



Scorching Summer, Scorching Sales: Dubai real estate market hits record highs in July for both sales and mortgage loan volumes. Off-plan continues to dominate with no signs of cooling down on the horizon.

Median prices in July



Property price appreciation continues at moderate pace, up 1.22% month-on-month

Sales transaction volumes up 12.8% MoM and 43.5% YoY with residential properties dominating at 93.4%

Emaar records over 2,000 sales in July as off-plan sales continue to dominate the market

Mortgage transactions soar and clock highest ever level for July and second highest month of all-time

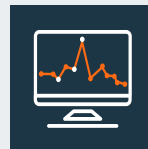
For the second consecutive year, the typical seasonality of the Dubai market—which historically sees rising temperatures and cooling real estate activity during the summer—was notably absent. Instead, this period experienced continued price growth and significantly high sales and mortgage transaction volumes.

According to the Property Monitor Dynamic Price Index (DPI), Dubai property prices grew by 1.22% in July and currently stand at AED 1,397 per square foot, 13.2% over the previous all-time high and market peak of September 2014.

The total volume of sales transactions witnessed an increase of 12.8% in July reaching a total of 16,113 transactions. This sets the mark as the highest volume ever for the month of July and registered as the second highest level ever recorded. Residential transactions, encompassing apartments, townhouses, and villas, accounted for the majority of sales at 93.4% (15,046 transactions). The highest transacted commercial property types were hotel apartments (2.5%), office spaces (1.6%), and vacant land (1.3%).

SNAPSHOT

JULY 2024



+1.22%

Dynamic Price Index
Monthly Change



AED 1,397/sq ft

Dynamic Price Index
Current Property Price



16,113

Number of Monthly
Transactions



AED 216m

Highest Recorded Sale
*Villa J31-33
Fron J, Palm Jumeirah*



AED 189k

Lowest Recorded Sale
*Apt 216 | Studio
Bali Residences,
Jumeirah Village Triangle*

“ **The first half of 2024 has set a new benchmark for Dubai’s real estate market, with transaction volumes on pace to exceed 170,000 by year-end. The surge in off-plan launches, coupled with robust demand, has fueled high absorption rates, keeping the market dynamic and resilient for now.** ”

ZHANN JOCHINKE
Director of Market Intelligence & Research
Cavendish Maxwell

In July, 9,393 off-plan Oqood transactions were recorded, an increase of 17.1% from the previous month and saw a jump in market share to 58.3%. Meanwhile, Title Deed sale volumes also witnessed an increase, growing by 7.2% and now account for 41.7% of all sales transactions. While Oqood transactions are 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 67.1%.

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 6,612 in July representing a market share of 41.0%, increasing slightly by 0.5% month-on-month. With this increase in overall resale activity, the portion of off-plan resales also continued to increase, reaching 25.6% for the month and further pushing the 12-month moving average up to a historic high of 23.8%. 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, whilst the current level of activity is skewed towards properties that are within a year of anticipated completion, this helps to support a view that there is no immediate cause for alarm.

