



Neither rain nor shine, sleet, heat, nor hail (or even a weeklong public holiday) shall stop the Dubai real estate market from delivering. Price appreciation continues and April sales volumes rise just shy of 45% year-on-year.

Median prices in April



Average property prices rise at higher-than-average pace, up 1.95% in April

Second highest ever sales transaction volumes for April, up 44.3% year-on-year

Mortgage activity continues to decline, yet loans for new purchases still gather strength

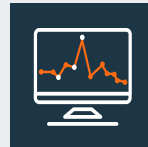
Off-plan project launches continue with gusto, expect development across a wide range of communities in Dubai

Following last month's dramatic surge in price appreciation, Dubai's property prices experienced another higher-than-average month of average price growth, recording a gain of 1.95% in April. According to the Property Monitor Dynamic Price Index (DPI), Dubai property prices currently stand at AED 1,351 per square foot, 9.5% over the previous all-time high and market peak of September 2014.

Delving further into the underlying data reveals that the recent uptick in price appreciation continues to be primarily driven by significant differences in trading prices between existing homes and newly developed off-plan properties. Among the 42 communities tracked by the index, 14 exhibited off-plan price premiums exceeding 20%, reaching levels as high as 80% and 70% in Dubai Sports City and International City respectively, where new apartment project launches differ drastically in quality and overall offering from some of the now ageing existing projects. Interestingly, at the bedroom level, the highest price per square foot premiums are predominantly observed in 1-bedroom units. These units also exhibit the largest disparity in average unit square footage, with new units being approximately 12.5% smaller than older ones. However, despite this reduction in size, sales prices only show a slight increase in comparison.

SNAPSHOT

April 2024



+1.95%

Dynamic Price Index
Monthly Change



AED 1,351/sq ft

Dynamic Price Index
Current Property Price



11,605

Number of Monthly
Transactions



AED 148m

Highest Recorded Sale
*Villa L42
Emirates Hills*



AED 195k

Lowest Recorded Sale
*Apt 331 | 1 Bedroom
Prime Residency, International City*

“ The off-plan property market is poised to maintain its dominant position for the foreseeable future, with project launches proceeding at a vigorous pace. Although recent off-plan launches have seen strong demand, ongoing monitoring of absorption rates is imperative. ”

ZHANN JOCHINKE
Director of Market Intelligence & Research
Cavendish Maxwell

Sales transaction volumes fell by 15.1% in April to a total of 11,605 transactions. While at face value this may seem like a concerning drop-off in activity, month-on-month it still records as the second highest monthly sales volume ever recorded for the month of April as well as a 44.3% year-on-year increase. Given that the fundamental ability to transact was reduced by a weeklong public holiday break for Eid al-Fitr and several more days resulting from unprecedented storms which saw double the annual rainfall in a period of just 24hrs, on a pro-rata basis daily transaction volume was actually close to all-time highs. Residential transactions, encompassing apartments, townhouses, and villas, accounted for the majority of sales at 91.8% (10,659 transactions). The highest transacted commercial property types were hotel apartments (3.8%), office spaces (1.8%), and land sales (1.5%).

In April, 7,204 off-plan Oqood transactions were recorded, a marked decrease of 7.3% from the previous month yet a 5.2% uptick in market share to 62.1%. Meanwhile, Title Deed sale volumes also witnessed a decline, falling by 25.4% and now accounting for 37.9% of all sales transactions. The sharp drop-off in Title Deed sales can largely be attributed to the previously mentioned reduction in the ability to transact, during this period trustee offices and the means to transfer ready properties was temporarily halted, however developers were still able to manage self-registration of Oqood sales. While Oqood transactions are generally used to measure the off-plan market, several villa and townhouse sales are presented in the Dubai Land Department data as being issued with Title Deeds and as completed properties—instead of being under construction and sold off-plan. After adjusting for this technicality, off-plan transactions secure an even larger market share of 67.4%.

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 3,764 in April representing a market share of 32.4%, decreasing by 2.8% month-on-month, and propelling the market share of initial developer sales to 67.6%.

