



Property prices up 10% year-on-year as transactions hit an eight-year high

Median prices in June



Prices spike 2.1% in June, as the pace of the housing market recovery continues to increase

Since bottoming out in November 2020, property prices have risen over 12%, cancelling out the price falls seen in the previous two years

Transaction numbers in June recorded their best performance since December 2013 with 6,389 deals recorded

Completed properties continue to be more popular than off-plan, a trend seen over the last 13 months

Mortgages for villas and townhouses increased month-on-month while loans for apartments declined, reflecting customer preferences

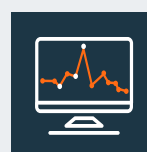
The average mortgage in June was AED 1.78m and the loan-to-value (LTV) ratio was 74.4% with buyers putting down healthy deposits

The Dubai property market continues its strong recovery, with property prices increasing again in June for the eighth successive month. On a monthly basis, prices spiked 2.1% and now stand at AED 924 per sq ft. They were last seen at these levels two years ago.

Since bottoming out in November 2020, property prices have risen by 12.7%. The recovery still remains uneven between communities with the strongest price increases seen in the market for villas and traditionally sought-after communities. However, we expect the recovery to balance out over the rest of 2021 and switch to a more tenable pace across Dubai.

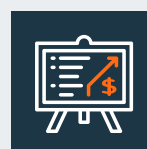
SNAPSHOT

June 2021



+2.13%

Dynamic Price Index
Monthly Change



AED 924/sq ft

Dynamic Price Index
Current Property Price



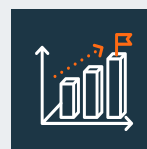
6,389

Number of Monthly
Transactions



5.77%

Gross Rental Yield



AED 119.5m

Highest Recorded Sale
*Villa 01 – 7 Bedroom
XXII Carat (Club Villas),
Palm Jumeirah*



AED 150k

Lowest Recorded Sale
*Building X-03 – Studio
Block X England Cluster,
International City*



Demand continues to remain robust for properties at the top end of the market. After three straight months of expanding market share, the AED 10m+ price tier cooled off slightly in June but remained strong in terms of historical monthly transaction volumes. Villas are driving this growth—compared to 286 villa transactions above AED 10m each in 2020, we have already surpassed that number with 362 year-to-date, and further eclipsed 2019 when a mere 197 transactions were recorded.

We are also increasingly observing a trend where European buyers are emerging as a key demographic driving sales with most being end users. An uptick in school enrolments of new residents indicates that entire families are moving to Dubai and making it home.

ZHANN JOCHINKE

Chief Operating Officer
Property Monitor

Demand continues to remain robust for properties at the top end of the market with transactions for properties valued over AED 10m registering yet another strong month. In all, 111 transactions were recorded for this segment in June, slightly lower than the 117 in May, but still indicative of a buoyant market.

We are increasingly observing a trend where European buyers are emerging as a key demographic driving sales with most being end users. Based on our conversations with brokers and industry experts, the key motivation here is the relocation of entire families from Europe as opposed to the sole breadwinner living in Dubai. As further evidence of this trend, several schools have reported an uptick in enrolments of new residents.

At 6,389, transaction volumes in June recorded their best performance since December 2013 when they were at 7,106. On a monthly basis, sales jumped 43.7% and climbed a massive 174% from last June when buyers were first taking notice of attractive real estate deals amid easing movement restrictions. A block of delayed registrations in June for previous months was recorded from Azizi Developments, including off-plan and initial sales from the developer. While this was a notable contributor to the rise in sales volumes this month, even without these deals, June recorded one of its best performances for transactions since at least 2009.

A total of 2,419 off-plan transactions were registered in June, up 43.3% on a monthly basis. Completed properties took 62.1% market share in June 2021 versus 37.9% for off-plan, continuing a year-long trend as new launches stalled, and buyers demonstrated a preference for ready-to-move properties. However, completed property transactions may start to give up some of these market share gains as new project launches gather pace. Meanwhile, initial sales transactions—the first sale of a property from the developer for an off-plan or completed project—jumped 51.2% monthly to stand at 3,800 in June.

