



**March Madness: Over 12,000 sales transactions recorded, off-plan sales continue to dominate, while mortgage volumes hit record high**

**Median prices in March**



**Apartments**  
AED 1,150,000



**Townhouses**  
AED 2,200,000



**Villas**  
AED 5,325,000

**Record sales numbers in March and 4th highest month ever recorded**

**Transaction volumes up nearly 50% Year-on-Year and more than a third higher Month-on-Month**

**While sales numbers are through the roof, the market stays under control with a third consecutive month of moderate price growth, as prices rise 0.62%**

**Off-plan sales continue to dominate, with new project launches on track to reach ~90K units in 2023**

**Mortgage volumes skyrocket with continued rise in bulk portfolio loans**

**Gross yields continue to trend in mid-6% range pointing to a likely plateau**

In March, the Dubai real estate market witnessed a continuation of the last 2 years' upward trend in residential property prices, with values increasing 0.62% on a monthly basis. This marks the third consecutive month where price growth has remained steady at around 60 basis points, indicating a healthy and measured market expansion. In contrast, the early stages of the current growth cycle saw monthly price appreciation averaging 1.33% and 0.92% in 2021 and 2022 respectively. This growth pattern is exactly as predicted by Property Monitor last year and we expect relative price stability to be the emerging trend, with small upward and downward month-on-month changes during the remainder of 2023.

Dubai property values currently stand at AED 1,109 per sq ft according to the Property Monitor Dynamic Price Index (DPI). These values were last seen in July 2018 when the market was falling, and were previously reached during an earlier upward cycle in January 2014.

The total volume of sales transactions soared in March, increasing by a remarkable 34.8% month-on-month to 12,304 sales. This represents the strongest March on record and the fourth-highest monthly sales figure ever recorded. Residential transactions, encompassing apartments, townhouses, and villas, accounted for the majority at 91.5% (11,253 sales transactions), with apartment sales alone experiencing a nearly 50% month-on-month increase and contributing significantly to the overall surge in transaction activity. The highest transacted commercial property types were hotel apartments (3.7%), office spaces (2.2%), and land sales (1.6%).

In March, a record-breaking total of 6,509 off-plan Oqood transactions were registered, marking a 43% month-on-month increase and representing the highest monthly figure in 13 years. Oqood transactions now account for the majority of the market at 52.9%, with Title Deed sale volumes falling to 47.1%.

**SNAPSHOT**

March 2023



**+0.62%**

Dynamic Price Index  
Monthly Change



**AED 1,109/sq ft**

Dynamic Price Index  
Current Property Price



**12,304**

Number of Monthly  
Transactions



**6.69%**

Gross Rental Yield



**AED 150m**

Highest Recorded Sale  
*Villa TP01 - 5 Bedroom  
FronD, Palm Jumeirah*



**AED 150k**

Lowest Recorded Sale  
*Apt 108 - 1 Bedroom  
Building D08 China Cluster,  
International City*

**“ To mitigate the risk of oversupply and the market being pushed from growth to decline, developers will need to closely monitor demand and absorption rates and be willing and able to adapt if needed. We do not see prices falling any time soon, but equally do not believe that overall Dubai prices will show significant further appreciation over the rest of the year, when taken as a whole. Steady as she goes... ”**

**ZHANN JOCHINKE**  
Director of Market Intelligence & Research  
Cavendish Maxwell

Although the market may appear to be only slightly tilted in favour of off-plan sales over completed properties, a correctional adjustment by the Property Monitor team for registration technicalities within the Dubai Land Department (DLD), reveals that several villa and townhouse sales, presented as completed with issued Title Deeds, are actually under construction and sold off-plan. In reality, off-plan transactions hold a more dominant market share of 59.2%.

Multiple factors have contributed to the ongoing growth of the off-plan market. Firstly, the lack of available and suitably priced ready properties. Secondly, high mortgage interest rates and overall inflation have eroded the affordability for many buyers. Thirdly, the significant number of new project launches in the past 12 months. The supply of new launches which we see in the pipeline shows no signs of slowing down, with total launches projected to reach nearly 90,000 units in 2023. In short, the off-plan market offers a wider range of options with appealing pricing and flexible payment alternatives.

