

HOUSING TYPES AND CHOICES IN SAUDI ARABIA

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Abstract

Recently, and because of oil revenues, Gulf countries achieved great developments and made huge steps to be an advanced countries. These revenues encouraged Gulf countries to develop their economy, infrastructures and policies. Among Gulf countries, The Kingdom of Saudi Arabia has made a noticeable progress in recent decades in enhancing and developing the economy and urban form.

Presently, there were different types of housing such as Villas, Duplex villas, Penthouse and so on. These housing divided, according to various factors such as Family income, requirement and needs, also take into account of the customs and traditions in the Saudi community.

This study will discuss some of these changes like Housing sizes and use, actual needs, ability and the reasons behind these changes. Moreover, it is divided into two main parts, Theoretical review and analysis of data collection. The research techniques used are analysis of E-Questionnaire.

Finally, the study would help to understand some of the expectations and needs of the Saudi Residents in the biggest cities in Saudi Arabia, for example the majority of households prefer to live in an independent and separate housing like (Villa).

Introduction

The Kingdom of Saudi Arabia was united in 1932 AD and the population was 2 million Residents, however; only 20% of them live in urban areas.

With the stability and the discovery and exportation of oil at the end of the 1930s the improvement of economic and social conditions as well as rapid construction boom in the cities of the Kingdom, the population of the Saudi has doubled the proportion of urban city raised up to 48% at the end of the 1970s .it has doubled again up to 80% in 2000 and is expected to reach 88% in 2025¹.

Population information

According to 2010 census², the population of Saudi Arabia reached 27.1 million people (an increase of 19.7% over 2005).

The Saudi population gain of (68.9)% of the total population, an increase of (13.2%) over 2005, these populations are distributed by sex to similar percentages between males and females, (50.9%) of male respondents in 2010, compared with (50.1%) in 2005.

The population growth rate according to the latest statistics is estimated at (2.1%), and this rate is less than (2.5%) which was between (1992 and 2004), the cause is attributed to the low level of fertility as a result of the increase of education, especially for women and the use of family planning methods³.

One of results of statistical information in 2010, we find that the vast majority of the population are young people and youths, where (26.4%) of the population in the (less than 15 age group) and about (57.7%) of those who are (less than 30 years). This class will be the reason for the increasing demand for housing in the next years.

Government interest in providing housing

Government of the Kingdom of Saudi Arabia has focused on providing decent housing for citizens and to enable them own them, so the government made a number of residential programs to the help of citizens to own homes. One the most important of these programs is the Real Estate Development Fund (REDF)⁴, which was founded in 1974 and it was designed to give real estate financing without interest and long installments repayment periods were made affordable. This fund and a number of other programs have had a significant impact in raising the percentage of ownership among citizens in the past, and due to the doubling of the population and increasing demand for housing significantly, the Government of the Kingdom has issued a number of important decisions in the housing sector over the past years, Some of the most important in las years:

- In 2011, Firstly, The Housing Authority was supported by an amount of 250 Milliards S.R5., equaling 133.3 Milliards USD, for building 500 thousands housing units, besides raising the maximum limit for Real-Estate Development Fund loans to 500 thousands SR. In the end of March, the establish the Ministry of Housing.

¹ Alsharq Al-Awsat News 13 May 2013, Article_728409,Web

² The Official Website of "Central Agency for Statistics in Saudi Arabia GaStat." Arabic Web: <http://www.stats.gov.sa>

³ Central Agency for Statistics GaStat. "Highlights of Demographic Survey (2007)." Web

⁴ The Official Website of "Real Estate Development Fund in Saudi Arabia REDF."Arabic Web : <http://www.redf.gov.sa>

⁵ (1 US Dollar) = (3,75 Saudi Riyals)

- In July 2012: the Cabinet of Ministers, presided by King Abdullah approved the laws of real-estate mortgaging & financing and the financing renting, as well as monitoring the financing companies.
- In March 2013, the Saudi Cabinet of Ministers approved to impose charges on " the vacant lands " inside the urban area of cities.