Initial figures for new off-plan project launches in April reveal the introduction of close to another 10,000 units to the market for sale during the month, adding to an already record total of ~34,000 units spread across 120 projects in Q1 2024. This remarkable level of activity within the off-plan market shows no signs of slowing down and is expected to persist for the foreseeable future, both in the newly announced master communities which will see the likes of master developers Aldar, DAMAC, Emaar, and Majid Al Futtaim bring their own projects to market, as well as specialist and smaller developers launch across several established communities. Expect to see a growing number of new developments in Meydan Horizon, Jumeriah Garden City, Jaddaf, Motor City, and Majan — a wide ranging geographic selection that will provide a variety of opportunities for investors and end-users alike.

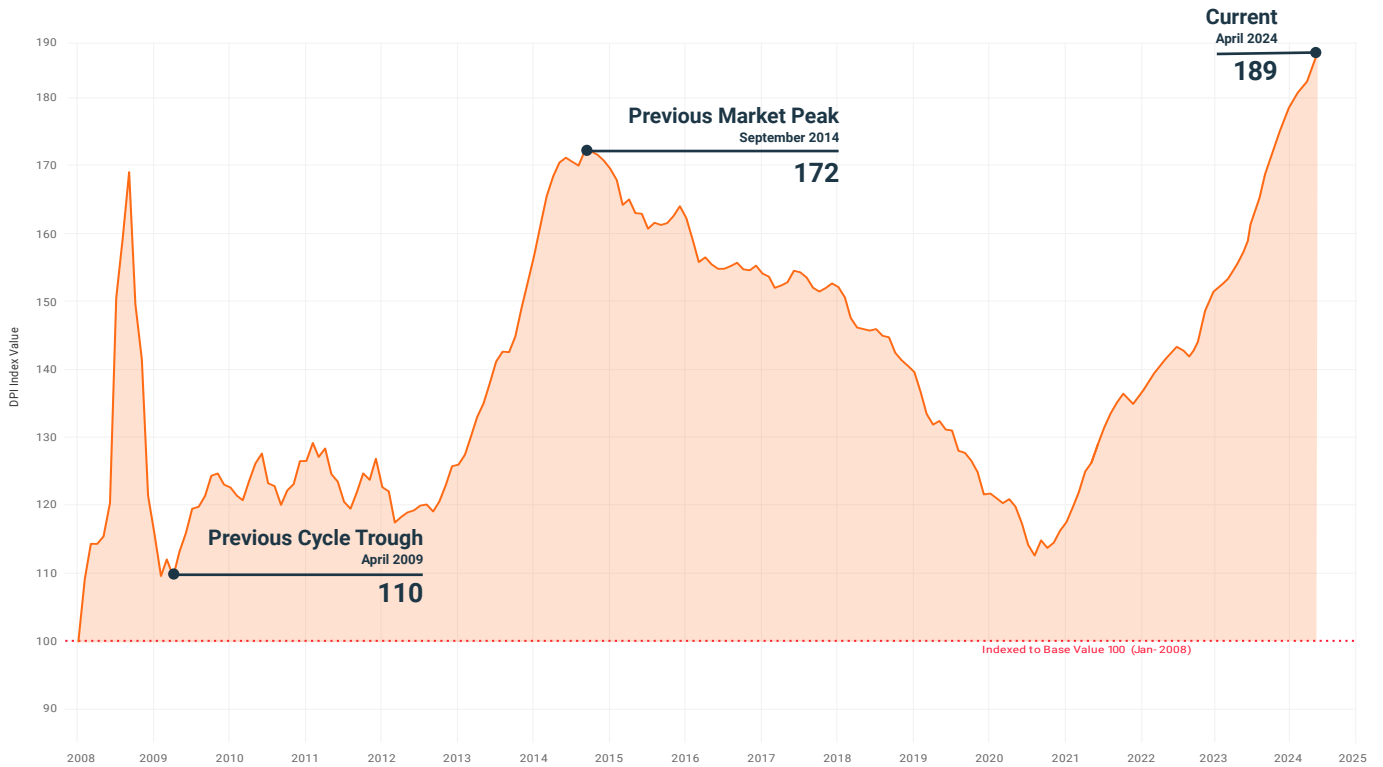
Mortgage transaction volumes decreased by 23.8% in April with a total of 2,128 loans recorded. Loans taken for new purchase money mortgages accounted for 55.8% (up an additional 2.5% from last month) of borrowing activity, with the average amount borrowed being AED 1.82m at a loan-to-value ratio of 76.0%. Meanwhile, loans for refinancing and equity release saw their market share increase by 2.1% to 38.5%. The remaining 5.7% (down by 4.6% from last month) was due to bulk mortgages — those taken by developers and larger investors with multiple units. The 120 bulk loans issued for the month were spread across several projects, most notably portfolio mortgage registrations at B2B Tower (12) in Business Bay and Mazaya Business Avenue (10) in Jumeriah Lakes Towers as well as portfolio mortgage modifications at Safeer Tower (13), in Business Bay. Even though the US Federal Reserve's FOMC kept the target rate range unchanged, as did the UAE's local interbank and mortgage rates, lending activity remains robust. The policy of "higher for longer" is expected to have minimal impact on borrowing activity in Dubai, particularly with new purchase loans.

