



Market Watch

Residential Real Estate Annual Report - 2023

Abu Dhabi & Dubai



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Economic Overview



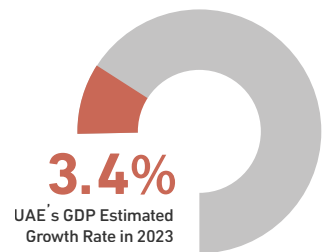
United Arab Emirates

According to Reuters, the UAE economy grew by 3.7% in the first half of 2023, while the non-oil sector surged by 5.9% in the same period. Hence, in 2023, the UAE's economy is expected to grow by 3.38%, slowing down from 7.85% in 2022. This is demonstrated by the slow down in performance in the non-oil sector which constitutes about 75% of the nation's economy. Concurrently, there has been a noticeable dip in oil production growth. The recent economic shifts align closely with the predictions of the Central Bank of the United Arab Emirates (CBUAE). The IMF projections indicate that the UAE economy is going to see an average 4.25% increase in the next 5 years, achieving a total AED 2067.1 Billion in 2028.

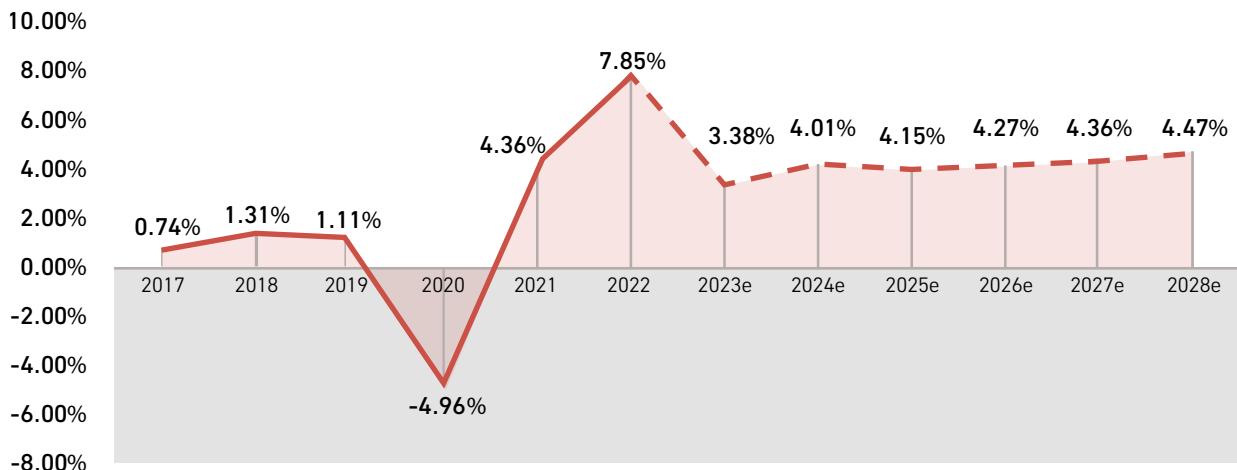
The UAE economy was affected due to the instability in the global markets such as the Russian-Ukrainian war, which caused the OPEC+ to take a decision of reducing oil production in 2023. However, 2024 is likely to witness a resurgence in oil output as certain production restrictions have been relaxed.

In December 2023, the Central Bank of the UAE (CBUAE) decided to maintain the Base Rate applicable to the Overnight Deposit Facility (ODF) without change at 5.40%. This decision was taken following the US Federal Reserve's announcement on 13 December to keep the interest on Reserve Balances (IORB) unchanged. The CBUAE has also decided to maintain the interest rate applicable to borrowing short-term liquidity from the CBUAE at 50 basis points above the Base Rate for all standing credit facilities. The Base Rate, which is anchored to the US Federal Reserve's IORB, signals the general stance of the monetary policy and provides an effective floor for overnight money market interest rates in the UAE.

This introduction provides context for the real estate report on the UAE's economy.



UAE Annual GDP, Constant Prices



Source: IMF - Central Bank of the UAE

Abu Dhabi Real Estate Performance

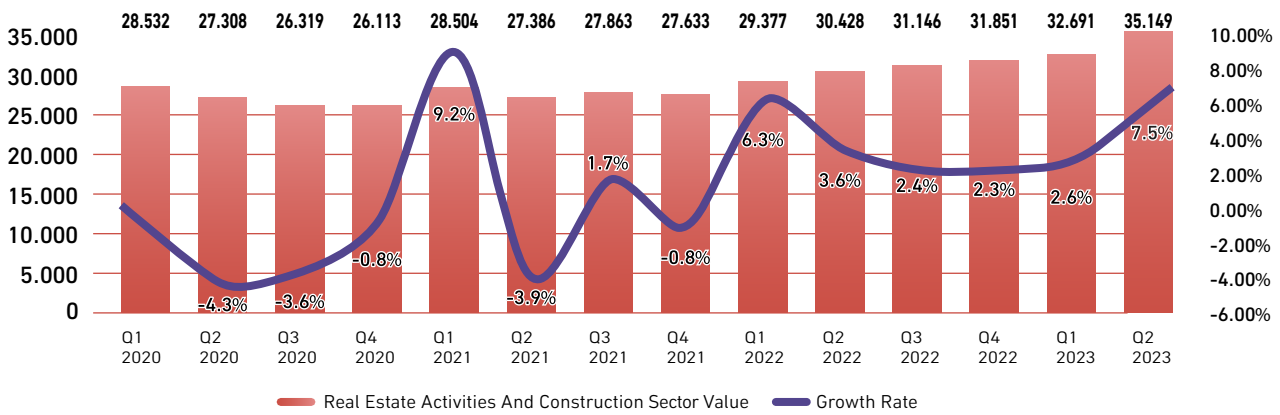


Economic Overview

The Emirate of Abu Dhabi

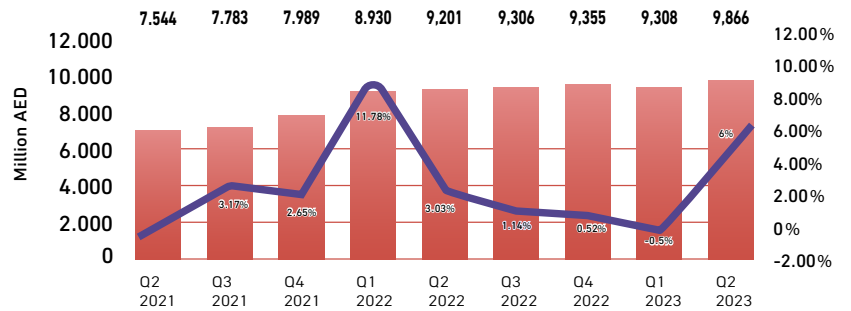
In 2023, Abu Dhabi's economy performed well, supported by the growth in the non-oil sector which grew by almost 6% in the first half YoY, especially the wholesale and retail sector which grew by almost 14% in the first half of 2023. This contributed to almost 6% of the total GDP, and the manufacturing sector contributed to more than 8%, growing by 5.6% and 12.4% in Q1 and Q2 respectively.

Real Estate Activities and Construction Sector Contribution to Abu Dhabi's GDP (AED Million)

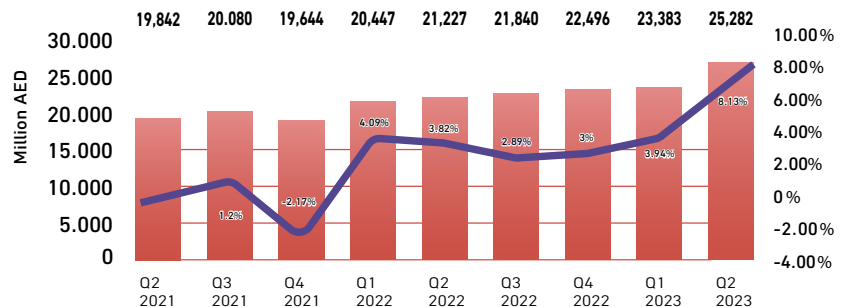


The real estate activities and construction sectors in Abu Dhabi grew by almost 13.4% YoY in the first half of 2023, contributing to almost 12% of the total GDP. The construction sector was the main contributor to the sectors' growth with almost 17% in the first half contributing to almost 8.5% of the total GDP. The real estate activities sector increased by 5.7% compared to the first half of 2022.

Real Estate Activities Contribution to Abu Dhabi's GDP (Constant Price)



Construction Sector Contribution to Abu Dhabi's GDP (Constant Price)



Market Performance



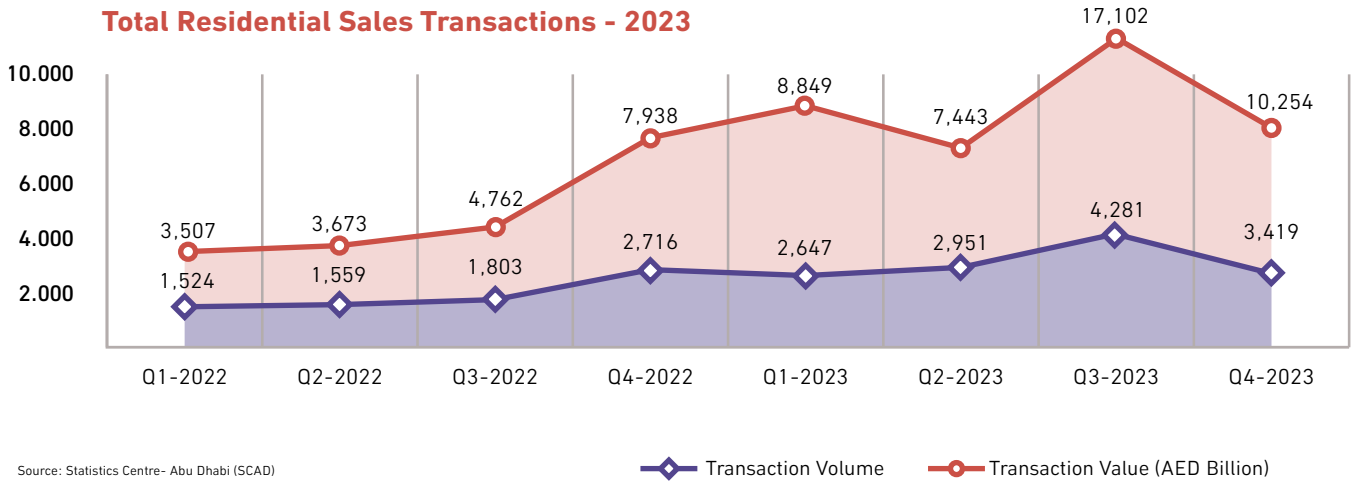
Total Sales Transactions - 2023

According to data from the Department of Municipalities and Transport (DMT), Abu Dhabi experienced a significant surge in total sales transactions (both residential and commercial) in 2023. The number of transactions reached a record high for a year, with 13,298 transactions compared to 7,602 transactions in 2022, reflecting a substantial increase of 75%.

Residential transactions accounted for 97% of the total volume and approximately 85% of the overall value. The transaction value amounted to AED 44 Billion, marking a remarkable 120% increase compared to AED 19.9 Billion recorded in 2022.

