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JOINT BUSINESS COUNCIL

SBJBC X IIG Post-Programme Report

10th July 2025

UK-Saudi Real Estate Investment Roundtable and Reception at the House of Commons

International Investment Gate
البوابة الدولية للاستثمار

Post-Programme Report from SBJBC

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This report was collated and produced based on the records taken by SBJBC from the roundtable by SBJBC Research Officer Robert McNamara. The views, discussions, or points reflected in this article may not represent the opinions and work of International Investment Gate or the assembled attendees and may not fully reflect the discussion of the roundtable that took place.

Executive Summary

The Saudi British Joint Business Council and International Investment Gate (IIG) convened leading industry professionals in London on 10th July to examine the evolving landscape of UK-Saudi real estate opportunities. This exclusive roundtable addressed the significant regulatory transformation occurring within the Kingdom, most notably the approval of new property ownership legislation for non-Saudi nationals, which represents a watershed moment for international investors seeking direct market access.

The event revealed compelling investment propositions across multiple sectors, with emphasis on the emerging opportunities in Medina through the Knowledge Economic City development. Market intelligence presented by JLL indicated substantial capital deployment potential, with over 1.4 trillion dollars in active project value across 255 initiatives. The regulatory framework discussion highlighted the transition from indirect fund-based investment structures to direct ownership models, effective January 2026, fundamentally altering the investment landscape for family offices and institutional investors.
Key market dynamics discussed included exceptional office space demand in Riyadh, with Grade A occupancy rates reaching 99.8 per cent, alongside significant supply shortages in logistics and hospitality sectors. The Medina case study demonstrated tourism growth, with visitor numbers increasing from 8 million in 2022 to 22 million in 2024, creating substantial opportunities for mixed-use development and hospitality investment.

The roundtable emphasised the importance of partnership strategies, with speakers consistently highlighting the Kingdom's preference for investors who bring technical expertise and knowledge transfer capabilities rather than purely financial capital. This approach aligns with Vision 2030 objectives and presents opportunities for UK investors with established expertise in sustainable development, architectural innovation, and operational excellence.

Opening Addresses and Strategic Context

Sulaiman Alajaji, Co-Founder of IIG Estates and moderator of the roundtable opened the proceedings by establishing the strategic importance of the current moment in UK-Saudi investment relations. His remarks emphasised that real estate investment extends beyond mere property acquisition, representing an opportunity to enable meaningful long-term partnerships that contribute to both economies. Alajaji highlighted the unprecedented transformation occurring under Vision 2030, creating historic opportunities across infrastructure, housing, logistics, and hospitality sectors.

Alajaji noted the alignment between UK investor sophistication and Saudi market requirements, suggesting that British investors are particularly well-positioned to engage with markets that prioritise transparency, forward-looking strategies, and robust operational capabilities. This positioning reflects the Kingdom's evolution from purely capital-seeking to expertise-focused partnerships, representing a maturation of the investment environment.

Jennie Gubbins, UK Chair of the Saudi British Joint Business Council, contextualised the event within broader bilateral trade objectives. Her remarks acknowledged previous challenges in organising real estate-focused collaboration, suggesting that the current regulatory environment and market conditions have created optimal timing for such initiatives. Gubbins emphasised the partnership-centric approach underlying successful UK-Saudi investment relationships, moving beyond transactional arrangements towards strategic collaboration models.

Abdullah Al Massoud, Commercial Attaché at the Royal Embassy of Saudi Arabia, provided a governmental perspective on the investment climate transformation. His presentation highlighted the Kingdom's strategic opening of real estate markets to international investors, including previously restricted areas such as Mecca and Medina. This expansion forms part of broader economic diversification efforts designed to attract both capital and expertise, ultimately enhancing infrastructure quality and commercial offerings across the Kingdom.

Al Massoud's remarks positioned the current regulatory changes firmly within the context of Vision 2030 implementation, asserting that real estate investment serves multiple strategic objectives, including economic diversification, knowledge transfer, and capacity building. This framework indicates that investors will be those who can demonstrate alignment with broader national development goals rather than pure financial returns.

