



Price growth spikes to highest rate since May 2023 as bright, shiny, and new off-plan projects begin to reshape the landscape of several communities across Dubai.

SNAPSHOT

March 2024

Median prices in March



Average property prices rose a staggering 2.37% in March

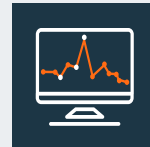
Highest ever sales transaction volumes for March, up 11% year-on-year

Mortgage activity declines marginally, yet loans for new purchases continue to gather strength

Off-plan project launches increase, averaging more than 1 launch every day in 2024

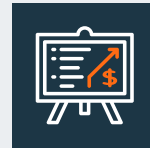
Following several months of modest price appreciation, Dubai's property prices experienced a dramatic surge in March, recording a monthly gain of 2.37%—the largest month-on-month rise seen since May 2023. According to the Property Monitor Dynamic Price Index (DPI), Dubai property prices currently stand at AED 1,325 per square foot, 7.4% over the previous all-time high and market peak of September 2014.

This significant increase, and departure from the trend that began in late 2023, can largely be attributed to the considerable variations in trading prices between existing homes and new off-plan properties. Out of the 42 communities that the index is tracked against 15 saw price per square foot premiums for off-plan in excess of 20%, with premiums as high as 93% and 91% in Dubai Sports City and Liwan respectively, where new apartment project launches differ drastically in quality and overall offering from some of the now ageing existing projects. In addition to this quasi gentrification in the apartment segment, price growth was also buoyed up by the renovation effect in the single-family homes segment, particularly with villas. Several villas which were snapped up as the market began to recover have undergone total renovations and been transformed from their original design aesthetic to modern homes, with many rivalling the newly launched counterparts.



+2.37%

Dynamic Price Index
Monthly Change



AED 1,325/sq ft

Dynamic Price Index
Current Property Price



13,664

Number of Monthly
Transactions



AED 155m

Highest Recorded Sale
*Villa BRM04
Jumeirah Bay Island*



AED 200k

Lowest Recorded Sale
*Apt 302 | Studio
Azizi Aura, Downtown Jebel Ali*

“ This phenomenal level of activity in the off-plan market shows no signs of abating anytime soon, and will likely continue for the foreseeable future, with the pipeline of projects in the planning phase being tracked by the Property Monitor team well exceeding 100 additional projects across existing master communities. ”

ZHANN JOCHINKE
Director of Market Intelligence & Research
Cavendish Maxwell

Sales transaction volumes continued their seemingly unstoppable ascent, surging by an impressive 14.7% in March to reach a total of 13,664 transactions. Not only does this set a new all-time record for the month of March but it also registered as the second highest monthly sales volume ever recorded. Residential transactions, encompassing apartments, townhouses, and villas, accounted for the majority of sales at 92% (12,565 transactions). The highest transacted commercial property types were hotel apartments (3.8%), office spaces (1.6%), and land sales (1.4%).