The surge in transaction numbers indicates the confidence of investors in the Abu Dhabi real estate market. This positive trend can be attributed to the government's ongoing efforts to enhance the investment environment and regulatory framework, which have contributed to fostering a favourable investment climate.

Total Residential Sales Transactions - 2023



Insights

Total Transactions in 2023	YoY Changes in Volume	Total Transaction Value in 2023 (AED Billion)	YoY Changes in Value
13,298	▲ 75%	43.648	▲ 120%

Market Performance

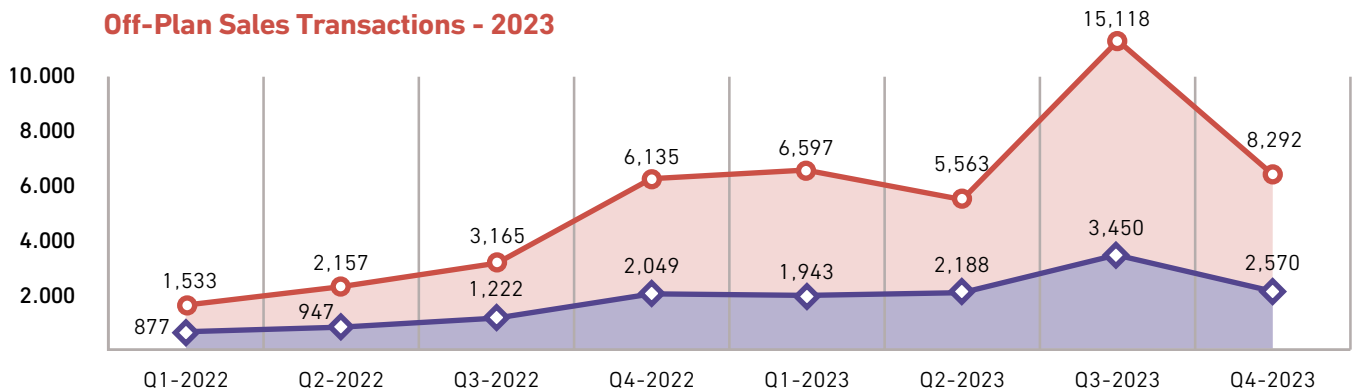


Off-plan Sales Transactions - 2023

The off-plan market in 2023 kept supporting the real estate market in Abu Dhabi. There were 10,151 off-plan sales transactions compared to 5,095 transactions in 2022 representing 76% of the total transactions compared to 67% of the total transactions in 2022, recording a significant year-on-year surge of 99% in terms of volume and 174% increase in terms of value.

The off-plan sales transaction value in 2023 reached AED 35,570 Billion contributing to 81% of the total sales transactions value. This was a 174% increase compared to 2022 when the total sales transactions value was AED 12,989 Billion contributing to 65 % of the total value.

Off-Plan Sales Transactions - 2023



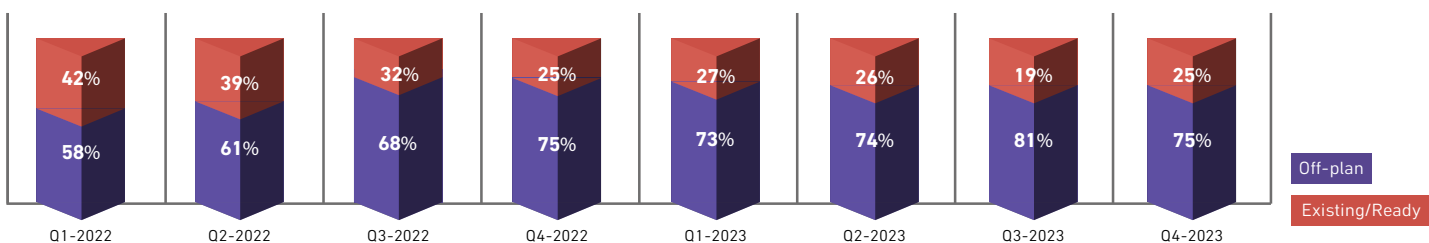
Source: Statistics Centre - Abu Dhabi (SCAD)

Transaction Volume Transaction Value (AED Billion)

Insights

Off-plan Transactions in 2023	YoY Changes in Volume	Off-plan Transaction Value in 2023 (AED Billion)	YoY Changes in Value
10,151	▲ 99%	35.570	▲ 174%

Total Transaction Volume Relative Distribution



Market Performance

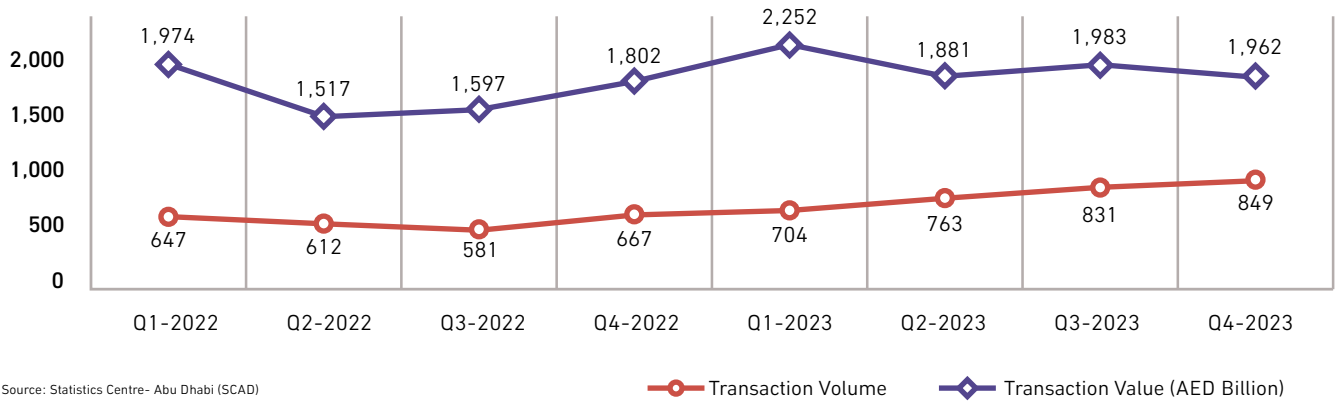


Existing/Ready Sales Transactions - 2023

The existing/ready market in 2023 registered 3,147 transactions to represent around 24% of the total transactions compared to 2,507 transactions that contributed to 33% of the total transactions in 2022. This was a notable growth of 26% from 2022. As for the quarter-on-quarter performance, Q4 witnessed an increase of 2% compared to 831 transactions in Q3 2023.

By reaching AED 8.078 Billion, the existing/ready transaction value in 2023 contributed to 19% of the total sales transactions value compared to 35% in 2022. The existing/ready transaction value witnessed a notable increase of 17% compared to AED 6,890 Billion in 2022.

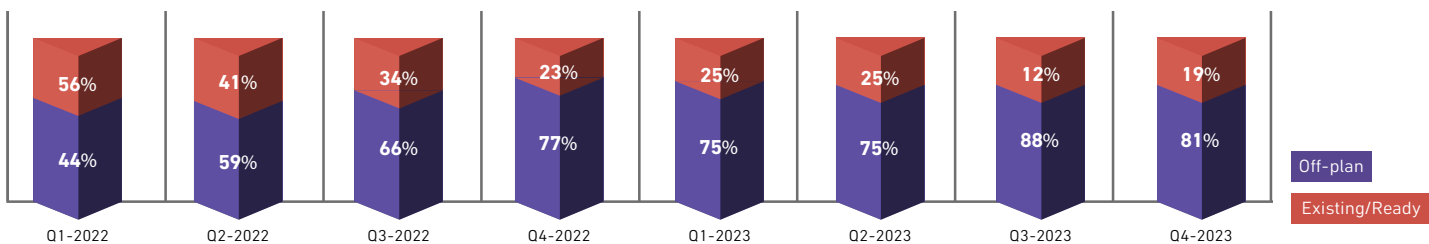
Existing / Ready Sales Transactions - 2023



Insights

Total Existing / Ready Transactions in 2023	YoY Changes in Volume	Total Existing / Ready Transaction Value in 2023 (AED Billion)	YoY Changes in Value
3,147	▲ 26%	8.078	▲ 17%

Total Transaction Value Relative Distribution



Market Trends

Abu Dhabi Market Trends - 2023

In this part, we are going to identify the top 5 demanded areas according to Property Finder's most searched areas. The top areas are determined as per the listings in our search engine, classified by residential apartments and villas/townhouses for sale or rent purposes, along with the price movement for each location.

The Return On Capital Gains (ROCG) is calculated by comparing the average asking price of properties in 2022, to their current value in 2023. The Return on Investment (ROI) is calculated by dividing the annual return on a rental property by the total investment on the property in 2023.



TOP AREAS

FOR SALE IN 2023



Apartments

1. Al Reem Island
2. Yas Island
3. Al Raha Beach
4. Saadiyat Island
5. Masdar City



Villas & Townhouses

1. Yas Island
2. Saadiyat Island
3. Al Reef
4. Al Reem Island
5. Khalifa City





Market Trends



Sales Market Trends for Apartments - 2023

Property Finder’s proprietary data revealed that Al Reem Island, Yas Island, Al Raha Beach, Saadiyat Island and Masdar City were the preferred choices for those who wanted to own an apartment for investment or residence purposes in 2023.

There has been an increase of 12% in the average asking price for apartments during 2023 compared to 2022, driven by studios and two-bedroom apartments. Furthermore, the data reveals that the average sales price for a one-bedroom apartment witnessed a slight increase from AED 1.23 Million to AED 1.24 Million, while a two-bedroom apartment increased from AED 1.9 Million to AED 2.2 Million. The average sales price for a three-bedroom apartment also stood at AED 3 Million.

Saadiyat Island experienced the most significant change in average prices among the most searched areas in Abu Dhabi, with a 17% ROCG for three-bedroom apartments compared to 2022 and 15% for two-bedroom apartments. Despite the global economic changes, the luxury real estate market in Saadiyat Island demonstrates impressive durability. Upscale properties persistently maintained their value, exhibiting a consistent rate of growth during the initial half of 2023.

One Bedroom	2022 Average Price	2023 Average Price	ROCG
Al Reem Island	840,000	850,000	1.2%
Yas Island	916,500	950,000	3.7%
Al Raha Beach	1,200,000	1,200,000	-
Saadiyat Island	2,180,000	2,200,000	1%
Masdar City	800,000	750,000	-6.25%

Two Bedrooms	2022 Average Price	2023 Average Price	ROCG
Al Reem Island	1,300,000	1,400,000	7.69%
Yas Island	1,600,000	1,700,000	6.25%
Al Raha Beach	1,500,000	1,745,000	5.8%
Saadiyat Island	3,900,000	4,471,000	14.6%
Masdar City	1,100,000	1,100,000	-

Three Bedrooms	2022 Average Price	2023 Average Price	ROCG
Al Reem Island	1,957,150	2,085,000	6.53%
Yas Island	1,887,500	1,900,000	0.66%
Al Raha Beach	2,500,000	2,500,000	-
Saadiyat Island	6,400,000	7,500,000	17.19%
Masdar City	N/A	N/A	N/A



Market Trends



Sales Market Trends for Villas - 2023

According to Property Finder’s proprietary data, the average asking price for villas increased by 12% compared to 2022, due to the surge of asking prices for three and four-bedroom villas. As for affordable and luxurious villas or townhouses, home buyers’ top picks for 2023 were Yas Island, Saadiyat Island, Al Reef, Al Reem Island and Khalifa City.

