



No stopping the strength of the Dubai real estate market in 2023. Record highs for average prices, sales volumes, mortgage volumes, and new project launches.

Median prices in November



Apartments
AED 1,269,000



Townhouses
AED 2,625,000



Villas
AED 5,950,330

Property price appreciation continues at moderate pace, up 1.17% month-on-month

Highest ever sales transaction volumes for November push all-time annual record even higher

Off-plan resales continue to increase however developer policies keeping speculation in check

New development project launches on track to hit 100,000 units by years' end

Gross rental yields are plateauing at 6.8% and poised to taper down in 2024

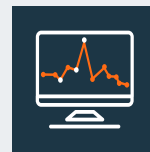
In the run up to the turn of the year, average Dubai property prices continue to reach new heights, increasing by 1.17% in November. According to the Property Monitor Dynamic Price Index (DPI), Dubai property prices currently stand at AED 1,271 per square foot, just over 3% above the previous all-time high and market peak of September 2014.

Since bottoming out in October 2020 prices have gone on to increase 44.9% on average, with all three residential property types experiencing varying growth trajectories. In the initial stages of the market recovery, ready single-family homes witnessed the highest demand and the steepest increase in prices with sales of comparable properties routinely achieving 5-10% above the most recent sale. Apartments—appreciating, but not at the same pace as villas and townhouses—lagged somewhat in their recovery until Q3 2022 and have since realised stronger gains while townhouses and villas have experienced muted growth appearing largely to have topped out.

The total volume of sales transactions increased by 0.75% month-on-month, reaching a total of 12,223 sales and marks the highest volume ever for the month of November. Residential transactions, encompassing apartments, townhouses, and villas, accounted for the majority of sales at 89.1% (10,893 transactions). The highest transacted commercial property types were land sales (4.1%), hotel apartments (3.6%), and office spaces (1.8%).

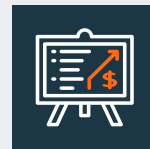
SNAPSHOT

November 2023



+1.17%

Dynamic Price Index
Monthly Change



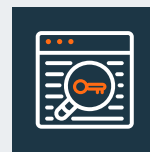
AED 1,271/sq ft

Dynamic Price Index
Current Property Price



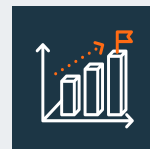
12,223

Number of Monthly
Transactions



6.68%

Gross Rental Yield



AED 200m

Highest Recorded Sale
Apt B08 | 6 Bedroom
EOME, Palm Jumeirah



AED 100k

Lowest Recorded Sale
Apt 102 | Studio
France Cluster Building 24,
International City

“ With over 130 additional projects in the planning phases being tracked by the Property Monitor team, we anticipate that new launches will maintain their historically high levels well into 2024, however we do expect to see a shift in the type of product offerings, particularly a reduction in the luxury and ultra-luxury segments ”

ZHANN JOCHINKE
Director of Market Intelligence & Research
Cavendish Maxwell

Year-to-date there have been 122,657 sales transactions recorded, a 40.3% increase over the same period last year. We now anticipate that we will see over 130,000 sales registered by the end of the year, surpassing our initial expectations of 120,000 to 125,000.

In November, a total of 5,884 off-plan Oqood transactions were registered, marking a 9.9% month-on-month decrease in volume with Oqood transactions and a 5.7% decrease in market share. Meanwhile, Title Deed sale volumes witnessed an increase rising by 12.3% and now account for 51.9% of all sales transactions. Although the market may appear to be slightly tilted in favour of completed properties over off-plan, 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 indeed under construction and sold off-plan. In reality, off-plan transactions have held a dominant market share since Q4 2021, currently standing at 60.3%.

Meanwhile, resale 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 5,071 in November representing a market share of 41.5%, increasing by a further 1.4% month-on-month following a 6.7% increase in October. With this increase in overall resale activity, the portion of off-plan resales also continued to increase—beginning its upward trajectory from the high single digits in late 2021 and steadily maintaining growth, off-plan resales have now reached the highest level of the current market cycle at 23.3%. We continue to stress that closely monitoring this activity remains important as off-plan resales can be an indicator of increasing speculative activity, particularly if it is in the early days of construction, well before handover.

For now, the current level of activity is skewed towards properties that are within a year of anticipated completion, something that is likely due to developer led policies of restricting resales by requiring between 30-50% of the purchase price be paid before such sales are permitted.