Meanwhile, resales transactions—any subsequent sale of a property that follows the initial first-time sale from the developer, for an off-plan or completed project—stood at 6,011 in March representing a market share of 40.7%, decreasing 5.6% month-on-month. With this decrease in overall resale activity, the portion of off-plan resales also decreased—down 6% in March—falling to 22.2% after reaching a notable high of 28.3% last month. Monitoring off-plan resale activity is crucial during this market growth phase as it serves as an indicator of speculative activity that can drive prices up at an unsustainable pace.

An analysis of the monthly data trend suggests a slowdown in off-plan resales, however it's important to consider that this is based on a percentage of overall activity for the month—in a month where sales volumes grew considerably. If we look at the simple volume of off-plan resale transactions, the number of off-plan resales still remains at a comparable level to the previous month, with 1,114 resales recorded in March compared to 1,196 in February. At this stage we believe there is no cause for alarm. The current activity is mostly focused on properties expected to be finished within a year, with the premiums sellers receiving on these sales being in line with overall market appreciation and the pricing of comparable ready properties.

However, if activity shifts toward properties that are further away from handover, caution should be exercised, as it is likely driven by speculators seeking a quick flip at prices that may not be in line with market values prevailing at handover, if our expectation that a moderating and sustainable market lies ahead is correct.

The volume of mortgage transactions hit an all-time record high in March with a total of 4,261 loans recorded, which at face value completely defies any market expectations given the high interest rate environment and general downward pressure on all forms of borrowing and debt. However, a more detailed look at mortgage transactions reveals that the highest growth segment was for bulk mortgages—those taken by developers and larger investors with multiple units—increasing their market share by a considerable 16.6% month-on-month to 55%. The 2,345 loan transactions were spread across several projects, most notably portfolio mortgage registrations for villas in Al Furjan (412), apartments at Lucky Residence 1 (148) in JVC, and the retail and office units across Golden Mile in Palm Jumeirah (163), as well as over 1,000 transactions for units included in portfolio mortgage modifications. These bulk mortgage transactions are more commercial in nature and not a representation of the general mortgage market and typical day-to-day home financing.

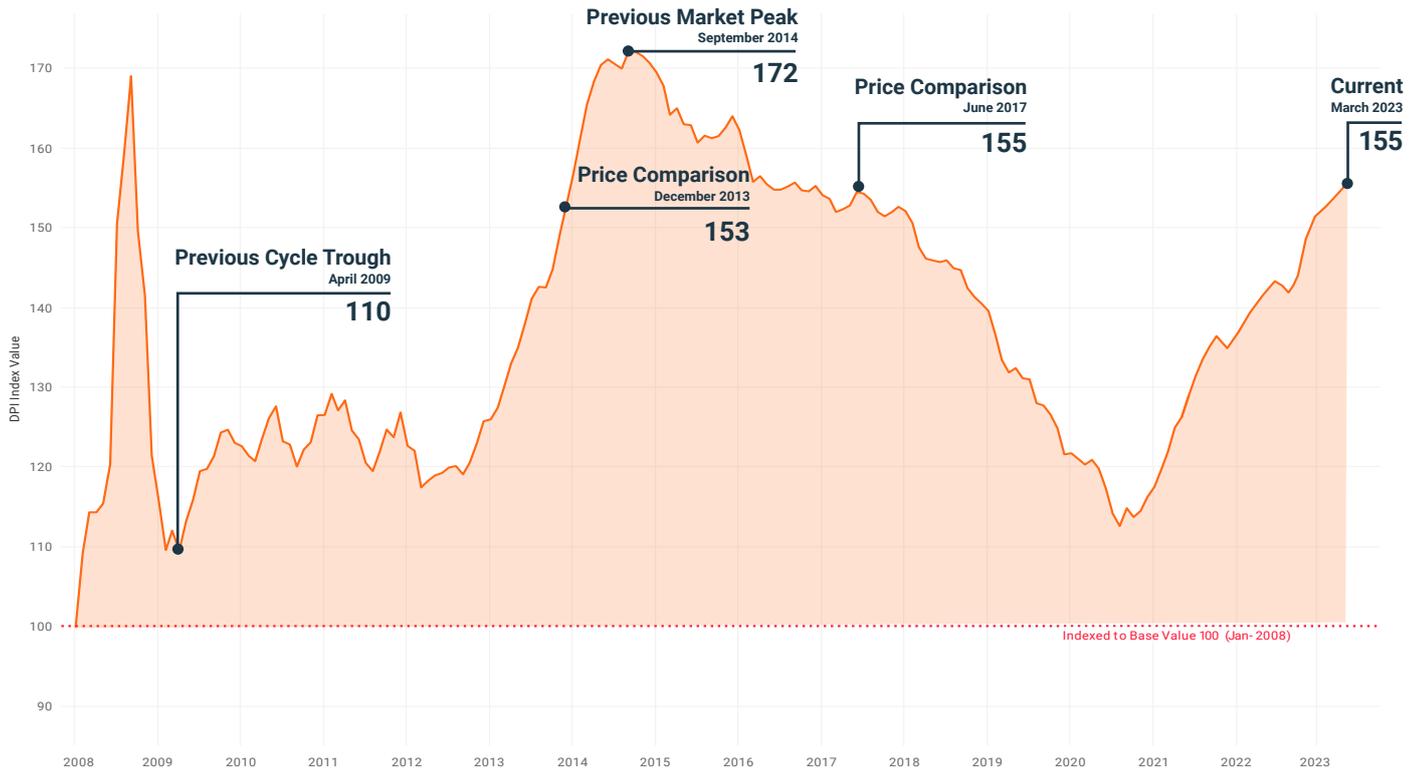
Meanwhile, refinancing and equity release also decreased their market share, shrinking by 13.6% to 22.1%. The remaining 22.9% (down 3% from last month) of loans taken were new purchase money mortgages with the average amount borrowed being AED 1.79m at a loan-to-value ratio of 76.6%.

