550	1,767		
Al Bude'a	6,000	5,800	5,700	4,758	4,533	4,667		
Bin Rahma North Industry	5,900	5,300	5,000	4,058	4,250	4,417		



APPENDIX 5  Average asking price of commercial land (SR/sq m)								
Makkah Province								
Makkah South								
Al Shwaqeyah	4,700	4,500	4,400	4,250	4,433	4,633		
Al Obaid 1	1,080	1,000	1,000	950	1,033	1,033		
Al Obaid 2	730	700	700	700	733	750		
Al Obaid 3	730	700	700	698	708	708		
Al Obaid 4	730	700	700	683	703	713		
Makkah North								
AL Nawareya	1,270	1,200	1,170	1,138	1,183	1,192		
Makkah East								
Al Shara'e	1,590	1,500	1,450	1,480	1,575	1,617		
Bat-ha Quraish	8,200	8,000	7,500	6,367	6,700	6,833		
Al Awali	3,100	3,000	2,900	3,133	3,133	3,167		
Jeddah								
King Abdulaziz Rd.	15,080	15,000	15,000	14,467	14,850	15,167		
Corniche	23,000	22,000	22,000	19,583	21,417	22,583		
Corniche (South Obhur)	7,700	7,500	7,500	6,333	6,717	7,167		
Prince Sultan Rd.	10,500	10,000	9,800	8,350	8,483	9,267		
North Sari Rd.	5,300	5,000	4,700	5,000	5,083	5,250		
Sari Rd. (Madinah and West)	8,300	8,000	7,800	7,200	7,367	7,500		
Nahdha District	3.150	3.000	2.800	3.067	3.167	3,250		
Al Hamra	4,900	4,700	4,500	-,	4,650	4,750		
			4,500 4,400	4,533		4,750 4,500		
Prince Abdulmajeed Rd. (North Obhur)	4,700	4,500	,	4,250	4,350	,		
Al Rodah	5,200	5,000	4,800	3,633	4,100	4,250		
Al Sefa	2,900	2,800	2,700	4,417	4,517	4,583		
Al Mohamadiya	3,500	3,100	3,300	3,300	3,550	3,633		
Lo'alo'a	6,300	6,100	6,000	4,750	5,233	5,350		
Al Rabea	6,250	6,000	5,800	4,667	4,800	4,883		
Eastern Province								
Dammam								
Dorat Al Corniche	4,600	4,500	4,400	4,258	4,133	4,233		
Al Khalideya	4,100	4,000	3,900	3,383	3,383	3,475		
Al Waha	2,500	2,300	2,200	2,017	2,050	2,108		
Mazro'eya	4,210	4,000	3,850	3,550	3,067	3,083		
Khobar								
Corniche	6,600	6,500	6,200	5,117	5,100	5,158		
Al Hizam Al Thahabi	7,600	7,500	7,300	5,450	5,383	5,458		
Al Khozama	1,550	1,450	1,400	1,342	1,358	1,358		
Al Faisaliyah	900	850	800	792	775	795		
Al Hizam Al Akhdar	4,080	4,000	3,900	3,617	3,600	3,750		
High Rise	7,000	7,000	6,900	6,483	6,583	6,700		
Dhahran								
Telal Al Doha	3,400	3,330	3,180	2,533	2,575	2,692		
Al Qosour	2,000	1,900	1,900	1,817	1,850	1,908		



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May 2011

## **Disclosure appendix**

### **Analyst certification**

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- 2 All market data included in this report are dated as at close 8 May 2011, unless otherwise indicated in this report.
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