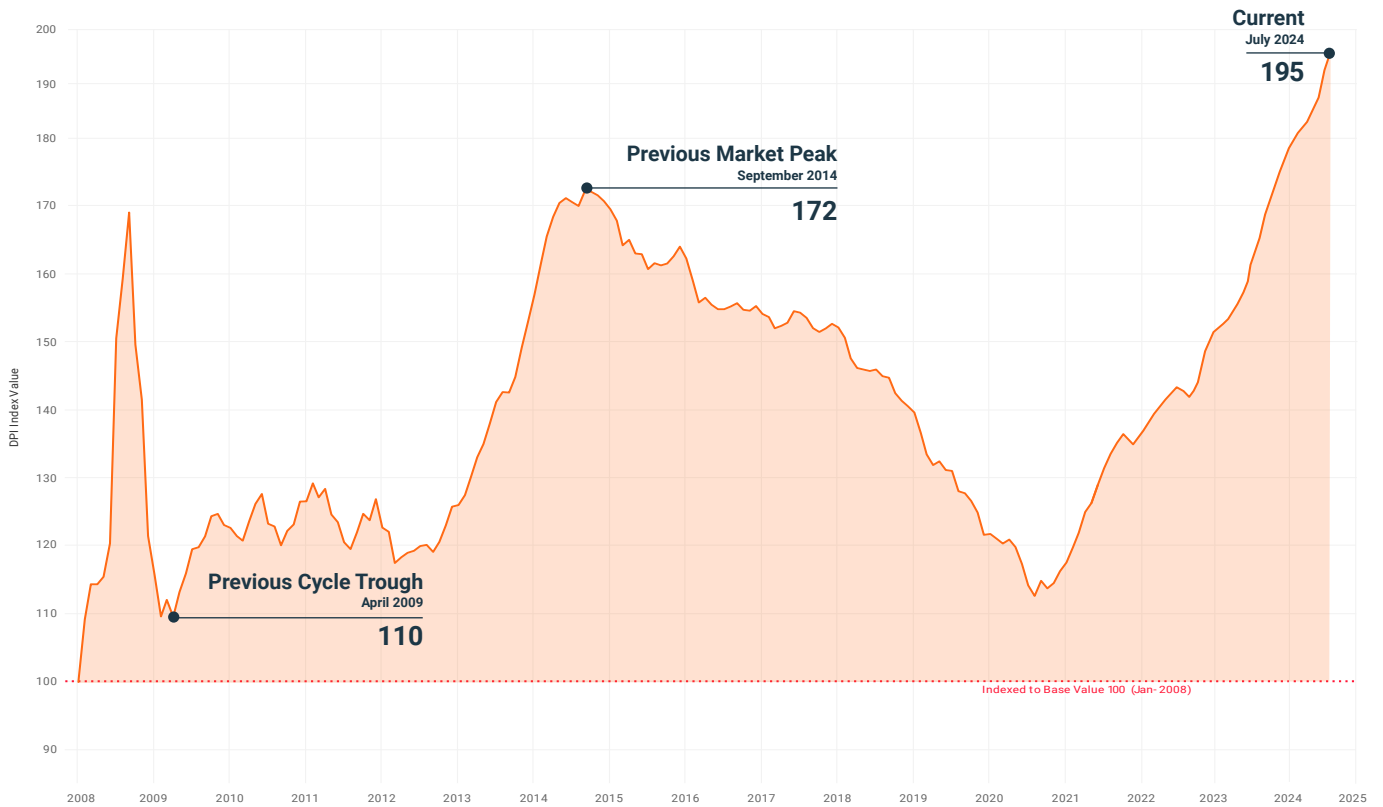
Preliminary figures for July indicate the introduction of nearly 9,000 new off-plan units to the market, contributing to an already record-breaking total of approximately 68,000 units across over 220 projects this year. This extraordinary level of activity in the off-plan market shows no signs of abating, and is projected to continue at this pace, well on track to surpass last year’s total of ~96,000 units.

Mortgage transaction volumes increased by 20.2% in July with a total of 4,033 loans recorded—the second highest level on record, surpassed only by March 2023. Loans taken for new purchase money mortgages accounted for 53.0% (up 4.8% from last month) of the overall borrowing activity, with the average amount borrowed being AED 1.83m at a loan-to-value ratio of 76.7%. Meanwhile, loans for refinancing and equity release saw their market share increase by 4.3% to 33.8%. The remaining 13.2% (down by 9.1% from last month), was due to bulk mortgages—those taken by developers and larger investors with multiple units. The 534 bulk loans issued for the month were spread across several projects, most notably lease finance registrations at Paradise Views 1 (203) in Majan, Portfolio Mortgage Registrations at Al Ayyan Tower (99) in International City II, and Platinum Tower (34) in JLT, as well as Portfolio Mortgage Development Registrations at Binghatti Views (29) in Dubai Silicon Oasis. Looking ahead, we expect mortgage volumes to stay consistent in the coming months, with the potential for a slight dip as we approach Q4. This dip is likely to be a momentary pause as borrowers wait for rates to fall, anticipating an imminent rate decrease as early as the next US The Federal Open Market Committee (FOMC) meeting in September, with additional cuts likely to follow well into next year. Once interest rates begin to ease, we foresee even greater monthly volumes driven by refinancing activities as rate differentials and refinancing costs begin to make sense.