In terms of the average sales price for villas or townhouses in 2023, the data reveals that the sales price for three-bedroom villas or townhouses increased from AED 3.7 Million to AED 4 Million, while the sales price for a four-bedroom villa or townhouses increased from AED 4.7 Million to AED 5.4 Million, while the sales price for five-bedroom villa or townhouses decreased from AED 8.5 Million to AED 7.5 Million.

In the top 5 areas, Yas Island, Al Reef and Saadiyat Islands are the only areas that experienced steady and moderate growth. The average asking price for five-bedroom villas in Al Reef increased by 11.8% compared to 2022. Additionally, five-bedroom villas in Yas Island saw an increase of 6.3%.

Saadiyat Island emerged as one of the most searched areas for home seekers in Abu Dhabi during 2023, with the average asking price for a three-bedroom villa reaching AED 8 Million, which had the highest return on capital gains, by recording a growth of 38% for three-bedroom villas.

Three Bedrooms	2022 Average Price	2023 Average Price	ROCG
Yas Island	4,400,000	4,500,000	2.27%
Saadiyat Island	5,800,000	8,000,000	37.93%
Al Reef	1,575,000	1,600,000	1.59%
Al Reem Island	3,700,000	3,450,000	-6.76%
Khalifa City	3,063,000	2,580,000	-15.77%

Four Bedrooms	2022 Average Price	2023 Average Price	ROCG
Yas Island	5,900,000	6,000,000	1.69%
Saadiyat Island	8,099,999	9,000,000	11.11%
Al Reef	2,187,124	2,219,000	1.48%
Al Reem Island	3,264,440	3,359,000	2.88%
Khalifa City	4,159,000	3,895,000	-6.35%

Five Bedrooms	2022 Average Price	2023 Average Price	ROCG
Yas Island	6,400,000	6,800,000	6.25%
Saadiyat Island	17,506,332	17,732,000	1.29%
Al Reef	2,528,504	2,826,000	11.76%
Al Reem Island	N/A	N/A	N/A
Khalifa City	6,340,441	6,031,000	-4.88%



TOP AREAS

FOR RENT IN 2023



Apartments

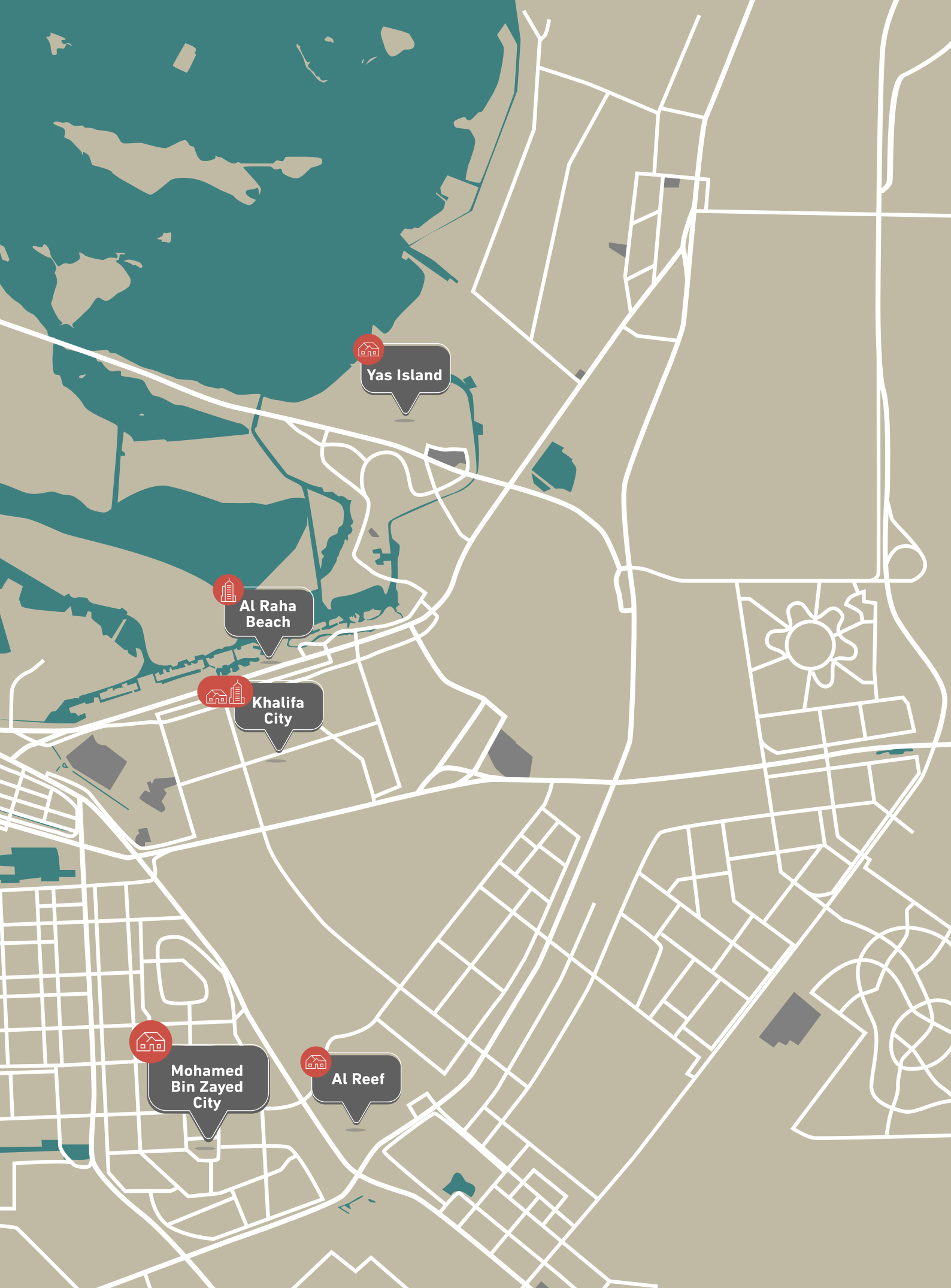
1. Al Reem Island
2. Al Raha Beach
3. Khalifa City
4. Corniche Road
5. Al Khalidiya



Villas & Townhouses

1. Khalifa City
2. Mohamed Bin Zayed City
3. Yas Island
4. Al Reef
5. Saadiyat Island





Market Trends



Rental Market Trends for Apartments - 2023

Property Finder’s proprietary data revealed that Al Reem Island, Al Raha Beach, Khalifa City, Corniche Road and Al Khalidiya remained the top preferred choices among renters in 2023 for apartments.

The average rental prices in 2023 increased by 8.7% compared to 2022. One-bedroom apartment rents increased from AED 62 thousand to AED 66 thousand, two-bedroom apartment rents rose from AED 89 thousand to AED 94 thousand, while three-bedroom apartment rents increased from AED 123 thousand to AED 131 thousand.

In Khalifa City, one-bedroom apartment rents increased by 2.4%, two-bedroom apartment rents rose by 6.7% and three-bedroom apartment rents increased by 12.5%. Al Reem Island saw a 3.5% increase in one-bedroom apartment rents and a 3% rise in two-bedroom apartment rents, while three-bedroom apartment rents increased by 1.6% compared to 2022.

Regarding the Return On Investment (ROI) for the most in-demand areas in Abu Dhabi, not all areas have units for sale to calculate rental yields. Property Finder’s listings reveal that Al Khalidiya has the highest ROI for two-bedroom apartments, with 7.7%, followed by Al Reem Island with roughly 7.1% for one-bedroom apartments and 6.3% for two-bedroom apartments.

One Bedroom	2022 Average Price	2023 Average Price	ROI
Al Reem Island	58,000	60,000	7.06%
Al Raha Beach	65,000	64,000	5.39%
Khalifa City	41,000	42,000	4.67%
Corniche Road	84,951	87,000	6.80%
Al Khalidiya	60,000	60,000	N/A

Two Bedrooms	2022 Average Price	2023 Average Price	ROI
Al Reem Island	85,499	88,000	6.29%
Al Raha Beach	105,692	107,000	5.73%
Khalifa City	60,000	64,000	4.45%
Corniche Road	115,000	115,000	N/A
Al Khalidiya	82,500	77,000	7.70%

Three Bedrooms	2022 Average Price	2023 Average Price	ROI
Al Reem Island	126,000	128,000	6.14%
Al Raha Beach	162,223	164,000	6.20%
Khalifa City	80,000	90,000	4.59%
Corniche Road	150,000	155,000	6.60%
Al Khalidiya	100,000	100,000	2.50%



Market Trends



Rental Market Trends for Villas - 2023

Property Finder’s proprietary data revealed that Khalifa City, Mohamed Bin Zayed, Yas Island, Al Reef and Saadiyat Island were preferred by renters in 2023 for villas.

Regarding the rents in 2023, the data indicates an increase of 9% in the average rents for villas compared to 2022. This increase is primarily supported by the rise in rents for four and five-bedroom villas. The average rent of a four-bedroom villa increased from AED 214 thousand to AED 235 thousand, while the average price of a five-bedroom villa increased from AED 258 thousand to AED 279 thousand.

In 2023, the most demanded areas showed varied results in terms of rental prices. Saadiyat Island and Yas Island witnessed the highest increase in rental prices for four-bedroom villas/townhouses, with a 16% and 14% rise, respectively.

In terms of Return On Investment (ROI), the most demanded areas in Abu Dhabi had different yields. According to the listings on Property Finder, Al Reef had the highest ROI for three-bedroom villas, with 6.25% while four and five-bedroom witnessed 6.14% and 6.2% respectively. Yas Island had an ROI of around 5.6%, 5.3%, and 4.7% for three, four and five-bedroom villas respectively.

Three Bedrooms	2022 Average Price	2023 Average Price	ROI
Khalifa City	130,000	140,000	5.43%
Mohamed Bin Zayed City	115,000	110,000	N/A
Yas Island	230,000	250,000	5.55%
Al Reef	98,000	100,000	6.25%
Saadiyat Island	297,000	300,000	3.75%

Four Bedrooms	2022 Average Price	2023 Average Price	ROI
Khalifa City	155,000	160,000	4.11%
Mohamed Bin Zayed City	133,000	134,000	N/A
Yas Island	280,000	320,000	5.33%
Al Reef	140,000	141,000	6.14%
Saadiyat Island	370,000	430,000	4.78%

Five Bedrooms	2022 Average Price	2023 Average Price	ROI
Khalifa City	165,000	170,000	3.18%
Mohamed Bin Zayed City	150,000	150,000	2.31%
Yas Island	300,000	320,000	4.71%
Al Reef	150,000	163,000	6.20%
Saadiyat Island	525,000	600,000	3.87%



Dubai Real Estate Performance



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العقارية
SOBHA
REALTY

Economic Overview

The Emirate of Dubai

Construction and real estate sectors faced a decline in 2020 of almost 4.7% and 7.4% respectively due to Covid-19, but the real estate sector started recovering rapidly in the next year achieving a 14.7% growth rate. The construction sector suffered for three full years, but it started recovering to see a positive growth rate starting in the beginning of 2023 and achieved a 1.9% growth rate in the first half of 2023.