Legal and Regulatory Framework Analysis

Abdullah Al-Turki Co founder of Wuthqa Professional Consulting delivered a comprehensive analysis of the evolving legal framework governing foreign investment in Saudi real estate. His presentation highlighted demographic advantages, noting that 71 per cent of the Saudi population is under 35 years of age, creating dynamic market conditions and substantial growth potential for residential and commercial development.

The geographical positioning of Saudi Arabia between Asia, Africa, and Europe was identified as a strategic advantage for logistics and international business operations. This positioning, combined with the Kingdom's focus on non-oil sector development, creates compelling opportunities for investors seeking exposure to diversifying Middle Eastern economies.

Al-Turki's most significant revelation concerned regulatory developments approved just two days prior to the roundtable. The Council of Ministers had approved new property ownership legislation for non-Saudi nationals, fundamentally altering the investment landscape. This legislation opens previously restricted opportunities for individual investors and entities seeking property ownership in the Kingdom.

The presentation outlined the benefits of premium residency programmes, which eliminate sponsorship requirements while providing long-term or lifetime residence options. These programmes enable 100 per cent business and real estate ownership, facilitate ease of travel, and include family visa provisions. Such arrangements significantly reduce operational complexity for family offices considering Saudi market entry.

The regulatory transformation extends beyond ownership rights to encompass broader business environment improvements. Al-Turki noted the establishment of over 600 regional headquarters within the Kingdom between 2022 and 2024, indicating corporate confidence in the regulatory framework and business environment. This corporate migration suggests that the legal infrastructure has reached sufficient sophistication to support complex international business operations.

The new framework enables transparent capital movement, allowing profits and returns to flow freely in and out of the Kingdom. This financial flexibility addresses historical concerns regarding capital repatriation and provides essential liquidity mechanisms for institutional investors. The elimination of annual property taxes further enhances the investment proposition, particularly for long-term holding strategies typical of family office portfolios.

Market Analysis and Investment Opportunities

Saud AlSulaimani, representing JLL as Country Lead and Head of Capital Markets for Saudi Arabia, provided detailed market intelligence highlighting the scale of current investment opportunities. His analysis indicated that the Kingdom now represents one of the largest real estate markets globally, with project values exceeding those traditionally seen in China or the United States.

The office sector in Riyadh demonstrates exceptional demand characteristics, with Grade A occupancy rates reaching 99.8 per cent. This supply shortage reflects the rapid expansion of government operations and the influx of regional headquarters establishing Saudi operations. The regulatory requirement for international companies to establish regional headquarters within the Kingdom to access government contracts has created sustained demand pressure that existing supply cannot accommodate.

Residential market dynamics have evolved notably following regulatory changes enabling foreign ownership. The combination of expatriate professionals seeking property ownership and institutional investors entering the market has created new demand segments. Domestic demand continues growing as more Saudi nationals pursue homeownership, creating opportunities for both development and property management services.

The logistics sector represents a particularly compelling opportunity, with AlSulaimani noting that Saudi Arabia remains undersupplied in Grade A logistics facilities. Given the Kingdom's strategic position for regional trade and the substantial infrastructure investments under Vision 2030, logistics real estate offers significant potential for institutional investors seeking exposure to trade route development and e-commerce growth.

AlSulaimani addressed critical success factors for UK-Saudi joint ventures, emphasising the importance of long-term thinking and mutual benefit creation. The Kingdom's investment authorities prioritise sophisticated partners who can contribute operational expertise alongside capital. This preference reflects the broader Vision 2030 objective of building domestic capabilities rather than merely accessing international finance.

The localisation strategy discussion revealed that successful investors leverage UK expertise while ensuring knowledge transfer to Saudi partners. The Kingdom specifically seeks sophisticated partners, and the UK's position as one of the world's most advanced real estate markets provides natural advantages. However, investors must demonstrate commitment to capacity building and skills transfer rather than pursuing purely extractive investment models.

Partnership structures require careful consideration of risk allocation, capital contribution, and local expertise integration. AlSulaimani noted that investors who act too slowly often miss opportunities, suggesting that market entry timing requires balance between thorough due diligence and decisive action. The regulatory environment continues evolving rapidly, creating advantages for early movers who can establish market positions before competition intensifies.

