



# DUBAI & ABU DHABI REAL ESTATE MARKET OVERVIEW Q1 2024



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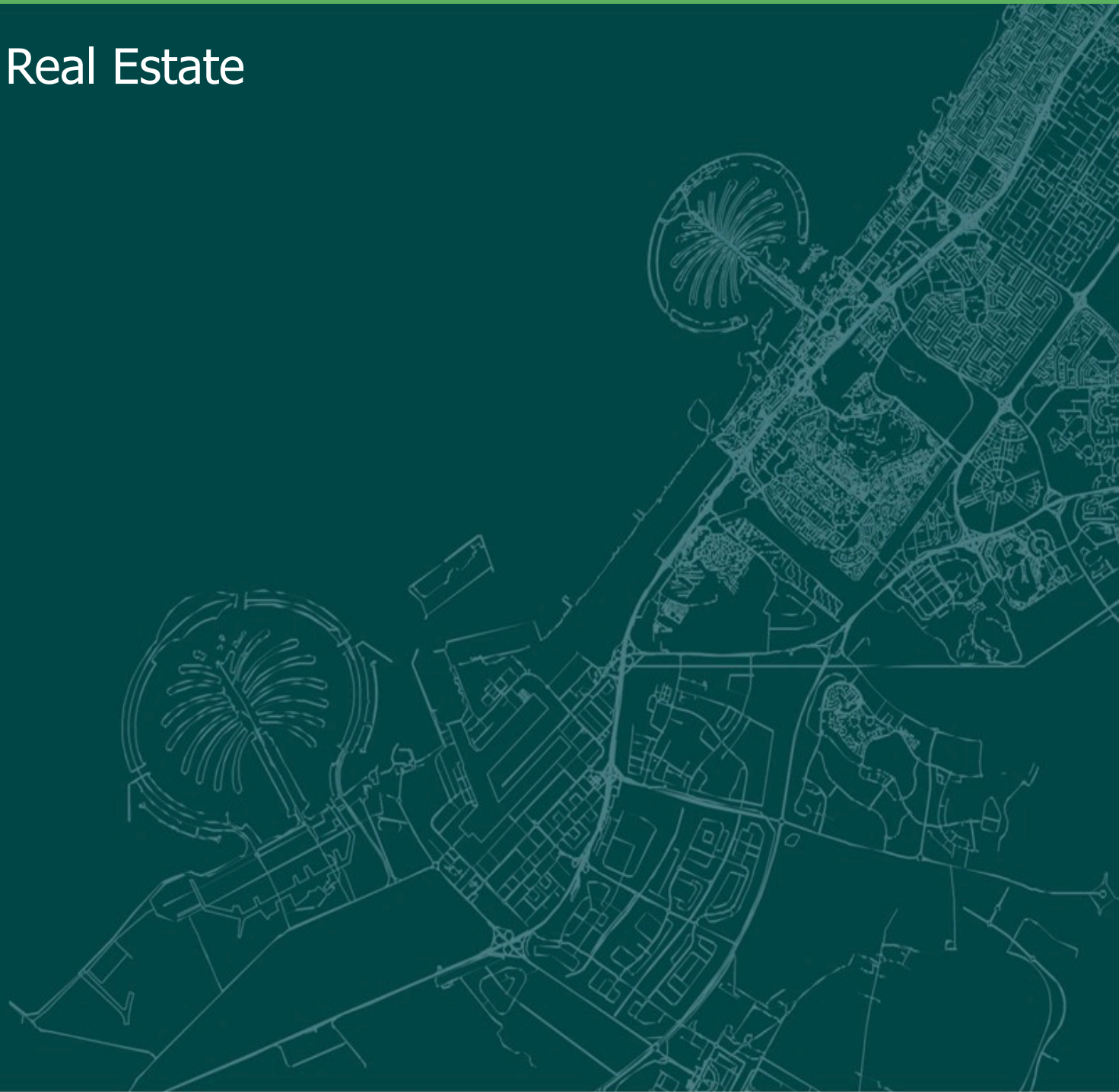
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## Market Overview

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# Market Overview

## MACRO ECONOMIC

The Central Bank of the UAE has upheld its previous projections of 3.4% GDP growth for 2023 and 4.0% for 2024, and is now forecasting a promising 4.2% GDP growth for 2025.