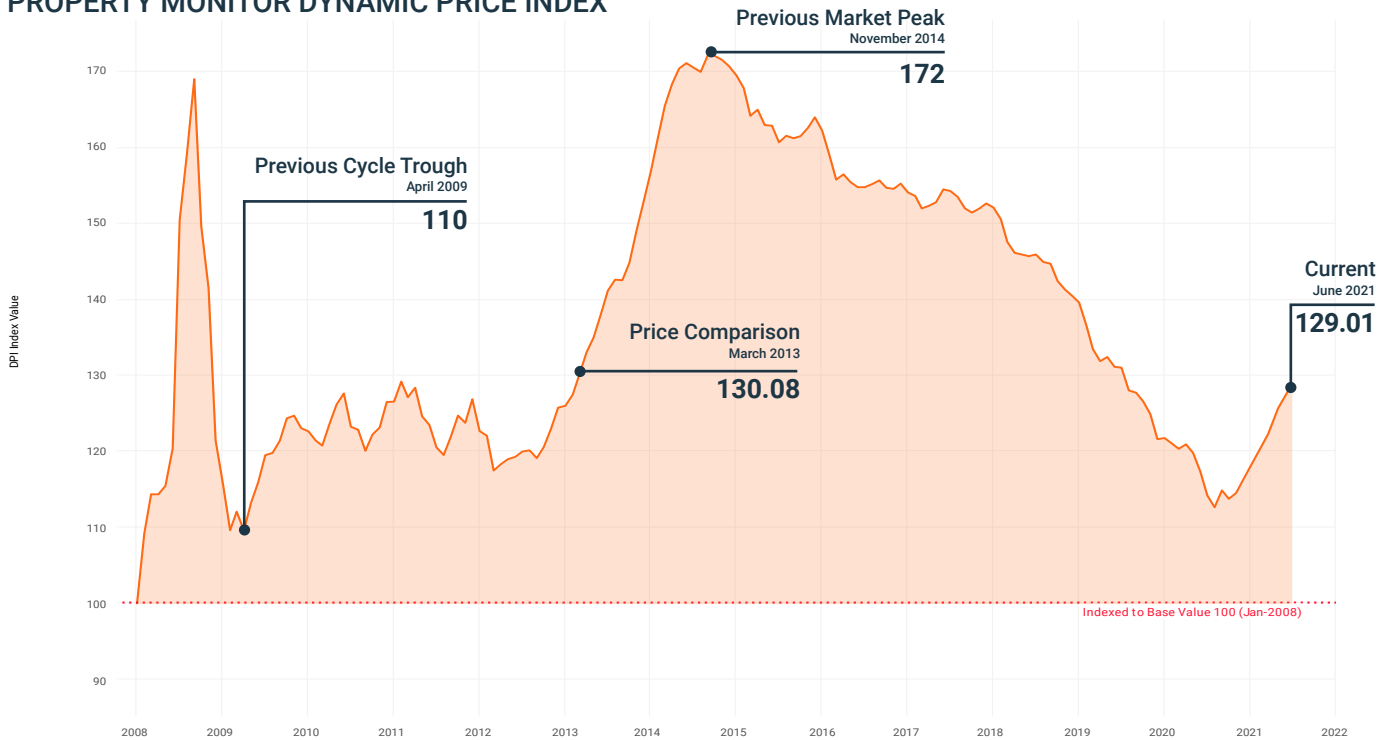
Mortgages for villas and townhouses increased month-on-month while loans for apartments declined, reflecting buyer preferences. Overall, at 2,135, new loans for June fell by 9.4% over the previous month, driven by a decline in bulk mortgages, which are primarily taken out for apartment buildings.

June's bulk mortgage transactions by developers and larger investors were spread across several projects, most notably Bloom Towers in Jumeirah Village Circle (82), The Zafran in Jumeirah Village Circle (91), The Orion Building in Arjan (79), and Safeer Towers in Business Bay (65). A further 37.1% were loans taken as initial new purchase money mortgages for properties that were also transferred during June, primarily by end-users. The remaining 44.1% represents refinancing or new mortgages taken out in the months post transfer.

The average mortgage in June was AED 1.78m and the loan-to-value (LTV) ratio was 74.4% with buyers putting down healthy deposits.

The credit-friendly policies on a global and local level introduced since the onset of the pandemic have boosted property purchases and uptake of mortgages by buyers who may have previously been on the fence regarding property purchases. Mortgages on a year-to-date basis have already surpassed 2019 levels and are on track to beat 2020 figures. A monthly increase of 31.8% for townhouse mortgages and 22.7% for villa mortgages reiterates the preference of buyers to upgrade their living spaces.

After remaining relatively stable around 6.5% through much of 2020, emirate-wide average gross rental yields have weakened this year and are now just under 5.8%. On a monthly basis alone, gross yields declined a little over 1% in June and 9.5% year-on-year. This suggests that property prices are increasing in several communities—especially where people are buying for end-use—at a more rapid pace than rental prices, which are still declining.