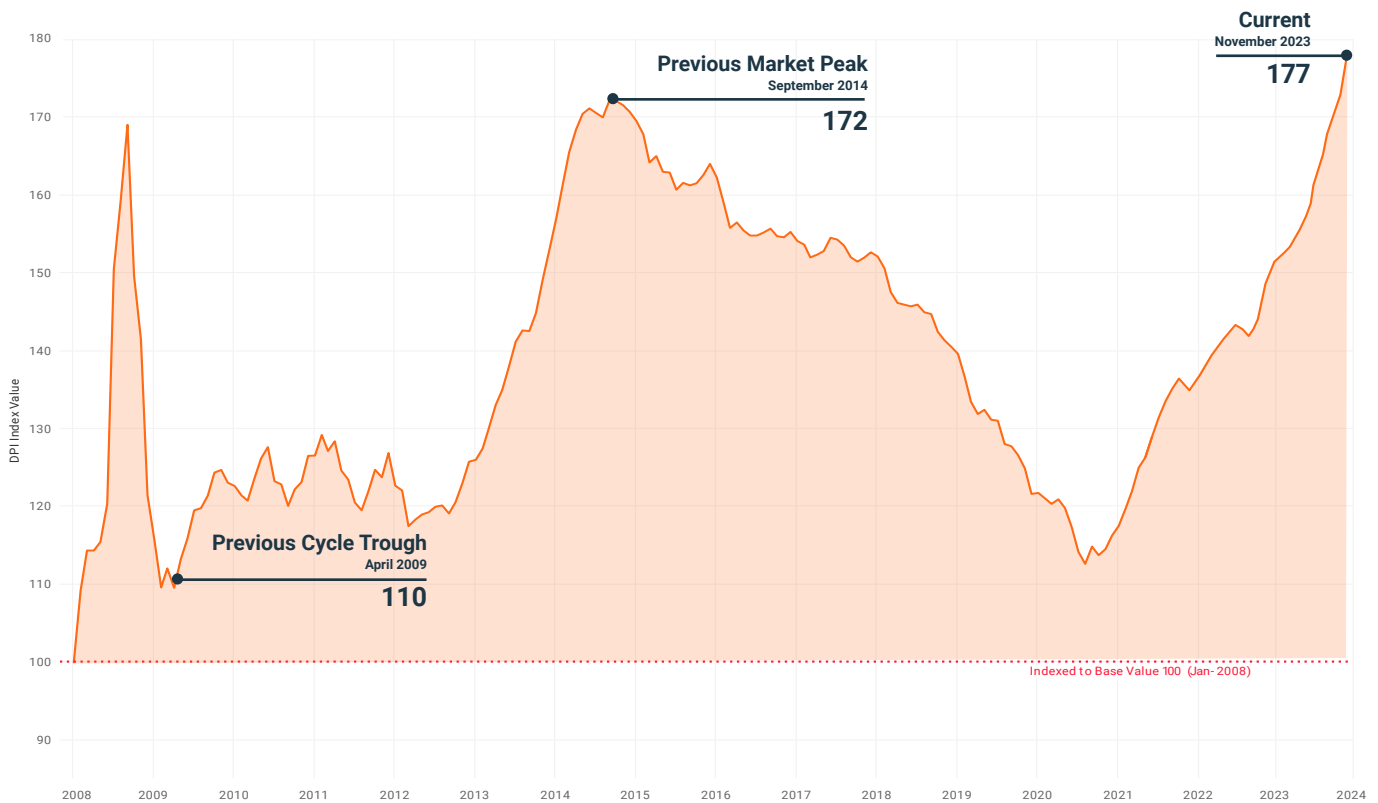
New off-plan development project launches remain at record highs, with just shy of 8,500 off-plan units added to the market for sale in November with an anticipated combined gross sales value of ~AED 19.5 billion. Apartments represent 90.9%—by volume—of this new inventory while townhouses and villas represent 6.1% and 3.0% respectively. Year-to-date, new project launches have exceeded just over 86,000 units and AED 252 billion in aggregate sales value, eclipsing the 2022 year-end numbers by nearly 33,000 units and AED 95 billion in value. With over 130 additional projects in the planning phases being tracked by the Property Monitor team, we anticipate that new launches will maintain their historically high levels well into 2024, however we do expect to see a shift in the type of product offerings, particularly a reduction in the luxury and ultra-luxury segments.

