



الهيئة العامة للاستثمار
Saudi Arabian General Investment Authority
(SAGIA)

Law of Real Estate Ownership and Investment by Non-Saudis

Article One:

- (a) A non-Saudi investor with natural or corporate personality, licensed to practice any professional, vocational or economic activity may acquire the real estate necessary for practicing that activity. It shall include the real estate required for his residence and for the residence of his employees, following the approval of the body issuing the license. The said real estate may be rented subject the stipulation stated in Article Five of this Law.
- (b) If the license referred to includes purchasing buildings or lands in order to erect buildings on them and invest them by means of selling or renting, the total cost of the project, land and construction, shall not be less than thirty million riyals. This amount may be amended by the Council of Ministers. It is also stipulated that such real estate be invested within five years from its acquirement (possession?).

Article Two:

Non-Saudi natural persons legally residing in the kingdom shall be allowed to acquire real estate for their private residence, following permission from the Ministry of Interior.

Article Three:

On the basis of reciprocity, foreign representatives approved in the Kingdom may acquire the official seat of office and the residence for its head and members of staff. International and regional agencies, within the scope of the agreements governing them, may acquire their official headquarters, subject to obtaining permission from the Minister of Foreign Affairs.

Article Four:

Possession of real estate for private residence, in cases other than the above mentioned, may be allowed upon the approval of the President of the Council of Ministers.

Article Five:

Other than by way of inheritance, a non-Saudi may not have the right to ownership, easement or benefit of real estate located within the boundaries of the cities of Mecca and Medina. Acquirement of right to ownership shall be excepted if accompanied by endowing the owned real estate, in accordance with *Shari'ah* rules, on a specific Saudi entity. It shall also be stipulated in the endowment document that the Supreme Council for Endowments has the right to supervise (oversee?) the endowed property. However, non-Saudi Muslims may rent real estates within the boundaries of the cities of Mecca and Medina for a period not exceeding two years, renewable for a similar period or periods.

Article Six:

Notaries public or any other competent body may not notarize any action inconsistent with the provisions of this Law.

Article Seven:

Implementation of the provisions of this Law shall be without prejudice to the following:

- (a) Rights to ownership granted for non-Saudis under previous laws. Provisions of this Law shall be effected after its coming into force, upon transfer of the real estate ownership.
- (b) Privileges included in the rules regulating real estate ownership by citizens of GCC countries.
- (c) Acquirement of right to ownership or any other original right in rem (corporeal right?) to real estate by way of inheritance.

(d) Laws, Council of Ministers' resolutions and Supreme Orders prohibiting ownership at certain sites

Article Eight:

- (a) This law shall replace the Law of Real Estate Ownership by non-Saudis in the Kingdom of Saudi Arabia issued by Royal Decree No. (M/22) dated 12/7/1390H.
- (b) This law shall be published in the Official Gazette and shall come into force after ninety days from the date of its publication.