

Bvlgari Lighthouse, Jumeirah Bay Island

Branded Residences Report **Dubai - H2 2022**



Orla - Dorchester Collection

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Introduction

In 2010, the Armani Residences in Burj Khalifa were the first branded residences to open in Dubai. Henceforth, the demand for these luxurious residences has shown no sign of slowing down.

Furthermore, Dubai has witnessed growth in this niche market throughout the years, attracting luxury and upscale brands from the hospitality industry to establish appealing schemes for wealthy buyers and investors and also to add a new stream of revenue. Ultimately, Dubai has magnificently positioned itself as one of the hubs for branded residences in the world.

With this report in hand, we point out all the significant data and insights that an investor, developer, or end-user will need to have a comprehensive view of this niche market. Additionally, our report sums up the benefits attained for all parties, highlights the notable increase in the number of schemes, and tracks the performance of the existing ones. It demonstrates premiums paid for branded residences versus non-branded ones. And lastly, it presents the top-performing brands in Dubai.



Orla - Dorchester Collection, Palm Jumeirah

A Word from the CEO, Mr. Elias Hannoush

"Since I decided to embark on a mission to change the perception of the real estate market in Dubai by setting a benchmark of higher levels of transparency, professionalism, and investor protection, the concept of branded residencies has started to pick up and has become a trend in Dubai's real estate market, leading the city to become the capital of branded residences worldwide.

When property developers realized it's a winning formula and started to capitalize on the concept, we decided to take the strategic approach by bringing a one-of-a-kind report to the hands of investors, property developers, and brands in order to have a spot-on first-hand benefit of this booming sector for the aforementioned parties, and also to enlighten them with verified data that will allow them to bring their vision to life and achieve optimum value for this asset class."



...we decided to take the strategic approach by bringing a one-of-a-kind report to the hands of investors, property developers, and brands...



Branded Residences in definition

Branded residences are residential properties associated with a well-known brand in design and operation.

Owners get several advantages from brand associations, including the assurance of a superior level of service and an incredible selection of facilities.

The amenities of a development and the lifestyle offered by a brand may be a major selling point for new residents wishing to enjoy the lifestyle provided by branded schemes.



Structure

Typically, branded residences are the result of a collaboration between a brand and a developer. The brand allows the developer the right to promote and sell properties bearing their trademark. In order to maintain standards, the brand often oversees and services the residential homes associated with their brand.

The developer is required to pay a royalty fee to the brand every time they sell a unit.

In addition, the brand may have additional charges, including but not limited to design fees and administration for the development of the scheme.

The property owner is responsible for paying management fees and standard service charges.



Jumeirah Living, Business Bay

A Triple Win Formula!

Developer

- Competitive advantage in the market
- Larger client base that includes brand enthusiasts
- Design and marketing Assistance
- Higher price premiums

Brand

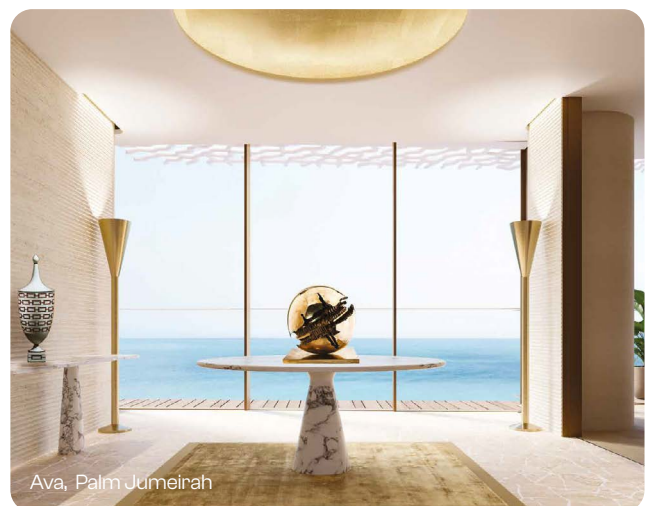
- New source of revenue through licensing
- Increased brand awareness
- Stronger client relationship

