

# King Salman Gate

**Where Moments Come Alive**

**Living Lifestyle Next To Almasjid Alharam**





Saudi Arabia has launched King Salman Gate, a mega mixed-use development adjacent to the Grand Mosque in Makkah. This is explicitly a strategic pilgrimage-capacity and urban-regeneration play — roughly 12 million square meters of gross floor area, an announced capacity increase of about 900,000 indoor/outdoor prayer spaces, and development led by a PIF-backed entity (RUA AlHaram AlMakki Co.). Expect the project to be politically driven, capital-intensive, and tightly connected to Vision 2030 tourism and pilgrimage targets.



**Prospected northwest of Haram**, near 3rd Ring Road and Masar Makkah.



**~12 million** m<sup>2</sup> gross floor area (about 4.6 square miles).



**~900,000** additional praying spaces (indoor + outdoor).



**~19,000** m<sup>2</sup> of heritage sites to be restored/developed within the project area.



**Mohammad Bin Salman Bin Abdul Aziz Al Saud**  
His Royal Highness Crown Prince and the Prime Minister of Saudi Arabia

“King Salman Gate is more than an urban development; it is a symbol of Makkah’s future blending tradition with transformation, the project will enhance the spiritual and cultural journey of every visitor, while supporting sustainable urban growth in one of the world’s most sacred cities.”

The project is not just another real estate project it’s Kingdom’s strategy to scale pilgrim throughput, extract more tourism value, and reconfigure central Makkah land use. This is a macro accelerator: it will create concentrated demand for hotels, retail, hospitality, transport, and investor vehicles tied to PIF-led urban redevelopment.



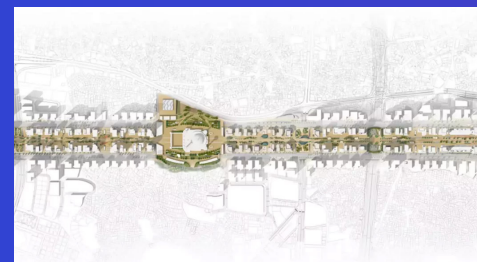
**Abdullah Mohammed Alhumaid**  
Manager



## Proximity to Key Demand Generators



Haram Mosque  
0.5 km



Masar Makkah  
1.5 km



Jabal Omar development  
0.9 km



Makkah Railway Station  
4.20 km

## Strategic Location Highlights

01.

### Prime Pilgrimage Interface:

Positioned only **0.5 km from Al-Masjid Al-Haram**, the site sits at the heart of Makkah's primary pilgrimage circulation zone, ensuring unmatched visibility, access, and year-round visitor flow.

02.

### Connectivity with Major Developments:

Within **1.5 km of Masar Makkah** and **0.9 km from Jabal Omar**, the Gate anchors the convergence of three large-scale Vision 2030 projects, forming Makkah's most valuable urban triangle.

03.

### Mobility and Access Synergy:

Direct adjacency to the **3rd Ring Road** and **King Abdulaziz Road** enables seamless vehicular and pedestrian movement, reducing congestion and improving access to hospitality and retail nodes.

04.

### High-Density Development Belt:

The location lies inside the **1 km premium zone**—the corridor with the highest ADR resilience, land-value uplift, and occupancy depth across central Makkah.

05.

### Strategic Institutional Backing:

Backed by **HRH Mohammed bin Salman's Vision 2030 portfolio**, the site benefits from coordinated infrastructure delivery, zoning clarity, and policy alignment enhancing investor confidence and long-term asset performance.

# Risks and Opportunities

## Risks

### Phasing and Capital Exposure

The project's multi-phase rollout increases exposure to **cost overruns, financing delays, and absorption risk**, especially if hospitality demand growth underperforms initial projections.

### Supply Saturation Risk

Rapid addition of hotel, serviced apartment, and retail stock near the Gate could **compress ADRs and rental yields**, particularly for non-branded or secondary-grade assets.

### Regulatory Uncertainty

Potential adjustments to **REGA zoning, leasing caps, or ownership restrictions** in the holy precinct could constrain transaction liquidity and slow investor entry.

### Infrastructure Timing Misalignment

Value realization depends on the **synchronized delivery of transport, utilities, and public-realm networks**; delays could impact early-stage parcel occupancy and pricing momentum.

### Heritage Zone Constraints

Parcels overlapping heritage or preservation zones may face **design restrictions, slower permitting, and limited development flexibility**, affecting buildable area and ROI.

# Risks and Opportunities

## Opportunities

### Core Zone Repricing

Land within the **0.5–1 km corridor** of the Gate is positioned for **premium revaluation**, benefiting from improved access, urban branding, and concentrated visitor flow.

### Institutional Capital Entry

The project's scale and governance framework will attract **REITs, sovereign-backed funds, and international operators**, strengthening market transparency and long-term yield stability.

### Mixed-Use Diversification

King Salman Gate enables **integrated hospitality, serviced apartments, and structured retail formats**, diversifying income streams and reducing seasonal dependence.

