

# Emerging Wealth Hub Series



**Riyadh edition**

A series of white papers examining the emerging wealth hubs across the Gulf.

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# Riyadh – Where Heritage Fuels Progress

As the heartbeat of Saudi Arabia's Vision 2030, Riyadh is redefining its role on the global stage, transitioning from an oil-dependent economy to a diversified financial, cultural, and lifestyle powerhouse.

This bold national vision is being brought to life through a wave of transformative initiatives, including the unveiling of 36 multi-billion-dollar, mixed-use giga-projects across Saudi Arabia. Among them, the US\$ 500bn NEOM stands out as a beacon of urban innovation and sustainable development. The capital is the principal engine behind the Kingdom's economic and social transformation. Over the past five years, nearly 63% of all new jobs created nationwide were in Riyadh, reflecting its central role in shaping the Kingdom's future.

This rapid growth is not only attracting global businesses and investors but also fostering a new generation of Saudi talent and entrepreneurship. As the city continues to evolve, it is laying the groundwork for a truly integrated live-work-play-green ecosystem, a hallmark of leading global wealth hubs.

In this report, we examine the key drivers behind Riyadh's transformation and its trajectory as a rising super wealth hub.

### WORK

A range of strategic reforms and investment programmes have unlocked new opportunities for domestic and international businesses, enabling Riyadh to rapidly position itself as a magnet for multinational businesses and global talent.

A critical driver of this momentum has been the rise in private sector activity and foreign direct investment. In Q4 2024, Saudi Arabia issued over 160,000 new business licences, a 67% increase from the same period last year, bringing the total number of registered commercial entities to more than 1.6 million.

The Regional Headquarters (Program HQ) initiative is further solidifying Riyadh's appeal. The original target of 480 headquarters by 2030 has already been exceeded, with around 600 international companies committing to establish their regional bases in the capital. Prominent names including Bechtel, Northern Trust, PepsiCo, PwC, Deloitte, and IHG have either established or announced plans to anchor their Middle East operations in Riyadh.

Unsurprisingly, this surge in corporate activity has intensified demand for high-quality commercial real estate. Vacancy rates for Grade A office space are among the lowest globally at just 2%, prompting a significant uplift in rents. As of Q1 2025, prime office rents in Riyadh have surged by 23% in the past year and by 84% since Q1 2020 and currently stand at around SAR 2,700 psm. Grade B office rents have also increased, up 24% year-on-year.

To meet future demand, Riyadh's total office stock is rapidly growing. From the current 5.5 million sqm, we expect the city's office inventory to rise to 9.8 million sqm by 2027. This growth is supported by state-led infrastructure developments and rising interest from institutional investors targeting long-term exposure to the Kingdom's evolving office landscape.

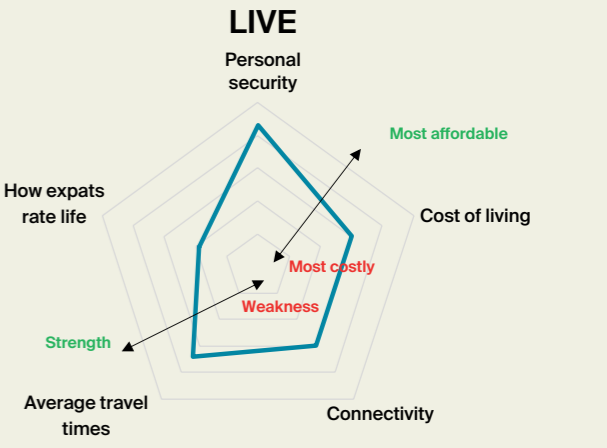
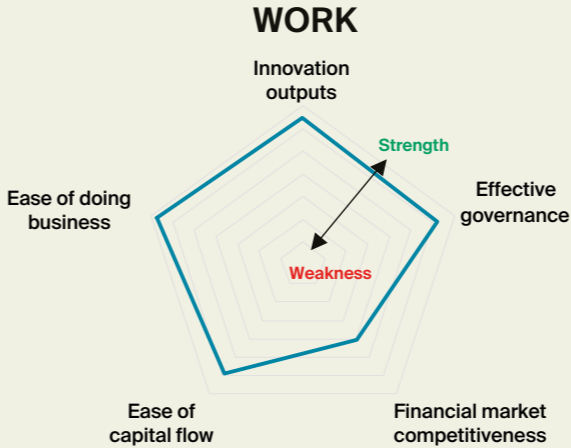
### LIVE