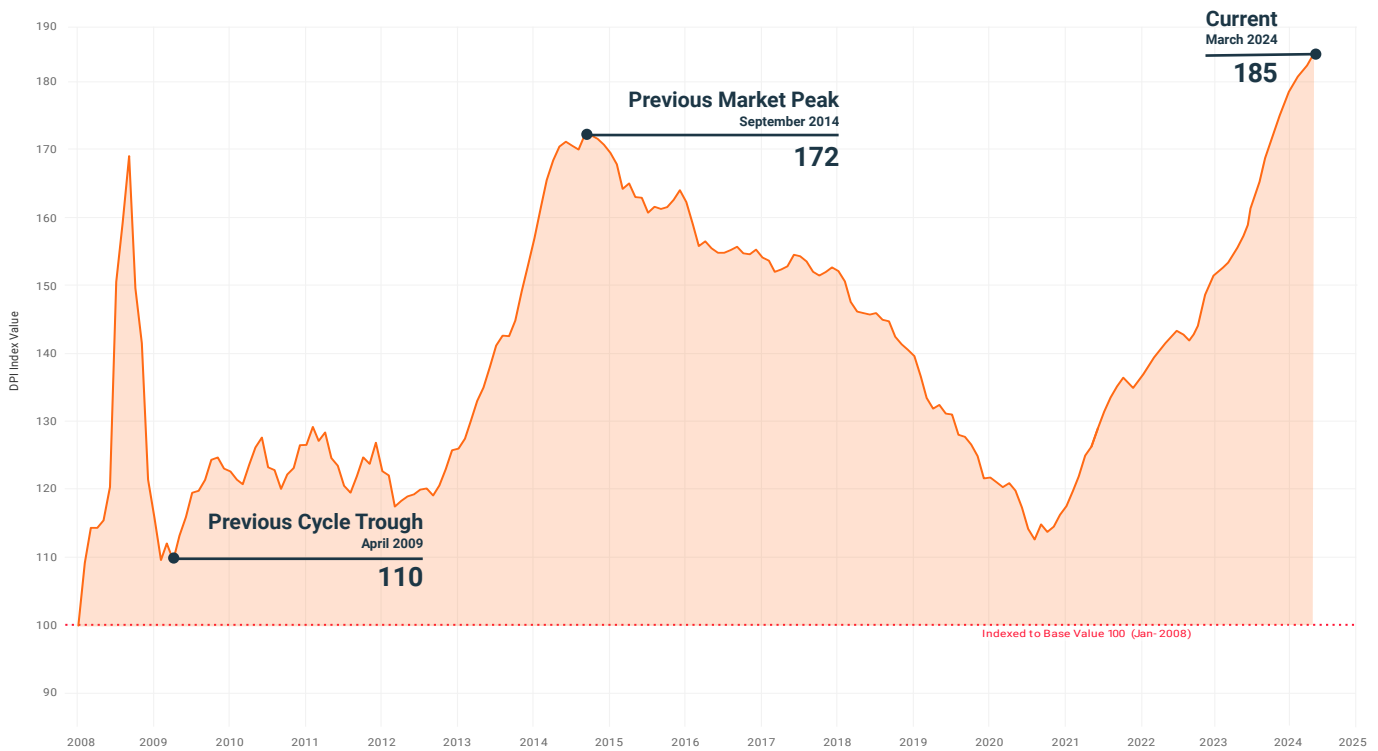
In March, an impressive 7,768 off-plan Oqood transactions were recorded, boasting a substantial 21.7% increase from the previous month and a 3.3% uptick in market share to 56.9%. These figures represent levels of activity not witnessed since 2009, highlighting the magnitude of resurgence in the off-plan market. Meanwhile, Title Deed sale volumes also witnessed an increase, rising by 6.6% and now account for 43.1% of all sales transactions. 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 63.7%, further demonstrating the incredible dominance of new project sales.

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 4,818 in March representing a market share of 35.3%, decreasing by 6.5% month-on-month, and propelling initial developer sales market share to 64.7%.

Preliminary numbers for new off-plan project launches in March show close to 30 projects and 10,000 units being added to the market for sale throughout the month. These projects now bring the total number of launches in Q1 2024 to an unprecedented ~34,000 units spread over 120 projects—an average of a new launch every 18 hours. This phenomenal level of activity in the off-plan market shows no signs of abating anytime soon, and will likely continue for the foreseeable future, with the pipeline of projects in the planning phase being tracked by the Property Monitor team well exceeding 100 additional projects across existing master communities. With the three new master communities which we reported last month as well as a fourth, Ghaf Woods by Majid Al Futtaim, soon to launch, the options for hungry investors and forward-looking end-users to choose from will grow even further. This plentiful buffet of projects and the choice that comes with it may present an increasing challenge for developers, as competition will be fierce, buyer expectations high, and greater scrutiny given in selecting the best investment. Well-established and larger developers will be best positioned to capitalise on the mass-market across the majority of price points, while niche developers that focus on the luxury and ultra-luxury segments will also be in positions of strength, with fewer projects launched and a laser focus on their target markets. The newer entrants to the market who are going head-to-head with the aforementioned group of developers may struggle to stand out, and may need to revert to offering traditional commercial terms skewed towards buyers, such as giveaways, post-handover payment plans, and developer paid DLD transfer fees.