Case Study: Medina Development as Investment Paradigm

Ms. Mireille Babti, Chief Development Officer of Knowledge Economic City, presented the most comprehensive development case study of the roundtable, illustrating how large-scale mixed-use projects can align with Vision 2030 objectives while generating substantial returns. Her presentation detailed the 6.8 million square meter development in Medina, representing one of the largest privately owned land banks in the Kingdom.

The Knowledge Economic City project demonstrates the transformation of Medina from a traditional pilgrimage destination to a comprehensive tourism and residential hub. Visitor statistics reveal remarkable growth, with numbers increasing from 8 million in 2022 to 22 million in 2024. More significantly, average visitor stays have extended from two days in 2019 to ten days in 2024, indicating successful diversification beyond religious tourism towards broader leisure and cultural experiences.

Hotel occupancy rates in Medina have reached 81 per cent, surpassing Dubai to become the regional leader. This performance reflects both increased visitor numbers and the limited supply of quality accommodation, creating opportunities for hospitality investors. The projected increase in hospitality supply to 70,000 beds by 2026, up from current levels of 20,000, indicates innovative development pipeline requirements.

Infrastructure connectivity represents a crucial investment thesis component. The development benefits from proximity to the Haramain Speed Rail, with an 8.5-kilometre connection road, half of which traverses KEC land. This positioning enables the creation of a pedestrianised walkway connecting the railway station to the Prophet's Mosque, establishing the development as an integral component of visitor experience rather than peripheral accommodation.

Babti outlined the development strategy spanning short-term, medium-term, and long-term portfolios. Short-term projects include the largest regional mall in Medina, scheduled for partial opening in January 2026, alongside Hilton hotel and residential components. The Al-Alyaa District comprises 8,000 residential units designed as a self-sufficient community with integrated educational facilities, having recently secured partnerships with established school operators.

The Islamic World District represents an innovative approach to cultural tourism, featuring 13 high-end hotels connected through Islamic architectural themes. Each courtyard reflects different periods of Islamic history, creating an open museum concept that enhances visitor experience while generating hospitality revenue. This approach demonstrates how cultural authenticity can be monetised without compromising heritage values.

Economic impact projections indicate the development will contribute SAR 28 billion to Saudi GDP while creating 100,000 jobs, with 50 per cent reserved for Saudi nationals. The multiplier effect suggests actual economic impact will double these direct contributions, demonstrating alignment with national development objectives.

The child-focused city concept reflects demographic analysis indicating changing visitor patterns towards families and higher-income tourists. The development includes a 3,500 square metre children's clubhouse and family-oriented amenities, recognising that sustainable economic development requires appealing to diverse demographic segments rather than solely religious tourists.

Technical Standards and Implementation Frameworks

Karen Beamish, Executive Director of Products and Services at RIBA, addressed the critical role of architectural and construction standards in successful cross-border real estate investment. Her presentation highlighted RIBA's position as the second-largest global architectural body, emphasising the organisation's role in promoting highest standards in built environment development.

The discussion of RIBA Plan of Work revealed its recent adoption as the recommended framework for design-to-operation processes within Saudi Arabia. This adoption reflects the Kingdom's commitment to international best practices and provides UK investors with familiar operational frameworks. The plan emphasises inclusive design principles and stakeholder engagement throughout the development process, aligning with Vision 2030 social objectives.

Beamish noted that RIBA frameworks require adaptation to local codes, climate conditions, and construction methodologies. This localisation process involves partnership with Saudi institutions and integration with local regulatory requirements. The organisation has developed specific overlays for Saudi operations while maintaining core quality and safety standards.

Sustainability considerations received particular emphasis, with RIBA's involvement in UK net-zero carbon building standards providing relevant expertise for Saudi market application. The organisation's work on climate literacy and sustainable design principles offers opportunities for knowledge transfer, particularly given Saudi Arabia's commitment to environmental objectives under Vision 2030.