Riyadh is fast becoming one of the Middle East's most liveable cities. Ranked high in global safety and quality-of-life indices, it offers an appealing environment for both residents and international talent. With low crime rates and enhanced social cohesion, the city provides a secure and stable backdrop for families, professionals, and entrepreneurs. Projects like the 220 km Sports Boulevard, designed to promote active living, and the expansion of King Khalid International Airport, serving 113 domestic and international destinations, underscore Riyadh's growing stature as a modern, connected global city.

Separately, urban mobility is being redefined through major investments in infrastructure. The development of a world-class Metro and the rollout of a 1,905 km public bus network reflect Riyadh's commitment to creating a highly accessible and efficient urban environment. These transport enhancements not only reduce congestion but also improve air quality and overall urban resilience as the city prepares to accommodate a population of close to 9.6 million by 2030, according to our forecasts. Read more about our forecasts for Riyadh's population growth and how this is driving development in our whitepaper by clicking here.

In parallel, initiatives such as the US\$ 23bn Green Riyadh programme aim to increase green space per capita, making the city more attractive and sustainable.

As a result, Riyadh is becoming an increasingly compelling city for expatriates, entrepreneurs, and families seeking long-term residence. The combination of safety, infrastructure, and lifestyle offerings is reshaping perceptions of the Saudi capital and reinforcing its emergence as a global city of choice for talent.



Source: Knight Frank, various

\*These graphics are based on global ranking sources. The closer to the circumference of the radial chart, the higher the ranking, while a position nearer the centre denotes a weak rank. See appendix 1 and 2 for more details.

### PLAY

Riyadh is emerging as one of the world's most exciting destinations for leisure, culture, and mega events. A decade of transformation has repositioned the capital as a magnet for international tourism, driven by major entertainment investments, landmark global events, and ambitious infrastructure upgrades.

Riyadh Season, for instance, has become a flagship symbol of the city's cultural rise, attracting over 18 million visitors in 2024 with concerts, culinary experiences, esports competitions, and immersive exhibitions. The growing economic importance of Riyadh Season and the broader entertainment sector is reflected in the fact that the sector is projected to generate 450,000 jobs and contribute 4.2% to Saudi Arabia's GDP by 2030 (Gulf News).

The city's global visibility continues to rise with its successful bids to host the 2030 World Expo and the 2034 FIFA World Cup, two of the world's most influential mega-events. The Expo alone is expected to welcome 40 million visitors and generate US\$ 94.6bn in economic impact (Al-Rajhi Capital).

Saudi Arabia's recent introduction of visa-free access for citizens of 66 countries along with the imminent launch of Riyadh Air is transforming accessibility while further strengthening regional connectivity. It also reinforces the capital's ambition to become a central tourism gateway to the Kingdom.

Having already surpassed its original Vision 2030 goal by reaching 106.2 million visits in 2023, Saudi Arabia has raised the bar to 150 million visits by 2030. Riyadh is playing a pivotal role in that growth. Hotel supply continues to expand, with over 1,100 new keys delivered in 2024, bringing the total stock to 24,600. Notably, 57% of these are in upscale or upper-upscale categories. Supply is expected to exceed 30,000 rooms by 2027.

GREEN

Motivated by its growing international role and a strong commitment to long-term sustainability, Riyadh is accelerating efforts to build an environmentally conscious urban future. Green building initiatives have gained significant momentum, underpinned by robust regulatory frameworks and innovative public-private partnerships aimed at enhancing energy efficiency and reducing environmental impact. Read more about Saudi’s ESG initiatives in [our whitepaper by clicking here](#).

The King Abdullah Financial District (KAFD) anchors this ambition. It is recognised as the world’s largest LEED Platinum-certified mixed-use business centre. Encompassing more than 1.6 million sqm of office space, KAFD features 95 buildings, including the LEED Gold-certified PIF Tower and the LEED Silver-certified Grand Mosque, landmarks of Riyadh’s green transformation.