Looking ahead to the coming months, we anticipate that the divergence between two market segments will persist. From one side, the ready property market largely continuing to plateau across the majority of property types and price points, save for the exception of the renovation effect in the single-family homes segment. This is particularly evident within the villa segment, where a number of properties were snapped up as the market began to recover and have since undergone complete renovations. Said properties have now been transformed from their original design aesthetic to modern homes with a price point to match.

On the other side, the off-plan property market is poised to maintain its dominant position for the foreseeable future, with project launches proceeding at a vigorous pace. Although recent off-plan launches have seen strong demand, ongoing monitoring of absorption rates is imperative. A slowdown in absorption could signal a potential oversupply issue, which may lead to a market slowdown.

Although we hold an optimistic outlook for the year ahead and foresee sustained growth, it's crucial for decision-makers across developers, investors, and occupiers to remain mindful of the lessons learned from previous market fluctuations.

PROPERTY MONITOR DYNAMIC PRICE INDEX



+1.95%
MoM Change



+5.23%
QoQ Change



+20.07%
YoY Change



AED 1,351
Average Property Price Per Sq Ft

DPI MONTHLY OVERVIEW

Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
Apr 2024	188.61	1.95%	5.23%	20.07%	1,351
Mar 2024	184.99	2.37%	3.41%	19.47%	1,325
Feb 2024	180.72	0.83%	1.82%	17.43%	1,294
Jan 2024	179.24	0.19%	2.17%	17.15%	1,284
Dec 2023	178.90	0.80%	3.14%	17.66%	1,281
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

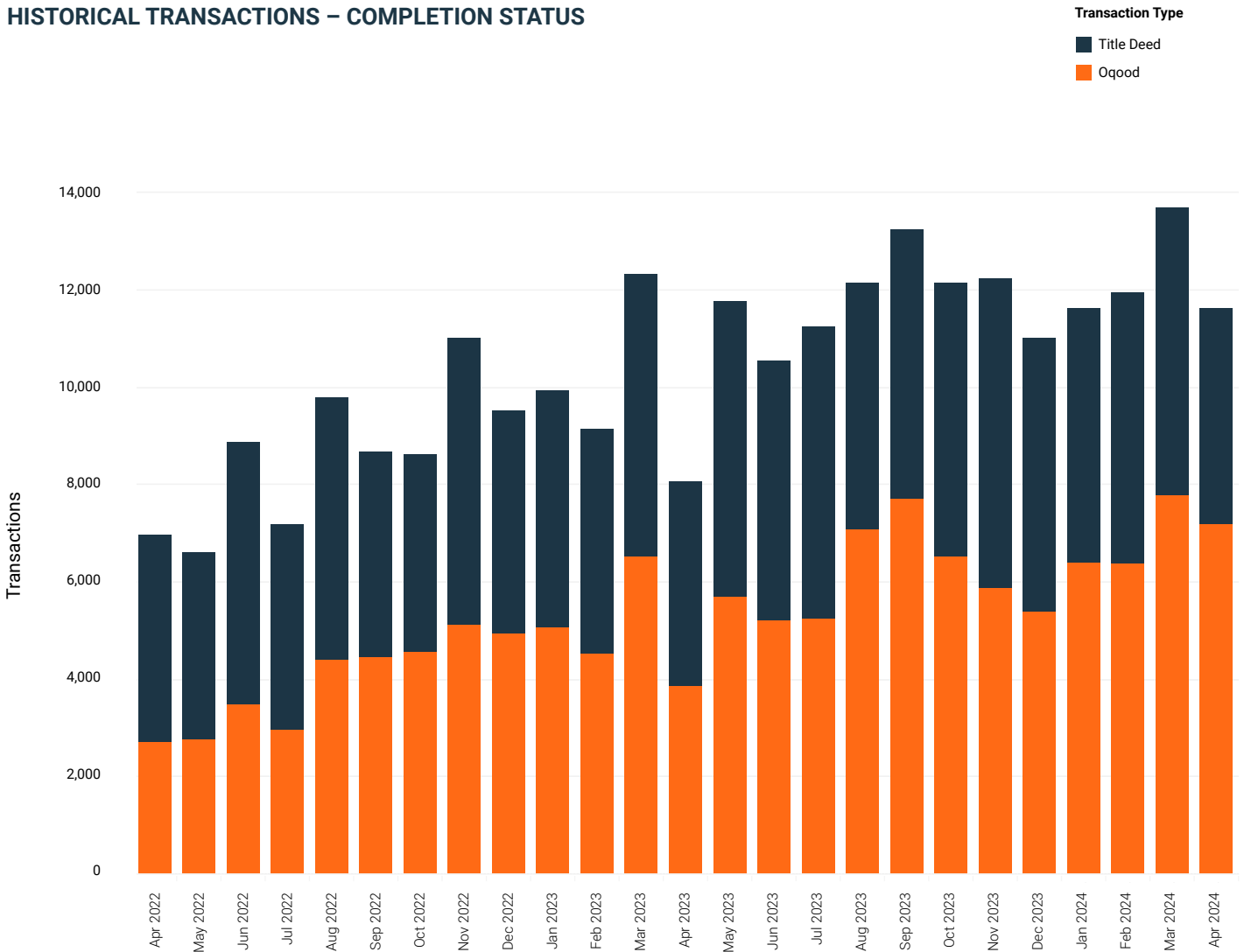
The Property Monitor Dynamic Price Index (DPI) tracks trends of residential property prices throughout 42 key communities in Dubai and is indexed to a base period of January 2008.