Client

- High quality finishings and management
 - Higher capital appreciation
 - Higher rental yields
 - Suitable for short term rentals
-
- Prestigious property to own with an enhanced lifestyle

Types

- Residential units within a hotel
- Residential development adjacent to a hotel
- Residential developments with hotel management
- Stand-alone residential developments with brand association



Ava, Palm Jumeirah



Overview

71

Total Number of Branded Residences

2,221 AED

Average price per sq.ft non branded (same locations)

3,143 AED

Average price per sq.ft branded residences



Popularity by Type





Performance Summary

Transactions H2 - 2022

3,288

Total Transactions

AED 20.94B

Total Worth

Vs H2 - 2021

3,060

Total Transactions

AED 13.87B

Total Worth





Primary Market VS Secondary Market

42

Under Construction Projects

29

Ready Projects

AED 2,934 (Off-Plan)

Average Price per sq.ft Primary Market

AED 2,551 (Ready)

Average Price per sq.ft Secondary Market

Primary Market Transactions

Secondary Market Transactions

1,990

Total Transactions

AED 15.32B

Total Worth

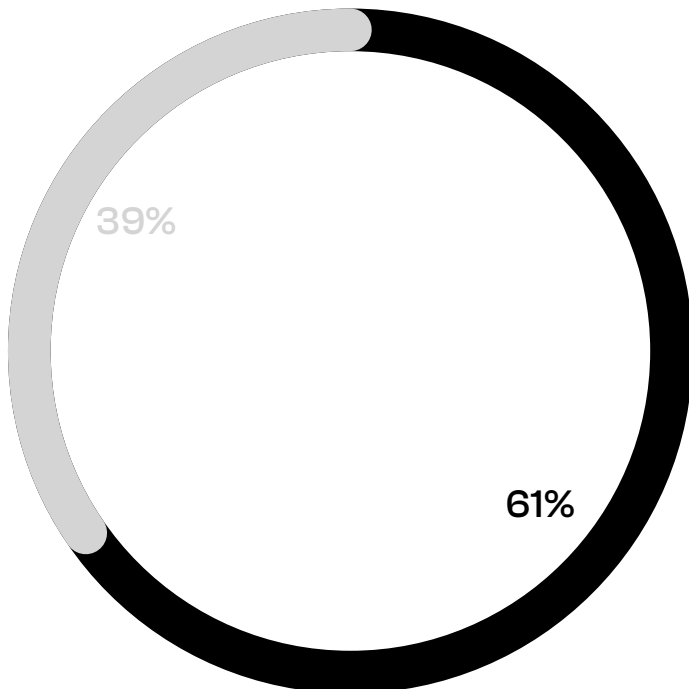
1,298

Total Transactions

AED 5.62B

Total Worth

Transactions Volume

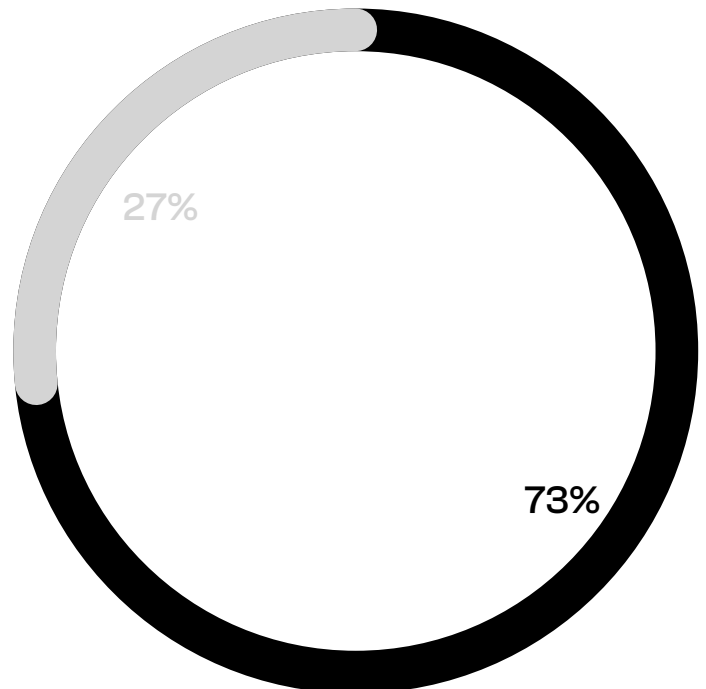


Primary Market



Secondary Market

Transactions Value



Primary Market



Secondary Market



Price Comparison (branded vs non branded)

Community	Average Price per Sq.Ft (Branded)	Average Price per Sq.Ft (Non Branded)	Average Price Difference (Branded & Non Branded)
Jumeirah Bay Island	AED9,148	AED3,893	135%
Jumeirah 2	AED6,170	AED5,840	6%
Palm Jumeirah	AED4,764	AED2,837	68%
Jumeirah Beach Residence	AED4,361	AED1,543	182%
Dubai Harbour	AED3,309	AED3,012	10%
Zabeel	AED2,722	AED2,078	31%
Dubai Marina	AED2,721	AED2,340	16%
Downtown Dubai	AED2,706	AED2,127	27%