Saudi Arabia has also launched the Mostadam rating system, tailored to the Kingdom’s climate. This system serves as a benchmark for sustainable construction encouraging wider adoption of environmentally responsible practices. Initiatives such as the aforementioned Green Riyadh project, which aims to plant 7.5 million trees across the capital, are enhancing liveability, improving air quality, and boosting per capita green space.

Together, these efforts reflect Riyadh’s ambition to become a model for sustainable cities in arid climates, integrating resilience and environmental responsibility into every layer of urban planning.

RESIDENTIAL MARKET PERFORMANCE

Local Saudi buyers have historically driven Riyadh’s residential sector. However, 2024 marked a pivotal shift with the introduction of new Premium Residency Visa options, including one linked to real estate ownership. This change is expected to drive greater international interest and diversify buyer demographics.

Riyadh’s emergence as the Kingdom’s economic epicentre has driven significant job growth and employment opportunities, which have in turn fuelled robust demand for residential property. This demand has contributed to sustained price growth across the housing market.

Apartment prices are up 75% on 2019 levels, while villa prices have risen by 40% over the same period. In 2024 alone, apartment prices rose by 10.6% and villa values by 6.3%. The rising population, urban migration, and Vision 2030’s goal of 70% homeownership continue to support sustained residential demand.

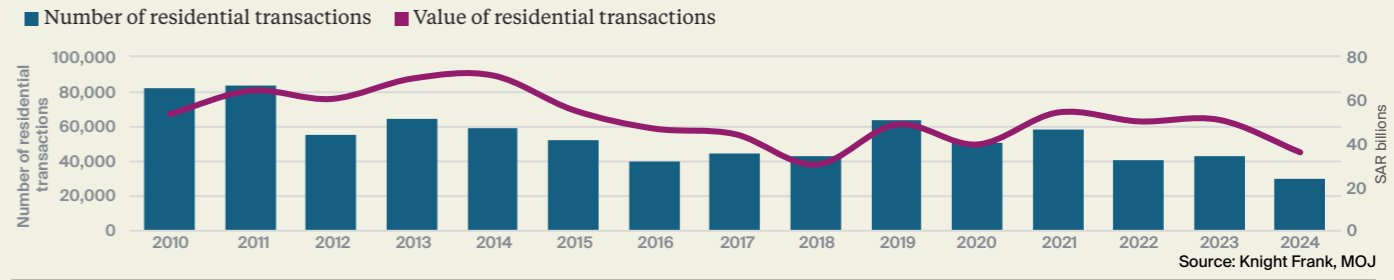
Residential transactions, too, continue to increase in number and value. In 2024, sales volumes increased to 63,000, a 44.2% year-on-year rise, representing 61.5% of total real estate transaction value. Although transaction volumes grew sharply, the total value of residential sales rose more modestly, up 30% to SAR 75.7bn, reflecting a possible cooling of rapid price inflation and affordability pressures in some submarkets.

To accommodate growing demand, Riyadh is projected to require 305,000 new homes over the next decade to serve Saudi nationals alone. This highlights the scale of the opportunity for investors and developers in one of the region’s fastest-moving residential markets. With evolving buyer profiles, increasing international interest, and sustained local demand, Riyadh’s housing market is positioned for continued expansion and diversification. However, affordability challenges may begin to curb some of the recent strong growth. You can learn more about the emerging affordability challenges faced by buyers in [our 2025 Saudi Report](#).