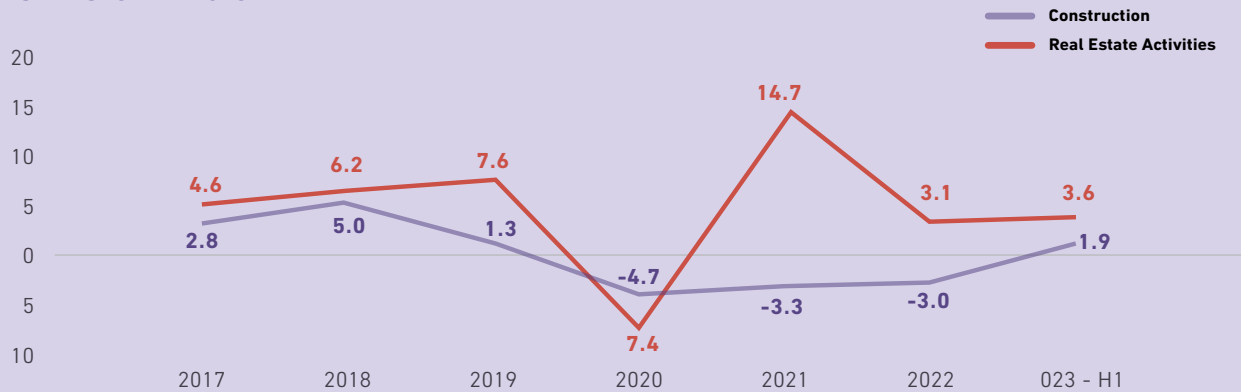
According to the recent data released by the Dubai Statistics Center, the real estate and construction sectors in Dubai grew by 3.6% and 1.9% respectively in the first half of 2023 and together accounted for almost 14.4% of Dubai's total GDP in 2023.

According to the Central Bank of the United Arab Emirates, in Jan - Sep 2023, Dubai witnessed a significant number of tourists, with a total of 12 million visitors. This means that the tourism sector has finally returned to its values before Covid-19 which accounted in 2019 to 12.08 million visitors, showcasing a remarkable recovery.

Despite the growth in the number of tourist establishments from 10.12 million in the first three quarters of 2022 to 12.4 million in 2023, and almost an additional 5800 rooms becoming available, the hotel occupancy rate in Dubai grew relatively to almost 75% during the first three quarters of 2023, from just 70% in the same period in 2022.



Dubai Real Estate Activities & Construction GDP Growth Rate

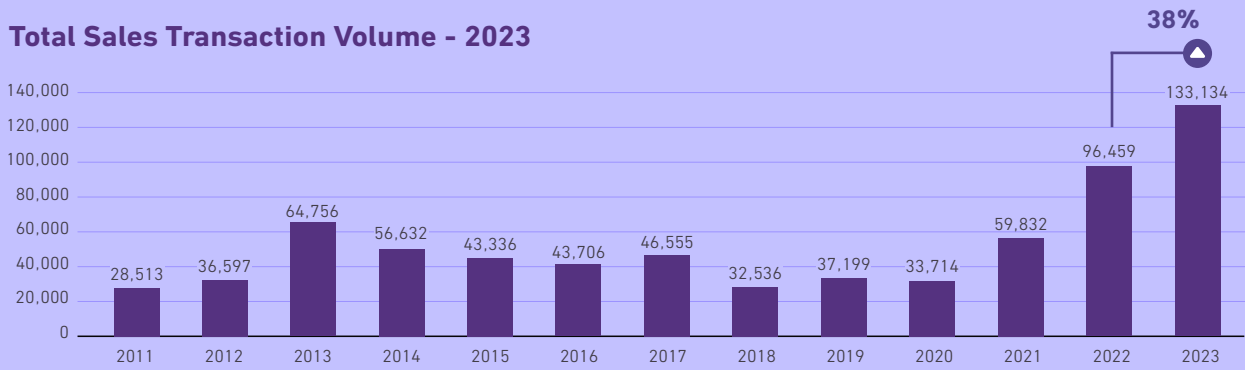


MARKET Performance

Total Sales Transaction Volume - 2023



Total Sales Transaction Volume - 2023



Source: Dubai Land Department

There were 133,134 registered sales transactions in 2023 compared to 96,459 transactions in 2022, recording a sharp increase of 38% to be the highest performance for a year ever recorded, driven by the outstanding performance of off-plan transactions.

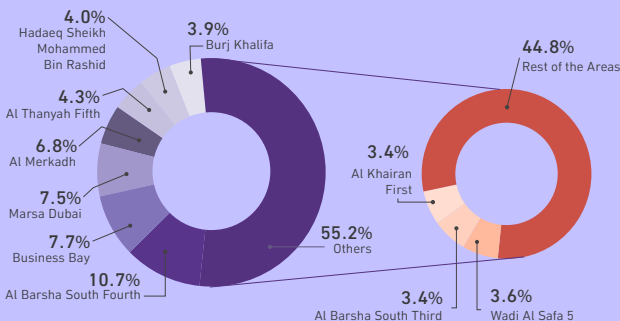
In 2023, a total of 178 areas saw real estate transactions, with 55.2% of the total transactions being accounted for by 10 areas. Leading the pack was Al Barsha South Fourth, which contributed to 10.7% of the total transactions, followed by Business Bay at 7.7% and Marsa Dubai at almost 7.5%.

Interestingly, there was a significant increase in demand for places outside of the top ten areas, such as Al Yelayiss 2 which saw an almost 272% increase in transactions, as well as Al Barsha South Fifth with around 195% and Madinat Dubai Almelaheyah by recording 2,083 sales transactions compared to 320 transactions in 2022.

Looking at the top ten areas in terms of transaction volume, Al Barsha South Fourth saw a notable increase of 138%, followed by Al Thanyah Fifth with an increase of 92.6% and Al Barsha South Third with an 87% increase.

The existing/ready transactions in 2023 contributed to 48.34% of the total sales transactions compared to 55.26% in 2022. The off-plan transactions contributed to 51.7% of the total sales transactions compared to 44.7% in 2022.

Relative Distribution of Total Transactions by Area - 2023



Source: Dubai Land Department

Top 10 Areas For Total Transaction Volume 2023

Top 10 Areas For Total Transaction Volume 2023	2023 vs 2022
Al Barsha South Fourth	148.17%
Business Bay	4.69%
Marsa Dubai	36.43%
Al Merkadh	61.62%
Al Thanyah Fifth	92.60%
Hadaeq Sheikh Mohammed Bin Rashid	53.77%
Burj Khalifa	7.13%
Wadi Al Safa 5	54.00%
Al Barsha South Third	87.20%
Al Khairan First	30.78%

Source: Dubai Land Department

MARKET Performance

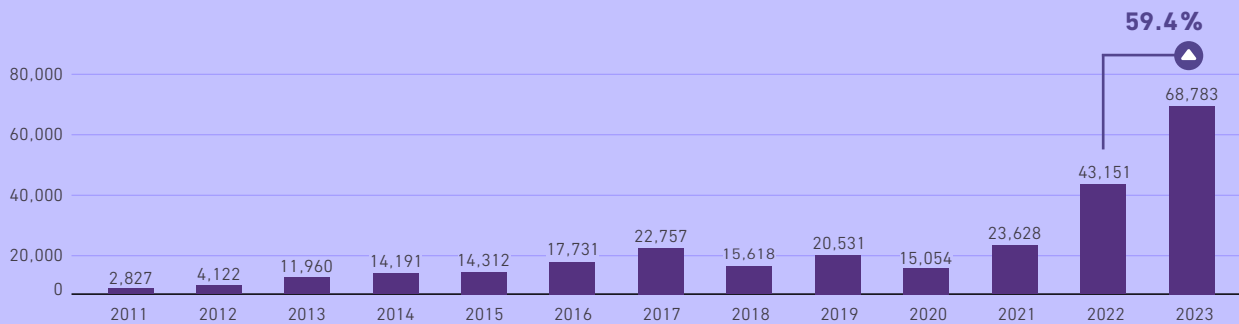
Off-plan Sales Transaction Volume - 2023

Off-plan sales witnessed a notable record by reaching 68,783 transactions in 2023 compared to 43,151 in 2022, recording around a 59.4% increase to be the highest performance for a year ever recorded in the off-plan market.

In 2023, a total of 45 areas saw off-plan transactions, with 70.4% of the total transactions being accounted for by 10 areas. Leading the pack was Al Barsha South Fourth, which contributed to 14.4% of the total transactions, followed by Al Merkadh at 11%, and Marsa Dubai with over 7.8%. Interestingly, there was a significant increase in demand out of the top areas, such as Madinat Dubai Almelaheyah which saw an almost 727% increase in transactions, as well as Al Barsha South Fifth with around 312% and Wadi Al Safa 3 with 103%.

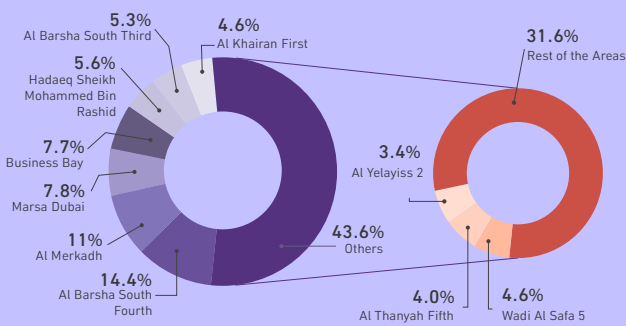
Looking at the top ten areas for the off-plan market in terms of transaction volume, Al Thanyah Fifth increased by 510%, with the number of transactions increasing from 461 to a record 2812 in 2023. Al Yelayiss 2 saw a remarkable increase of 489% while Al Barsha South Fourth increased by 238%.