The capacity building component extends beyond architectural services to encompass broader construction industry development. RIBA's academy serves over 40,000 users globally, providing professional development resources that support skills transfer objectives. Construction companies increasingly seek architectural knowledge to enhance project delivery capabilities, creating opportunities for integrated service provision. -

Professional collaboration mechanisms include trade missions, material specification support, and awards programmes recognising regional excellence. RIBA's first GCC Middle East Awards programme demonstrates commitment to regional engagement while showcasing international standard achievements. These initiatives support both knowledge transfer and market development objectives.

Investment Structure Analysis

Mohammed Swaidan from International Investment Gate provided technical analysis of investment structuring options available to UK investors. His presentation outlined the fundamental choice between direct and indirect ownership models, with significant implications for operational control, regulatory compliance, and exit strategy flexibility.

The direct ownership option, effective January 2026, are at the moment limited to Riyadh, Jeddah, Makkah, and Medina. This geographic restriction reflects government priorities for economic development and ensures concentrated impact in strategic urban centres. The legislation introduces a managed purchase system where government authorities facilitate connections between investors and developers,streamlining transaction processes while maintaining regulatory oversight.

Indirect investment through fund structures offers wider operational flexibility. The common fund structure utilises Special Purpose Vehicles with professional fund management, providing transparency and regulatory compliance while enabling diversified exposure. These arrangements typically include oversight committees and regular reporting requirements, addressing due diligence and governance concerns for institutional investors.

Exit strategy considerations require particular attention in fund structures, where professional fund managers handle disposition processes. This arrangement provides liquidity mechanisms while ensuring compliance with regulatory requirements. The managed exit process addresses historical concerns regarding capital repatriation and provides professional oversight of disposition timing and pricing.

Tax efficiency considerations favour properly structured fund arrangements, which can optimise cross-border tax implications while maintaining compliance with both UK and Saudi regulatory requirements. The structure selection requires analysis of investor objectives, risk tolerance, and operational requirements rather than purely financial considerations.

The presentation emphasised the importance of understanding regulatory frameworks before market entry, particularly given the January 2026 implementation timeline. Early preparation enables investors to establish optimal structures and identify appropriate partners before increased competition affects pricing and availability.

Strategic Implications for Family Offices

The roundtable discussions highlighted key - for family offices evaluating entry into the Saudi market. . The regulatory transformation creates opportunities for direct ownership that previously required complex structuring arrangements, potentially reducing costs and operational complexity while enhancing control and flexibility.

Portfolio diversification benefits extend beyond geographic exposure to encompass currency diversification, demographic exposure, and commodity correlation reduction. The Kingdom's economic diversification efforts reduce traditional energy sector correlations while providing exposure to growth sectors including tourism, logistics, and technology services.

Risk mitigation strategies discussed throughout the roundtable emphasised partnership selection and local expertise integration. Successful family offices will likely pursue joint venture arrangements with established Saudi partners rather than attempting independent market entry. This approach provides local knowledge, regulatory navigation support, and operational capabilities while sharing both risks and returns.

Operational considerations will need to include professional property management, regulatory compliance monitoring, and cultural competency development. The broader emphasis on localisation and skills development suggests that passive investment models may be insufficient
Strategic alignment with Vision 2030 will likely influence deal access and partnership opportunities. Family offices able to demonstrate contribution beyond capital through technology, expertise, or knowledge transfer may benefit from enhanced government engagement and access to higher-quality opportunities.

A Forward Outlook

The roundtable demonstrated that Saudi Arabia's real estate sector represents a compelling opportunity for sophisticated UK investors, particularly family offices seeking diversified exposure to high-growth markets. The regulatory transformation effective January 2026 creates a discrete window for establishing market position before increased competition affects pricing and opportunity availability.

Market fundamentals support optimistic investment projections, with sustained demand across office, residential, logistics, and hospitality sectors. The combination of demographic growth, economic diversification, and infrastructure investment creates multiple revenue streams and capital appreciation opportunities for well-positioned investors.

However, successful market entry requires partnership strategies and genuine commitment to knowledge transfer and local capacity building. The Kingdom's preference for expertise-driven partnerships over purely financial relationships means that investors must demonstrate clear value propositions beyond capital provision.