Mortgage transaction volumes decreased by 2.6% in March with a total of 2,793 loans recorded. Loans taken for new purchase money mortgages accounted for 53.3% (up an additional 7.2% from last month) of borrowing activity, with the average amount borrowed being AED 1.68m at a loan-to-value ratio of 76.6%. Meanwhile, loans for refinancing and equity release saw their market share decrease by 1.2% to 36.4%. The remaining 10.3% (down by 6% from last month) was due to bulk mortgages—those taken by developers and larger investors with multiple units. The 288 bulk loans issued for the month were spread across several projects, most notably portfolio mortgage registrations at FIVE Luxe (121) in Jumeirah Beach Residence as well as portfolio mortgage pre-registrations at Shakespeare Tower (82), Rapunzel Tower (38), and Queen Sheba Tower (19) in Legends. As predicted, the US Federal Reserve FOMC kept the target rate range unchanged at 5.25-5.50% for a 5th consecutive meeting, leading to the equivalent local UAE intrabank rates also holding steady. Although these rates have remained the same since July 2023, some mortgage offerings from lenders have seen a drop, with 3-year and 5-year fixed-rate products falling by as much as 50 basis points. This reduction has likely enhanced purchasing power and affordability for numerous borrowers and is one of the reasons we continue to witness high mortgage volumes led by new purchase activity.

PROPERTY MONITOR DYNAMIC PRICE INDEX



+2.37%
MoM Change



+3.41%
QoQ Change



+19.47%
YoY Change



AED 1,325
Average Property Price Per Sq Ft

DPI MONTHLY OVERVIEW

Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
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
Mar 2023	154.84	0.62%	1.83%	10.15%	1,109

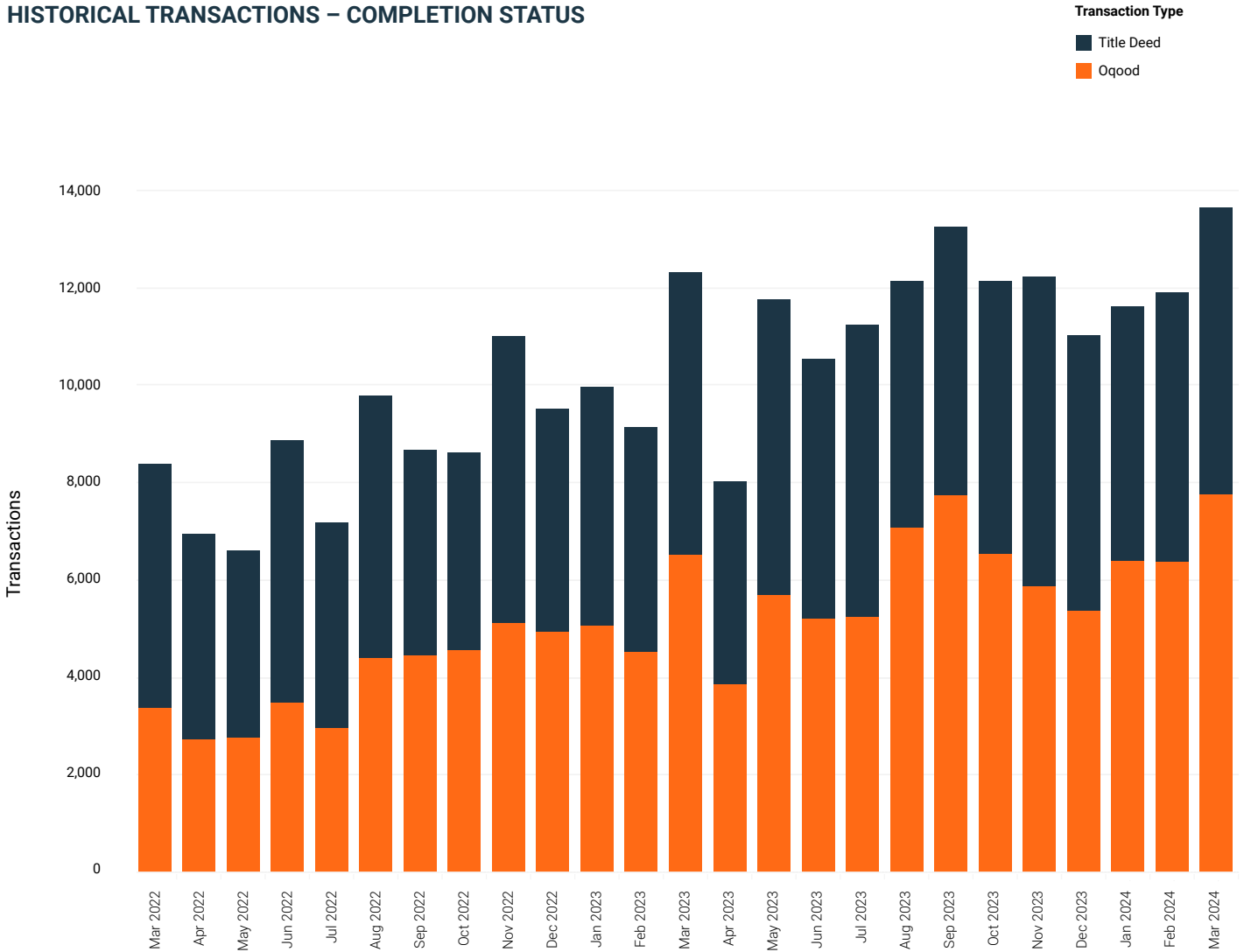
The Property Monitor Dynamic Price Index (DPI) tracks trends of residential property prices throughout 42 key communities in Dubai and is indexed to a base period of February 2008.