Dubai Hills Estates	AED2,353	AED1,715	37%
Business Bay	AED2,159	AED1,970	9%
Jumeirah Lakes Towers	AED1,869	AED1,165	60%
The Hills	AED1,824	AED1,660	10%
Al Jaddaf	AED1,595	AED1,333	19%
Dubai Creek Harbour	AED1,945	AED1,877	4%
Dubai Health Care City	AED1,425	AED1,125	27%
Jumeirah Village Circle	AED1,215	AED1,027	18%

Top Performing Projects

Project	Total Volume	Total Value
ADDRESS Hillcrest	113	AED2,698,252,885
Six Senses Residences	92	AED2,125,437,240
St. Regis The Residences	536	AED1,935,578,599
Address Residences The Bay	325	AED1,654,563,299
Beachgate By Address	229	AED1,503,954,652



Atlantis The Royal Residence, Palm Jumeirah

Top Addresses Price Wise

Brands	Average Price per Sq.ft	Brands	Average Price per Sq.ft
Bulgari	AED9,148	SLS	AED2,717
The Four Seasons	AED6,582	Lamborghini	AED2,606
Royal Atlantis	AED6,490	Jumeirah	AED2,553
Dorchester	AED6,129	Missoni	AED2,178
Mr. C	AED5,755	Palace	AED2,122
One and Only	AED5,443	Anantara	AED2,048
Elie Saab	AED5,212	Cavalli	AED1,934
Six Senses	AED4,900	Banayan Tree	AED1,869
Nikki Beach	AED4,155	Vida	AED1,861
Armani	AED3,200	Paramount	AED1,794
W	AED3,117	Pagani	AED1,774
ADDRESS	AED3,093	Versace	AED1,595
Kempinski	AED3,046	Hyatt Regency	AED1,425
St. Regis	AED2,936	Dusit	AED1,222
Five	AED2,761		



Featured Branded Residences



Bulgari Lighthouse, Jumeirah Bay Island

Bulgari Lighthouse

- **Location:** Jumeirah Bay Island
- **Type:** Residential development adjacent to a hotel.
- **Developers:** Meraas Properties

Bulgari Lighthouse, Natural residential places situated between the sea and the sky. Coral, a valuable natural material, serves as both a literal and symbolic design inspiration for the building, providing security, privacy, and tranquility. lift access. The Sky Villa Penthouse, positioned up on top with breathtaking views of the Arabian Gulf, is the height of luxury living.