Types of housing in Saudi Arabia

Introduction

Until the 1960s, most newly constructed houses in Kingdom of Saudi Arabia were traditional. They were built from indigenous materials relying on the construction experience of local people. In small communities a new home was the result of organized cooperation among local workers with construction experience taking the real needs and financial resources of the family into consideration. The construction of these houses was facilitated by the following factors:

- Inexpensive local building materials.
- Inexpensive labor; local people contributed to help each other.
- Small houses with multi-purpose rooms.
- Flexible designs that allowed for additions to of the house according to the needs and financial ability of the family.
- Recyclable building materials; either reused or disposed without negative environmental impact.

These traditional houses have improved in value and design. Guided by the experience of local builders with the benefit of generations of experience behind them, technological improvements have been adopted to improve the use of locally available building materials and the availability of different types of building materials. Consequently, these traditional houses have proven to be very adaptable, for example, to changes of climate. At the same time, despite such changes, fundamental principles have been maintained. For example, Islamic principles, which call for the keeping of traditions and the security of the family, are reflected in the designs of the buildings. They continued to be as they have been for hundreds of years, built in the same fashion without substantial changes.

The first significant departure from traditional houses appeared in 1959. New materials and technologies, such as concrete and cement bricks, were used for the first time. These materials are stronger and quicker to use than the traditional vernacular building materials. As the number of emigrants to the cities from both inside and outside the Kingdom increased, residents started using modern materials and technologies. These abundant materials and technologies were used to build new houses, which were similar in design to the traditional ones. As a result, houses in a transitional style appeared. These houses were later known as "popular houses". They were characterized by the openness characteristic of traditional houses but with a different layout. The floor plans of these transitional houses were influenced by the allocation of roads and more uniform land units.

The contemporary period

Contemporary houses emerged in 1953 with the Millaz project (in Riyadh), which the first large housing projects in Saudi Arabia. This project contains detached houses and apartments. The Millaz project became the model for planning roads, dividing areas of housing lands, and detached houses.

In addition, expansion of uses the new building materials and technologies, such as cement and concrete, helped to make larger areas of construction, The rapid economic and social changes that have occurred in all regions of the Kingdom, led to the emergence of new constructional prototypes, such as modern detached houses, as well as duplexes, many blocks of apartments and luxury houses (Bahammam, 2001).

On the other hand, the Saudi families homes tended be large previously, and thus sable to have big extended families. Although this habit is still existed up to the present time, the cultural changes that was accompanied by a high average per capita income, forced families to establish separate private homes⁶.

At present

In terms of Types of housing, The Apartments was the most common types of Saudi family occupied (about 33 %) as they were about 961584 Apartments by the end of 2007 AD, followed by the Traditional House (about 28 %) the number was 815531 houses, followed by Villa (about 25%) the number was 742048 Villas. The rest of 14% were distributed on other types of housing as Floor in a Villa o Duplex. This type has witnessed some developments compared to their counterparts in 2000, the proportion of Villa increased compared with ordinary Traditional House portion. The Apartment has claimed the proportion of one-third of families of Saudi Arabia occupied houses.

And In terms of the building material of housing, the Concrete was the building material of the most of the occupied houses (about 78 %) and the number was 2,265,588 Concrete buildings by end of 2007, and then around 605088 houses Bricks and Stones building (about 21 %), other building materials buildings was just (1%). There have been developments on the quality of the building material of some of these compared with houses in 2000. In terms of the proportion of Concrete compared with other construction materials, such as Stones, Mud and Bricks building.

Methodology and Case study

Data collection

The Information that was used in the analysis of data collection based on e-questionnaire, this questionnaire published by the researcher in 2014/2015. Preliminary results The questionnaire was widely spread in a number of cities in Saudi Arabia this was noted according to the number of participants and their geographic distribution. The number of posts was more than 1,000

⁶ Okaz News 2 December 2012, Article_Con20121202552324,Web

posts in more than 70 cities and towns. On the other hand, received many of support letters and one of local newspapers, published some information about the questionnaire (Figure 1).

Figure 1. The questionnaire in Saudi Newspapers



Source: <http://makkahnewspaper.com>

Case study

Saudi Arabia is composed of 13 districts and a large number of cities, and to identify a sample to this paper, the study was limited to the cities with population over of one million inhabitants, these cities respectively Riyadh, Jeddah, Mecca, Medina (representing a population of 41.5 % of the total population of the Kingdom, as well as they the most attractive cities to the inhabitants⁷.