The OPEC Monthly Oil Market Report indicates that the average OPEC basket price for the first quarter of 2024 reached AED 309 per barrel, marking a significant 7% increase from the previous quarter's price of AED 288 per barrel.

The Consumer Price Index (CPI) in the United Arab Emirates experienced a 3.09% increase, climbing from 107.19 points in the first quarter of 2023 to 110.50 points in the first quarter of 2024.

With the expansion of tourism in Dubai, the first two months of 2024 welcomed a total of 3.7 million international visitors, showcasing the parallel growth of Dubai's hospitality industry in line with the rise in tourism.



# Market Overview

## REAL ESTATE MARKET

The first quarter of 2024 has set a new benchmark for Dubai's real estate market. With the total volume of residential transactions, encompassing both off-plan and secondary market transactions, saw a notable 20% annual increase and a 7% rise this quarter compared to the previous one.

Examining the different segments within the market unveils intriguing trends and developments.

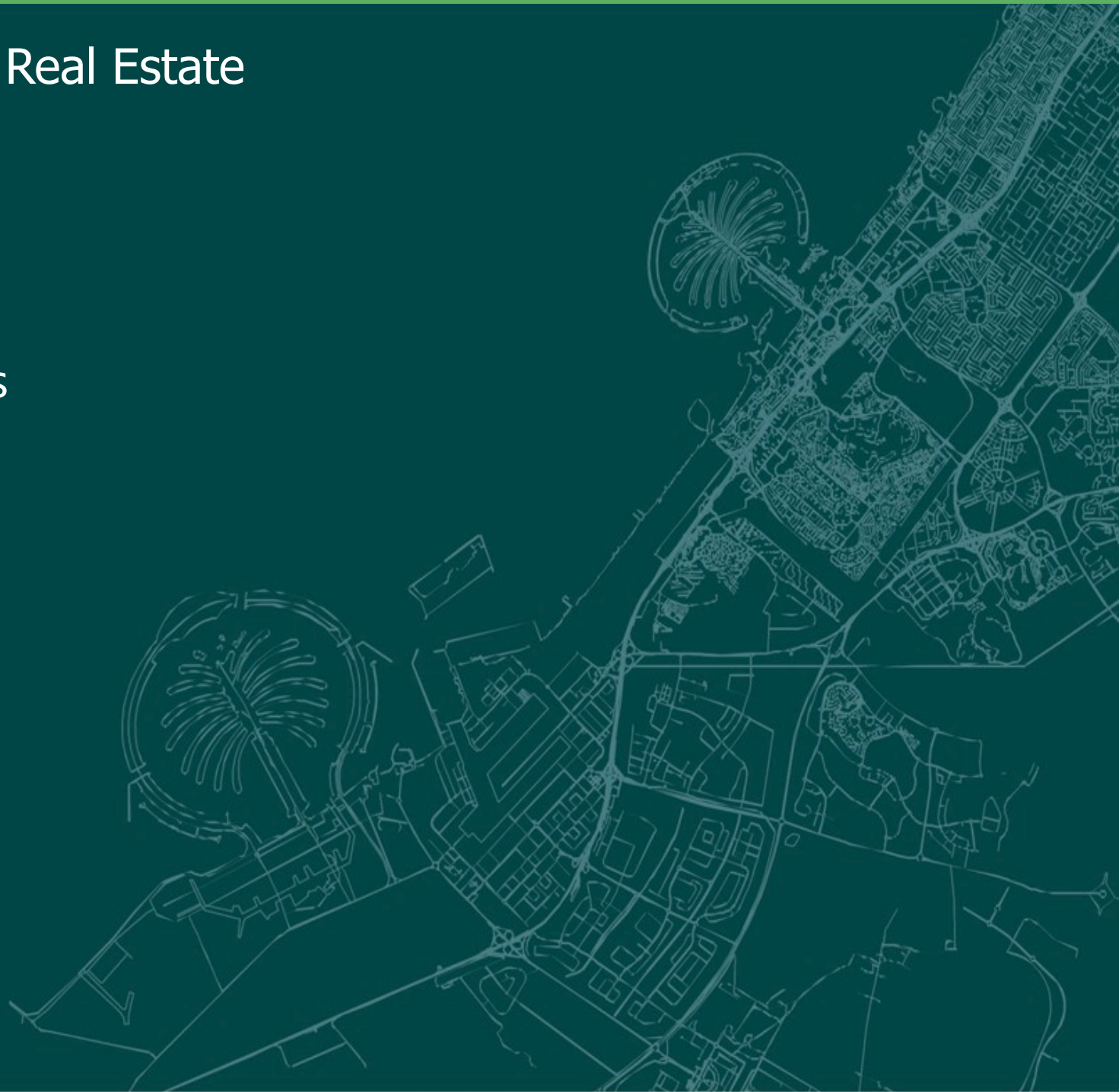
This quarter, the market experienced a continued expansion with the addition of over 6,450 new units. Among these, more than 4,770 were apartments and serviced apartments, while approximately 1,670 were villas.