Total Off-plan Sales Transaction Volume - 2023



Source: Dubai Land Department

Relative Distribution of Off-plan Transactions by Area - 2023



Source: Dubai Land Department

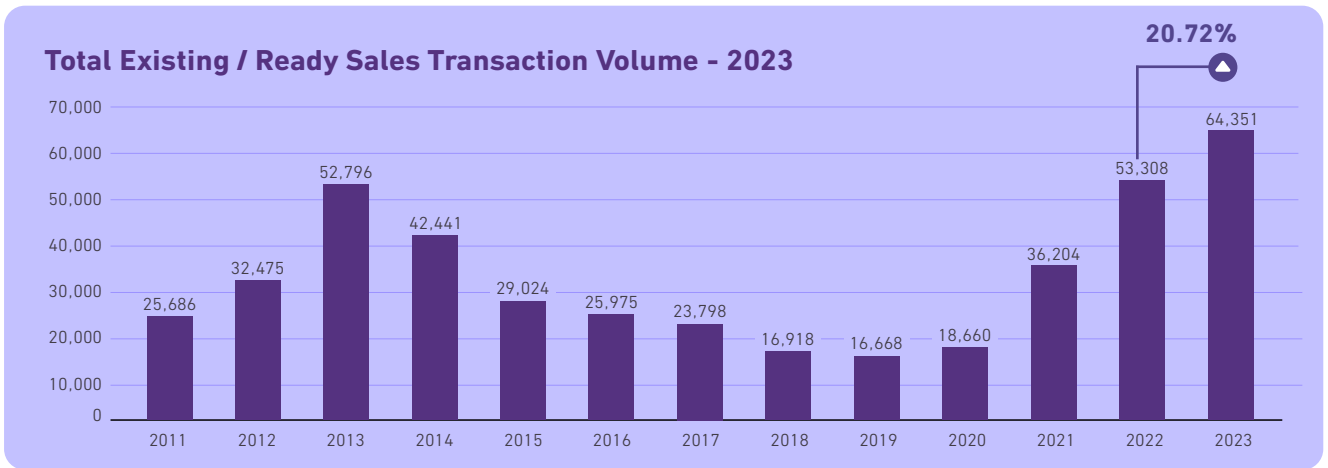
Top 10 Areas for Off-plan Transaction Volume 2023

Area	2023 vs 2022
Al Barsha South Fourth	238%
Al Merkadh	56%
Marsa Dubai	61%
Business Bay	-13%
Hadaeq Sheikh Mohammed Bin Rashid	100%
Al Barsha South Third	100%
Al Khairan First	13%
Wadi Al Safa 5	59%
Al Thanyah Fifth	510%
Al Yelayiss 2	489%

Source: Dubai Land Department

MARKET Performance

Existing / Ready Sales Transaction Volume - 2023

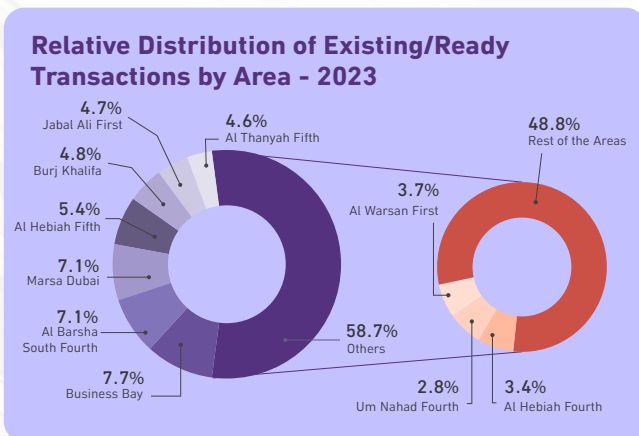


Source: Dubai Land Department

The existing sales witnessed a new record by reaching 64,351 transactions in 2023 compared to 53,308 in 2022, to be the highest performance for a year ever recorded. The ready/existing transactions witnessed a year-on-year increase of 20.72% compared to 2022.

In 2023, a total of 178 areas saw existing/ready transactions, with 51.2% of the total transactions being accounted for by 10 areas. Leading the pack was Business Bay, which contributed to 7.7% of the total transactions, followed by Marsa Dubai at 7.1%, and Al Barsha South Fourth with 7.1%. Interestingly, there was a significant increase in demand out of the top areas, such as Madinat Al Mataar with around 151% as well as Wadi Al Safa 2 with around 435% and Wadi Al Safa 3 with 225%.

Looking at the top ten areas for the ready/existing market in terms of transaction volume, Al Barsha South Fourth saw a notable increase of 63%, followed by Burj Khalifa with an increase of 55% and Al Hebiah Fourth with 52%.



Source: Dubai Land Department

Top 10 Areas for Existing / Ready Transaction Volume 2023	2023 vs 2022
Business Bay	29%
Marsa Dubai	18%
Al Barsha South Fourth	63%
Al Hebiah Fifth	-32%
Burj Khalifa	55%
Jabal Ali First	-13%
Al Thanyah Fifth	22%
Al Warsan First	31%
Al Hebiah Fourth	52%
Um Nahad Fourth	N/A

Source: Dubai Land Department

MARKET Performance

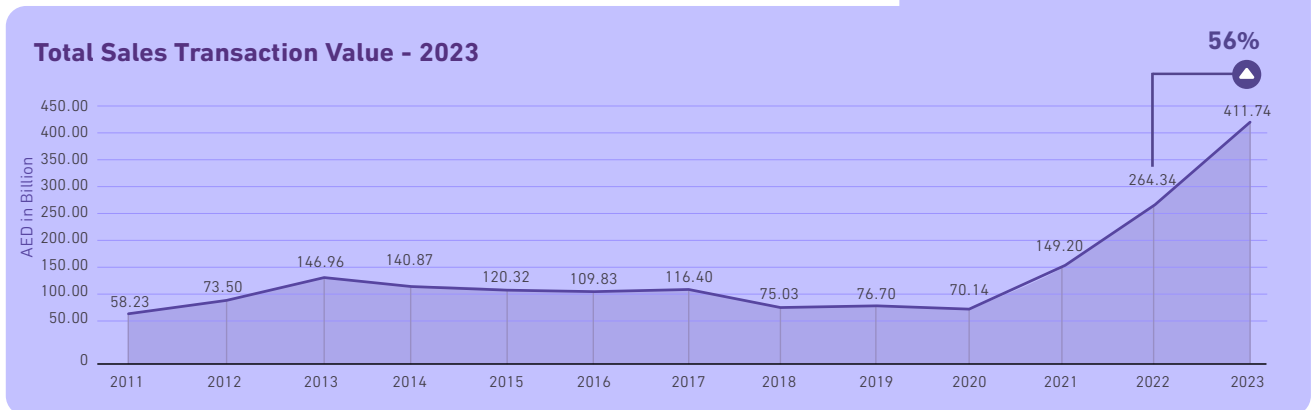
Total Sales Transaction Value - 2023

In 2023, sales transactions recorded the highest value ever for a year by reaching AED 411.74 Billion compared to AED 264.34 Billion in 2022. The market value of sales transactions increased by 56% compared to 2022, forming a new high for the total sales value. The strong economic growth and tourism industry have led to a steady demand for housing, in addition to the instability of the global economy.

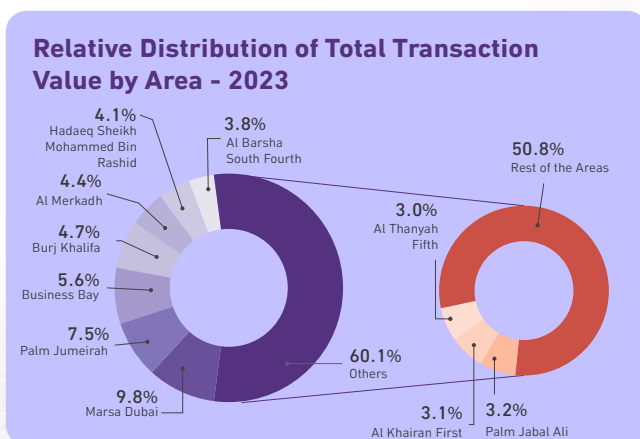
In 2023, real estate transactions took place in 178 areas. The top 10 areas accounted for 49.2% of the total transactions, with Marsa Dubai leading at 9.8% of the total transaction value, followed by Palm Jumeirah at 7.5% and Business Bay with over 5.6%. It's worth noting that there was a surge in demand for areas outside of the top ten. For instance, Madinat Dubai Almelaheyah saw a nearly 673% increase in transaction value, recording AED 7.2 Billion compared to AED 932 Million, while Wadi Al Safa 3 witnessed a 272% increase compared to 2022 and Me'Aisem First with 154%.

Additionally, new communities entered the list with noteworthy transactions, such as Al Yelayiss 5, which recorded transactions worth AED 4.9 Billion, with all of them being ready properties.

Looking at the top ten areas in terms of transaction value, Al Barsha South Fourth saw a notable increase, which recorded AED 16,59 Billion compared to AED 5.7 Billion in 2022, followed by Al Thanyah Fifth with an increase of 112%, and Al Khairan First with a 69% increase compared to 2022.



Source: Dubai Land Department



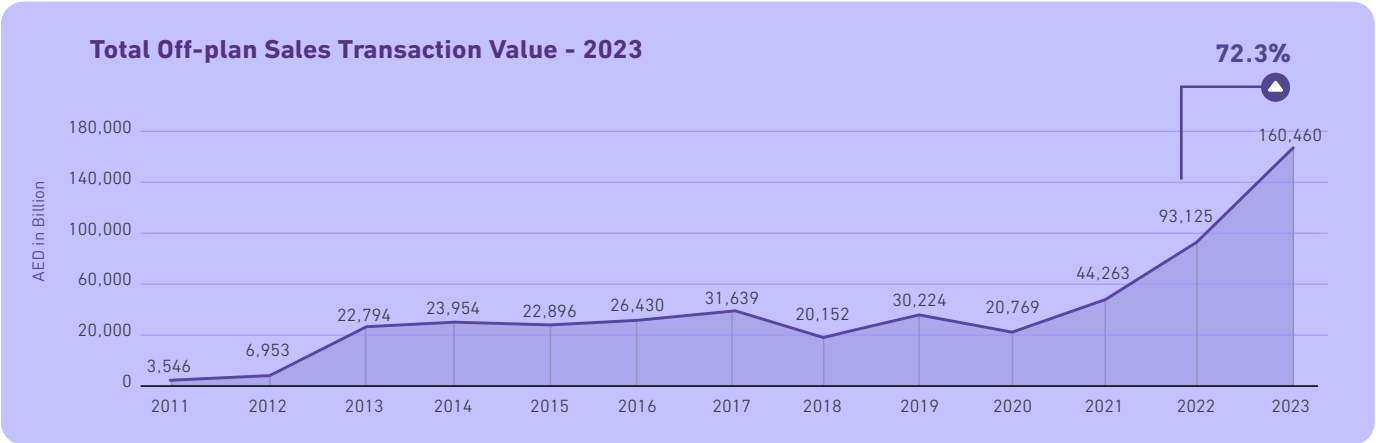
Source: Dubai Land Department

Top 10 Areas in Terms of Total Value of Transactions	2023 Vs 2022
Marsa Dubai	62%
Palm Jumeirah	19%
Business Bay	40%
Burj Khalifa	22%
Al Merkadh	35%
Hadaeq Sheikh Mohammed Bin Rashid	23%
Al Barsha South Fourth	191%
Palm Jabal Ali	N/A
Al Khairan First	69%
Al Thanyah Fifth	112%

Source: Dubai Land Department

MARKET Performance

Off-plan Sales Transaction Value - 2023



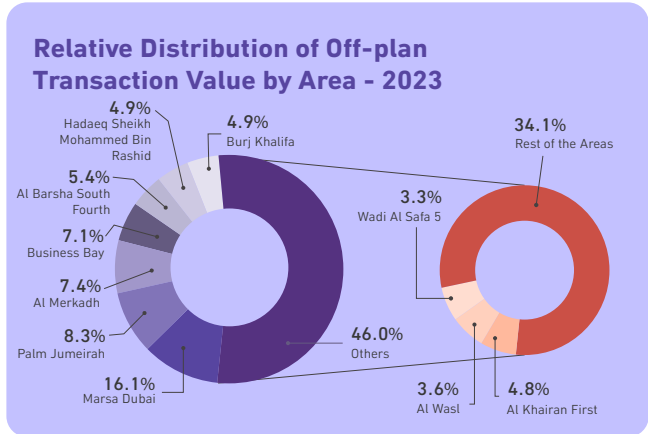
Source: Dubai Land Department

Off-plan sales created a notable record by reaching a value worth AED 160.46 Billion in 2023 compared to AED 93 Billion in 2022, registering around a 72.3% increase. The off-plan transactions contributed to 39% of the total transaction value, witnessing the highest value ever recorded in the off-plan market.