Results and discussion

An Introduction

Proportion of the local population in the targeted cities in the study reached the 655 respondents (64,3%) of the total participants. The city of Jeddah has a percentage of (49.3%) of the participants, followed by the city of Riyadh as the second-highest percentage (38.2%) while the participation rates of the cities of Mecca and Medina was 6.4% and 6.1% respectively.

The percentage of those who want to move from the current city to another city in the future was less than (10%), while the causes of their search for moving place was belonging to several reasons, including the high cost of living in these cities, or change the workplace or social

⁷ Central Agency for Statistics GaStat. "Highlights of Demographic Survey (2010).", Web.

reasons. It was observed that (32%) of the sample were born in other towns and cities rather than cities of the case study.

For the purposes of the study data was divided into four main groups: the first group discusses the social and economic characteristics of the sample, the second group focuses on information about the current housing and its suitability, while the third group discusses the future of housing types and favorite residences. The fourth group discusses the preferences of the population and their views on the housing sector and the solutions put forward in the media.

Social and economic characteristics

The results showed that 78% was male participants. The participations were varied in terms of age, marital status, level of education and type of work as 50.7% of them was the age group between 26 to 35 years, then those who are less than 25 years at with an average of (23.1%) followed by the age group of 36 to 50 years (21.1%) and finally are over fifty years (5.2%).

A rise in the proportion of universities graduate and post-graduate participants can be noticed about (76.8%) due to the use of electronic questionnaires that rely on technology and electronic appliances. The rest was for those with a diploma or middle and high school.

(64.4%) of the respondents were married and the singles were (33.1%) while the rest was for those who are divorced. The family members results were varied as the highest rate (35.7%) was for families consisting of three to four members, followed by families consisting of 5 to 6 members (25.5%) then families consisting of more than 6 members (23.8%) and finally the small families of one or two (15%).

(44.3%) of sample work as government employees and (23.8%) work in the private sector, followed by the students (16.9%) the rest was split between trade, self-employment, housewives and retirees,,,, etc.

Given the monthly income the disparity in income among the participants can be seen as, (4.3%) of participants income does not exceed more than 3,000 Riyals per month, and the income ranged between 3,000 to 10,000 riyals per month was about (28.2%). The income between 10,000 to 20,000 Riyals per month was (35.4%) as the highest rate. The monthly income of more than 20,000 Riyals per month was (9.5%) and the rest was (22.6%) for those whom their income through grants or university Scholarship in addition to government support programs such as hafiz⁸.

Based on the financial information, a rise in the number of bank personal loans (46.4%) can be detected and the reasons for getting this loan is to buy a car, to work of an investment project, to marry or to equip a house. The low rates for those who used to buy a house or residential land, by contrast, it was found that the number of applicants for a mortgage does not exceed (11%) and (4%) of them who has applied to get the request of real estate financing was rejected by the lack of conditions which should be met by the applicant. Some of participants said that the reasons for applying for mortgage lies in their inability to afford the high installments for these loans monthly and that the terms are difficult and do not apply to them as well that many

⁸ The Official Website of "hafiz " (Financial support program for the researchers of work) <https://www.hafiz.gov.sa>

of them have other financial obligations and personal loans currently prevent them from having this support.

Current housing

Current housing characteristics

Research results have showed that (51%) of housing is the apartments of all sizes, followed by residential villas (26.9%) and (9.8%) is a floor in the villa or part of the residential villas as well as the type of villas in residential buildings. (6.6%) was for Duplexes, palaces and houses with spaces that exceed 1,200 square meters by (3.4%) and finally public housing by (2.4%).

The type of sample housing ownership, the houses owned by a father, husband, or husband's family was the biggest portion about (46%). and the reason for this high percentage that people who live with their families from the participants exceed (40%) as well as the fact that some (70%) of respondents aged less than 35 years old.

Rent Housing comes in second place (41.8%), followed by participants who own their homes by (10.2%) and (2%) was distributed between the housing provided by the employer and housing provided by charity companies. On the other hand, (13.3%) of the participants stated that they have more than one house and (80.5%) are owned and the other remaining rent housing.

