



Ejar:

Enhancing Transparency And Efficiency
in Saudi Arabia's Rental Sector

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General Introduction



Ayman Kichly

CEO and Founder

إيجار
EJAR



“We are excited to present the first edition of our whitepaper series on the dynamic real estate landscape in Saudi Arabia.

As the Kingdom accelerates its transformation, the real estate sector is positioned for unprecedented growth, presenting a wealth of opportunities.

This whitepaper explores how innovative digital solutions can enhance tenant experiences, optimize property management, and drive new revenue streams.

We offer a deep dive into the benefits of the digital rental services platform, Ejar and its potential to streamline operations and boost tenant retention, helping real estate companies and industry players stay competitive in this fast-evolving market.

This whitepaper provides actionable insights for real estate professionals and anyone seeking to understand the opportunities in Saudi Arabia’s real estate market and the power of digital rental platforms”.

1.

Introduction



Target Audience

- 1 **Tennants**
- 2 **Landlords**
- 3 **Investors**
- 4 **Real Brokers**
- 5 **Real Estate Agencies**
[the company must be wholly owned by a Saudi citizen]



Launched in 2018, **Ejar is the digital platform of Saudi Arabia's Real Estate General Authority (REGA)**. Designed specifically to provide all services for the Kingdom's rental market, the platform evolves practices and processes, utilizing technology and creating efficiency through digitisation.

Its integration with other key government bodies is creating a transparent market in which all stakeholders including landlords, tenants, brokers and real estate agencies are protected by law.

With the real estate industry being a key focus as part of the Kingdom's Vision 2030, Ejar is set to play a vital role in revolutionizing the industry and promoting an attractive marketplace for both national and international investors.

This whitepaper has been written to **provide a breakdown** of the various services Ejar provides, and the different features the platform has available for the public.



3,117,662
RENTED UNITS



4,254,046
ACTIVE USERS



2,974,595
VALID CURRENT
CONTRACTS



34,591
LICENSED BROKERS
OFFICES (AGENCIES)



1.1.i. Primary Objectives

1. Preserving the rights of all parties in the rental process including tenants, landlords, brokers and agencies, through unified electronic rental contracts approved by the Ministry of Justice
2. Documenting contracts and recording real estate unit data on the electronic (Ejar) network, which are protected and bound by law
3. Reducing real estate rental disputes whilst streamlining processes
4. Creating a more attractive marketplace for those looking to invest in rental properties by increasing regulations and reducing risks
5. Achieve a balance between supply and demand, which will positively reflect on the prices of rental units
6. Facilitating the handling of default payment cases
7. Developing and implementing policies, regulations and procedures to raise industry standard practises

1.1.ii. Secondary Objectives

1. Raising the efficiency of the real estate rental sector and enhancing its contribution to the GDP
2. Localizing work in the sector and creating new and appropriate job opportunities
3. Providing additional options and alternatives in the real estate sector that contribute to supporting the housing program
4. Providing electronic tools and solutions that represent added value and contribute to facilitating the rental process.
5. Achieving digital integration with the public and private sectors, which enhances national security and achieves national goals in digital transformation

2.

Electronic Services

2.1

Registration and Documentation of the Residential Contract

The electronic [Residential Lease Agreement](#) is a legally binding contract in accordance with Saudi Law.

Service fee; SAR 125 per year - payable prior to the submission of the completed contract, accompanied by relevant documentation.

Step-by-Step Process:

1. Register for a residential lease contract through the Ejar website, selecting the 'Contracts' drop down menu and choosing the residential lease contract.
2. Complete the form with accuracy and transparency and upload the necessary relevant documentation before submitting the contract.

2.1.i. Documents and Information Required

In order to successfully complete the contract, relevant information from three different parties must be provided and validated for the process to continue.

The Landlord must provide:

- Valid ID
- Documents proving they are the rightful, legal owners of the property
- An '[Absher](#)' registered mobile number
- Valid bank account details including IBAN if the rent will be paid using the [Sadad](#) system

The Tenant must provide:

- Valid ID
- An 'Absher' registered mobile number

Real Estate Broker

- Valid Saudi national ID (Iqama)
- Qualifications of successfully completed government approved training course to work as a real estate broker

Real Estate Agency:

- Address for company's headquarters. Registered with the Saudi Post national address service
- Valid commercial registration in one of the following activities;
- Managing and leasing of residential properties
- Managing and leasing of non-residential properties
- Real estate agency
- Real estate management (on a commission basis)

2.1.ii. Contract

The contract consists of 3 pages which must be completed in full by all three relevant parties before being submitted.