In 2023, a total of 54 areas saw off-plan transactions, with 65.87% of the total transaction value being accounted for by 10 areas. Leading the pack was Marsa Dubai, which contributed to 16% of the total transaction value, followed by Palm Jumeirah at 8.32% and Al Merkadh with over 7.34%.

Interestingly, there was a significant increase in demand outside of the top areas, such as Al Thanyah Fifth which saw transactions worth AED 4.3 Billion compared to AED 532 Million in 2022, as well as Madinat Dubai Almelahayah that recorded transactions worth AED 4.27 Billion compared to AED 541 Million for the same period in 2022.

Looking at the transaction value in the top ten areas in the off-plan market, Al Barsha South Fourth witnessed a surge by recording AED 8.9 Billion in 2023 compared to AED 2.2 Billion in 2022, followed by Hadaeq Sheikh Mohammed Bin Rashid at 158% increase and Marsa Dubai at 122% compared to 2022.



Source: Dubai Land Department

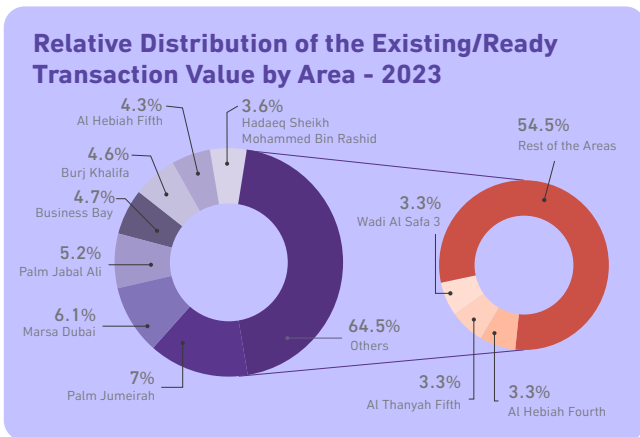
Top 10 Areas in Terms of Total Value of Off-plan Transactions	2023 Vs 2022
Marsa Dubai	122%
Palm Jumeirah	13%
Al Merkadh	80%
Business Bay	17%
Al Barsha South Fourth	301%
Hadaeq Sheikh Mohammed Bin Rashid	158%
Burj Khalifa	-15%
Al Khairan First	37%
Al Wasl	4%
Wadi Al Safa 5	57%

Source: Dubai Land Department

MARKET Performance



Existing/Ready Sales Transaction Value - 2023



Source: Dubai Land Department

Top 10 Areas in Terms of Total Value of Existing / Ready Transactions	2023 Vs 2022
Palm Jumeirah	24%
Marsa Dubai	14%
Palm Jabal Ali	N/A
Business Bay	68%
Burj Khalifa	69%
Al Hebiah Fifth	-15%
Hadaeq Sheikh Mohammed Bin Rashid	-14%
Al Hebiah Fourth	40%
Wadi Al Safa 3	472%
Al Thanyah Fifth	57%

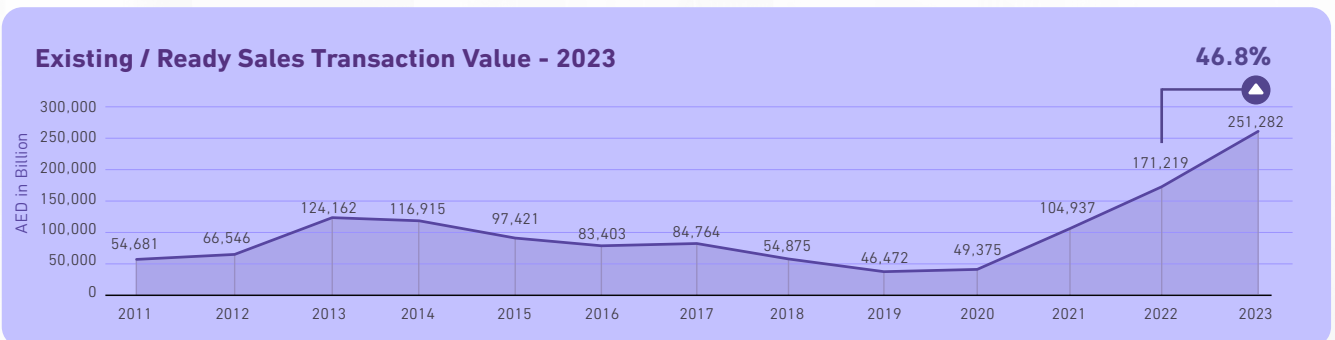
Source: Dubai Land Department

The existing/ready sales value hit a record high of AED 251.3 Billion compared to AED 171.2 Billion in 2022, marking a remarkable increase of 46.76%, to register the highest transaction value ever in a year.

In 2023, a total of 178 areas saw existing/ready transactions, with 55.5% of the total transaction value being accounted for by just 10 areas. Leading the pack was Palm Jumeirah, which contributed to 7% of the total transaction value, followed by Marsa Dubai at 6.1%.

Interestingly, there was a significant increase in demand outside of the top areas, such as Al Yelayiss 5, which recorded transactions worth AED 4.85 Billion, as well as Mugatrah that recorded transactions worth AED 3.87 Billion.

Looking at the top ten areas for the existing/ready market in terms of transaction value, Wadi Al Safa 3 had a remarkable increase from AED 1.6 Billion in 2022 to AED 9.14 Billion followed by Burj Khalifa, which saw an increase of 69%, followed by Business Bay with an increase of 68%.



Source: Dubai Land Department

MARKET Performance

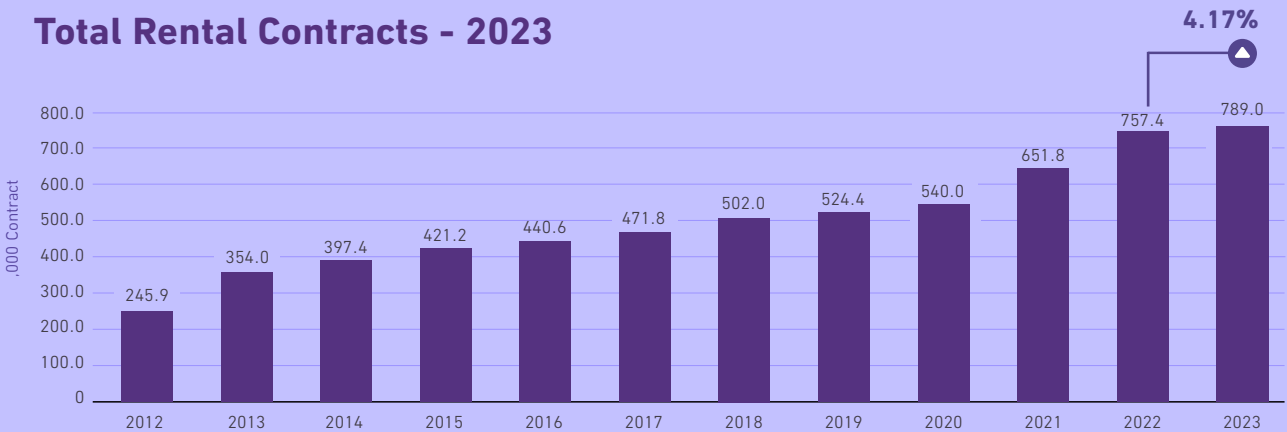


Total Rental Contracts - 2023

Dubai has a relatively stable rental market compared to global markets. In 2023, the rental contracts witnessed a year-on-year increase of 4.17% by registering 789,015 contracts compared to 757,423 contracts in 2022. According to Dubai Land Department's data, in 2023, around 47.9% of the total rental contracts were new contracts, while 52.1% were renewals. Annual contracts contributed to 91.72% of total contracts compared to 84.85% in 2022 while non-annual contracts shrunk by 6.87% to represent just 8.28% of the total contracts. Residential contracts represented around 68.33% of the total rental contracts, while 30.47% were registered for commercial purposes and others.

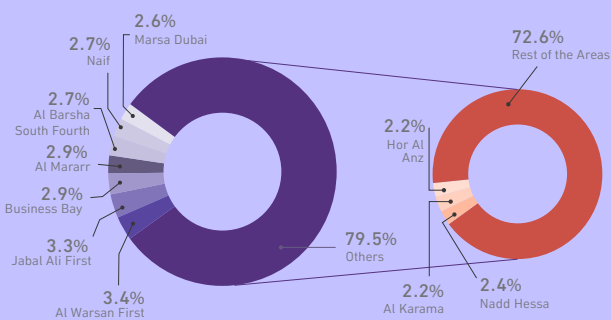
Looking at the top ten areas in terms of contract volume, Hor Al Anz saw a notable increase of 181%, followed by Al Marrar with an increase of 45.6% and Naif with a 18.3% increase.

Total Rental Contracts - 2023



Source: Dubai Land Department

Relative Distribution of Total Rental Contracts by Area - 2023



Source: Dubai Land Department

Top 10 Areas for Total Rental Contracts

Top 10 Areas for Total Rental Contracts	2023 Vs 2022
Al Warsan First	8.5%
Jabal Ali First	9.8%
Business Bay	11.0%
Al Mararr	45.6%
Al Barsha South Fourth	14.3%
Naif	18.3%
Marsa Dubai	6.2%
Nadd Hessa	4.4%
Al Karama	-0.3%
Hor Al Anz	180.9%

Source: Dubai Land Department

MARKET Performance



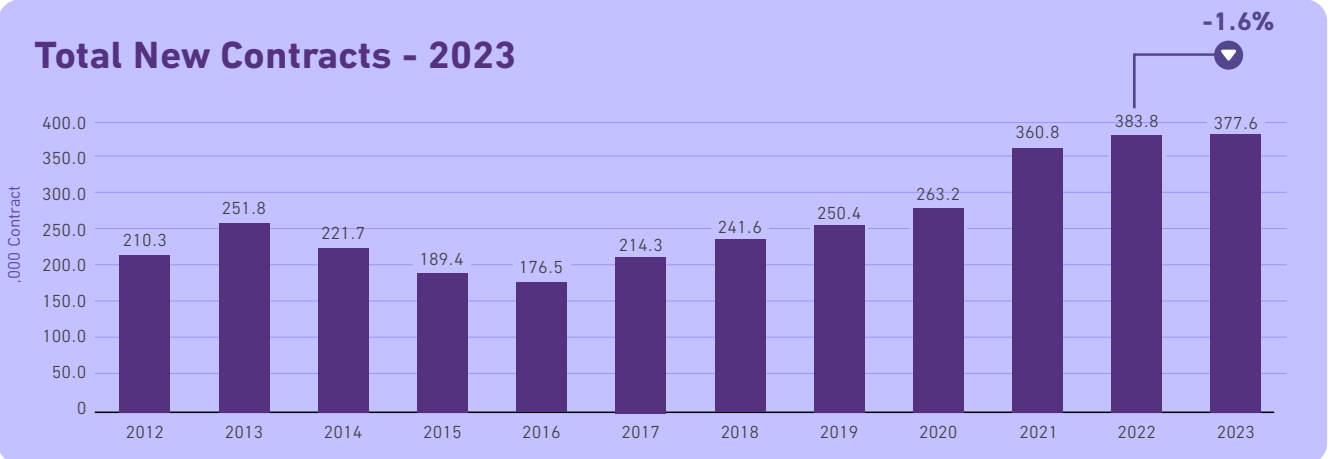
New Rental Contracts - 2023

In 2023, new contracts witnessed a slight decrease of 1.6% by registering 377,604 transactions compared to 383,777 contracts in 2022. A total of 205 areas saw new rental contracts, with 31.4% of the total new contracts being accounted for by just ten areas. Leading the pack was Al Mararr, which contributed to 4.41% of the total new contracts, followed by Hor Al Anz at 3.8%.