At an emirate-wide level, the index value for April 2024 increased by 3.61 index points to 188.61 from 184.99 in March 2024, representing a month-on-month increase of 1.95%.

In April 2024, property prices continued climbing to all-time highs and now stand at AED 1,351 per sq ft. This is now 72.1% above the market trough of April 2009 and 9.5% 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 throughout 2024.

On a year-on-year basis, prices have increased by 20.1% in April and now marks 38 straight months of year-on-year increases, while on a year-to-date basis, prices have increased by 5.23% in April 2024 compared to 2.67% in April 2023.

HISTORICAL TRANSACTIONS – COMPLETION STATUS

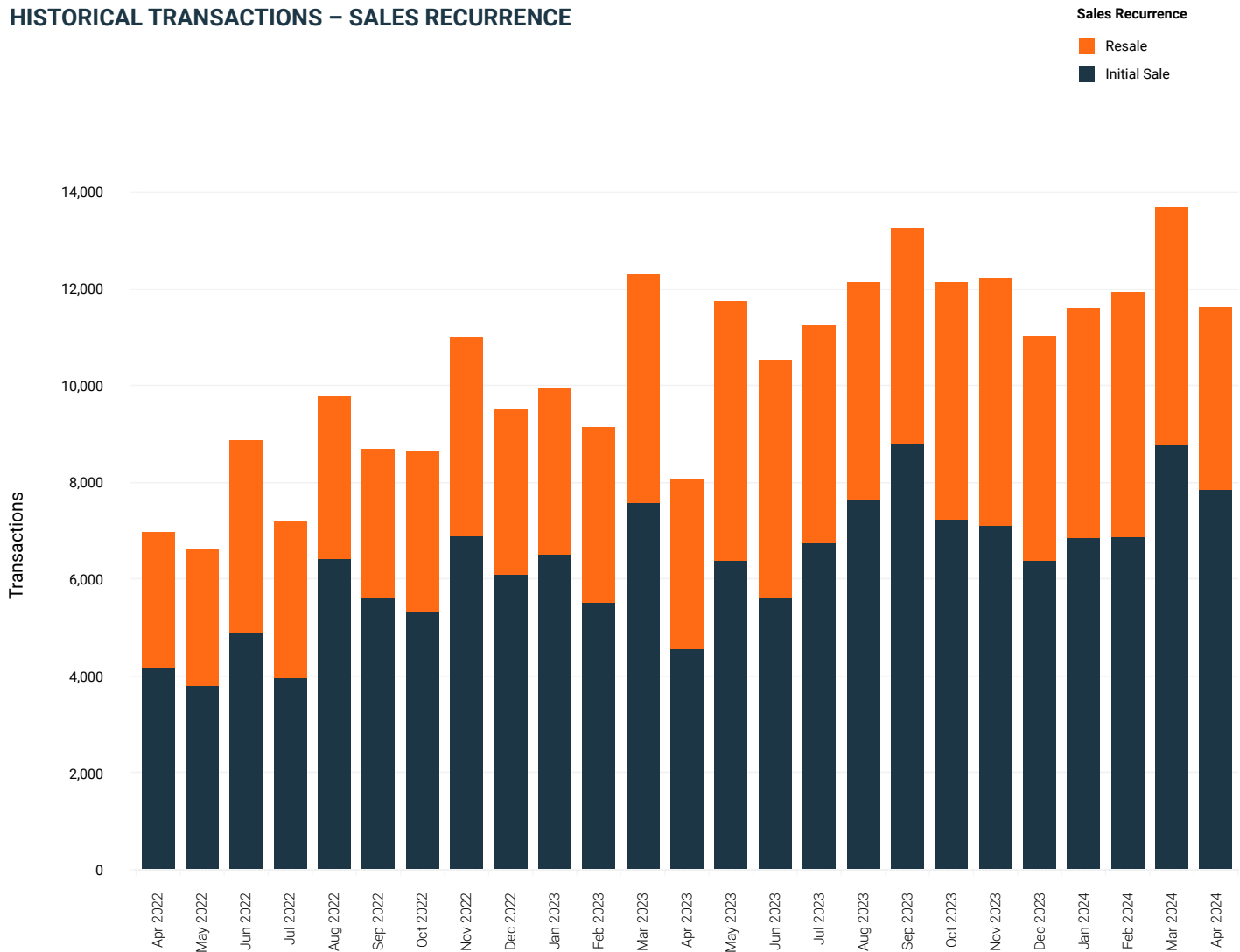


Sales transaction volumes in April were 11,605, decreasing by 15.1% compared to March. During the month, the split between Oqood and Title Deed property transactions was weighted in favour of the former, with Oqood registrations accounting for 62.1% of all transactions, up 5.2% month-on-month. After adjusting for registration technicalities where several off-plan villa and townhouse transactions are shown as Title Deed, the true breakdown of market share is further bolstered to 67.4% in favour of properties under construction having been sold off-plan.

During the month, Emaar Properties reclaimed the top spot in the off-plan market with the bulk of developers' off-plan registrations taking a dominant market share of 23.6%. They recorded 1,619 transactions spread across a myriad of their projects, most notably Address Zabeel Residences in Zabeel where 1,047 sales were recorded. This was followed by Parkside Hills in Dubai Hills and Oria in Dubai Creek Harbour with 282 and 80 sales respectively.