Mortgage transaction volumes increased by 7.8% in November with a total of 2,917 loans recorded. This pushed annual volumes to new heights, with more than 33,500 loans year-to-date. Bulk mortgage loans—those taken by developers and larger investors with multiple units—were a significant contributor to this increase, seeing their market share grow by 3.9% to 13.5%. The 394 bulk loans issued for the month were spread across several projects, most notably portfolio mortgage registrations in Siraj Tower (203) in Arjan, Rokane G22 (62) in Jumeriah Village Circle, and Al Jawhara Tower (21) in Jumeirah Village Triangle.

Meanwhile, loans for refinancing and equity release saw their market share decrease by 6.4% to 35.1%. The remaining 51.4% (up 2.5% from last month) of loans taken were new purchase money mortgages with the average amount borrowed being AED 1.69m at a loan-to-value ratio of 75.5%. Loans for new purchases and refinancing remain at historically high levels across all residential property types, this indicates continued strength in the overall mortgage market despite relatively high interest rates.

Average gross rental yields for residential properties in the Emirate continued to remain relatively stable in November, increasing by just 0.08% to 6.68%. Yields for both villas and townhouses saw modest declines down 0.34% to 4.62% and 0.31% to 6.10% respectively, whilst yields for apartments experienced a marginal gain, up 0.24% to 7.24%. The marginal shifts in yields and general plateauing align with our forecasts, and with numerous new development projects edging towards completion the rental market is poised to see an increase in available inventory in the coming months and with that we should also see a gradual decrease in rents throughout 2024.

PROPERTY MONITOR DYNAMIC PRICE INDEX



+1.17%
MoM Change



+4.55%
QoQ Change



+18.10%
YoY Change



AED 1,271
Average Property Price Per Sq Ft

DPI MONTHLY OVERVIEW

Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
Nov 2023	177.49	1.17%	4.55%	18.10%	1,271
Oct 2023	175.43	1.14%	5.37%	17.97%	1,256
Sep 2023	173.45	2.18%	6.44%	18.71%	1,242
Aug 2023	169.76	1.97%	5.43%	18.57%	1,216
Jul 2023	166.48	2.17%	5.98%	17.72%	1,192
Jun 2023	162.95	1.20%	5.24%	14.55%	1,167
May 2023	161.02	2.51%	4.63%	12.84%	1,153
Apr 2023	157.08	1.45%	2.67%	10.89%	1,125
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

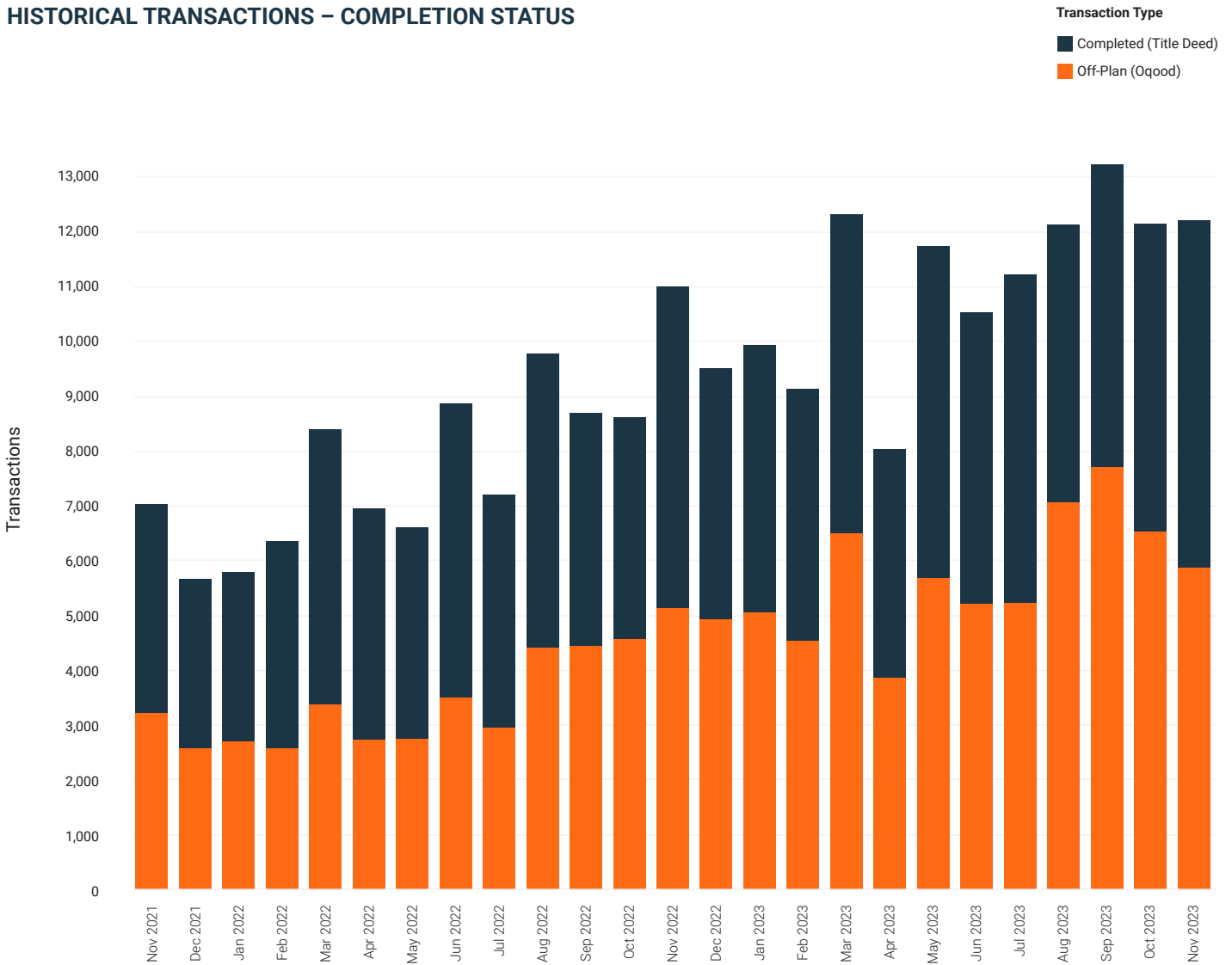
The Property Monitor Dynamic Price Index (DPI) tracks trends of residential property prices throughout 42 key communities in Dubai and is indexed to a base period of January 2008.