Interestingly, there was a significant increase in demand for places outside of the top 10 areas, such as Al Baraha which saw an almost 197.4% increase in transactions, as well as Abu Hail with around 303% and Saih Shuaib 2 with around 190%.

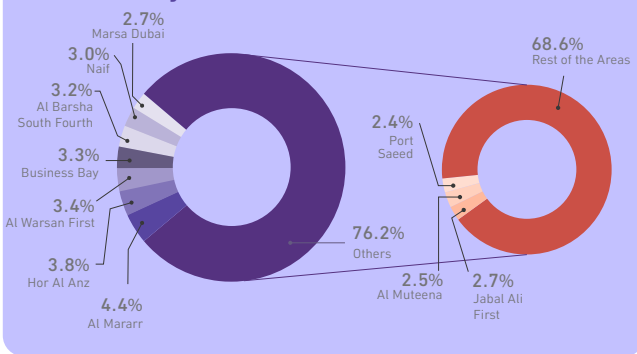
Looking at the top ten areas in terms of volume of new contracts, Hor Al Anz saw a notable increase of 304% compared to 2022, followed by Al Mararr with an increase of 57.5%, and Al Muteena with a 53.3% increase compared to 2022.

Total New Contracts - 2023



Source: Dubai Land Department

Relative Distribution of New Contracts by Area - 2023



Source: Dubai Land Department

Top 10 Areas for Volume of New Contracts

Area	2023 Vs 2022
Al Mararr	57.5%
Hor Al Anz	304.4%
Al Warsan First	7.6%
Business Bay	0.9%
Al Barsha South Fourth	-8.2%
Naif	13.1%
Marsa Dubai	-0.9%
Jabal Ali First	-4.8%
Al Muteena	53.3%
Port Saeed	9.4%

Source: Dubai Land Department

MARKET Performance



Renewed Contracts - 2023

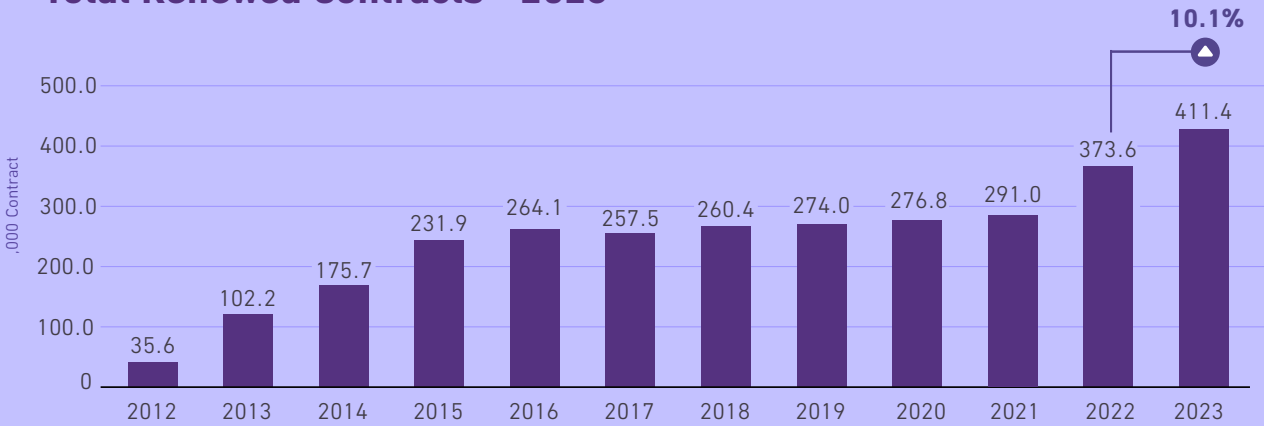
In 2023, renewed contracts supported the rental market by registering 411,411 transactions, witnessing an increase of 10.1% compared to 373,646 contracts in 2022.

204 areas saw renewed contracts in 2023, with 28.1% of the total renewed contracts being accounted for by just ten areas. Leading the pack was Jabal Ali First, which contributed to 3.9% of the total renewed contracts, followed by Al Warsan First at 3.4%.

Interestingly, there was a significant increase in demand for places outside of the top ten areas, such as Al Barsha South Third which saw an almost 95% increase, as well as Mankhool with around 35.5%.

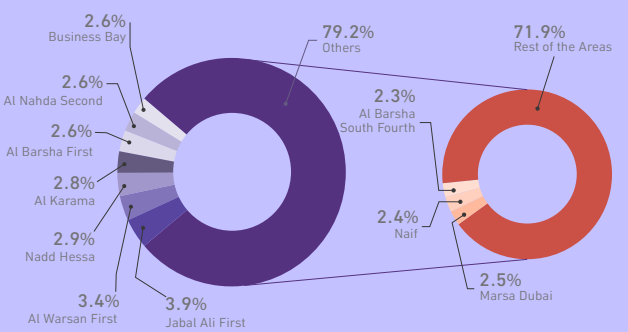
Looking at the top ten areas in terms of volume of renewed contracts, Al Barsha South Fourth saw a notable increase of 60.4%, followed by Nadd Hessa with an increase of 27.14% and Al Barsha First with a 25.58% increase.

Total Renewed Contracts - 2023



Source: Dubai Land Department

Relative Distribution of Renewed Contracts by Area - 2023



Source: Dubai Land Department

Top 10 Areas for Volume of Renewed Contracts

Area	2023 Vs 2022
Jabal Ali First	21%
Al Warsan First	9%
Nadd Hessa	27%
Al Karama	16%
Al Barsha First	26%
Al Nahda Second	25%
Business Bay	25%
Marsa Dubai	14%
Naif	24%
Al Barsha South Fourth	60%

Source: Dubai Land Department

MARKET Trends

Dubai Market Trends - 2023

In this part, we are going to identify the top 5 demanded areas according to Property Finder's most searched areas. The top areas are determined as per the listings in our search engine, classified by residential apartments and villas/townhouses for sale or rent purposes, along with the price movement for each location.

The Return On Capital Gains (ROCG) is calculated by comparing the average sales asking price of a property in 2022 to its current value in 2023.

The Return on Investment (ROI) is calculated by dividing the annual return on a rental property by the total investment on the property in 2023.



TOP AREAS

FOR SALE IN 2023

Apartments

1. Dubai Marina
2. Downtown Dubai
3. Jumeirah Village Circle (JVC)
4. Business Bay
5. Palm Jumeirah

Villas

1. Dubai Hills Estate
2. Palm Jumeirah
3. Arabian Ranches
4. DAMAC Hills
5. Mohammed Bin Rashid City





MARKET Trends

Sales Market Trends for Apartments - 2023

Based on proprietary data from Property Finder, the average asking price for apartments in 2023 surged by 37% compared to 2022. Driven by the price increase of three and four-bedroom apartments, with the three-bedroom average price witnessing a 50% surge compared to 2022, and four-bedroom apartments witnessing a significant increase of 56%.

The data shows that in the most demanded areas, one-bedroom apartments' average sales price increased from AED 1.6 Million to AED 2 Million, while two-bedroom apartments' prices rose from AED 2.6 Million to AED 3.7 Million. Moreover, the three-bedroom apartments' sales asking price significantly increased from AED 4.4 Million to AED 6.6 Million.

The average asking price varied from location to location. Palm Jumeirah experienced the highest average price for one, two and three-bedroom apartments. The surge in average prices led to a 16%, 48% and 56% Return on Capital Gains (ROCG) respectively compared to the 2022 average asking price.

Business Bay and Jumeirah Village Circle also observed a notable increase in 2023 compared to 2022. The one and two-bedroom apartments in Business Bay witnessed an increase of 32% and 28% respectively. Additionally, the prices of one-bedroom apartments in JVC grew by 21%, while two and three-bedroom apartments recorded a 36% and 32% increase, respectively.



One Bedroom	2022 Average Price	2023 Average Price	ROCG
Dubai Marina	1,300,000	1,450,000	11.54%
Downtown Dubai	1,750,000	1,900,000	8.57%
Jumeirah Village Circle	705,000	850,000	20.57%
Business Bay	1,170,000	1,550,000	32.48%
Palm Jumeirah	2,500,000	2,900,000	16.00%

Two Bedrooms	2022 Average Price	2023 Average Price	ROCG
Dubai Marina	2,100,000	2,400,000	14.29%
Downtown Dubai	3,700,000	4,100,000	9.69%
Jumeirah Village Circle	1,100,000	1,500,000	36.36%
Business Bay	1,950,000	2,500,000	28.21%
Palm Jumeirah	3,350,000	4,950,000	47.76%

Three Bedrooms	2022 Average Price	2023 Average Price	ROCG
Dubai Marina	3,349,000	3,800,000	13.47%
Downtown Dubai	5,600,000	6,000,000	7.14%
Jumeirah Village Circle	1,533,314	2,031,000	32.46%
Business Bay	2,895,000	3,600,000	24.35%
Palm Jumeirah	4,500,000	7,000,000	55.56%



MARKET Trends

Sales Market Trends for Villas - 2023

In 2023, there was a significant increase of 26% in the average asking price for villas compared to 2022. The data of the most demanded areas indicate that the average sales price of three-bedroom villas rose from AED 5.2 Million to AED 6 Million, while four-bedroom villas saw an increase from AED 9 Million to AED 11.4 Million. The asking sales price for five-bedroom villas surged from AED 15 Million to AED 17.8 Million.

The average price of villas varied depending on the location. Palm Jumeirah witnessed the highest increase in the average price for four-bedroom villas, recording a 41% increase in Return-on-Capital-Gains (ROCG). However, the surge in the average price was not exclusive to Palm Jumeirah, as Dubai Hills Estate recorded a significant ROCG increase of 38% for five-bedroom villas. Additionally, Arabian Ranches witnessed a significant increase in the average asking price of four-bedroom villas by 34% (ROCG) and five-bedroom villas by 29%.