Binghatti was next at 12.8% of all off-plan transactions with Binghatti Azure in Jumeriah Village Circle being a clear leader for the month clocking up 314 sales and was then followed by their other JVC projects: Binghatti Tulip (114), Binghatti Lavendar (108), and Binghatti Amber (95). Taking third place was DAMAC Properties securing an 8.1% market share with sales activity largely concentrated across several buildings in Lagoon Views at DAMAC Lagoons where more than 261 sales were recorded and was then followed by Morocco 2 (44) in DAMAC Lagoons and Altitude de GRISOGONO (38) on the Dubai Water Canal.

HISTORICAL TRANSACTIONS – SALES RECURRENCE



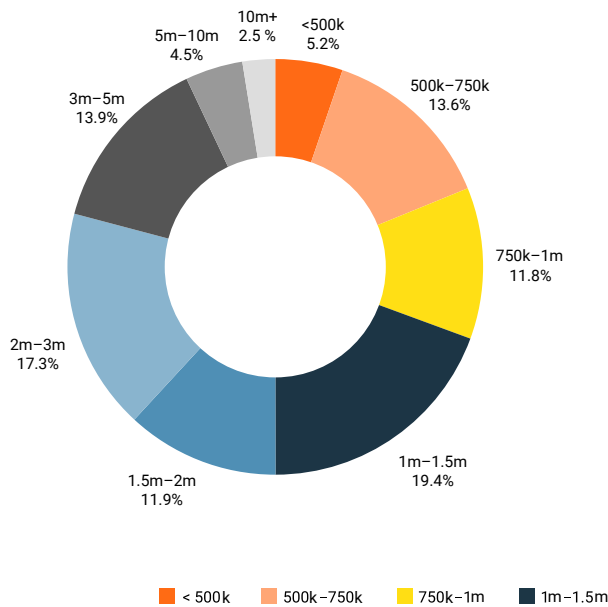
In April 2024, the market share of initial developer sales increased by 2.8% reaching 67.6% versus resale transactions. The 12-month rolling average now stands at 59.9% for initial sales and 40.1% for resales, the latter of which, after reaching a high of 51.8% in April 2021, has been slowly trending 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 16.4% (1,260) of all such transactions occurred. Binghatti Azure took the top spot for the month with 314 registrations, then was followed by several other Binghatti projects tightly clustered together and separated by a small number of transactions: Binghatti Tulip (114), Binghatti Lavender (108), and Binghatti Amber (95).