PROPERTY MONITOR DYNAMIC PRICE INDEX


+2.13%
MoM Change



+5.79%
QoQ Change



+9.92%
YoY Change



AED 924
Average Property Price Per Sq Ft

DPI MONTHLY OVERVIEW

Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
June 2021	129.01	2.13%	5.79%	9.92%	924
May 2021	126.32	1.05%	5.44%	5.41%	905
April 2021	125.01	2.51%	6.32%	3.36%	895
Mar 2021	121.94	1.79%	4.86%	1.32%	873
Feb 2021	119.80	1.89%	4.58%	-1.04%	858
Jan 2021	117.57	1.10%	3.34%	-3.45%	842
Dec 2020	116.29	1.52%	1.23%	-4.39%	833
Nov 2020	114.55	0.68%	1.68%	-8.30%	820
Oct 2020	113.77	-0.97%	-0.39%	-10.15%	815
Sep 2020	114.88	1.98%	-2.11%	-10.08%	823
Aug 2020	112.66	-1.36%	-5.99%	-12.02%	807
Jul 2020	114.21	-2.68%	-5.57%	-12.84%	818
Jun 2020	117.36	-2.07%	-2.49%	-10.53%	841

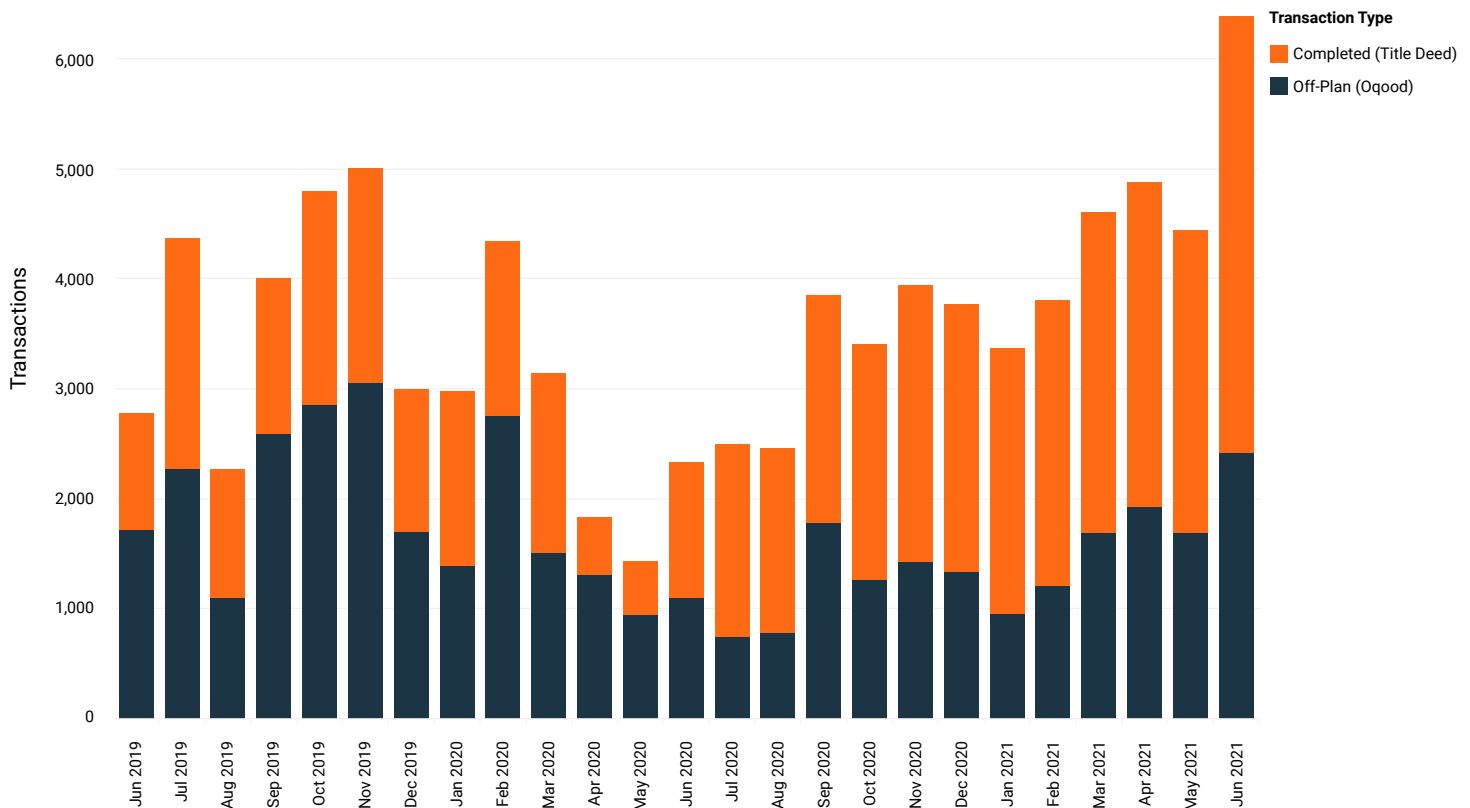
The Property Monitor Dynamic Price Index (DPI) tracks trends of residential property prices throughout 42 key communities in Dubai and is indexed to a base period of January 2008.