Three Bedrooms	2022 Average Price	2023 Average Price	ROCG
Dubai Hills Estate	4,200,000	5,600,000	33.3%
Palm Jumeirah	11,194,470	13,603,000	7.6%
Arabian Ranches	3,000,000	3,775,000	25.8%
DAMAC Hills	2,650,000	2,900,000	9.4%
Mohammed Bin Rashid City	3,200,000	3,400,000	0.3%

Four Bedrooms	2022 Average Price	2023 Average Price	ROCG
Dubai Hills Estate	4,900,000	6,100,000	24.5%
Palm Jumeirah	18,500,000	30,000,000	62.2%
Arabian Ranches	4,850,000	6,500,000	34.0%
DAMAC Hills	3,810,769	4,036,000	5.9%
Mohammed Bin Rashid City	N/A	N/A	N/A

Five Bedrooms	2022 Average Price	2023 Average Price	ROCG
Dubai Hills Estate	6,900,000	9,575,000	38.8%
Palm Jumeirah	25,949,500	36,450,000	40.5%
Arabian Ranches	6,950,000	8,950,000	28.8%
DAMAC Hills	6,000,000	7,150,000	19.2%
Mohammed Bin Rashid City	19,000,000	21,000,000	10.5%



TOP AREAS

FOR RENT IN 2023



Apartments

1. Dubai Marina
2. Jumeirah Village Circle (JVC)
3. Downtown Dubai
4. Business Bay
5. Jumeirah Lake Towers (JLT)



Villas & Townhouses

1. Dubai Hills Estate
2. Damac Hills 2
3. Al Barsha
4. Jumeirah
5. Damac Hills





Jumeirah

Business Bay

Downtown Dubai

Al Barsha

Dubai Hills Estate

DAMAC Hills

DAMAC Hills 2

MARKET Trends



Rental Market Trends for Apartments - 2023

Property Finder's proprietary data revealed that Dubai Marina, Jumeirah Village Circle (JVC), Downtown Dubai, Business Bay and Jumeirah Lake Towers (JLT) remained the preferred choices for apartments for renters in 2023.

According to Property Finder asking price data, rents in Dubai increased significantly in 2023 compared to 2022. On average, rents increased by 15%. The increase was more significant for studio, one, two and three-bedroom apartments with an increase of 19%, 11%, 19% and 11.3% respectively. The most searched area, Business Bay, witnessed the highest average increase in rent price for three-bedroom apartments, with a 29% increase, followed by Jumeirah Village Circle (JVC) that saw a 27% increase for one and two-bedroom apartments.

JVC, one of the most searched areas, witnessed the highest ROI for one and three-bedroom apartments with 8% and 6.8% respectively; while Dubai Marina had the highest rental yields (ROI) for two-bedroom apartments with 6.7%.

One Bedroom	2022 Average Price	2023 Average Price	ROI
Dubai Marina	90,000	110,000	7.59%
Jumeirah Village Circle	54,000	68,750	8.09%
Downtown Dubai	114,999	130,000	6.84%
Business Bay	80,000	95,000	6.13%
Jumeirah Lake Towers	68,000	80,000	6.40%

Two Bedrooms	2022 Average Price	2023 Average Price	ROI
Dubai Marina	140,000	160,000	6.67%
Jumeirah Village Circle	75,000	95,000	6.33%
Downtown Dubai	220,000	255,000	6.14%
Business Bay	130,000	145,000	5.80%
Jumeirah Lake Towers	95,000	115,000	6.05%

Three Bedrooms	2022 Average Price	2023 Average Price	ROI
Dubai Marina	209,999	250,000	6.58%
Jumeirah Village Circle	110,000	138,000	6.79%
Downtown Dubai	320,000	360,000	6.00%
Business Bay	170,000	220,000	6.11%
Jumeirah Lake Towers	135,000	160,000	5.00%



MARKET Trends



Rental Market Trends for Villas - 2023

Property Finder's proprietary data revealed that in 2023, Dubai Hills Estate, Damac Hills 2, Al Barsha, Jumeirah and Damac Hills emerged as the top choices among renters searching for villas. However, renters had to pay a higher price than in the previous year, as average rental prices for villas in Dubai increased by around 19% compared to 2022, according to Property Finder's asking price data. The average rental price for a three-bedroom villa rose by 30%, while four-bedroom villas experienced a 28% hike and five-bedroom villas saw an increase of 14%.

Al Barsha was the most profitable area in 2023 for renting a three and four-bedroom villa, with the highest Return On Investment (ROI) of 9.6% and 7% respectively. Damac Hills witnessed a 9.2% and 7.2% hike for four and three bedroom villas respectively.

Damac Hills 2 also topped the list for rental yields (ROI) in the most sought-after areas of Dubai for three-bedroom villas with 6.3%, while four-bedroom and five-bedroom villas recorded a 5.7% and 4.86% yield respectively. Therefore, for those who can afford it, investing in the rental property market in Dubai's most popular areas could lead to significant returns.

Three Bedrooms	2022 Average Price	2023 Average Price	ROI
Dubai Hills Estate	290,000	330,000	5.89%
Damac Hills 2	65,000	85,000	6.25%
Al Barsha	227,088	306,000	9.61%
Jumeirah	200,000	270,000	2.73%
Damac Hills	170,000	210,000	7.24%

Four Bedrooms	2022 Average Price	2023 Average Price	ROI
Dubai Hills Estate	330,000	342,000	5.70%
Damac Hills 2	74,993	103,000	5.72%
Al Barsha	230,000	350,000	7.00%
Jumeirah	320,000	400,000	2.67%
Damac Hills	250,000	322,500	9.21%

Five Bedrooms	2022 Average Price	2023 Average Price	ROI
Dubai Hills Estate	399,000	488,000	3.55%
Damac Hills 2	100,000	130,000	4.81%
Al Barsha	300,000	400,000	4.34%
Jumeirah	350,000	450,000	2.21%
Damac Hills	380,000	420,000	5.87%



The Official Real Estate Indices For the Emirates of Dubai

Mo'asher - 2023



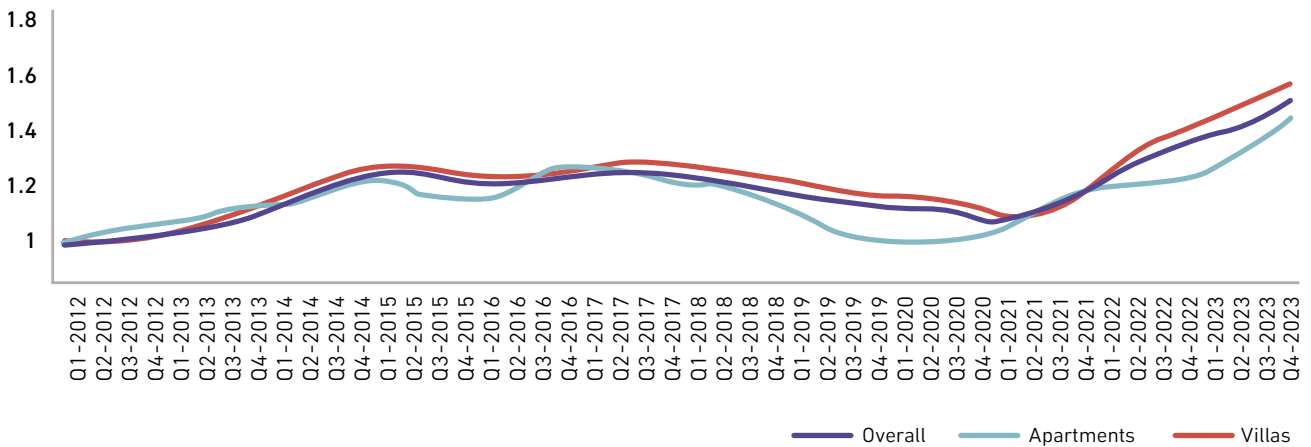
MO'ASHER - 2023



The Official Sales Price Index - 2023

In 2023, the overall annual Index for sales recorded 1.599 and an Index price of AED 1,492,495. While the apartments' annual sales Index recorded 1.685 and an Index price of AED 1,437,213, the villas/townhouses' annual sales Index recorded 1.473 and an Index price of AED 2,447,256.

The Index showed growth in all categories. Year on Year (YoY), from 2022 to 2023, the overall Index surged from 1.381 to 1.599, indicating a 15.79% increase. The apartment segment displayed the most significant YoY growth, jumping from 1.398 to 1.685, indicating a 20.53% increase. Villas experienced a growth from 1.305 to 1.473. While the apartment segment dominated in YoY growth, the villa category showed a more rapid QoQ appreciation. On the other hand, Q4 2023 reflected a continued positive trajectory in the real estate market, with both yearly and quarterly analyses emphasizing sustained demand and robust performance, especially within the apartment sector.



Sales Price Index	Overall Index	Apartments	Villas
Q-on-Q	↑ 2.79%	↑ 3.39%	↑ 6.92%
6M change	↑ 5.12%	↑ 7.16%	↑ 13.43%
9M change	↑ 7.91%	↑ 11.57%	↑ 17.66%
Y-on-Y	↑ 9.22%	↑ 15.73%	↑ 19.29%

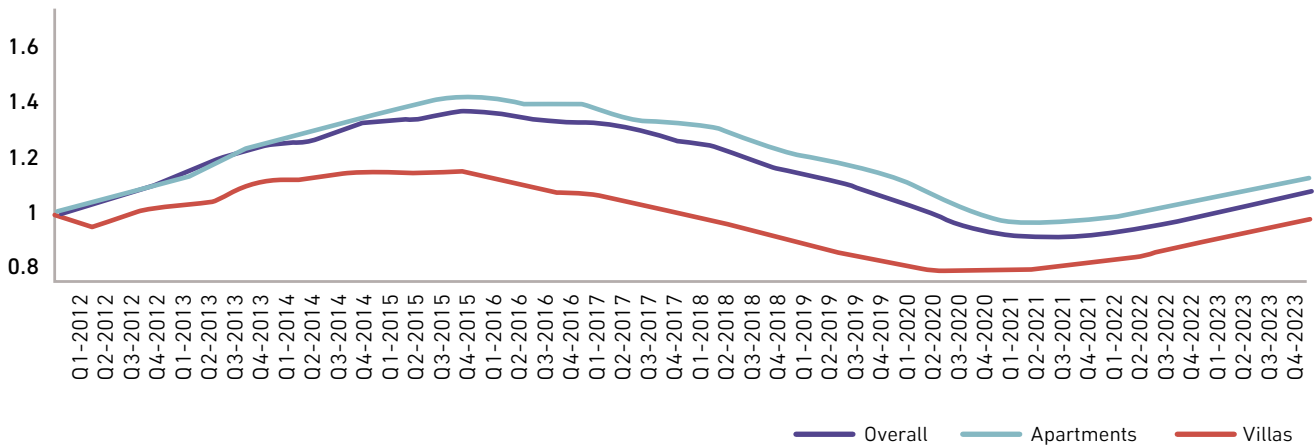
MO'ASHER - 2023



The Official Rental Performance Index - 2023

The overall annual Index for rental in 2023 recorded 1.033 and an Index price of AED 58,431. The apartments quarterly rental Index recorded 1.028 and an Index price of AED 53,197, and the villas/townhouses quarterly rental Index recorded 1.059 and an Index price of AED 153,266.

The Index showed growth in all categories. Year on Year (YoY), from 2022 to 2023, the overall Index surged from 0.94 to 1.033, indicating a 9.89% increase. The villa category displayed the most significant YoY growth, jumping from 0.961 to 1.059, indicating a 10% increase.



Rental Performance Index	Overall Index	Apartments	Villas
Q-on-Q	↑ 2.41%	↑ 2.90%	↑ 2.99%
6M change	↑ 5.14%	↑ 5.77%	↑ 5.83%
9M change	↑ 7.59%	↑ 7.98%	↑ 6.97%
Y-on-Y	↑ 9.62%	↑ 9.86%	↑ 8.48%

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