Timeline considerations suggest that interested investors should commence due diligence and partner identification processes immediately, given the complexity of cross-border structuring and the January 2026 regulatory implementation date. Early market entry provides advantages in partnership selection, opportunity access, and operational establishment before increased competition intensifies.

The strengthening UK-Saudi bilateral relationship reinforces a favourable investment climate. Political alignment, regulatory collaboration, and a shared focus on sustainable development provide a strong foundation for long-term cooperation. These conditions enhance investor confidence and provide mechanisms for resolving operational challenges as the market evolves.

SBJBC thanks all speakers for their valuable contributions to this dialogue.

IIG Reception at House of Commons

Following a real estate investment roundtable on 10 July, SBJBC and IIG hosted an invitation-only reception at the House of Commons in London. The event aimed to strengthen UK-Saudi real estate investment links and offered a forum to discuss cross-border investment frameworks. Particular emphasis was placed on the financial and legal structures essential for successful investing, with attendees gaining insights into the evolving real estate landscape between the UK and Saudi Arabia. This exclusive event led to dynamic discussions among key stakeholders, exploring opportunities, addressing challenges, and sharing best practices to strengthen trade and investment in the vital real estate sector.

Mohammed Swaidan, CEO of IIG Estates, opened the reception by acknowledging the value of connecting UK and Saudi professionals. He noted that knowledge exchange between the UK and Saudi Arabia had evolved beyond a one-directional flow, with the Kingdom now offering its valuable expertise to UK partners. Dr Swaidan expressed optimism that combining the diverse experiences present in the room would yield beneficial outcomes for all participants.

The co-chairs of SBJBC provided complementary perspectives on the bilateral relationship. Dr Emad AlDukair, SBJBC's KSA Chair, thanked the organisers before highlighting opportunities beyond the widely publicised giga projects. He pointed to real estate components within major initiatives, including FIFA World Cup preparations, whilst encouraging attendees to examine the broader market landscape. Dr AlDukair suggested that direct experience of the Kingdom's development would provide valuable context for potential investors and encouraged visiting to truly understand Vision 2030. Jennie Gubbins, SBJBC's UK Chair, positioned the reception as part of an exciting ongoing programme between SBJBC and IIG. She directed attention to IIG's upcoming exhibition on 4th and 5th August as the culmination of this programme and reinforced the opportunities available for collaboration between the two kingdoms.

Abdullah Al-Turki from Wathqa Professional Consulting outlined new opportunities created by recent legislative changes in Saudi Arabia. He announced that new laws passed days before the event now permitted foreign individuals and corporations to own and invest in Saudi property directly. Al-Turki characterised this as a major shift rather than an incremental change, explaining that the legislation removed longstanding barriers to foreign investment. The new framework aligned with the premium residency programme, offering full business ownership rights, freedom of movement, and legal parity with Saudi investors.

Al-Turki elaborated on Wathqa's specific role in this new landscape, describing their work as "engineering strategic access, decoding the complexity of regulation." The Wathqa–IIG partnership combines IIG’s real estate investment and fund management expertise with Wathqa’s legal and regulatory insight. However, Al-Turki cautioned that navigating these opportunities would require appropriate guidance, warning that "opportunity without guidance is not just a missed opportunity, but a liability."

Baroness Shaista Gohir OBE, hosting the event, contextualised current opportunities within the century-long relationship between Saudi Arabia and the UK. She noted that commercial ties had evolved significantly, with Vision 2030 creating new avenues for transformation and innovation. The Baroness encouraged extensive networking among attendees, suggesting that the current period represented a particularly opportune time for bilateral collaboration. She shared an anecdote about Saudi hospitality to illustrate cultural differences in business practices, emphasising the importance of understanding and adapting to local customs.

These opening talks were followed by an insightful fireside chat, moderated by Sulaiman Alajaji, Co-Founder of IGG Estates. Sulaiman led the fireside chat, being joined by a set of distinguished speakers: Dr Mohamed Sowaidan, CEO of IIG Estates; Karen Beamish, Executive Director Products and Services; and Chris Usher, Director of Cavenwell Group.