At an emirate-wide level, the index value for June 2021 increased by 2.69 index points to 129.01 from 126.32 in May 2021, representing a month-on-month gain of 2.13%.

In June 2021, property prices stood at AED 924 per sq ft, down 25.1% from the market peak in September 2014 and are 17.7% above the market trough of April 2009. Property prices were last at these levels two years ago.

On a yearly basis, prices have increased by 9.9% in June 2021. When we compare this to June 2020 when a year-on-year decline of 10.5% was recorded, we can see a promising trend reversal from declines to gains.

HISTORICAL TRANSACTIONS CHART – COMPLETION STATUS



Transaction volumes in June stood at 6,389, significantly higher by 43.7% on a monthly basis and marks the highest number of monthly transactions recorded since December 2013. On a yearly basis they jumped 174.3% from June 2020 after deal activity gathered pace with the lifting of movement restrictions. Compared to June 2019 too, volumes spiked 130%, reflecting confidence in the Dubai residential market.

Similar to the April and May's multi-year high transaction figures, this has been the strongest performance in June since 2009.

In June, the split between off-plan and completed property transactions remained in favour of the latter with Title Deed transactions accounting for just over 62% of all transactions—completed properties have led the market for 13 months now. The 12-month rolling average has also now reached an unprecedented level of 63.3% in June for completed properties.

During the month, Azizi Developments made up the bulk of developers' off-plan transactions, taking a market share of 26.5% with close to 550 sales recorded across their Azizi Riviera projects in Meydan One, Mohammed Bin Rashid City. We add a caveat here that several of these sales recorded by Azizi Developments were delayed registrations from earlier months and may not present an accurate assessment of June's transaction activity.

Emaar Properties was next at 12.5% of all Oqood (off-plan) transactions, spread across a myriad of their projects with a higher concentration of sales at Ruba in Arabian Ranchers III, Act One | Act Two in Opera District, and throughout several projects in Emaar Beachfront, Dubai Harbour. This was followed by Seven Tides at 10.4% market share with over 98% of transactions taking place in their Golf Views Seven City project in Jumeirah Lakes Towers.

Following the trend that emerged in 2020, a significant portion of Title Deed transactions were initial sales registered directly by developers for unsold inventory in completed projects. Out of a total of 3,800 initial developer sales recorded in June, 41.9% were in completed projects. This figure continues to move further away from the 2020 average of 33.3% and also remains well above the 2019 average of 20.5%.

TOP 5 COMMUNITIES TABLE – COMPLETED AND OFF-PLAN

Completed / Title Deed

Completed Apartments

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	Studio (Median Price)	1BR (Median Price)	2BR (Median Price)	3BR (Median Price)
1	1	5	Dubai Marina	265	540,000	1,009,000	1,760,000	2,452,800
2	2	2	Business Bay	215	580,000	1,133,678	1,754,104	2,717,330
3	3	9	Downtown Dubai	123	904,658	1,415,150	2,743,976	4,527,444
4	4	12	Jumeirah Lakes Towers	120	380,000	818,881	1,450,000	2,325,000
5	7	6	Jumeirah Village Circle	105	394,500	647,000	1,037,950	1,500,000

Completed Villas

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	3BR (Median Price)	4BR (Median Price)	5BR (Median Price)
1	1	4	DAMAC Hills	78	2,323,150	3,137,500	3,300,000
2	4	1	Emirates Living	76	2,435,000	4,975,000	6,025,000
3	2	2	Dubai Hills Estate	68	3,700,000	4,675,000	5,850,000
4	6	5	Arabian Ranches	48	3,750,000	4,775,000	5,650,000
5	7	11	Jumeirah Golf Estates	43	2,987,500	3,000,000	8,550,000