It requires information about the type and length of the contract, including start and finish date, as well as the location and date of when the contract was signed.

Personal information and contact details of the tenant and landlord must be provided and the broker/agency must also provide business details and contact information.

Property data must be provided, including details such as reason for renting, furnishing status, number of parking spaces etc.

The current meter readings of electricity, water and gas must also be documented.

2.1 Continued

Finally, detailed financial data must be included, this will include;

- Total contract amount
- Annual rent
- Number of rent payments
- Rent payment period
- Last rent payment
- Rent payment amount
- Security Deposit amount
- Brokerage fee
- Parking space rent amount
- Parking space annual amount
- Electricity annual amount
- Gas annual amount
- Water annual amount

Once the contract has been completed, signed, submitted and approved by Ejar, a confirmation text will be sent to each party's Absher registered mobile numbers. These numbers can be used to then verify these contracts through the Ejar platform.



Figure.1: Confirmation text sent by Ejar to Absher registered mobile number

2.2

Commercial Contract Registration & Documentation

[The commercial registration document](#) is a legally binding contract in accordance with Saudi Law.

Commercial lease fees; SAR 200 for the first year.

Followed by SAR 400 for every following year - payable prior to the submission of the completed contract, accompanied by relevant documentation.

2.2.i. Documents and Information Required:

The landlord, tenant and broker/agency must provide the following documentation for the process to continue.

The Landlord must provide:

- Valid ID
- Documents proving they are the rightful, legal owners of the property
- An '[Absher](#)' registered mobile number
- Valid bank account details including IBAN if the rent will be paid using the [Sadad](#) system

The Tenant must provide;

- Valid ID
- An '[Absher](#)' registered mobile number
- A valid commercial registration (CR) number

Real Estate Broker

- Valid Saudi national ID (Iqama)
- Qualifications of successfully completed government approved training course to work as a real estate broker

Real Estate Agency

- Address for company's headquarters - registered with the Saudi Post national address service

- Valid commercial registration in one of the following activities;
 - Managing and leasing of residential properties
 - Managing and leasing of non-residential properties
 - Real estate agency
 - Real estate management (on a commission basis)

2.2.ii. The Contract

The contract consists of 18 pages and requires a number of details surrounding the arrangement as well as clarifying several stipulations both parties must abide by.

The following are the key takeaways from the contract. Please be sure to go through the contract thoroughly - the following is a synopsis:

Contract Details

- Type of contract
- Contract registration number
- Place of contract execution
- Contract signing date
- Lease start date
- Lease end date
- Lease conditions

Landlord Details

- Name
- Type of entity (individual/organization)
- Business registration number
- Business copy number
- Mobile number
- National address

Tenant Details

- Name
- Address
- Number

| 2.2. Continued

2.2.iii. Payment Details

- Total contract value
- Annual rental value
- Security deposit
- Number of rental payments
- Annual utility fees
- Other fees (including administration, maintenance, security, operating fees etc.)
- Accepted payment methods
- Payment details (including bank name, account number, IBAN, swift code etc.)

The contract also includes the stipulations regarding the delayed payment of rent, rent adjustments, refund policy, handling and usage of security deposits, disputes of deposits and early termination notice and fees.

2.2.iv. Tenants Commercial Activities

- Commercial registration (CR) number
- Trade name
- CR issuance location
- Date of CR
- License issuance location
- Commercial activity *
- Trademark registration number

***The tenant is allowed to change commercial activities only if the landlord/lessor approves it.**

2.2.v. Contract Termination

If there is a breach of contract either party can terminate the contract if the other is in breach of their contractual obligations.

In this scenario, the offending party has 15 days from the day of notice, to rectify the breach and fulfill their obligations. Failing to do so will result in the contract being considered terminated.

Insolvency/bankruptcy; in this case the contract is terminated with immediate effect though the landlord will retain the right to demand the money owed for the period leading to the termination.

2.2.vi. Contractual Terms

Other key aspects of the proposed agreement include details of the property in question, responsibilities of the landlord and tenant, information surrounding the commercial activity, and utilities.

The contract can be amended by either party, inserting special conditions, however the customized contract will lose its legally bound status.