At an emirate-wide level, the index value for March 2024 increased by 4.28 index points to 184.99 from 180.72 in February 2024, representing a month-on-month increase of 2.37%.

In March 2024, property prices continued climbing to all-time highs and now stand at AED 1,325 per sq ft. This is now 68.8% above the market trough of April 2009 and 7.4% 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 19.47% in March and now marks 37 straight months of year-on-year increases, while on a year-to-date basis, prices have increased by 3.21% in March 2024 compared to 1.2% in March 2023.

HISTORICAL TRANSACTIONS – COMPLETION STATUS

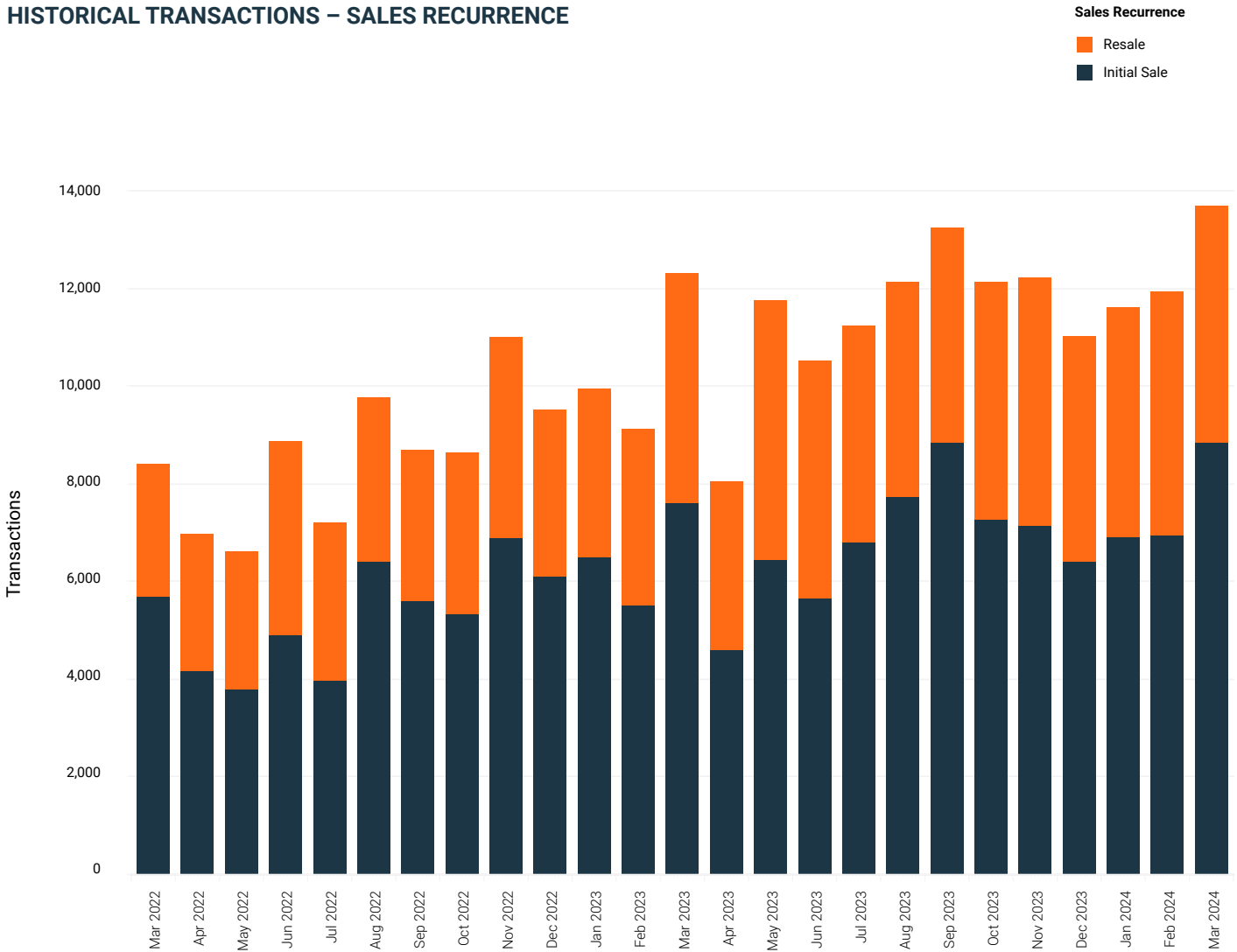


Sales transaction volumes in March were 13,664, increasing by 14.7% over February. During the month, the split between Oqood and Title Deed property transactions were weighted in favour of the former, with Oqood registrations accounting for 56.9% of all transactions, up 3.3% month-on-month. After adjusting for registration technicalities where several off-plan villa and townhouse transactions are shown as Title Deed, the true breakdown of market share is further bolstered to 63.7% 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 market share of 11.8%. They recorded 888 transactions spread across a myriad of their projects, most notably Address Zabeel Residences in Zabeel where 507 sales were recorded. This was followed by Farm Gardens 2 in The Valley and Oria in Dubai Creek Harbour 79 and 51 sales respectively.