Residences that contains more than six rooms constituted the largest portion (23.4%), the four rooms' houses (21.29%), then residences of the six rooms and three each by (11.2%) and finally chambers or two rooms' houses by nearly (6%) each. The results also showed that (40%) of the houses have two bathrooms or less and (38.2%) with between 3 and 4 bathrooms (21.8%) of the housing of five or more bathrooms.

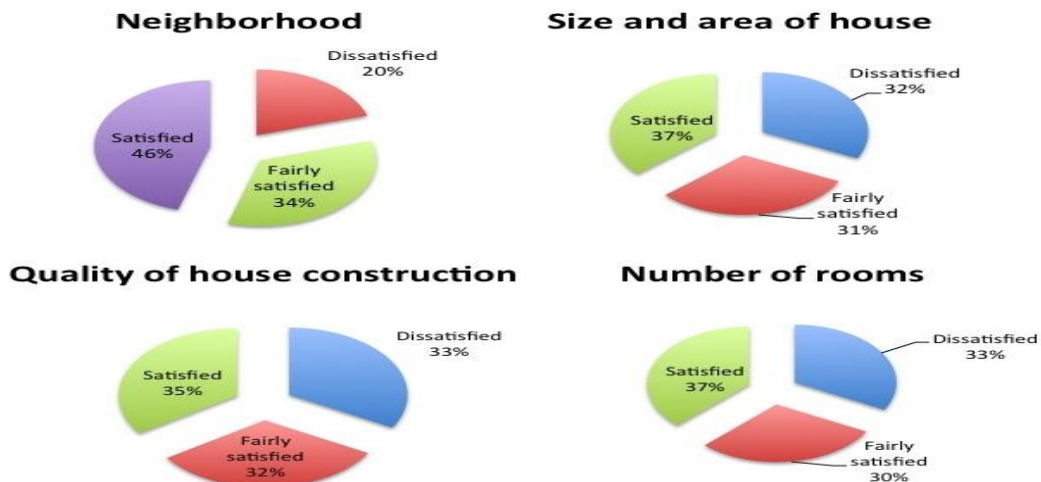
In the last decade, many Saudi families and even foreign families use drivers and servants, so 40.8% of respondents have either a driver or a servant, even both, and most of their drivers or domestic labor live with them in the same house, which requires providing a decent place for them.

Appropriateness of the current housing

This question is divided into four themes, the participants need to present his satisfaction on a scale of 1 to 3 so that as (1) is dissatisfied (2) fairly satisfied and (3) satisfied, and the results show that (Figure 2):

- (45.5%) were satisfied with their Neighborhood, however (20.2%) were dissatisfied.
- (36.6%) were satisfied with the home size, whereas (32.2%) were dissatisfied.
- (37.6%) were satisfied with the number of rooms and the design of their homes while (32.8%) were dissatisfied.
- (34.5%) were satisfied with the quality of construction and finishing in the housing, though (33.1%) were dissatisfied.

Figure 2. Appropriateness of the current housing



Source: Author preparation

The previous findings revealed that almost one-third of the participants are only considering their current homes appropriate for them. Among this section participants were asked if they consider the current residence temporary housing and the result was that (75%) consider the current housing is temporary housing, while (66.8%) of them expect to move from their residence during the next five years. This is related to the participants' age group, as the major category is young people.

Future-housing preferences

Room Preferences

In this part, the preferred numbers of Rooms and Bathrooms data in future house were analyzed. The results of the sample analysis has showed that residences containing between five to six rooms were the first priority by (47%), followed by residences with rooms between seven to eight rooms (25.6%) in addition to (8.4%) who are those wishing to have homes with more than eight rooms. Meaning (81%) are looking for housing spaces exceeding 150 Square meters. The majority of the rest (17.9%) has chosen medium housing space and number of rooms between three to four rooms. Small housing with one room and two are undesirable from the majority (1.1%). Noting that in 2004 and based on the statistics issued by the Central Agency for of Statistics⁹, showed that small units consisting of two or less represent the vast majority rate (64%). As for the toilets, less than (60.3%) of respondents prefer housing which contains between three to four toilets, followed by housing containing between five to six bathrooms (23.8%), then two bathrooms or one (8.2%), and (7.7%) for residence with more than 6 bathrooms. It can be noticed that the greatest preference for homes with five to six rooms and three to four bathrooms.