2.3

Cancellation of Residential and Commercial Contract - by Mutual Consent

The termination of a residential or commercial contract must happen through the Ejar platform, with both parties, landlord and tenant, having to submit their request digitally before the other party can access the request and either approve or reject it.

The contract is only considered canceled once both parties are in agreement.

No service fees are required to be paid for this process.

2.3.i. Step-by-Step Process

The party wanting to terminate the contract must log into their Ejar profile, enter their contract number in the search icon and **complete the following steps;**

- Choose the 'Terminate Contract' option by clicking on the icon next to the contract in question
- A reason for the termination must be selected through a drop down menu providing options
- The final date of the contract must be chosen
- Select the 'Settle All Payments' or 'Final Payment for the Tenant' options via the 'financial settlement' list - which will then calculate all outstanding dues owed.
- Having paid the necessary amount and reviewing all the details, choose 'Confirm Termination Request' which will then notify the other party.

For the party receiving the contract termination request, they must either accept or reject the request by **logging into their account and completing the following steps;**

- Click the 'View Requests' button and select the contract in question which will be have a status of 'Pending'
- To approve the termination, click the three dots next to the request and confirm the termination of the contract
- Upon approval of a successful termination both you and the other party will receive a message to confirm
- Should you choose to reject the request, select the option and give a reason for the action and the other party will be informed of your decision
- The status of all contracts can be found in the 'Contracts List' tab on the platform.

2.4

Termination of Residential and Commercial Contracts - via Legal System

Landlords or their representatives must go through the legal system in order to evict the tenant.

The process is carried out through the Ejar platform, where the landlord must complete and submit the application form with the necessary documents attached, under the name 'Unilateral Contract Cancellation Request on Ejar.

Once the rental operation team receives the request they review the application and the documents before notifying both parties with the decision.

Requests are studied and either accepted or rejected within 5 working days.

No service fees are required to be paid for this process.

Documents and Information required;

- Decision to terminate the contract, including contract number - mandatory
- Judicial decision via the courts - optional
- Property eviction execution notice - optional
- Copy of legal representation if applicant is a representative of the landlord - optional
- All documents must be uploaded to Ejar.

2.5

Contract Termination Request - Tenant

Tenants can [submit requests](#) on the Ejar platform to cancel a residential or commercial contract.

To send the request tenants must provide the following details:

- Name
- Valid ID number
- Mobile number
- E-mail
- Name of the landlord
- Valid ID number of landlord
- Date
- Lease contract number
- Contract expiry date
- Property eviction number (if applicable)

Documents required:

- Decision to terminate contract in writing including contract number - mandatory
- Judicial decision - optional
- Property eviction notice - optional
- Legal representation document if done on behalf of the owner - mandatory if applicable

2.6

Re-signing Contracts and Auto Renewal

If both parties are happy with the terms of the contract and want to renew it, they can either re-sign a contract or choose to auto-renew.

Service fee; value of the contract
Service fee must be paid through the Ejar wallet.

2.6.i. Re-Signing a Contract

- Log into Ejar, select the relevant contract and review its details
- Choose the 'renewal' option which will be sent to the other party
- The other party will log into their Ejar and accept the renewal offer
- Both parties will receive a verification code sent by Ejar to the mobile number registered with Absher which must be entered to complete the process

2.6.ii. Auto-Renewal

To set up auto-renewal go to 'contracts', select the relevant one and choose the 'auto-renewal' option.

When the contract enters its last 60 days before termination, the contract will auto-renew by deducting the amount through the Ejar wallet.

To recharge the wallet you must;

- Log into Ejar and go to 'Account Management' before choosing the wallet
- Click on 'Recharge your wallet' before choosing the amount you would like
- Choose a payment method out of Sadad and Mada
- The wallet will then notify you of a successful deposit of funds

2.7

Receiving/Handing Over Property

When the property transaction occurs and the landlord hands over the property to the tenant and when the contract comes to an end and the tenant gives the property back, the rental properties condition should be documented on both occasions.

The documentation should be uploaded **within 7 days** of the contract being signed. This is to ensure no disputes occur regarding the condition of the property and the deposit is either returned or deducted fairly.

Both landlords and tenants must go through the Ejar website and fill out the 'receipt/delivery' form found when you select the property in question under the 'Contracts' section.

Follow the steps in the document to ensure the property has been documented correctly.

2.8

Rental Support and Dispute Program

Ejar has a service to help support citizens who are struggling financially and are unable to pay their rent.