Dr Mohamed Sowaidan first addressed practical considerations for international investors entering the Saudi market. He emphasised the importance of proper investment structuring from both legal and tax perspectives. Private investment funds emerged as a viable option, being well-regulated by the Capital Market Authority. Dr Sowaidan identified Riyadh, Madinah, and Jeddah as the primary active cities for investment, each offering distinct opportunities.

Cultural differences in business practices warranted specific attention. Dr Sowaidan illustrated this through contrasting approaches to property transactions as UK buyers typically engage lawyers early and conduct negotiations through legal representatives, whilst Saudi buyers often prefer direct negotiations, sometimes involving public notaries for immediate transaction completion. He stressed that understanding these cultural distinctions, with appropriate professional guidance, would facilitate smoother market entry for UK investors.

Chris Usher from Cavenwell Group discussed global investor sentiment on Saudi opportunities. Based in Jersey with extensive Middle East operations, Cavenwell had observed growing interest from families across America, South America, and Asia. Usher attributed this to Saudi Arabia's demographics, economic opportunities, and transformation programme. He highlighted the increasing importance of digitalisation in wealth management, noting that clients expected real-time reporting and system integration capabilities.

Specifically, Usher explained that Cavenwell had developed sophisticated digital solutions, stating they were "a highly digital-enabled service provider of tokenisation and digital effects." This technological capability proved essential for modern wealth management, as clients increasingly demanded API integration into their reporting systems, providing real-time portfolio visibility. Usher viewed Saudi Arabia as particularly well-positioned within the regional context, citing its international connectivity and forward-looking vision as key advantages for investors seeking digitally sophisticated investment environments.

Karen Beamish, Executive Director, Products and Services at RIBA, addressed architectural and sustainability considerations for development in Saudi Arabia. She explained how UK architects, through their chartered status and regulatory framework, could contribute whilst respecting local architectural traditions, and RIBA's collaboration with Riyadh's Architecture and Design Commission facilitated this cultural exchange. Beamish emphasised the importance of considering building lifecycles from conception through to eventual decommissioning, incorporating user experience and long-term sustainability.

A key point was made as Beamish revealed that RIBA was developing "an exclusive overlay in Saudi Arabia for Saudi Arabia" in collaboration with PIF and major giga projects. This bespoke framework would adapt RIBA's methodologies to Saudi Arabia's specific requirements, ensuring that architectural standards and practices aligned with local needs whilst maintaining international best practices. The development covered everything from pre-design concepts through to the final stages of building lifecycles, incorporating considerations for future building management and eventual decommissioning.

Sustainability standards emerged as a crucial topic. Beamish outlined RIBA's role in developing the UK's net zero carbon standard, suggesting similar frameworks could benefit Saudi development. She noted the challenge of balancing developer profitability with environmental protection, requiring consistent regulations and methodologies. The rapid pace of development in cities like Riyadh presented particular challenges in maintaining design coherence across districts. Beamish stressed the importance of educating future generations about sustainable building practices, given that 70% of Saudi Arabia's population would inherit these developments.

When discussing Vision 2030's implications for their respective sectors, the panellists offered measured assessments. Usher positioned Saudi Arabia as a strong candidate for growth within the region, whilst acknowledging the need for appropriate risk assessment and succession planning considerations for family offices. Beamish highlighted the advantage of Saudi Arabia's large land availability, balanced against the need for thoughtful design principles that respected environmental constraints and local context.

Dr Sowaidan concluded the formal discussion by describing Vision 2030 as opening a "world of activities" requiring appropriate structures to capture opportunities effectively. His message emphasised the time-sensitive nature of current opportunities in the Saudi market.
The reception concluded with networking opportunities. Attendees were encouraged to build connections across sectors and explore potential collaborations, with the reception successfully bringing together professionals from various disciplines to examine the evolving landscape of UK-Saudi real estate investment. Key takeaways included the significance of recent legislative changes in Saudi Arabia, the importance of understanding cultural differences in business practices, the role of digitalisation and tokenisation in modern investment management, and the critical need for sustainable development practices.