As we enter the second half of 2024 we anticipate the market will continue its upward trajectory, with moderate price growth and high transaction volumes. While we do not foresee an overall slowdown, the gap between off-plan and completed property sales is likely to widen further. This is partly due to the robust pipeline of off-plan projects, and partly due to the availability of suitably priced inventory.

So far, 2024 has witnessed unprecedented activity in the Dubai real estate market, with transaction volumes reaching record highs every month, except for April, and on track to surpass 170,000 sales by year-end. This exceptional activity has been driven by the expansion of the new development market, with more off-plan launches than days in the year—encouragingly, robust demand from both investors and end-users has resulted in high absorption and sales velocity rates for the majority of projects. As long as these absorption rates remain high, any major shift in the market seems unlikely in the near term. However, bull runs cannot last forever, and it is only a matter of time until the balance of supply and demand starts to shift.

PROPERTY MONITOR DYNAMIC PRICE INDEX





+1.22%
MoM Change



+3.40%
QoQ Change



+17.15%
YoY Change



AED 1,397
Average Property Price Per Sq Ft

DPI MONTHLY OVERVIEW

Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
Jul 2024	195.03	1.22%	3.40%	17.15%	1,397
Jun 2024	192.68	1.46%	4.15%	18.2%	1,380
May 2024	189.91	0.69%	5.09%	17.94%	1,360
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

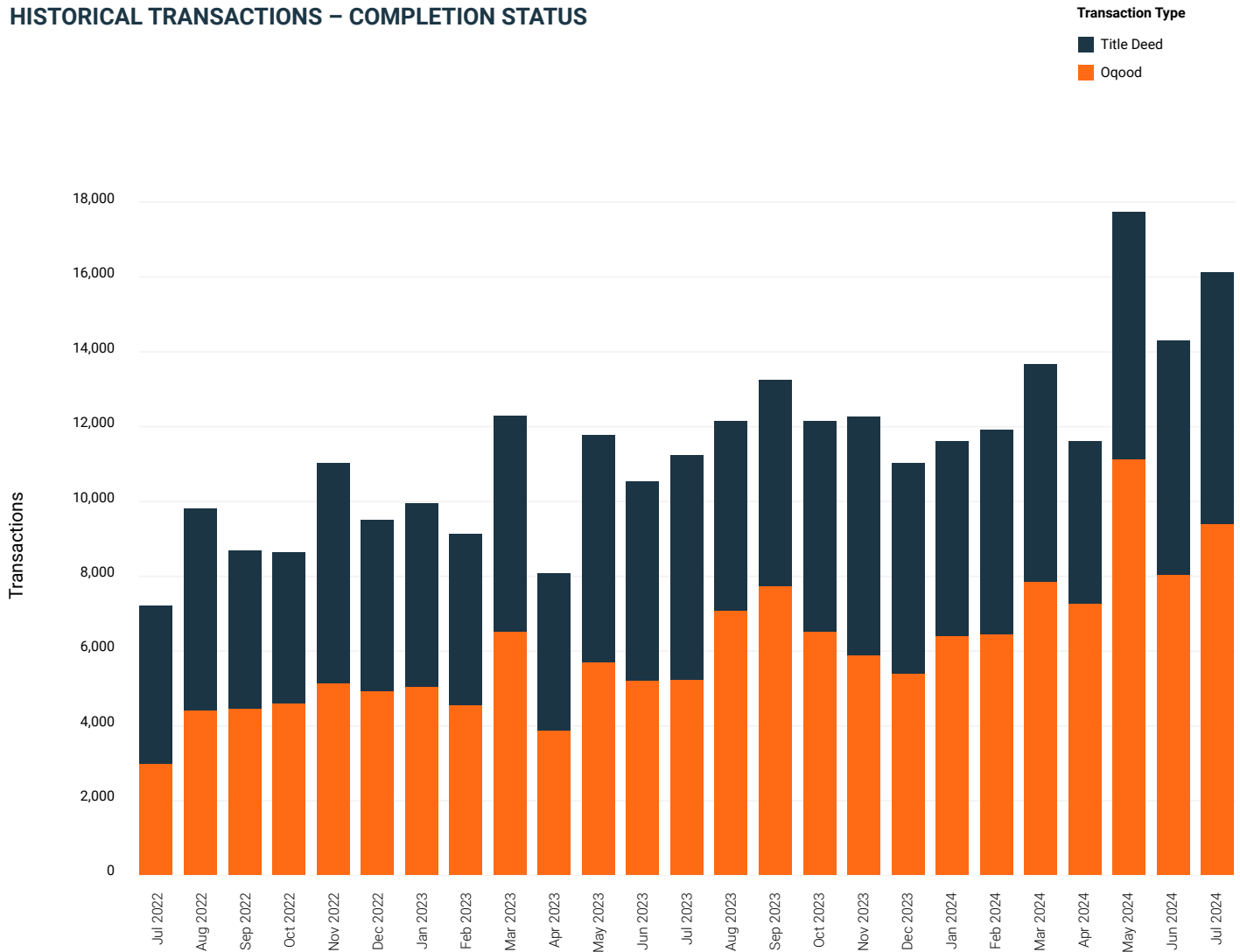
The Property Monitor Dynamic Price Index (DPI) tracks trends of residential property prices throughout 42 key communities in Dubai and is indexed to a base period of January 2008.