### Infrastructure-Induced Appreciation

Proximity to the **3rd Ring Road and King Abdulaziz corridor** ensures sustained value uplift as mobility and crowd-management systems mature post-commissioning.

### Policy and Vision 2030 Alignment

As a **PIF-backed and Vision 2030–endorsed project**, King Salman Gate benefits from **policy protection, funding continuity, and government-driven demand expansion** across the broader Makkah real estate market.



# Impaction on Makkah Real Estate Market

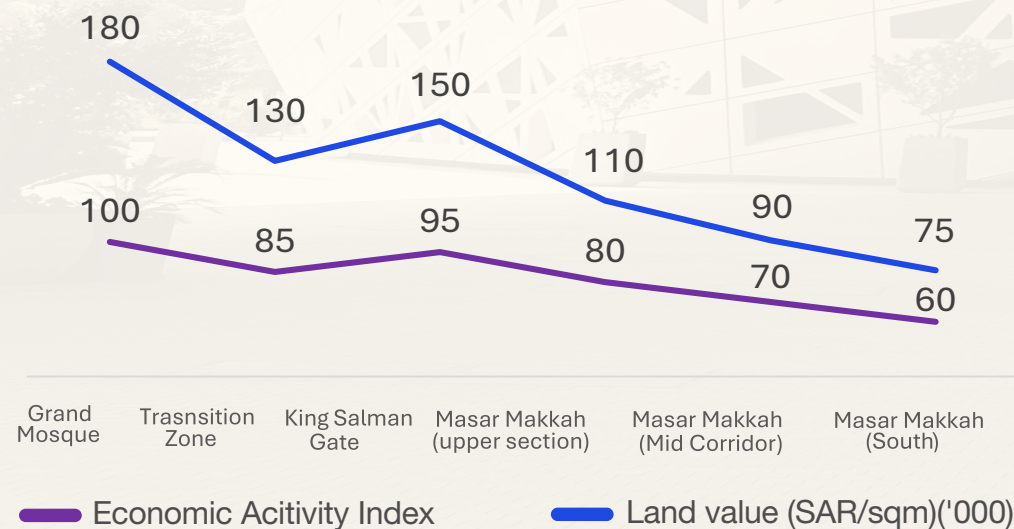
## Cause–Effect Impact Matrix

- **High Synergy Zones:** Mobility, infrastructure, and retail linkages show the strongest mutual impact between Masar Makkah and King Salman Gate.
- **Operational Backbone:** Masar's transit and retail ecosystem directly supports Gate performance, reducing congestion and enhancing visitor flow.
- **Strategic Alignment:** Cultural and branding integration remain secondary but reinforce long-term urban identity under Vision 2030.



## Cause–Effect Impact Matrix

- **Peak Activity Belt:** Economic intensity and land value peak between the Grand Mosque and King Salman Gate, forming Makkah's new investment core.
- **Gradual Transition:** Activity stabilizes through Masar's mid-corridor, sustaining year-round commercial and residential demand.
- **Value Gradient:** A clear 1 km premium zone emerges, with land values rising nearly 70% from Masar's edge toward the Gate.



# Impaction on Makkah Real Estate Market

## ADR and Growth

- **Spatial Premium Evident:** Assets within 500 m of King Salman Gate achieve the highest combined ADR and land-value uplift, reflecting strong proximity advantage.
- **Gradual Value Tapering:** Beyond the 1 km mark, ADR growth moderates from 12% to ~7%, aligning with reduced pedestrian density and visibility from core zones.
- **Investment Clarity:** The 0–1 km radius defines Makkah's new prime yield corridor, where integrated hospitality and retail assets deliver sustained rate resilience despite supply expansion.



## Conclusion:

- **Integrated Value Continuum:** King Salman Gate and Masar Makkah function as a contiguous real-estate ecosystem, where mobility, hospitality, and retail infrastructure coalesce to enhance urban throughput, land productivity, and asset yield resilience.
- **Defined Prime Corridor:** The 0–1 km proximity band establishes Makkah's core investment spine, demonstrating clear spatial value differentiation through higher ADR performance, sustained occupancy, and superior land-use efficiency.
- **Strategic Governance Advantage:** Joint stewardship under HRH Mohammed bin Salman's Vision 2030 portfolio ensures coordinated phasing, regulatory certainty, and infrastructure integration, reinforcing investor confidence and underpinning long-term capital appreciation.

# Key Take aways

## Strategic Urban Catalyst:

King Salman Gate is set to become Makkah's primary urban gateway, reshaping the city's spatial hierarchy and unlocking a new mixed-use core anchored by hospitality, retail, and religious infrastructure.

## Real-Estate Repricing:

Proximity to the Gate will trigger land-value appreciation within the 1 km corridor, as accessibility, visibility, and infrastructure upgrades translate into higher yield potential and investment depth across adjoining parcels.

## Hospitality Market Reset:

The project will recalibrate Makkah's ADR benchmarks, favouring branded operators and mixed-use developers able to capture premium rates through location, service quality, and integration with Masar Makkah's mobility spine.