At an emirate-wide level, the index value for November 2023 increased by 2.06 index points to 177.49 from 175.43 in October 2023, representing a month-on-month increase of 1.17%.

In November 2023, property prices continued climbing to all-time highs and now stand at AED 1,271 per sq ft. This is now 61.9% above the market trough of April 2009 and just over 3% above the market peak of September 2014. Absent any significant economic, geopolitical, or unforeseen global events, current market conditions are likely to provide for continued growth well into the new year.

On a year-on-year basis, prices have increased by 18.1% in November and now mark 33 straight months of year-on-year increases, while on a year-to-date basis, prices have increased by 12.59% in November 2023 compared to 11.23% in November 2022.

HISTORICAL TRANSACTIONS – COMPLETION STATUS

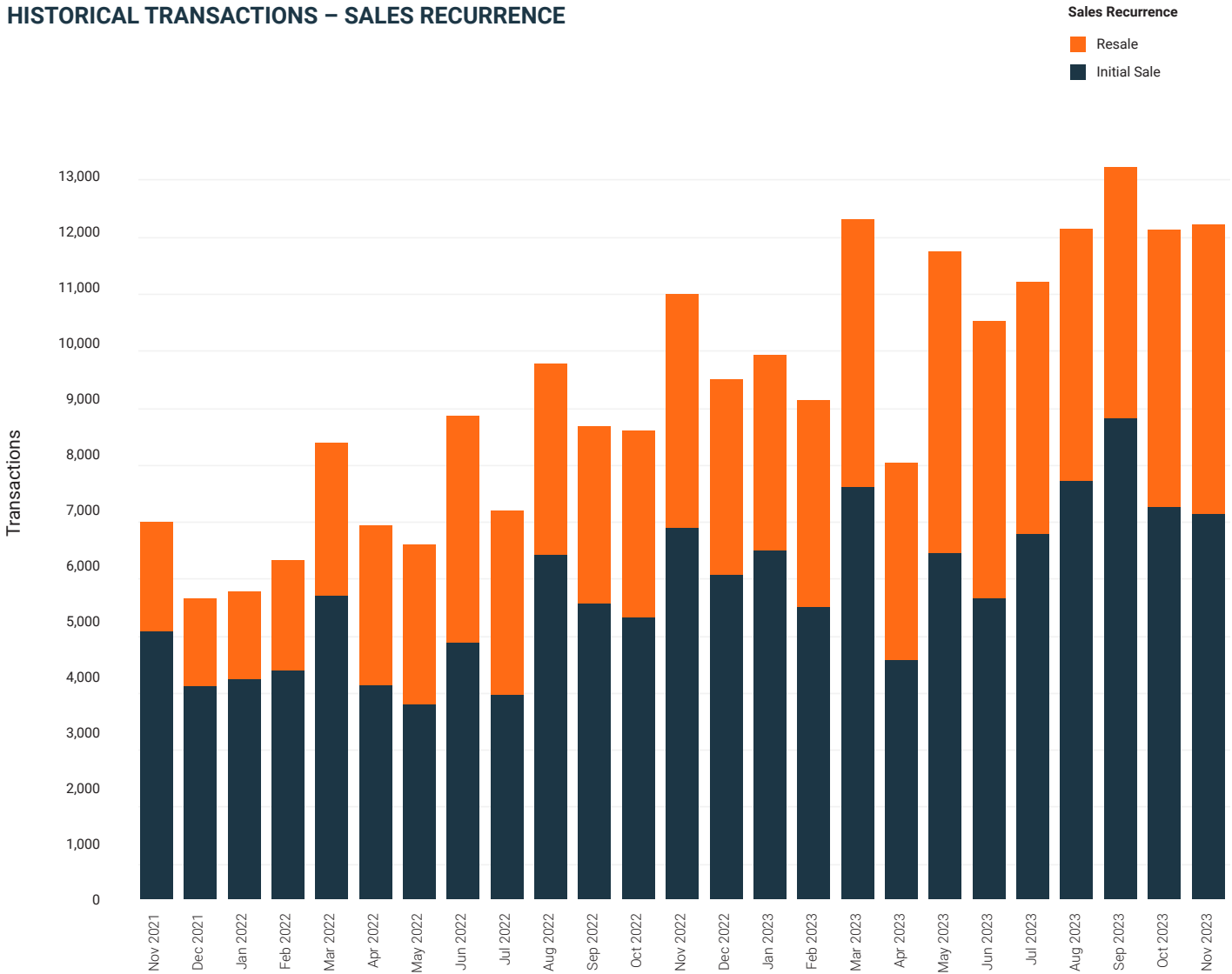


Sales transaction volumes in November were 12,223, increasing marginally by less than 1% over October. During the month, the split between Oqood and Title Deed property transactions was weighted slightly in favour of the latter, with Title Deed registrations accounting for 51.9% of all transactions, up 5.7% 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 60.3% 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 16.5%. They recorded 964 transactions spread across a myriad of their projects, most notably Nima in The Valley where 259 sales were recorded. This was followed by 173 sales in Palmiera at The Oasis, and 145 sales at Parkside Views in Dubai Hills.