At an emirate-wide level, the index value for July 2024 increased by 2.35 index points to 195.03 from 192.68 in June 2024, representing a month-on-month increase of 1.22%.

In July 2024, property prices continued climbing to all-time highs and now stand at AED 1,397 per sq ft. This is now 77.9% above the market trough of April 2009 and 13.2% 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 17.2% in July and now marks 41 straight months of year-on-year increases, while on a year-to-date basis, prices have increased by 8.8% in July 2024 which corresponds to the exact same level as July 2023.

HISTORICAL TRANSACTIONS – COMPLETION STATUS

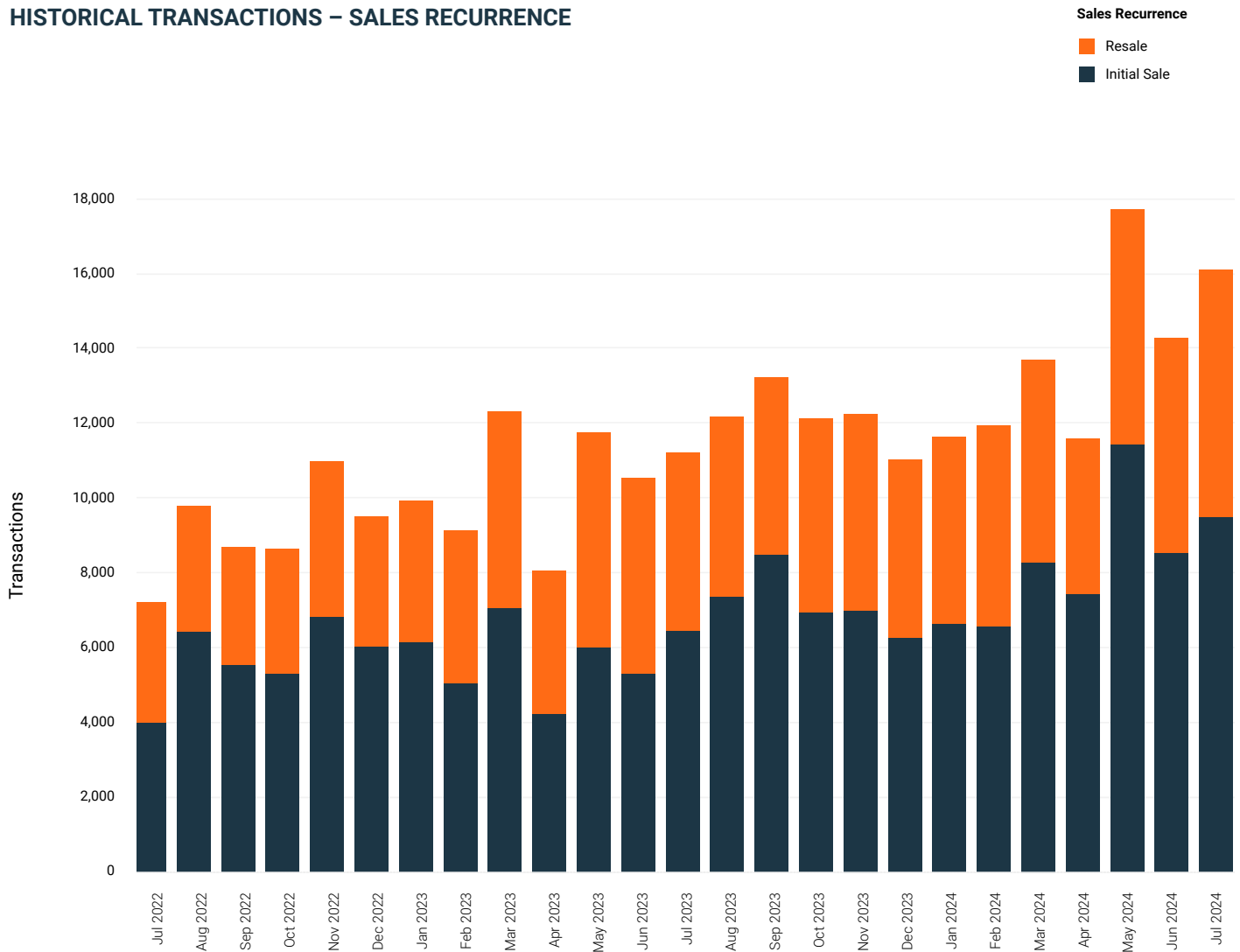


Sales transaction volumes in July reached 16,113, increasing by 12.8% compared to June 2024. During the month, the split between Oqood and Title Deed property transactions weighted in favour of the former, with Oqood registrations accounting for 58.3% of all transactions, up by 2.2% month-on-month. After 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 67.1% in favor of properties under construction having been sold off-plan.

During the month, Emaar Properties claimed the top spot in the off-plan market with the bulk of developers' off-plan registrations taking a dominant market share of 23%. They recorded 2,077 transactions spread across a myriad of their projects, most notably Palace Residences