DAMAC Properties was next at 10.4% of all off-plan transactions with their Lagoon Views towers project in DAMAC Lagoons being a clear leader for the month clocking up 204 sales and was then followed by Altitude de GRISOGONO (91) on the Dubai Water Canal and Golf Greens (90) in DAMAC Hills. This was followed by Azizi taking an 8.2% market share with sales activity largely concentrated across several buildings in Azizi Riviera where more than 70% of their 462 sales being in buildings that had sales launches back in 2018.

HISTORICAL TRANSACTIONS – SALES RECURRENCE



In March 2024, the market share of initial developer sales jumped to 6.5% reaching 64.7% versus resale transactions. The 12-month rolling average now stands at 58.9% for initial sales and 41.1% for resales, the latter of which, after reaching a high of 51.8% in March 2021, has been slowly trending back down towards the levels of 2019 and 2020, 33.2% and 33.8% respectively.

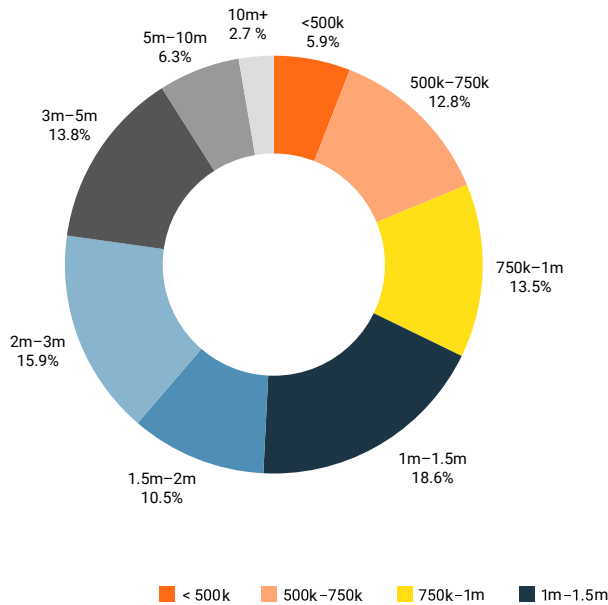
Jumeirah Village Circle was the most popular master development for initial sales, where 11% (948) of all such transactions occurred. The leading projects in the community for the month were tightly clustered together and separated by a small number of transactions with Binghamti Orchid taking the top spot with 69 registrations, then was followed by Sapphire 32 (61), Binghamti Tulip (60), 1WOOD Residence (54), and Luxor Tower (52).