The average gross rental yields for residential properties in the Emirate remained steady in March, with a slight increase of only 0.05% to 6.69% compared to the previous month. Yields for apartments and townhouses saw modest increases, with rises of 0.09% and 0.07% respectively, reaching 7.11% and 6.38%. However, villa yields continued to decline and hit their lowest level in eight months, decreasing by 0.11% to 4.77%. The decline in villa yields can be attributed to multiple factors, including the ongoing bid-ask spread delta on sales prices, rental rates in many villa communities appearing to have reached their peak, and much needed new single-family rental supply entering the market and easing demand.

Looking forward, despite the recent surge and strength of sales transaction volumes, we still anticipate that the market will lose some steam and the record setting pace of sales volumes will dissipate with the diverging tale of two markets continuing. The dominance of off-plan will likely continue, if not grow further, with the rate and number of off-plan launches remaining in high gear throughout the year. To mitigate the risk of oversupply and the market being pushed from growth to decline, developers will need to closely monitor demand and absorption rates and be willing and able to adapt if needed. We do not see prices falling any time soon, but equally do not believe that overall Dubai prices will show significant further appreciation over the rest of the year, when taken as a whole. Steady as she goes...

The ready villa and townhouse market is already somewhat constrained with prices having reached their peak in several communities, and days-on-market beginning to increase unless sellers are priced close to recent sales. The trajectory of sales in these communities will be the ones most affected by the interest rate environment, and with potential further rate increases ahead and no reprieve likely until early-mid 2024, more buyers will be sidelined or move towards purchasing off-plan in a new launch, or a resale that is nearing completion and handover.

**PROPERTY MONITOR DYNAMIC PRICE INDEX**





**+0.62%**  
MoM Change



**+1.83%**  
QoQ Change



**+10.15%**  
YoY Change



**AED 1,109**  
Average Property Price Per Sq Ft

**DPI MONTHLY OVERVIEW**

Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
Mar 2023	154.84	0.62%	1.83%	10.15%	1,109
Feb 2023	153.89	0.58%	2.40%	10.06%	1,102
Jan 2023	153.00	0.62%	2.88%	10.66%	1,096
Dec 2022	152.05	1.17%	4.06%	11.59%	1,089
Nov 2022	150.29	1.06%	4.97%	11.23%	1,076
Oct 2022	148.71	1.77%	5.15%	8.98%	1,065
Sep 2022	146.12	2.06%	2.72%	8.10%	1,047
Aug 2022	143.17	1.24%	0.33%	7.21%	1,025
Jul 2022	141.42	-0.58%	-0.16%	7.59%	1,013
Jun 2022	142.25	-0.31%	1.19%	10.26%	1,019
May 2022	142.70	0.74%	2.06%	12.97%	1,022
Apr 2022	141.65	0.76%	2.45%	13.31%	1,014
Mar 2022	140.58	0.54%	3.17%	15.28%	1,007