⁹ Central Agency for Statistics GaStat. "Highlights of Demographic Survey (2004).", Web Article

Favorite types of housing

In this part of the questionnaire four types of housing have been identified i.e. the most widespread in the kingdom of Saudi Arabia based on the statistics provided in the interests of official statistics in the Kingdom. participants were asked to arrange these types according to their preference as the first choice to fourth choice, these housing types were as follows (Table 1):

- The villa type is the most preferred and chosen as the first choice of the participants (86%).
- The second best option by (53.3%), was the Duplex.
- The Floor in a villa or villa Roof¹⁰ was chosen as the third preferred option by (43.7%).
- The apartments was the least favored housing types as it was the last choice of (72.1%) of participants.

Table 2. Favorite types of housing

Villa	Floor in Villa- Villa Roof	Duplex	Apartment	Total
86,0	3,4	4,7	6,0	100
5,2	35,4	53,3	6,1	100
3,2	43,7	37,3	15,9	100
5,6	17,6	4,7	72,1	100
100	100	100	100	Total

Source: Author preparation

It can be noted that the priority goes to detached houses compared to semidetached residences such as apartments, and also there is a preference for detached Duplexes rather than semidetached ones. Privacy and the size of house were some of the main reasons due to this preference.

Preferences and viewpoints

This group contains four sections about some favorite residence characteristics as well as the participants' views on some of the topics for the housing sector which are related to the study.

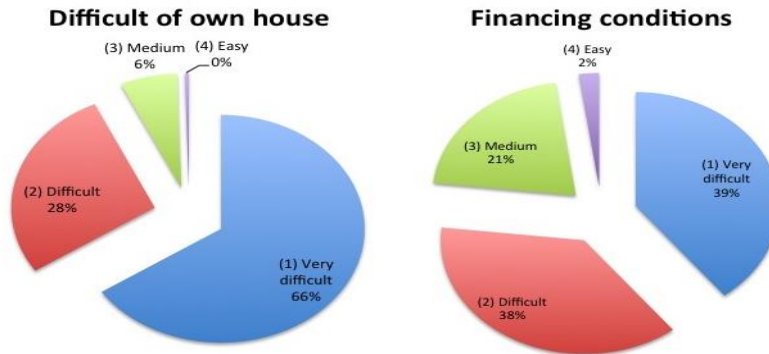
The first sections

There were two questions for the participants to understand how easy or difficult to get housing and requirements for obtaining a mortgage, where the answers are selected from a scale of (1 to 4). (1) Is very difficult gradually to (4) easy (Figure 3)

Results have showed that the majority of the participants, (93.1%) agree that owning house is currently ranges between (difficult and very difficult), in addition a high percentage also emphasized that (76.8%) agree that financing conditions are not appropriate to their situation for obtaining a mortgage.

¹⁰ Villa Roof : Existing in residential buildings but with the design and features of the villa and be in the top floor

Figure 3. Difficult of own house and financing conditions



Source: Author preparation

The second sections

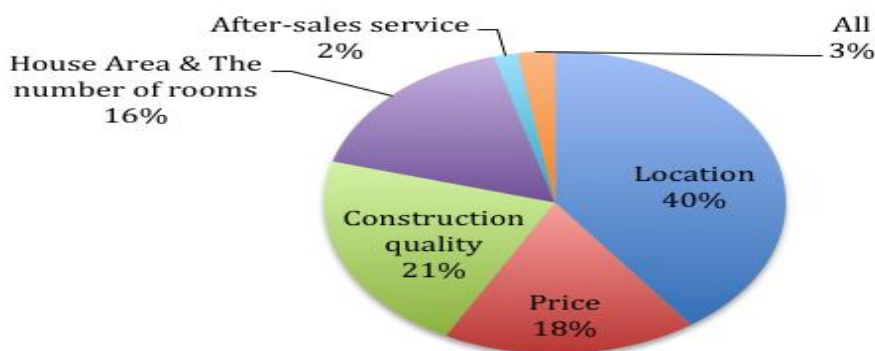
This section included some questions about the importance of housing ownership for the participants? And what are the most important factors affecting their decision to purchase the house? As the sale of residential apartments has risen in the last decade, participants were asked about their views to own this kind.