Completed Townhouses

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	2BR (Median Price)	3BR (Median Price)	4BR (Median Price)	5BR (Median Price)
1	-	-	Dubai Investments Park	221	-	2,968,848	3,635,000	-
2	11	11	International City	221	-	1,000,000	-	-
3	3	2	Dubai Hills Estate	38	-	2,450,000	2,850,000	3,350,000
4	7	19	DAMAC Hills	37	-	2,154,000	2,920,670	-
5	4	3	Reem	35	-	1,675,000	2,335,000	-
6	1	4	DAMAC Hills 2	34	1,058,000	1,035,000	1,100,000	-

Off-Plan / Oqood

Off-Plan Apartments

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	Studio (Median Price)	1BR (Median Price)	2BR (Median Price)	3BR (Median Price)
1	4	1	Mohammed Bin Rashid City	801	530,000	857,820	1,334,773	1,452,802
2	1	13	Jumeirah Lakes Towers	226	409,262	779,137	1,115,857	-
3	9	5	Business Bay	142	678,050	1,003,641	1,520,000	2,664,385
4	3	9	Dubai Harbour	115	-	1,900,888	3,244,888	4,946,888
5	2	2	Jumeirah Village Circle	97	467,450	709,330	944,640	1,227,400

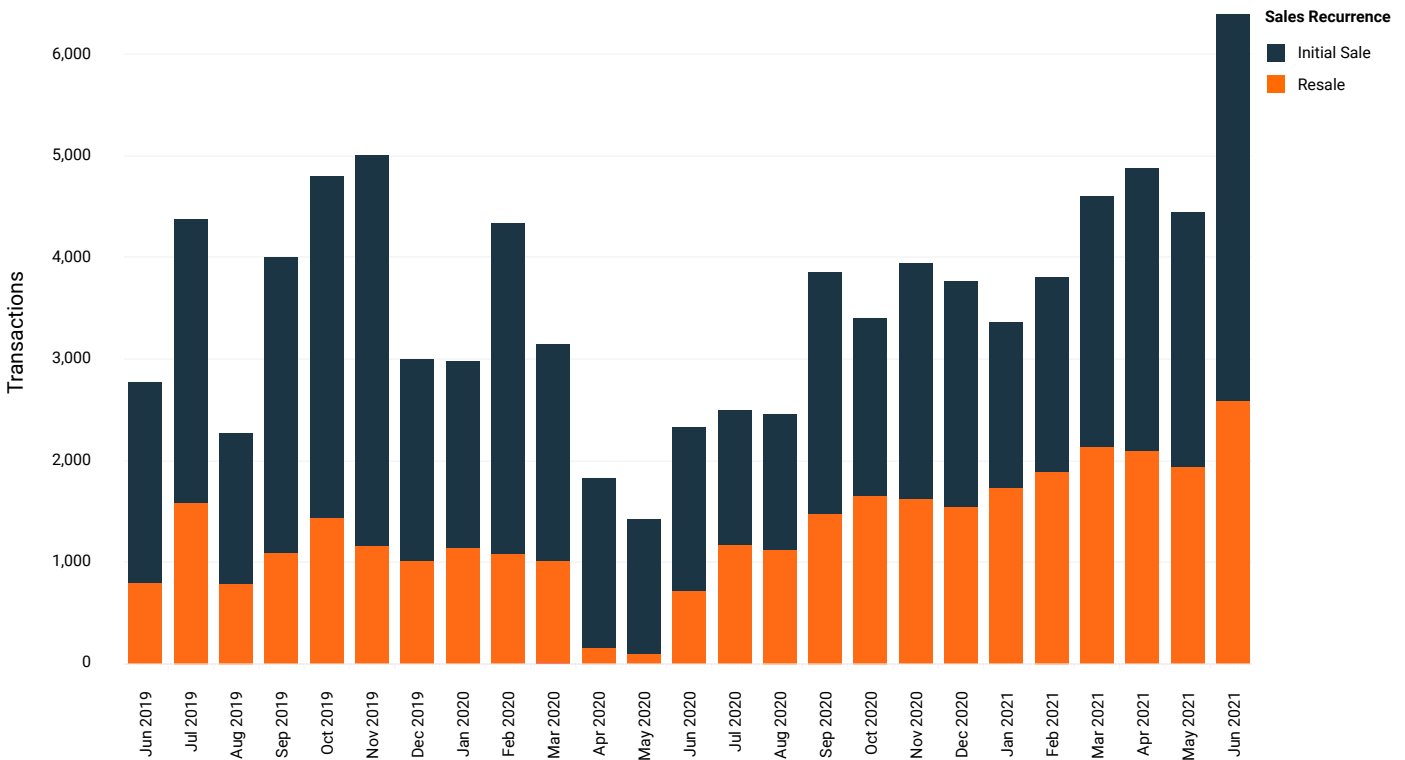
Off-Plan Villas

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	3BR (Median Price)	4BR (Median Price)
1	-	-	Mohammed Bin Rashid City	72	1,800,000	3,050,000
2	-	-	Al Furjan	14	1,937,925	-
3	2	-	Rukan	4	1,282,500	-
-	-	-	Jumeirah Golf Estates	3	-	3,925,389
-	-	-	Arabian Ranches 2	1	-	2,400,000

Off-Plan Townhouses

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	2BR (Median Price)	3BR (Median Price)	4BR (Median Price)
1	2	3	Arabian Ranches 3	62	-	1,497,888	2,080,888
2	1	-	Mohammed Bin Rashid City	55	1,600,575	1,688,000	2,867,500
3	3	5	Villanova	34	1,275,000	1,360,000	1,664,500
4	4	2	Arabian Ranches 2	18	-	1,700,000	2,025,000
5	11	-	Tilal Al Ghaf	14	-	1,535,000	1,860,000

HISTORICAL TRANSACTIONS CHART – SALES RECURRENCE



In June 2021, resale transactions accounted for 40.5% of the market share, down from the previous month's 43.5%. Meanwhile, initial sales transactions stood at 3,800 in June, up 51.2% month-on-month by transaction volume, and at their highest level since November 2019.

Due to the higher registrations at Azizi Riviera, Mohammed Bin Rashid City was the most popular master development for initial sales where 25.7% of all such transactions occurred, significantly higher from 8.2% last month. Other projects in MBR City where a high volume of sales activity occurred were Creek Vistas at Sobha Hartland (144), MAG City in District 7 (126), and The Residences at District One (78).