Nakheel was next at 8.3% of all off-plan transactions, with the vast majority of their sales activity split between two locations; the Fronds of Palm Jebel Ali, where 265 villa sales were recorded, and Bay Residences Rixos Dubai Islands, with 202 apartment sales. This was followed by DAMAC Properties taking an 8.1% market share with sales activity spread across several projects with the highest concentration recorded at Volta (151) in Downtown Dubai and Golf Greens (101) in DAMAC Hills.

HISTORICAL TRANSACTIONS – SALES RECURRENCE



In November 2023, the market share of initial developer sales fell marginally by 1.4% to 58.5% versus resale transactions. The 12-month rolling average now stands at 58.5% for initial sales and 41.5% for resales, the latter of which, after reaching a high of 51.8% in February 2021, has been slowly trending back down towards the levels of 2019 and 2020, 33.2% and 33.8% respectively.

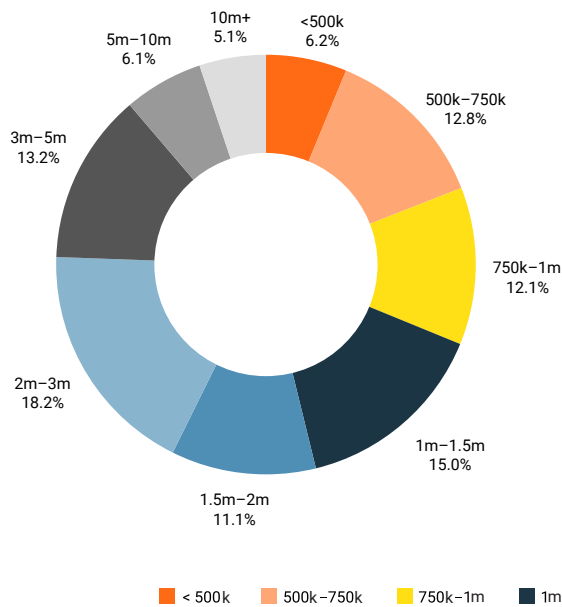
Jumeirah Village Circle was the most popular master development for initial sales, where 13.7% (928) of all such transactions occurred. Elitz 2 and Elitz 3 topped the leader board at 192 and 93 registrations respectively, then were followed by 7 Park Central with 81 sales.