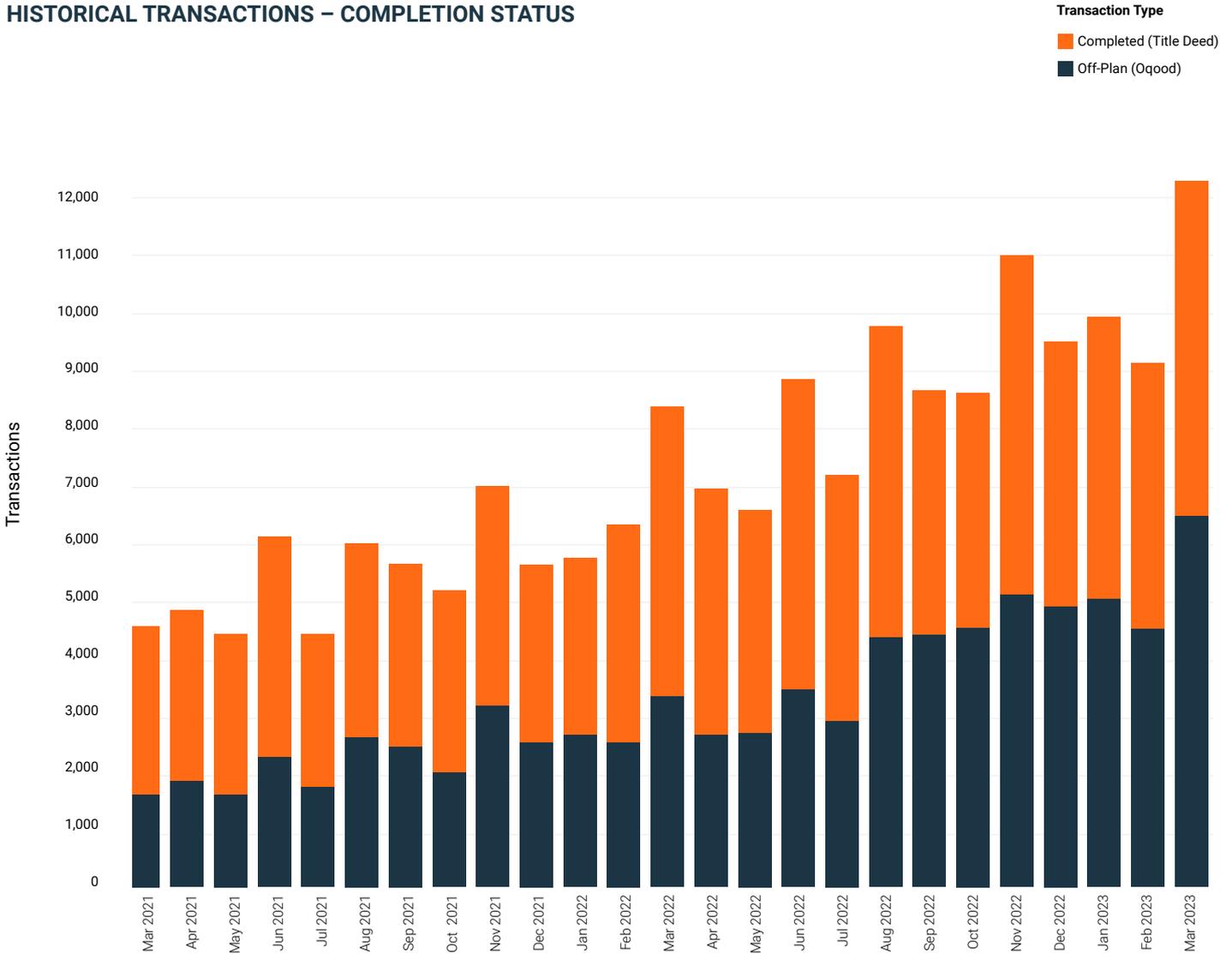
The Property Monitor Dynamic Price Index (DPI) tracks trends of residential property prices throughout 42 key communities in Dubai and is indexed to a base period of February 2008.