The government will provide support through a combination of grants, subsidies and government budget allocations.

Applying for the support program can be done through the Ejar platform.

Similarly, Ejar has a specific service for the scenario where one party is refusing to enter their details and sign the official contract.

In this case the user must flag the contract in question, fill out as much information as possible regarding the other party and flag it to Ejar through the platform.

2.9

Verifying Contract

If either party wants to ensure the contracts have been officially verified and are protected by law, they can do this easily by selecting the 'Approve Contract' tab on the platform and enter one of the following three ID types in order to know the status of the contract:

- National ID
- Resident ID
- Premium Residency

2.10

List of Verified Real Estate Agents and Agencies

Ejar has a database of real estate agents and agencies which it has verified after requiring them to study government made material around rules, regulations and best practices, and then sitting an exam.

The list currently displays the details of **8205 real estate agencies**.

You can find the agency's name, location on a map, which city they operate in, their contact number and their score out of 5 stars which is evaluated based on reviews, with the number of reviews also displayed.

Becoming a registered real estate agent with Ejar comes with several benefits including being a trusted company which has been verified and approved by the government, alongside having customer reviews to further boost your business activity.

Agents and agencies must either be Saudi nationals or owned by Saudi nationals to apply.

There is no service fee for this service.

An incentive of SAR 10 riyals is paid out to the agent/agency for every contract they document once they become a registered agent/agency.

2.10 Continued

To become a verified real estate agent with Ejar you must complete the following steps;

- Go to the real estate broker assistant registration page on Ejar and complete the registration form
- Enter your ID number and gain access to the educational material
- Schedule and book the exam
- Take the exam and receive the results immediately after
- If passed your details will appear on the list automatically
- In case of a failed exam you can retake the exam after a 24 hour period

the site 	Evaluation (34807) 4.75 ★★★★★	Contact number +966550587483	The neighborhood Gulf	The city Riyadh	Area Riyadh	the name Achievement Front Real Estate Establishment
the site 	Evaluation (20923) 4.82 ★★★★★	Contact number +966533461579	The neighborhood Gulf	The city Riyadh	Area Riyadh	the name Gulf Front Real Estate Services Office
the site 	Evaluation (20668) 4.79 ★★★★★	Contact number +966533461579	The neighborhood	The city Riyadh	Area Riyadh	the name Zahraa Ayed Mohammed Al-Shahrani Real Estate Services Office
the site 	Evaluation (20147) 4.83 ★★★★★	Contact number +966537839183	The neighborhood Roses	The city Riyadh	Area Riyadh	the name Office of the luxury place of real estate
the site 	Evaluation (17675) 4.76 ★★★★★	Contact number +966536076349	The neighborhood Western Arija	The city Riyadh	Area Riyadh	the name Al Salameen Real Estate Office
the site 	Evaluation (17141) 4.73 ★★★★★	Contact number +966537839183	The neighborhood Gulf	The city Riyadh	Area Riyadh	the name Achievement Service Foundation for Copying and Imaging
the site 	Evaluation (14138) 4.74 ★★★★★	Contact number +966534799020	The neighborhood Gulf	The city Riyadh	Area Riyadh	the name Hiba Al Zahraa Real Estate Office

Figure.2: Snapshot list of verified agents on Ejar

3.

How to Contact Ejar

There are various ways in which you can get in touch with Ejar.