in Dubai Hills Estate where 900 sales were recorded. This was followed by Arlo in Dubai Creek Harbour, Golf Lane in Emaar South, Mangrove in Dubai Creek Harbour, Parklane in Dubai Hills with 370, 105, 95, and 83 sales, respectively.

Danube Properties was next at 6.9% of all off-plan transactions with Bayz 101 in Business Bay being a clear leader for the month clocking up 262 sales, followed by Sportz (155) in Dubai Sports City and Diamondz (94) in the JLT Embankment. Taking third place was Sobha Group securing a 6.5% market share with sales activity concentrated across the Riverside Crescent buildings in Sobha Harland II where more than 73% of their 589 sales took place, then was followed by Sobha One with 73 sales and Sobha Reserve with 70.

HISTORICAL TRANSACTIONS – SALES RECURRENCE



In July 2024, the market share of initial developer sales decreased by a marginal 0.5% falling to 59.0% versus resale transactions. The 12-month rolling average now stands at 61.4% for initial sales and 38.6% 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.

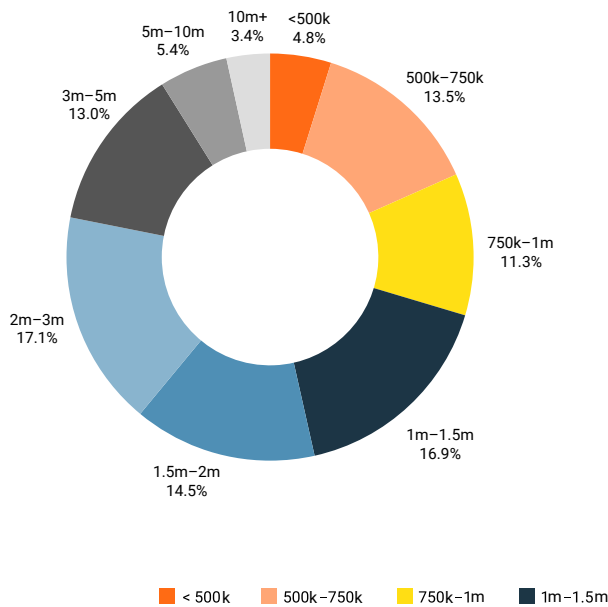
Dubia Hills Estate was the most popular master development for initial sales, where 10.9% (1,026) of all such transactions occurred. Palace Residences took the top spot for the month with 900 registrations, then was followed by Parklane (83), Club Drive (12), and Vida Dubai Hills (10).

