



REGULATION ON THE

OWNERSHIP OF REAL ESTATE BY NON-SAUDIS

ISSUED ON:

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Executive Summary & Law Objectives

Saudi Arabia is undergoing a transformation under **Vision 2030**, aiming to diversify its economy beyond oil through real estate, tourism, and mega-projects like NEOM, Qiddiya, and Red Sea Global. The real estate sector is a cornerstone of this strategy, impacting 120+ economic activities.



For more information, contact
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Real Estate Ownership Law

On July 14, 2025, the Council of Ministers approved a comprehensive update to the 2000 law governing property ownership by non-Saudis.

Effective January 2026, this law allows broader ownership and rights for:

- Non-Saudi residents and investors
- Foreign companies
- Non-Saudi non-profits
- Saudi companies with foreign shareholders
- In specific zones such as Makkah & Madinah, non-Saudi ownership is permitted under regulated conditions

Law Objectives:

1. Attract FDI (Foreign Direct Investment)
2. Retain global talent
3. Enhance real estate's contribution to GDP
4. Improve urban living and property quality
5. Stimulate real estate supply and job creation

Regulatory Entities:

1. **REGA (Real Estate General Authority):** Supervises enforcement.
2. **Geographic Scope Document:** Will define exact areas and rights per city.
3. **Implementing Regulations:** To be published within 180 days of the law's issuance

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Key Provisions of the Law:



Mandatory Real Estate Registration
for all transactions



15 legal articles outlining
ownership rights & responsibilities



Subject to 10% total fees, including
a disposition tax



Penalties up to SAR 10 million for
violations or false information

Who Can Own Property?

- Non-Saudi individuals (residents or foreigners)
- Non-Saudi companies and non-profits
- Diplomatic missions and funds
- Saudi companies with non-Saudi shareholders
- Muslim investors under specific religious and regulatory conditions for Makkah & Madinah



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Regional Opportunities:

Riyadh

Commercial capital;
rapid economic growth

Jeddah/KAEC

Port city with strong
shipping access

NEOM/Tabuk

Giga-projects and high-
tech zones

Eastern Province

Oil hub with Gulf
proximity

Najran, Aseer

Nature, tourism,
agriculture

Al-Jawf, Qassim

Renewable energy &
food production

Al-Madinah

Industrial and cultural center

Makkah

The holiest city for Muslims

Integration with Other Laws:

- Aligns with Premium Residency Permit Law
- Recognizes GCC citizens' ownership privileges
- Unified with other real estate governance frameworks for transparency and protection

Effective Date:

January 2026, with detailed regulations and ownership zone maps to follow shortly.

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