Zabeel secured the second position, with initial sales comprising 5.9% of the market share. Address Residences Zabeel dominated the sales, accounting for all except four of the 511 transactions recorded.

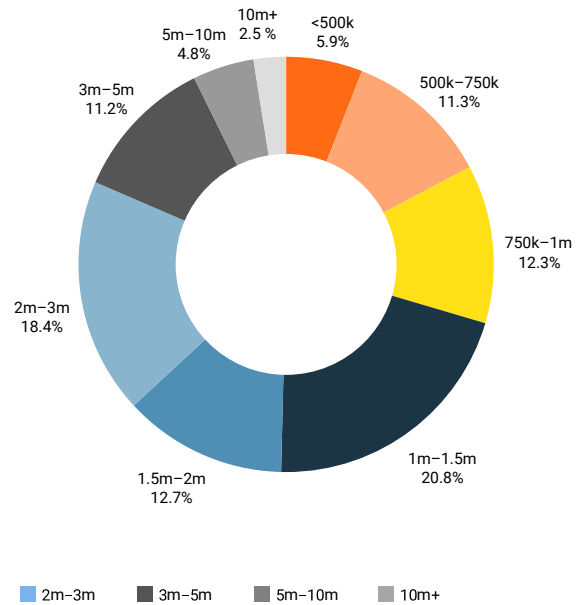
Altitude de GRISOGONO was the most popular in the master development with 91 sales, then was followed by Upside Living (53) and Trillionaire Residences (40).

The top master developments for residential resale transactions were Jumeirah Village Circle with 8.9% of such transactions spread across multiple projects, with the highest level of sales occurring at Binghamti Heights (19) and Shamal Waves (19). This was followed by Business Bay with a 7.5% market share with Zada Residences (15) being the highest transacted. Closing out the top 3 master developments for resale was Dubai Marina holding 5.9% of the market, with Marina Pinnacle recording 11 sales for the month.

PRICE TIERS (AED) – March 2024



PRICE TIERS (AED) – February 2024



PRICE TIERS (AED) MONTHLY COMPARISON

	March 2024	February 2024	MoM Change
<500k	5.9%	5.9%	0.00%
500k-750k	12.8%	11.3%	1.50%
750k-1m	13.5%	12.4%	1.10%
1m-1.5m	18.6%	20.8%	-2.20%
1.5m-2m	10.5%	12.7%	-2.20%
2m-3m	15.9%	18.4%	-2.50%
3m-5m	13.8%	11.2%	2.60%
5m-10m	6.3%	4.8%	1.50%
10m+	2.7%	2.5%	0.20%

Growing their share of the market at the fastest pace was the AED 3m-5m price tier which increased by 2.6% in March to reach a total of 13.8%. The growth of this price tier can be largely attributed to the successful new development launches of high-end apartments at Address Residences Zabeel and budget priced villas at South Bay 4 where sales prices averaged AED 2,709 and AED 814 per sq ft respectively. Meanwhile, the biggest market share loser was the AED 2m-3m tier, which decreased by 2.5% falling to 15.9%.

Also experiencing notable growth during the month were the adjacent AED 5m-10m and AED 10m+ price tiers which collectively grew by 1.7%. Growth in these segments can be largely attributed to the success of off-plan sales for upper-mid priced villas at Bay Villas on Dubai Islands and lower-mid villas at Farm Gardens 2 in The Valley where price per square foot values averaged AED 1,563 and AED 1,201 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 45.0%, down by 6.9%. The low-price tiers with property values under AED 1m now represent 32.2% of the market, up by 2.6% from February, while the high-end price tiers—properties over AED 3m—now represent 22.8% of the market, up by 4.3% 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.



ZHANN JOCHINKE

Director of Market Intelligence & Research
Cavendish Maxwell
zhann.jochinke@cavendishmaxwell.com

CONTACT US

+971 4 453 9525
info@cavendishmaxwell.com
2205 Marina Plaza, Dubai Marina, P.O. Box 118624, Dubai, United Arab Emirates

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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.