Reflecting the Bulgari ideals of unrivaled craftsmanship, careful perfection, and timeless beauty, carefully chosen residences are separated by architectural coral layers that filter light, air, and the outside environment.

The Bulgari Lighthouse provides the ideal retreat, covered in coral at the heart of a dynamic natural canvas, as a unique residence within any collection.

Bulgari Lighthouse Dubai, which had been designed by the renowned architectural company Antonio Citterio Patricia Viel, combines contemporary Italian elegance while drawing influence from the natural world and the surrounding environment.

Its elevated location and breathtaking views inspired the building's unique design, which highlights the contrast between sea and city, as well as sky and earth.

The Bulgari Lighthouse is comprised of penthouses with four and five bedrooms, offering a variety of living areas and interior layouts. As the size and scale of the penthouses increase, additional amenities include a private pool and private



Orla, Dorchester Collection, Dubai

Orla by Dorchester Collection

- **Location:** Palm Jumeirah
- **Type:** Residential developments with hotel management.
- **Developer:** Omniyat Group

Orla by Dorchester Collection is a luxury residential development located on the exclusive Palm Jumeirah in Dubai.

The development offers a collection of luxurious apartments and penthouses, all featuring breathtaking views of the Arabian Gulf. The development is designed to perfection to provide residents with the ultimate luxury living experience.

Orla's luxurious apartments and penthouses are designed to offer maximum space and comfort by 2, 3, and 4-bedroom residences, with each unit offering an array of modern amenities that cater to residents' every need.

The floor-to-ceiling windows provide residents with stunning views of the Arabian Gulf and the surrounding area, creating a feeling of being one with nature. The units are available in different sizes and floor plans, making it easy for residents to find the perfect home that suits their lifestyle.

The development features a range of amenities for residents, including a private beach, infinity swimming pool, fully-equipped gym, and a spa.

The private beach is the perfect place to relax and enjoy the beautiful sea views, while the infinity swimming pool provides residents with the ideal spot for swimming and sunbathing.

The gym is equipped with state-of-the-art equipment, providing residents with the opportunity to maintain their fitness levels. The spa offers an array of treatments, including massage, beauty treatments, and more.



Kempinski Residences

Kempinski Residences The Creek Dubai

- **Location:** Creekside
- **Type:** Residential developments with hotel management.
- **Developer:** Swiss Property Development

These stunning residences, situated in a spectacular position along The Creek in the heart of Dubai, are the ideal combination of architecture and nature.

This is the preferred place for discriminating individuals who desire a calm and tranquil lifestyle supplemented by first-rate amenities and superb services.

Designed to include every feature of luxury living in the middle of a spectacular city.

Built to impress and captivate, Kempinski Residences The Creek Dubai has been expertly designed to offer a balanced lifestyle of your choosing. Each and every element is studied in depth with your well-being and that of your family in mind.



Six Senses Residences

Six Senses Residences

- **Location:** Palm Jumeirah.
- **Type:** Residential development adjacent to a hotel.
- **Developer:** Select Group

Six Senses, one of the world's most recognizable hotel and spa brands, is set to open the Six Senses Residences on Dubai's famed Palm Jumeirah.

This magnificent residential building places a premium on health and relaxation and is designed to mirror the feel of a resort.

The development will be positioned on the Palm's West Crescent, providing a panoramic view of the Dubai Marina skyline, JBR, Bluewaters Island, Ain Dubai, and the Emaar Beachfront cruise docks. Additionally, it has a private beach with unobstructed sea views and a 61-room hotel.

The Six Senses' residential choices are ideal for families of any size.

There are 114 two- to four-bedroom Penthouses, seven Royal Penthouses with four bedrooms (two of which are bigger units known as Imperial Penthouses), 32 Sky Villas with three- or four-bedroom duplex configurations, and nine unique Signature Beachfront Villas with five bedrooms.

Each house has a fully integrated branded kitchen, a study, and a maid's quarters.