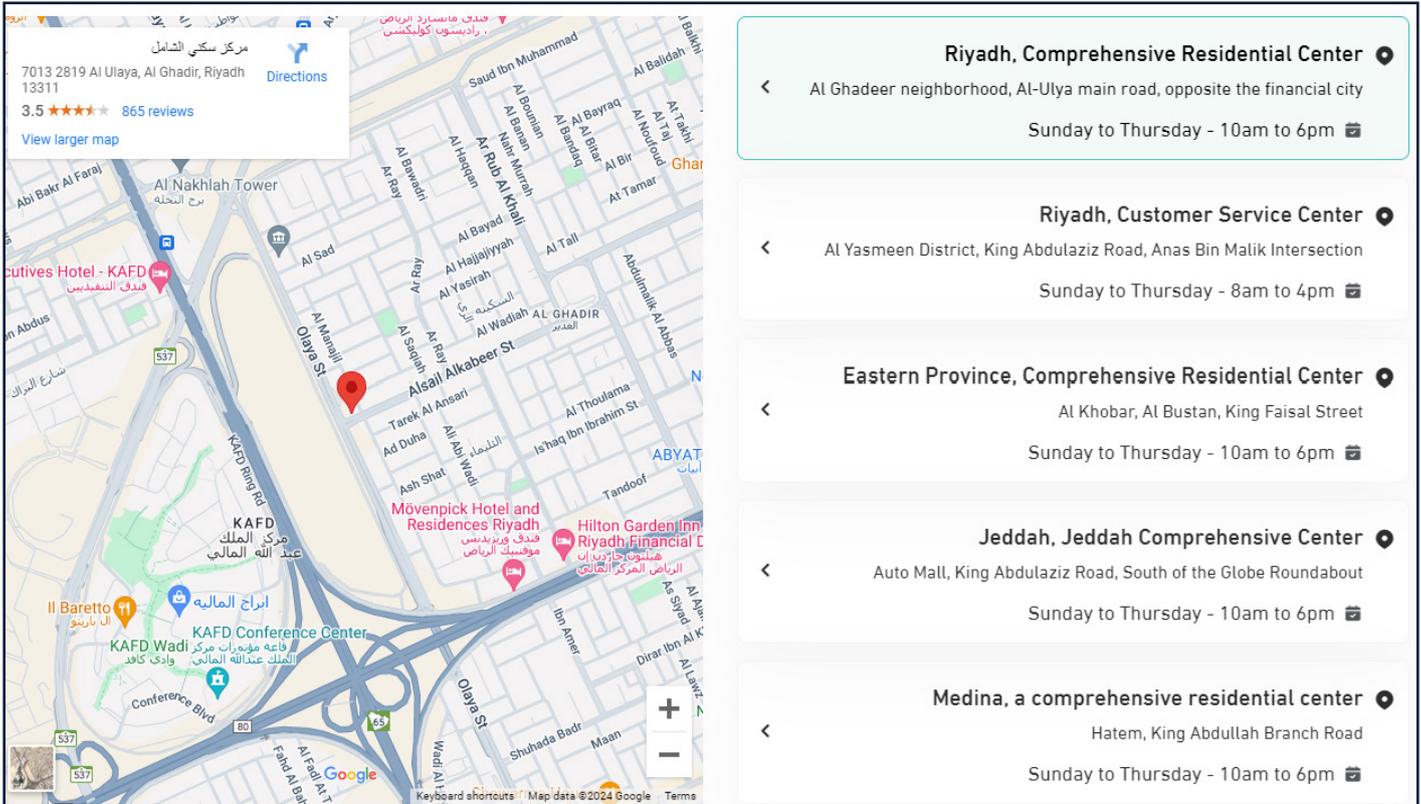


Figure.3: Snapshot list of Ejar centers addresses



You can visit their offices, with two in Riyadh and one each in Khobar, Madinah and Jeddah.



Alternatively you reach out to them via social media on [X](#) and [Facebook](#).



You can also call them on 199011 between 8am and 12am from Sunday till Thursday.



Their email is info@ejar.sa, which will be checked between 8am and 12am from Sunday till Thursday. The average response time is within 24 hours.



Finally you can complete their contact form through their website, with the response time said to be within 24 hours, however in our experience this was not the case.

4.

The Real Estate Market

[The General Authority for Statistics](#) released its findings for Q2 of 2024.

4.1

Quarter 2 [2024] vs Quarter 2 [2023]

- The average price in the residential sector **increased** by 2.8% year-on-year
 - The real estate price index **increased** by 1.7% year-on-year
 - Apartment prices **increased** by 2.9%
 - Residential building prices **decreased** by 0.1%
 - House prices **decreased** by 1.4%
 - Villa prices **decreased** by 0.5%
- The average price in the commercial sector **decreased** by 0.4%
 - Land plot prices **decreased** by 0.4%
 - Exhibition hall prices **decreased** by 0.6%
 - Commercial buildings and commercial center prices **remained stable** and did not experience any change of note