The results have showed that the general orientation of the participants is to have a house (98%) even if it has been providing programs to rent housing in the long term with reasonable rent. (54.4%) of participants do not prefer to own an (apartments), on the other hand, nearly (75%) of the participants prefer to wait to be able to buy (villa or duplex) even they are able to buy apartment.

the most important factors that influence their decisions when buying a residence, a number of important factors has been put forward such as location, price and quality of construction and they were asked to choose the most influential factor and the results were as follows:

The location is the most influential factor (40%), followed by the building quality (21.5%), price rates (17.9%) and housing space and number of rooms (16.3%) while after-sales services was the least influence (just1.7%) (Figure 4).

Figure 4. Important factors



Source: Author preparation

The third section

This section was to get feedback from the participants in some of the reasons that caused the current situation of home ownership difficulty, through their choice of a scale of (1 to 4), where (1: that has nothing to do) and graded to (4: has a strong relationship), and the results were as follows: (88%) of the respondents has agreed on that the high land prices are the main reasons. In addition to (78%) of participants agreed that housing prices were high, generally as a result of rising land prices. While approximately (50%) viewed that poor planning in the housing sector has and a strong influence in addition to (46%) of the them considered that the non-availability of housing at affordable prices is one of the strong reasons for the difficulty of repossession (43%) agreed that the difficulty in obtaining adequate funding is the reasons of (the strong relationship).

Fourth section

This section included the views of the participants and their assessment of housing solutions, especially the most prevalent in the media, both applied solutions on the ground or going to be applied or proposals have not been applied yet, through their choice of a scale of (1 to 4), where that (1: has nothing to do) and graded to (4: has a strongly related), and the results were As follows: there are proposals for solutions as more than (50%) of the participants agreed on the importance and preference for her, as follows: (71%) of respondents have chosen to impose laws limiting the rise in land and housing prices as one of the best solutions that will help solve this issue. (66%) agreed that the tax decision on land, which is supposed to be applied in the middle of this year 2016, is one of the important decisions. Close percentages (59%, 56%) of respondents have chosen to build new cities and support the villages by the private sector and development in order.

Some solutions, such as the work of a partnership between the Housing Ministry, the private developers and the sector, in addition to the delivery of housing grants to developers to be developed and built, and also the work of a partnership between the banks and the Municipality of the region, have been selected as suitable solutions respectively (48%, 46%, 36%). And for solutions for changing some of the requirements of the municipality such as the raises did not find the great welcome among participants as it was selected as an excellent solution by (32%). The least favorite solutions as an appropriate solution was chosen by just (15%) all of the participants were to minimize the size of lands.

Conclusion

The importance of the involvement of the population in the development of these plans, to reach satisfactory solutions to all parties, hence the importance of this type of studies, which would contribute reducing the proportion of extra accommodation unit offers, which reached nearly a 1,3 million units in various cities in the Kingdom during 2015 ¹¹, as a result of inadequate supply of community housing mainly economically, in addition to the lack of suitability to their needs. In addition; this type of studies contributes significantly to the integration of the needs of the

¹¹ Al Eqtisadiyah News 21 March 2016, Article_1042879

population and Housing facility. In this context, and based on the discussion of the results of the study:

- Find awareness programs aimed at decreasing houses size and good use of space in the residence.
- Review and evaluate the current financing solutions where the results showed the suffer of many of housing seekers of the unavailability of adequate financing solutions.
- Development new housing types appropriate to the current stage, the integration between the separate housing such as residential Villas, apartments, to provide a product satisfies the customers at reasonable prices.
- Take care of residential projects and the quality of housing construction sites, as the study has showed the great importance of these two factors as well as other factors such as price and space.
- Work towards raising the proportion of residents who would accept having apartments, through passing laws for owning this type, and activating the union of owners and all that would encourage the customers about this type of housing.

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