Based on developer announcements, the market is set to welcome an impressive influx of 64,000 additional units by the end of 2024, with an estimated 52,000 more units anticipated in the following year. Furthermore, Abu Dhabi will have nearly 9,000 new units that are projected to be delivered in 2024, with around 8,000 slated for 2025.

# Dubai & Abu Dhabi Real Estate **Market Overview** **Q1 2024**

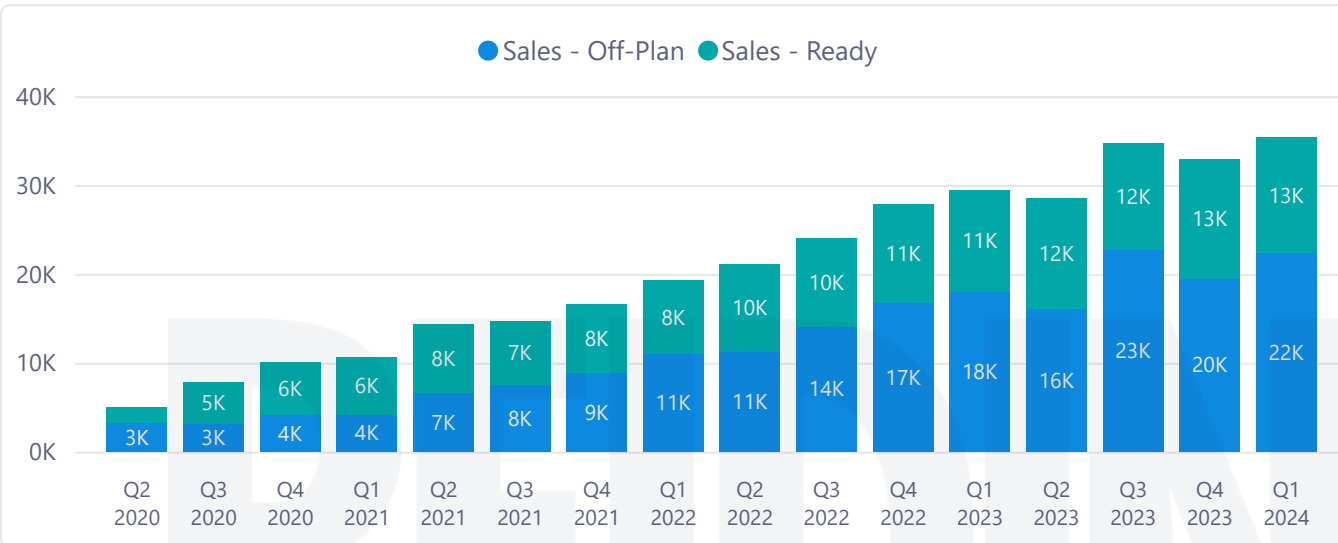
## Residential Sales Transaction Analysis