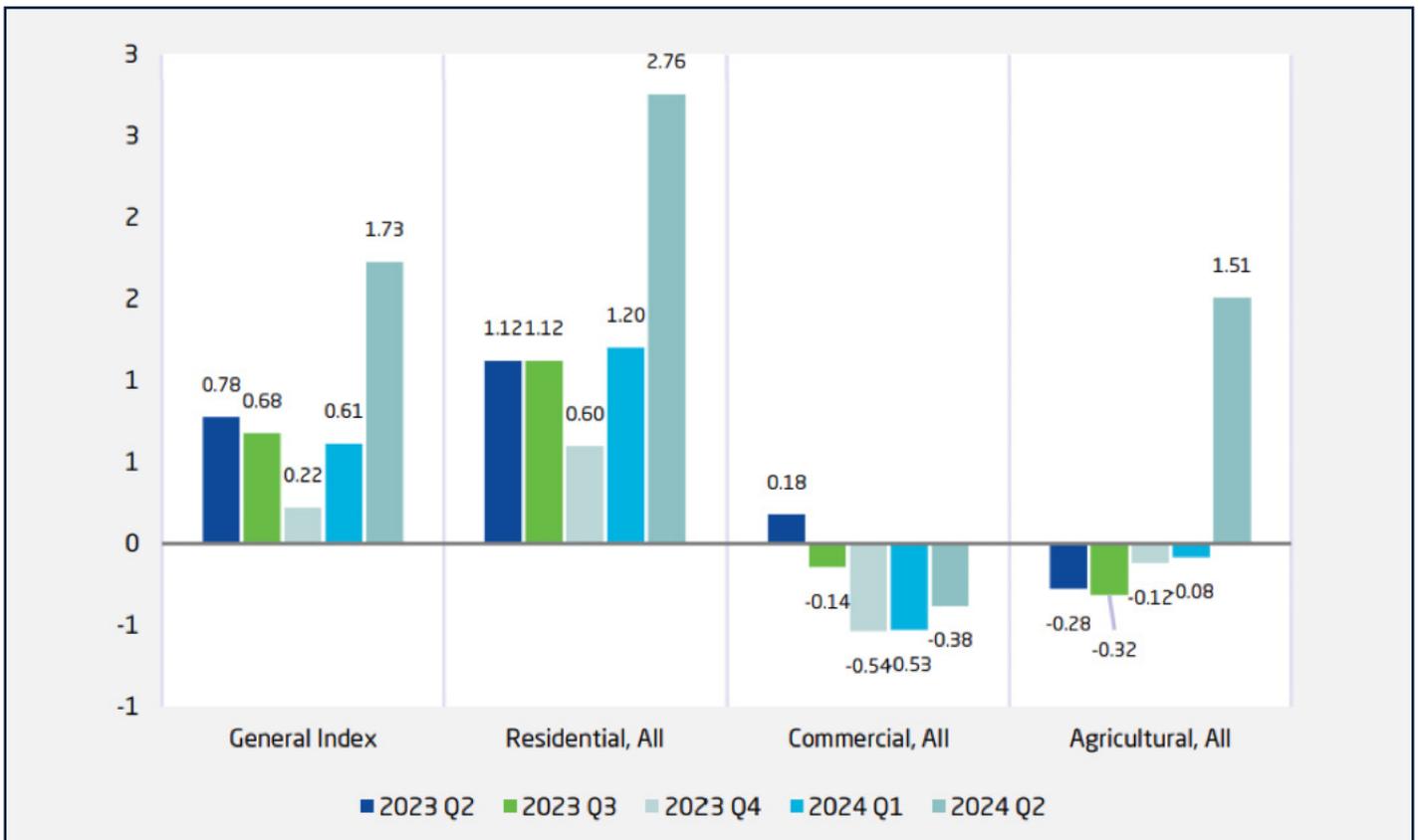


Figure.4: Real estate price index by sector (Year-on-Year 2023 to 2024, %)

4.3

Quarter 2 [2024] vs Quarter 1 [2024]

- ▶ The average price in the residential sector **increased** by 1.6% quarter on quarter
 - ▶ The real estate price index **increased** by 1.1%
 - ▶ Land plot prices **increased** by 1.6%
 - ▶ Apartment prices **increased** by 2.1%
 - ▶ Villa prices **increased** by 0.1%
 - ▶ Residential buildings and house prices **remained stable** and did not experience any change of note
- The average price in the commercial sector **remained stable** and did not experience any change of note, including commercial land plots, buildings and commercial centers
 - ▶ Exhibition hall prices **decreased** marginally by 0.1%