At an emirate-wide level, the index value for March 2023 increased by 0.95 index points to 154.84 from 153.89 in February 2023, representing a month-on-month increase of 0.62%.

In March 2023, property prices stood at AED 1,109 per sq ft, down 10.1% from the market peak in September 2014 and are 41.3% above the market trough of April 2009. Property prices were last at these levels during the expansion phase of the previous market cycle in December 2013.

On a year-on-year basis, prices have increased by 10.15% in March and now marks 25 straight months of year-on-year increases, while on a year-to-date basis, prices have increased by 1.82% in March 2023 compared to 3.14% in March 2022.

**HISTORICAL TRANSACTIONS – COMPLETION STATUS**



Sales transaction volumes in March reached 12,304 increasing by 34.8% month-on-month and registering as the highest March ever. During the month, the split between Oqood and Title Deed property transactions once again reversed trend back in favour of the former, with Oqood registrations accounting for 52.9% of all transactions, up 3% month-on-month. After adjusting for registration technicalities where several off-plan villa and townhouse transactions are shown as Title Deed, the true breakdown of market share is 59.2% in favour of properties under construction having been sold off-plan.

During the month, EMAAR Properties took the top spot in the off-plan market with the bulk of developers’ off-plan registrations, taking a dominant market share of 26.4%. They recorded 1,598 transactions spread across a myriad of their projects, most notably Elvira (367) in Dubai Hills, Palace Residences North (263) in Dubai Creek Harbour, Elora (230) in The Valley, and Anya (150) in Arabian Ranches III.

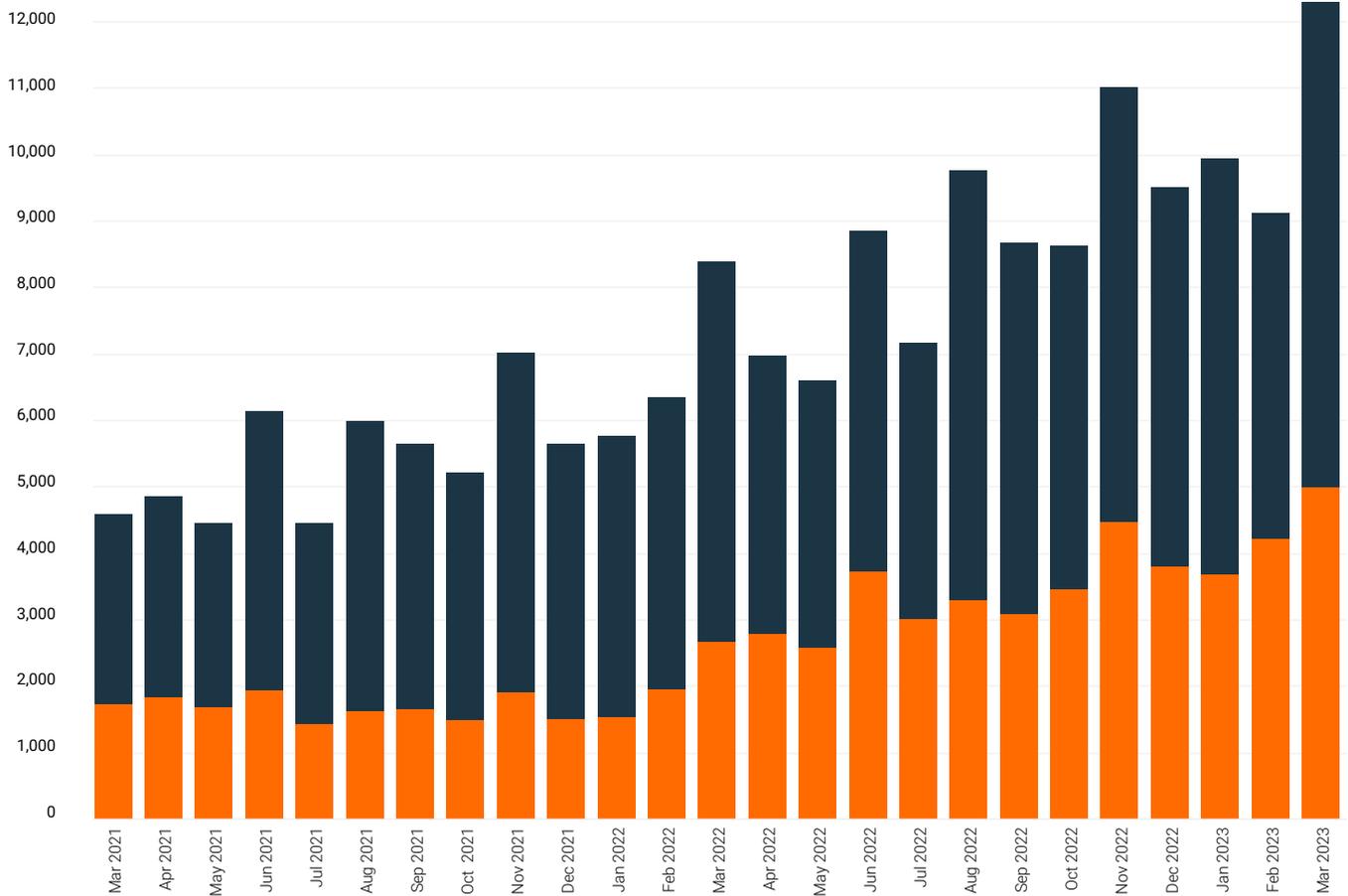
DAMAC Properties was next at 8% of all off-plan transactions, with the bulk of their sales activity occurring at Ibiza (147), Monte Carlo (42), and Marbella (35) in DAMAC Lagoons, as well as Golf Gate (34) in DAMAC Hills. This was followed by Binghatti taking a 6.2% market share with sales activity occurring across several projects, with a concentration in Jumeriah Village Circle: Binghatti Corner (211), Binghatti Nova (76), and Binghatti Crescent (61).