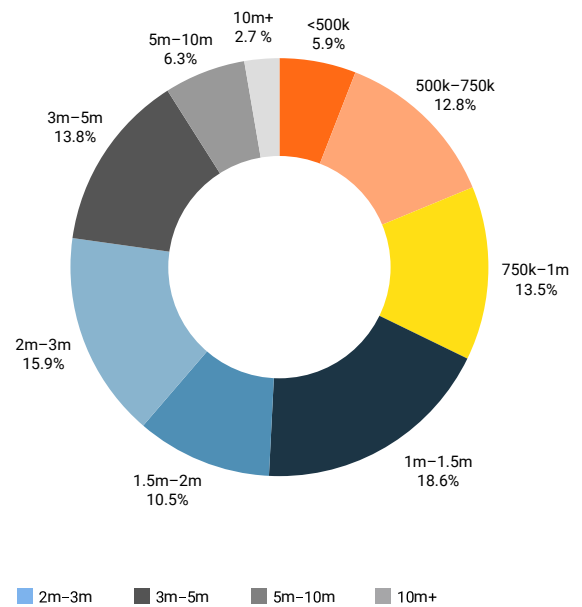
Taking second place was Zabeel, where initial sales held a 13.7% market share. Address Residences Zabeel accounted for all but two of the 1,049 transactions recorded. Coming in third for April was Ras Al Khor which claimed 5.3% market share with a total of 382 sales all within the towers at the Sobha One project.

The top master developments for residential resale transactions were Business Bay with 8.3% of such transactions spread across multiple projects, with the highest level of sales occurring at Peninsula Two (23) and Bay Square Building 9. This was followed by Jumeirah Village Circle with an 8.2% market share with Binghatti Heights (19) being the highest transacted. Closing out the top 3 master developments for resale was Dubai Marina holding 6.2% of the market, with Princess Tower recording 8 sales for the month.

PRICE TIERS (AED) – April 2024



PRICE TIERS (AED) – March 2024



PRICE TIERS (AED) MONTHLY COMPARISON

	April 2024	March 2024	MoM Change
<500k	5.2%	5.9%	-0.70%
500k-750k	13.6%	12.8%	0.80%
750k-1m	11.8%	13.5%	-1.70%
1m-1.5m	19.4%	18.6%	0.80%
1.5m-2m	11.9%	10.5%	1.40%
2m-3m	17.2%	15.9%	1.30%
3m-5m	13.9%	13.8%	0.10
5m-10m	4.5%	6.3%	-1.80%
10m+	2.5%	2.7%	-0.20%

Growing their share of the market at the fastest pace was the AED 1.5m-2m price tier which increased by 1.4% in April to reach a total of 11.9%. The growth of this price tier can be largely attributed to the successful new development launches of high-end apartments at Address Residences Zabeel in Zabeel and Sobha One in Ras Al Khor where sales prices averaged AED 2,558 and AED 2,222 sq ft respectively. Meanwhile, the biggest market share loser was the AED 5m-10m tier, which decreased by 1.8% falling to 4.5%.

Also experiencing notable growth during the month was the adjacent AED 2m-3m price tier which grew by 1.3%. Growth in this segment can also be largely attributed to the same projects as well as off-plan sales for upper-mid priced apartments at Parkside Hills in Dubai Hills where price per square foot values averaged AED 2,076.

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 48.5%, up by 3.5%. The low-price tiers with property values under AED 1m now represent 30.6% of the market, down by 1.6% from March, while the high-end price tiers—properties over AED 3m—now represent 20.9% 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/pmdpi.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.