The Royal Penthouses and Villas include private pools, while the Signature Villas, of course, provide direct beach access.



Analyst Note

The number of branded residence schemes reached a total of 71 by the end of 2022, with 13 new schemes representing a 22% growth over the first half of the year. In addition, the average price per square foot for branded residences increased by 14% compared to the first half of the year. Despite this, the premium for branded residences relative to non-branded residences remained constant at 37% as overall prices continued to rise in Dubai.

New schemes introduced to the market comprised mostly of residential developments with hotel management and stand-alone residential developments with brand association, both of which have seen a surge in popularity. Residential developments adjacent to a hotel remain the most popular type, accounting for 31% of the market in Dubai.

Compared to the first half of the year, branded residences witnessed a 1.4% decline in terms of transactions, but a 27% rise in terms of value. This reflects the product's popularity among high-net-worth end-users and investors, as well as their confidence in its future potential. This segment is dominated by the primary market, which continues to gain appeal. 60% of branded residence transactions are initial sales, and their value accounts for 73% of the total value

of funds invested in the segment. Developers are actively working to meet the high demand from international buyers, with 42 residences currently under construction and 29 ready developments. The average price per square foot for an off-plan branded residence is 8% higher than that of a ready branded development, indicating a preference among buyers for more luxurious developments. Bulgari remains the most expensive and exclusive branded residence in Dubai, with a price per square foot of 9,148 AED.

Palm Jumeirah is home to the highest number of branded residences in Dubai, followed by Business Bay and downtown. In terms of brand, Address Hotels leads the list of brands with the highest number of branded residence schemes in the city.

60%

60% of branded residence transactions are initial sales, and their value accounts for 73% of the total value of funds invested in the segment.



Ava at Palm Jumeirah

Dubai's Market Foreseen

When a destination, service, or even a product is associated with a “luxury or designer brand,” it attracts HNWI's from all over the world, as these individuals are constantly seeking out new, exclusive, personalized products and experiences, and they will not settle for anything less than a distinctive, bespoke, elevated lifestyle. Dubai has become a hub for branded residences over the past decade, and it will continue to dominate international real estate markets due to the significant increase in demand from buyers all over the world, aligned with the developers' consistently seeking collaborations with brands to introduce unique schemes that will boost the city's prestige. We also anticipate an increase in eco-friendly luxury schemes. Additionally, we may witness the birth of tech-branded residences in the city, bringing cutting-edge technology to residences.

Even though investing in Dubai's real estate market has tremendous potential and the price of prime real estate

remains considerably lower than in other metropolitan cities, not all branded residences will maintain their value as the market matures.

In certain mature markets, branded residences sell for less than premium residences without a brand name. To avoid falling for projects with excessive hype, clients are advised to stay up to date on all market trends and to be well-versed in the industry.



Dubai has become a hub for branded residences over the past decade, and it will continue to dominate international real estate markets due to the significant increase in demand from buyers all over the world.

About Us

Morgan's International Realty is a luxury real estate brokerage and property investment consultancy firm. Established in Dubai at a tipping point of the industry, to create an impact in a market which was just evolving empowered by a joint effort of the public and private sectors, aiming to change the perception of the market and market players.

We chose to participate in setting a benchmark of higher levels of transparency, professionalism and investor protection. Believing that client satisfaction and retention are the key factors of sustainability and organic growth in a market nearing maturity, we laid down the corner blocks of an organization that reflects the history of its' founders. We share this belief with each of our team members who aim to leave clients with a pleasant memory of their past, standing by and guiding them in their present and planning for their future.

Branded Residences Services

Our team offers a comprehensive range of consulting services to enable clients to access informative, experienced, and tailored advice. Our studies are detailed, well-recognized, and widely covered. We conduct bespoke research for clients seeking to up their property development game. Services you may be interested in :

- Brand introduction
- Feasibility Study
- Pricing strategy
- Sales and marketing strategy
- Execution and documentation
- Management and operation

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