In the ongoing 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 7,293 initial developer sales recorded in March, 15.4% were in completed projects.

**HISTORICAL TRANSACTIONS – SALES RECURRENCE**

**Sales Recurrence**

- Initial Sale
- Resale



In March 2023, the market share of initial developer sales grew by 5.6% to 59.3% versus resale transactions. The 12-month rolling average now stands at 59.5% for initial sales and 40.5% for resales, the latter of which, after reaching a high of 51.8% in February 2021, has been continually trending back down towards the levels of 2019 and 2020, 33.2% and 33.8% respectively.

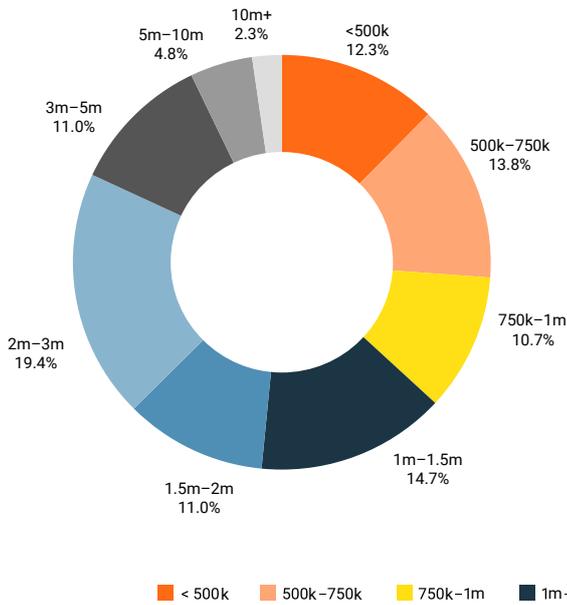
Jumeirah Village Circle was the most popular master development for initial sales, where 18.5% (1,320) of all such transactions occurred. Elitz by Danube topped the leaderboard at 225 registrations and was followed by Binghatti Corner with 211 sales.

Taking second place was Dubai Creek Harbour, where initial sales held 8.1% market share and 578 transactions were recorded. Palace Residences North was the clear leader for the month, registering 263 initial sales and was followed by Creek Edge Tower 1 (121) and The Cove II (108).