Taking second place was Business Bay, where initial sales took 8.2% market share, nearly doubling their 4.2% share in May. Al Habtoor Residences at Al Habtoor City and Elite Business Bay Residence were the most sought-after projects in June with 69 and 64 sales, respectively.

The third highest market share for June was claimed by Jumeirah Lakes Towers at 7.3%, down from 10.2% last month. Golf Views Seven City again dominated the sales recorded in the community with 225 transactions, representing nearly 83% of all initial sales transactions in the community.

The top master developments for resale transactions were Dubai Investments Park with 10.2% of such transactions across multiple projects—the highest level of sales occurred at Green Community West (217). This was followed by Dubai Marina with 9.4% of such transactions across multiple projects—the highest level of transactions occurred at the Marina Diamond building (17) and Princess Tower (11), and lastly Palm Jumeirah with 5.6% with villas on the fronds being the most popular with 27 sales.

TOP 5 COMMUNITIES TABLE – INITIAL SALE AND RESALE

Resale

Resale Apartments

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	Studio (Median Price)	1BR (Median Price)	2BR (Median Price)	3BR (Median Price)
1	1	2	Dubai Marina	205	447,500	890,000	1,377,500	2,162,500
2	2	5	Downtown Dubai	93	1,000,000	1,250,000	2,200,000	2,800,000
3	3	8	Palm Jumeirah	88	915,000	2,000,000	2,600,000	3,500,000
4	7	7	Jumeirah Lakes Towers	74	390,000	607,500	1,000,000	2,325,000
5	6	3	International City	70	205,000	300,000	720,000	475,000

Resale Villas

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	3BR (Median Price)	4BR (Median Price)	5BR (Median Price)
1	1	1	Emirates Living	76	2,435,000	4,975,000	6,025,000
2	3	3	Arabian Ranches	48	3,750,000	4,775,000	5,650,000
3	2	2	Dubai Hills Estate	36	3,700,000	4,750,000	5,682,500
4	6	4	Palm Jumeirah	29	5,450,000	14,700,000	17,850,000
5	7	17	Jumeirah Park	24	3,507,500	4,260,000	4,750,000

Resale Townhouses

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	2BR (Median Price)	3BR (Median Price)	4BR (Median Price)	5BR (Median Price)
1	-	-	Dubai Investments Park	221	-	2,968,848	3,635,000	-
2	1	2	Town Square	36	-	1,600,000	1,900,000	-
3	5	1	Reem	34	-	1,675,000	2,292,500	-
4	4	3	Dubai Hills Estate	33	-	2,450,000	2,857,500	3,350,000
5	2	13	Villanova	26	1,312,500	1,384,000	1,612,500	-