## Retail and Serviced-Apartment Uplift:

With strong pedestrian convergence, the Gate will catalyse organized F&B, retail, and extended-stay demand, driving a transition from fragmented stock toward institutional-grade, revenue-stable assets.

## Institutional and Policy Alignment:

Endorsement under HRH Mohammed bin Salman's Vision 2030 portfolio ensures regulatory clarity, infrastructure phasing, and sovereign capital support—enhancing investor confidence and long-term value visibility.



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## Contact Us

For further information, clarification and discussion concerning the contents, please contact our Real Estate Strategic Consultancy team:

### Asif Iqbal Malik

Partner

✉ : mai@insightss.co

### Nick Whitford

Senior Vice President

✉ : nwhitford@insightss.co

☎ : +966 53 963 3882

### Mohammad Owais Zubair

Senior Manager

✉ : mzubair@insightss.co

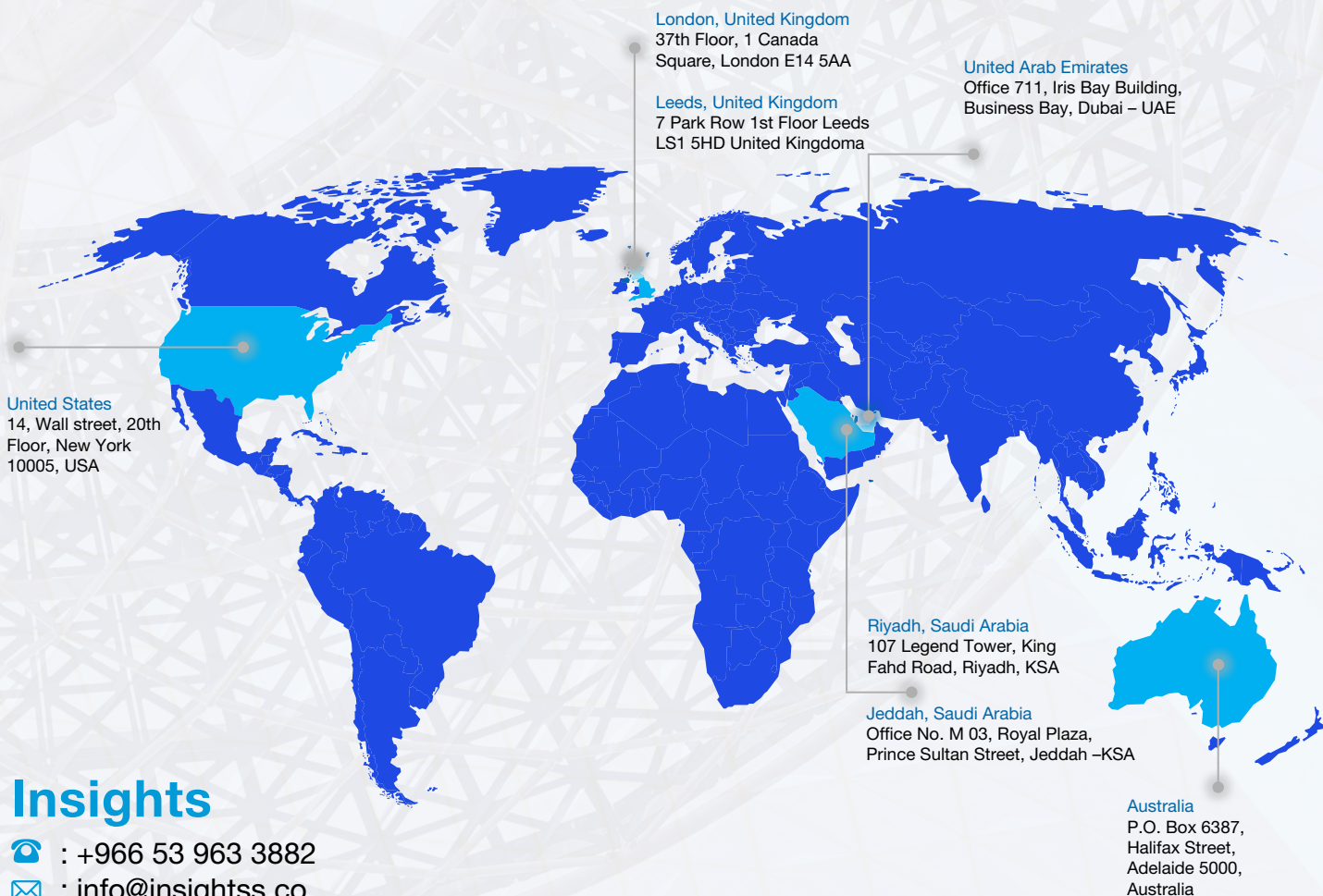
☎ : +966 54 381 7390

### Murad Hashmi

Consultant

✉ : mhashmi@insightss.co

☎ : +966 56 839 9117



## Insights

☎ : +966 53 963 3882

✉ : info@insightss.co

🌐 : www.insightss.co