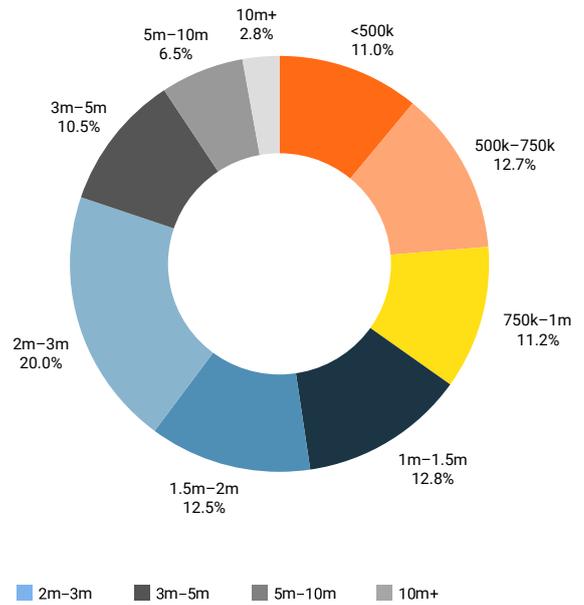
Coming in third for March was Business Bay which claimed 6.4% market share with a total of 425 sales. Peninsula Four “The Plaza” by Select Group was the most prominent project in the master development with 238 sales, the Chic Tower by DAMAC followed with 24, and Paragon by IGO with 18 for the month.

The top master developments for residential resale transactions were Jumeirah Village Circle with 7.9% of such transactions across multiple projects, with the highest level of sales occurring at Bloom Towers with 23 for the month. This was followed by Dubai Marina at a 7.2% market share with Marina Pinnacle recording 22 transactions. Closing out the top 3 master developments for resale was Business Bay holding 6.3% of the market, with The Bay recording 20 sales.

**PRICE TIERS (AED) – MARCH 2023**



**PRICE TIERS (AED) – FEBRUARY 2023**



**PRICE TIERS (AED) MONTHLY COMPARISON**

	March 2023	February 2023	MoM Change
<500k	12.4%	10.9%	1.50%
500k-750k	13.8%	12.7%	1.10%
750k-1m	10.7%	11.2%	-0.50%
1m-1.5m	14.7%	12.8%	1.90%
1.5m-2m	11.0%	12.5%	-1.50%
2m-3m	19.4%	20.0%	-0.60%
3m-5m	11.0%	10.6%	0.40%
5m-10m	4.8%	6.5%	-1.70%
10m+	2.2%	2.8%	-0.60%

Growing their share of the market at the fastest pace was the AED 1-1.5m price tier which increased by 1.9% in March to reach a total of 14.7%. This comes on the heels of a 2.7% decrease for the tier in February. Growth of this price tier was primarily driven by sales of off-plan apartments at Elvira in Dubai Hills and Palace Residences North in Dubai Creek Harbour, where sales prices averaged AED 1,943 per sq ft and 2,069 per sq ft respectively. Meanwhile, the biggest market share loser was the AED 5m-10m tier which, after being on somewhat of a bull run for the previous two months, decreased by 1.7% falling to 4.8%.

Also experiencing notable growth during the month were the adjacent AED <500k and AED 500k-750k price tiers which collectively grew by 2.6%. This growth can be largely attributed to the success of several off-plan apartment projects in Jumeirah Village Circle, most notably Joya Dorado, Binghatti Corner, and Elitz by Danube where average sales prices ranged between AED 871 to AED 1,428 per sq ft.

Condensing the individual 9 price tier segments to 3 main groups, properties in the mid-tier of AED 1m-3m again accounted for the largest share of the market at 45.1%, shirking by 0.2%. The low-price tiers with property values under AED 1m now represent 36.9% of the market, up by 2.1% from February, while the high-end price tiers—properties over AED 3m—now represent 18% of the market, down by 1.9% month-on-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](https://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. As of 2022, we are proud to officially be part of the Cavendish Maxwell group of companies.

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



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After being processed and cleansed, transaction data for the monthly market report is extracted on the first day of each month and includes transactions as posted by the Dubai Land Departments as of midnight of the last day of the relevant reporting period. Comparison of the data, the periodic MoM and YoY periods, and other values printed in the monthly reports may not correlate from time-to-time, this is due to additional transactions being added to the underlying data which are post-dated or otherwise not released prior to publication.