Taking second place was Business Bay, where initial sales held a 7.3% market share with 493 transactions recorded. The Edge and Marriott Residences Business Bay were the clear leaders for the month registering 121 and 89 initial sales, respectively.

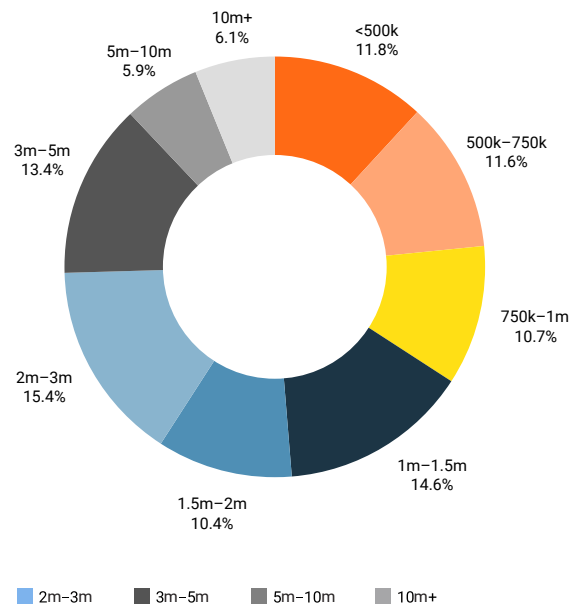
Coming in third for November was Dubai South which claimed 6.9% market share with a total of 467 sales. South Bay 3 (175) and Expo City Valley (152) dominated with sales of single-family homes and were then followed by apartment sales at Mangrove Residences (61).

The top master development for residential resale transactions was Jumeirah Village Circle with 7% of such transactions spread across multiple projects, with the highest level of sales occurring at Bluebell Residence (14) and Bloom Towers (12). This was followed by Business Bay with just over 6.7% market share with Regalia (19), Zada Residences (15), and Bay Square 9 (14) being the highest transacted. Closing out the top three master developments for resale was Downtown holding exactly 6.7% of the market, with Address Residences Dubai Opera recording 27, and St. Regis Residence recording 20 sales for the month.

PRICE TIERS (AED) – November 2023



PRICE TIERS (AED) – December 2023



PRICE TIERS (AED) MONTHLY COMPARISON

	November 2023	October 2023	MoM Change
<500k	6.2%	8.6%	-2.40%
500k-750k	12.9%	14.2%	-1.30%
750k-1m	12.1%	12.3%	-0.20%
1m-1.5m	15.0%	15.3%	-0.30%
1.5m-2m	11.2%	12.1%	-0.90%
2m-3m	18.2%	16.9%	1.30%
3m-5m	13.2%	11.8%	1.40%
5m-10m	6.1%	4.9%	1.20%
10m+	5.1%	3.9%	1.20%

Growing their share of the market at the fastest pace was the AED 3-5m price tier which increased by 1.4% in November to reach a total of 13.2%. The growth of this price tier can be attributed to the success of sales of single-family homes in off-plan projects at Dubai South, namely South Bay 3 and Expo City Valley where townhouses averaged AED 916 and AED 1,408 per sq ft respectively. Meanwhile, the biggest market share loser was the AED <500k tier which decreased by 2.4%, falling to 6.2%—the lowest level ever recorded for the tier.

Also experiencing notable growth during the month were the adjacent AED 2-3m and AED 5-10m, as well as the AED 10m+ price tiers which collectively grew by 3.7%, significantly bolstering the top end of the market. Growth in these segments can be largely attributed to sales in the High, Luxury, and Ultra-Luxury categories across the market where price per square foot values begin at AED 2,206 for apartments, AED 1,580 for villas, and AED 1,083 for townhouses.

Condensing the individual nine price tier segments to three main groups, properties in the mid-tier of AED 1m-3m again accounted for the largest share of the market at 44.4%, up by 0.1%. The low-price tiers with property values under AED 1m now represent 31.2% of the market, down by 3.9% from October, while the high-end price tiers—properties over AED 3m—now represent 24.4% of the market, up by 3.8% 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

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.