Initial Sale

Initial Sale Apartments

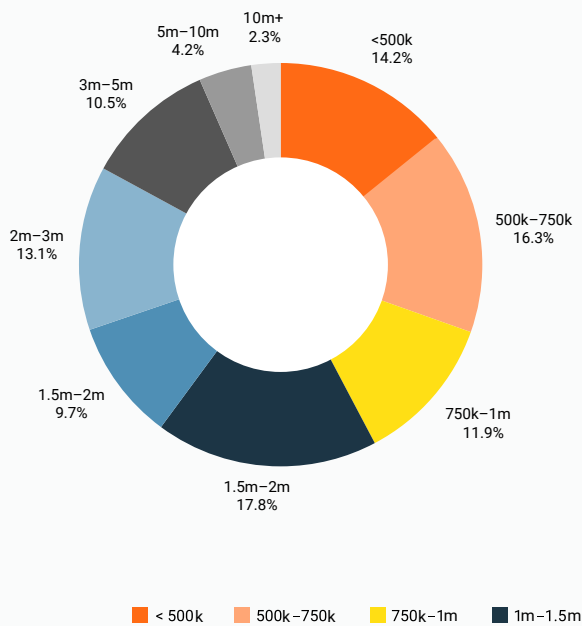
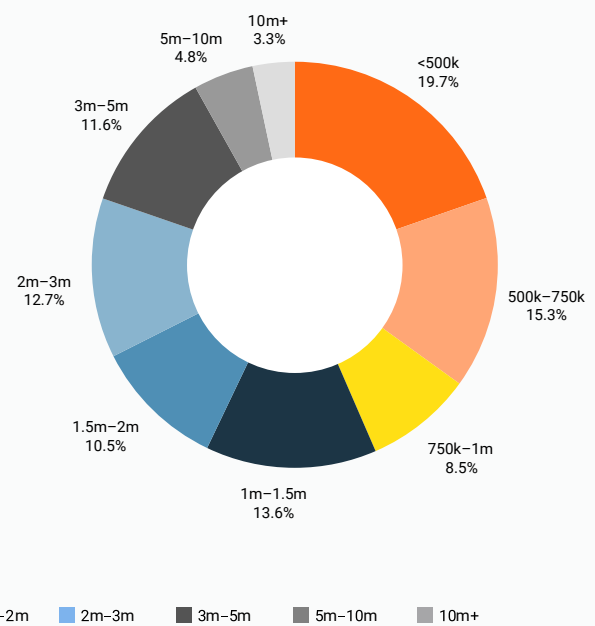
Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	Studio (Median Price)	1BR (Median Price)	2BR (Median Price)	3BR (Median Price)
1	3	1	Mohammed Bin Rashid City	823	530,484	863,732	1,345,850	1,452,802
2	7	3	Business Bay	299	650,000	1,133,676	1,729,964	2,736,916
3	1	16	Jumeirah Lakes Towers	272	409,297	794,209	1,138,621	2,800,000
4	2	2	Jumeirah Village Circle	151	435,000	700,000	1,095,900	1,227,400
5	9	4	Downtown Dubai	123	904,658	1,677,950	2,867,686	4,645,388

Initial Sale Villas

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	3BR (Median Price)	4BR (Median Price)	5BR (Median Price)
1	2	-	Tilal Al Ghaf	141	-	3,608,000	4,356,000
2	6	5	Mohammed Bin Rashid City	77	1,800,000	3,220,400	18,115,494
3	1	3	DAMAC Hills	64	2,289,200	2,925,520	4,862,610
4	3	2	Dubai Hills Estate	32	3,893,000	4,571,888	13,119,888
5	9	4	Al Furjan	24	1,957,500	-	-

Initial Sale Townhouses

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	2BR (Median Price)	3BR (Median Price)	4BR (Median Price)
1	-	16	International City	216	-	1,000,000	-
2	1	-	Mohammed Bin Rashid City	59	1,600,575	1,688,000	3,200,000
3	3	5	Arabian Ranches 3	42	-	1,555,888	2,091,888
4	7	-	DAMAC Hills	35	-	2,154,000	2,920,670
5	4	7	DAMAC Hills 2	20	1,058,000	1,144,000	960,000
6	2	6	Villanova	17	1,305,000	1,319,000	1,684,000