Sector and Type of Real Estate	Percent Change in Q2-2024 compared to:	
	Q2- 2023	Q1-2024
GENERAL INDEX	1.7	1.1
RESIDENTIAL	2.8	1.6
Plot	2.8	1.6
Building	-0.1	0.0
Villa	-0.5	0.1
Apartment	2.9	2.1
House	-1.4	-0.0
COMMERCIAL	-0.4	0.0
Plot	-0.4	0.0
Building	0.0	0.0
Gallery/ Shop	-0.6	-0.1
Commercial Center	0.0	0.0
AGRICULTURAL	1.5	1.6
Agricultural Land	1.5	1.6

Figure.5: Annual and quarterly change in real estate price index by sector and type of real estate (Q2 2024)

4.3

Annual Statistics [2023] vs Annual Statistics [2022]

- [The General Authority for Statistics released](#) its findings for the annual year of 2023.
 - The average price in the residential sector **increased** by 1.1% in comparison to 2022
 - This led to the real estate price index **increasing** by 0.7%
 - Land plot prices **increased** by 1.2%
 - Apartment prices **increased** by 0.8%
 - Residential building prices **decreased** by 1%
 - House prices **decreased** by 0.1%
 - Villa prices **decreased** by 3.2%

Sector and Type of Real Estate	Average Index During The Year		
	2023	2022	Percentage Change
GENERAL INDEX	82.62	82.1	0.7
RESIDENTIAL	87.48	86.5	1.1
Plot	87.70	86.7	1.2
Building	90.20	91.1	-1.0
Villa	81.38	84.1	-3.2
Apartment	82.35	81.7	0.8
House	92.03	92.1	-0.1
COMMERCIAL	72.35	72.4	-0.1
Plot	72.25	72.3	-0.1
Building	102.20	102.2	0.0
Gallery/ Shop	88.23	89.4	-1.3
Commercial Center	102.50	102.5	0.0
AGRICULTURAL	92.35	92.6	-0.3
Agricultural Land	92.35	92.6	-0.3

Figure.6: Change of annual real estate price index by type (2023, %)

4.2 Continued

- The average price in the commercial sector experienced a **slight decrease** of 0.1%
 - Commercial land plot prices **decreased** by 0.1%
 - Exhibition hall prices **decreased** by 1.3%
 - Commercial buildings and commercial center prices **remained stable** and did not experience any change of note