Taking second place was Jumeirah Village Circle with 864 sales and a 9.2% market share. Sales in the community were spread across various projects, most notably 10 Oxford, Binghatti Phoenix, and Binghatti Galaxy with 184, 105, and 40 registrations, respectively.

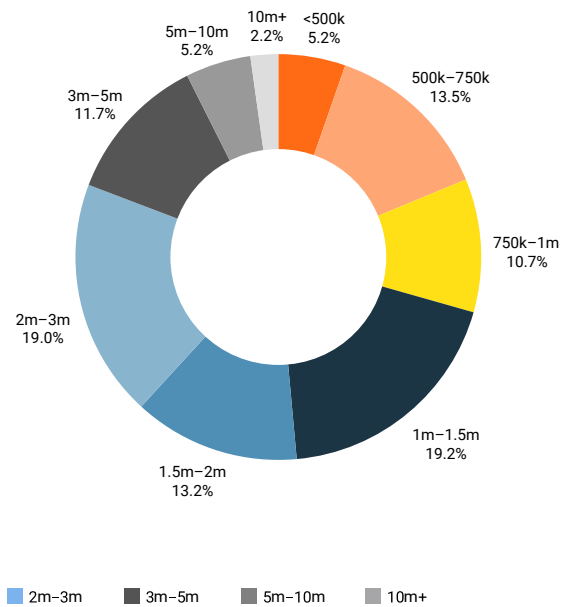
Coming in third for July was Business Bay claiming 7.2% market share with a total of 674 sales. Bayz 101 took the top spot for the month with 262 registrations, followed by Century (146), Rove Home Marasi Drive (65), and Al Habtoor Tower (57).

The top master developments for residential resale transactions were Jumeirah Village Circle with 7.6% of such transactions spread across multiple projects, with the highest level of sales occurring at Binghatti Corner (18) and Bloom Towers (16). Followed by Business Bay with a 6.3% market share with Ahad Residences (15) being the highest transacted. Closing out the top 3 master developments for resale was Dubai Marina holding 5.4% of the market, with Marina Pinnacle recording 18 sales for the month.

PRICE TIERS (AED) – July 2024



PRICE TIERS (AED) – June 2024



PRICE TIERS (AED) MONTHLY COMPARISON

	July 2024	June 2024	MoM Change
<500k	4.8%	5.8%	-1.00%
500k-750k	13.5%	13.6%	-0.10%
750k-1m	11.3%	11.2%	0.10%
1m-1.5m	16.9%	18.2%	-1.33%
1.5m-2m	14.5%	11.0%	3.50%
2m-3m	17.1%	15.1%	2.00%
3m-5m	13.0%	12.6%	0.40%
5m-10m	5.5%	7.9%	-2.40%
10m+	3.4%	4.6%	-1.20%

Growing their share of the market at the fastest pace was the AED 1.5m-2m price tier which increased by 3.5% in July to reach a total of 14.5%. The growth of this price tier can be attributed to the successful new development launches of high-quality category apartments at Palace Residences in Dubai Hills and Arlo in Dubai Creek Harbour where sales prices averaged AED 2,421 and AED 2,601 per sq ft, respectively. Meanwhile, the biggest market share loser was the AED 5m-10m tier, which decreased by 2.4% falling to 5.5% just after soaring to a record high in June.

Also experiencing notable growth during the month was the adjacent AED 2m-3m price tier which grew by 2.0%. Growth in this segment can be attributed to the same projects as well as off-plan sales for luxury priced apartments at Bayz 101 in Business Bay, and high category townhouses at Park Greens in DAMAC Hills 2 where price per square foot values averaged AED 3,002 and AED 1,136 respectively.

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 4.2%. The low-price tiers with property values under AED 1m now represent 29.6% of the market, down by 1.0% from June, while the high-end price tiers—properties over AED 3m—now represent 21.9% of the market, down by 3.2% 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.