PRICE TIERS (AED) – JUNE 2021

PRICE TIERS (AED) – MAY 2021

PRICE TIERS (AED) MONTHLY COMPARISON

	June 2021	May 2021	MoM Change
<500K	14.2%	19.7%	-5.9%
500K-750K	16.3%	15.3%	0.96%
750K-1M	11.9%	8.5%	3.32%
1M-1.5M	17.8%	13.6%	4.22%
1.5M-2M	9.7%	10.5%	-0.81%
2M-3M	13.1%	12.7%	0.41%
3M-5M	10.5%	11.6%	-1.07%
5M-10M	4.2%	4.8%	-0.54%
10M+	2.3%	3.3%	-1.01%

After three straight months of expanding market share, the AED 10m+ price tier contracted from 3.3% to 2.3% in June. While the tier contracted in terms of market share, it remained strong in terms of historical monthly transaction volumes with 111 transactions, only marginally down from the record high of 117 last month.

Sales on the iconic Palm Jumeirah continued to lead sales activity in this tier, accounting for over 37% (43) of all sales. Dubai Hills Estate followed where 19.3% (22) high-end sales were recorded. Villas are driving this growth—compared to 286 villa transactions above AED 10m each in 2020, we have already surpassed that number with 362 year-to-date, and further eclipsed 2019 when a mere 197 transactions were recorded.

The <AED 500k tier displayed the largest shift in market share for June, contracting 5.5% month-on-month to 14.2% in June from 19.7% in May. This is the lowest level since July 2018 when the tier recorded a 13.9% market share.

The AED 750k-1m and AED 1m-1.5m tiers both recorded notable gains with a combined increase of 7.5%. Contributing to the growth across these neighbouring tiers was the large volume of sales registered in Mohammed Bin Rashid City across several projects in Sobha Hartland and the delayed registrations in Azizi Riviera, along with an apparent bulk transaction of 216 units at Souk Warsan in International City. Given the one-off nature of these transactions, we will likely see market share for their price tiers decline next month.

In June, properties under AED 1m still accounted for the largest share of the market at 42.3%, marginally declining from 43.5% last month. The mid-tier of AED 1m-3m now represents 40.6% of the market, up from 36.8% in May. The high-price tiers with property values greater than AED 3m account for 17.1% of total residential market transactions, down from 19.7% last month.

METHODOLOGY AND METRICS

Dynamic Price Index

The Property Monitor Dynamic Price Index family (DPI) are calculated using a moving average algorithm of median prices and the Dutot price index formula with cleansing of extreme values and outliers. The indices are published at the end of each calendar month and are subject to backward revision should any new datapoint or datasets become available. This is a unique feature of the Property Monitor DPI as it always uses the fullest data set available and takes into account data which was not available at the point of original index compilation. Detailed index methodology and notes are available at propertymonitor.com/pmddpi.html

Completed Transaction

Consists of transactions that are recorded on the Dubai Land Department's official Title Deed register for all sales of completed property which has been issued a building completion certificate (BCC) and is available to purchase and occupy. Typically, it refers to the subsequent resale(s) of a property and transfer of ownership which takes place between two or more private parties, however, it may also include any initial first-time transfers between developers and buyers whereby a BCC has been issued and the developer had not previously sold the property.

Gross Rental Yield

Is the annual rent as a percentage of the purchase price or value of a property and is presented in this report as a value that represents the blended average rental yield of properties in Dubai across all communities.

Highest Recorded Sale

The single transaction of an apartment or villa that achieved the highest recorded transferred sales price during the month either in the off-plan or completed segment. Excludes plot/raw land only sales.

Initial Sale

The first sale of a property, usually directly from the developer or project sponsor to a buyer. Typically, an initial sale would occur during the construction phase of a project and get registered as an off-plan transaction with an Oqood. However, should the developer hold unsold units after the project is completed, an initial sale would be recorded with a Title Deed. An initial sale only occurs once and every subsequent sale thereafter is a 'resale'.

Lowest Recorded Sale

The single transaction of an apartment or villa that achieved the lowest recorded transferred sales price during the month either in the off-plan or completed segment.

ABOUT PROPERTY MONITOR

Property Monitor is the region's leading real estate intelligence platform and the only data source powered by RICS-accredited professionals, bringing unprecedented transparency and accuracy to local property markets. Through Property Monitor, market stakeholders can directly access real-time, transparent and accurate intelligence, unmatched anywhere else in the region. The platform empowers investors, property specialists and banking professionals with authoritative data, analytics and insights that closely correlate with market movements, empowering confident and informed property-related decisions.

Please get in touch with us for our detailed community reports and any other specific requirements you might have.



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