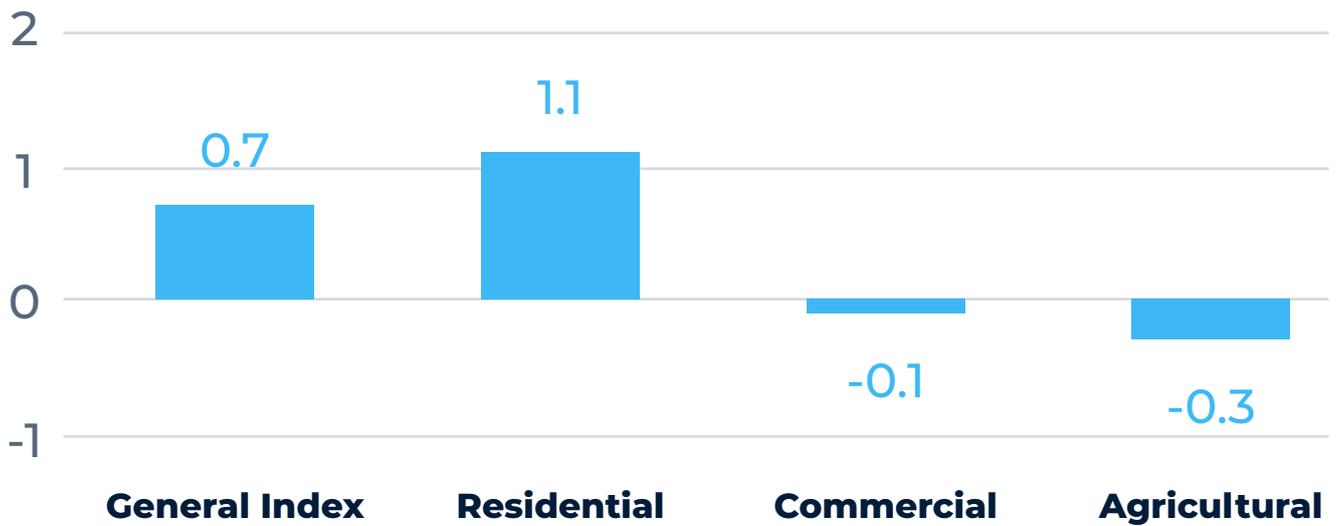
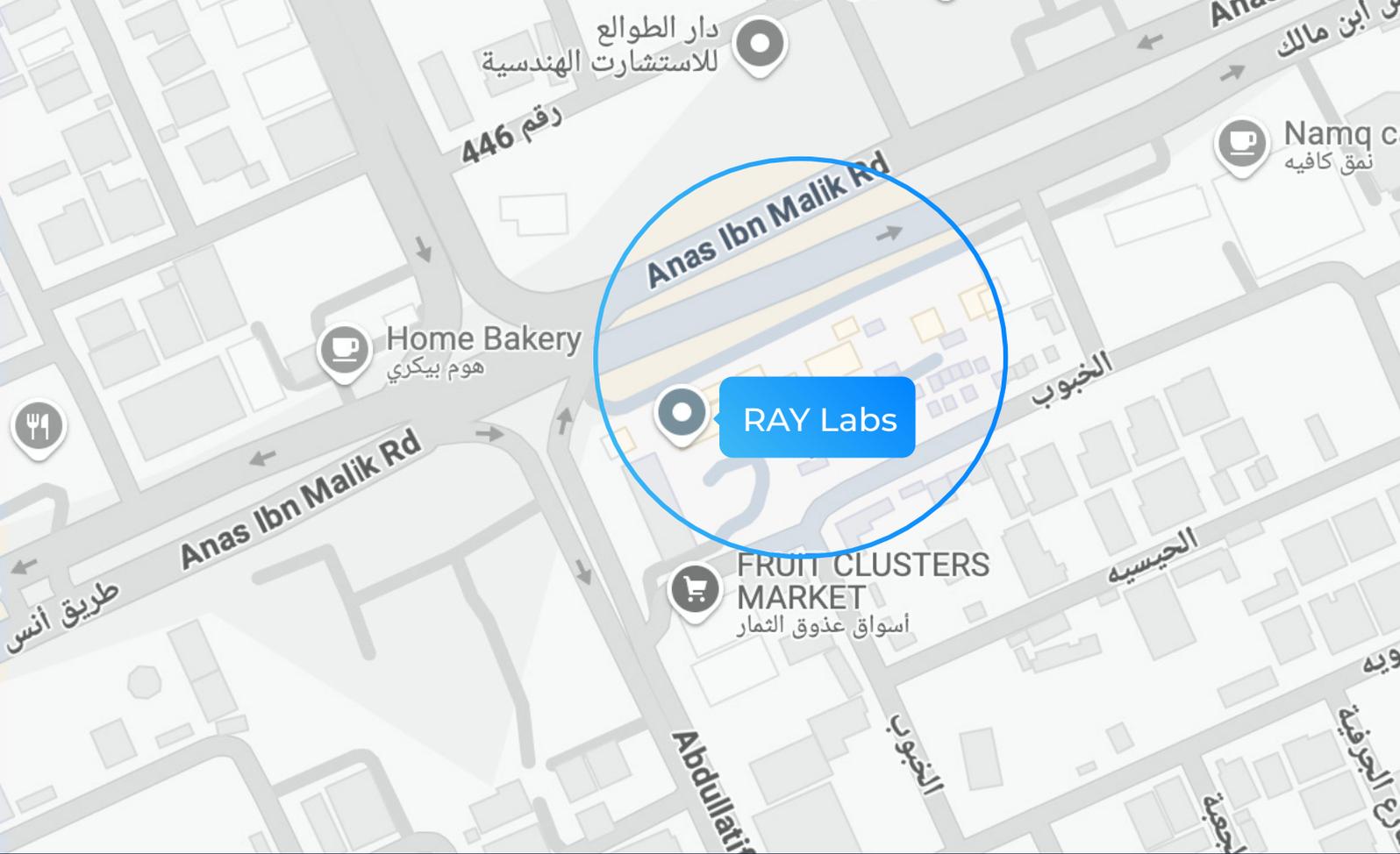


Figure.7: Annual real estate price index (2023, %)



Contact Us

At RAY Labs, we are committed to fostering strong, long-term partnerships with our clients, recognizing this as a cornerstone of sustained success.

Beyond delivering innovative solutions, **we prioritize comprehensive support** to ensure client satisfaction. Should you have any requests, concerns, or inquiries, we encourage you to reach out to us.

Your feedback and engagement are highly valued.

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