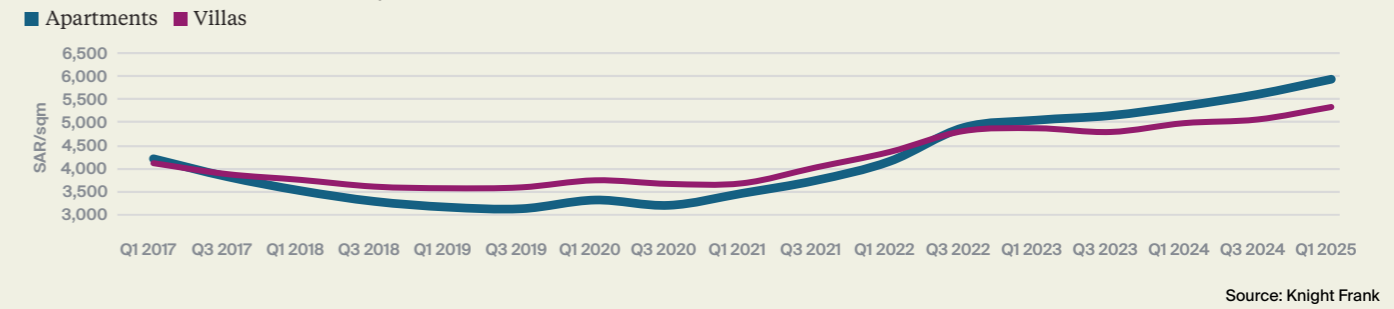


Park in Riyadh

Total volume and value of residential transactions in Riyadh



Performance of residential values in Riyadh



RESIDENTIAL MARKET PERFORMANCE

Appendix 1: ‘Work’ elements and scores

ORIGINAL INDEX	CHANDLER GOOD GOVERNMENT INDEX	GLOBAL FINANCIAL CENTRE INDEX	KEARNEY GLOBAL CITIES INDEX	WORLD BANK	VISUAL CAPITALIST
CATEGORY	EFFECTIVE GOVERNANCE	FINANCIAL MARKET COMPETITIVENESS	EASE OF CAPITAL FLOW	EASE OF DOING BUSINESS	TOTAL GDP (CITY LEVEL)
SCORE	0.62	0.41	0.59	0.67	0.38

Source: Knight Frank, various

Appendix 2: ‘Live’ elements and scores

ORIGINAL INDEX	EIU SAFE CITIES INDEX (SCI)	MERCER COST OF LIVING CITY RANKING 2023	OAG MEGA HUBS INTERNATIONAL INDEX	TOMTOM TRAFFIC INDEX	EXPAT INSIDER SURVEY REPORT
CATEGORY	PERSONAL SECURITY	COST OF LIVING	CONNECTIVITY	AVERAGE TRAVEL TIMES	HOW EXPATS RATE LIFE
SCORE	0.86	0.60	0.60	0.68	0.38

Source: Knight Frank, various

METHODOLOGY

The assessment process involves the utilisation of six comprehensive blended indicators, each meticulously designed to capture key dimensions of urban excellence. These indicators encompass Urban Prosperity, Governance and Talent, Legal Framework, Enterprise Excellence, Lifestyle, and Opulence. Our methodology is anchored in a proprietary model that harmoniously amalgamates these indicators, facilitating a comprehensive evaluation of cities based on the work, live, and play paradigm.

The bedrock of our analysis is a compendium of globally recognised city rankings carefully curated to encompass a spectrum of categories. These rankings include prominent indices such as the EIU Safe Cities Index, Mercer’s Cost of Living City Ranking (2024), Global Financial Centre Index, Kearney Global Cities Index, and Global Innovation Index.

Our model establishes a robust foundation for evaluating cities' performance across multifaceted criteria by sourcing data from these authoritative sources. A meticulous procedure of normalisation is employed to enable a holistic and nuanced comparison across cities. This critical step involves rebasing raw indicator data to a standard unit, facilitating aggregation.

All indicators within our model are calibrated on a scale of 0 to 1, where a score of 1 signifies the highest attainment of the given indicator, while a score of 0 denotes the lowest. The resultant indices derived from this process are not standalone; they interweave seamlessly to unveil a comprehensive portrait of urban prowess. The combination of these indices, each highlighting a unique aspect of city excellence, results in a complete evaluation that goes beyond individual factors.

We like questions. If you've got one about our research, or would like some property advice, we would love to hear from you.

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#### Recent Research



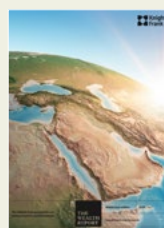
Emerging Wealth Hub Series - Doha



The Saudi Report 2025: Part 1



The Private Capital Report 2025



The Wealth Report 2025



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