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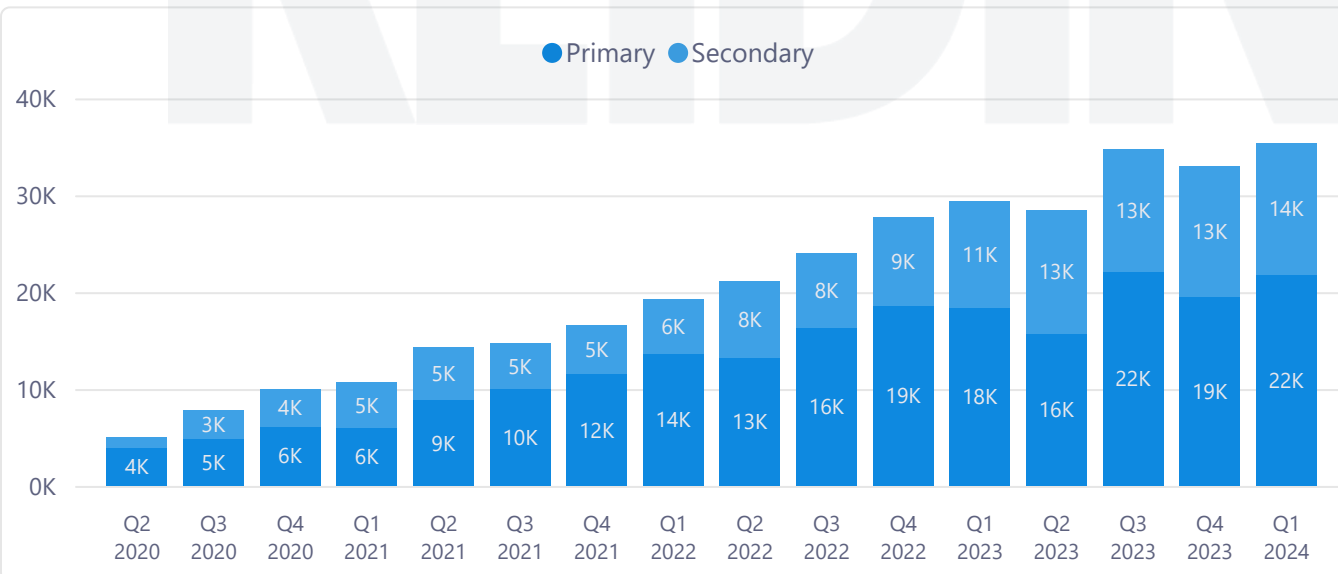


# Residential Sales Transaction Volume

## Quarterly Residential Transactions by Transaction Type



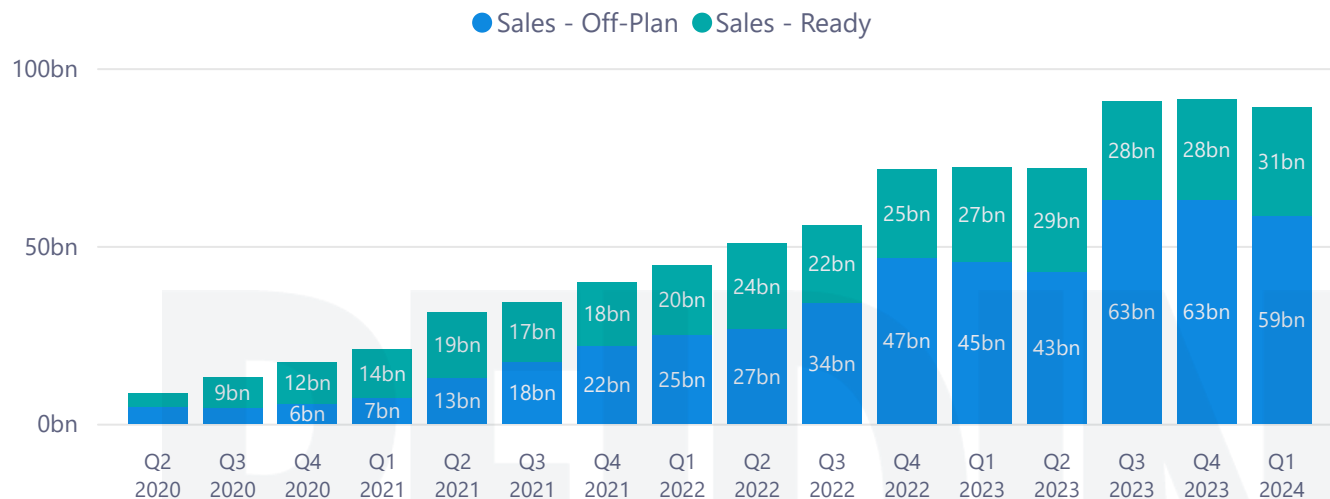
## Quarterly Residential Transactions by Sales Sequence



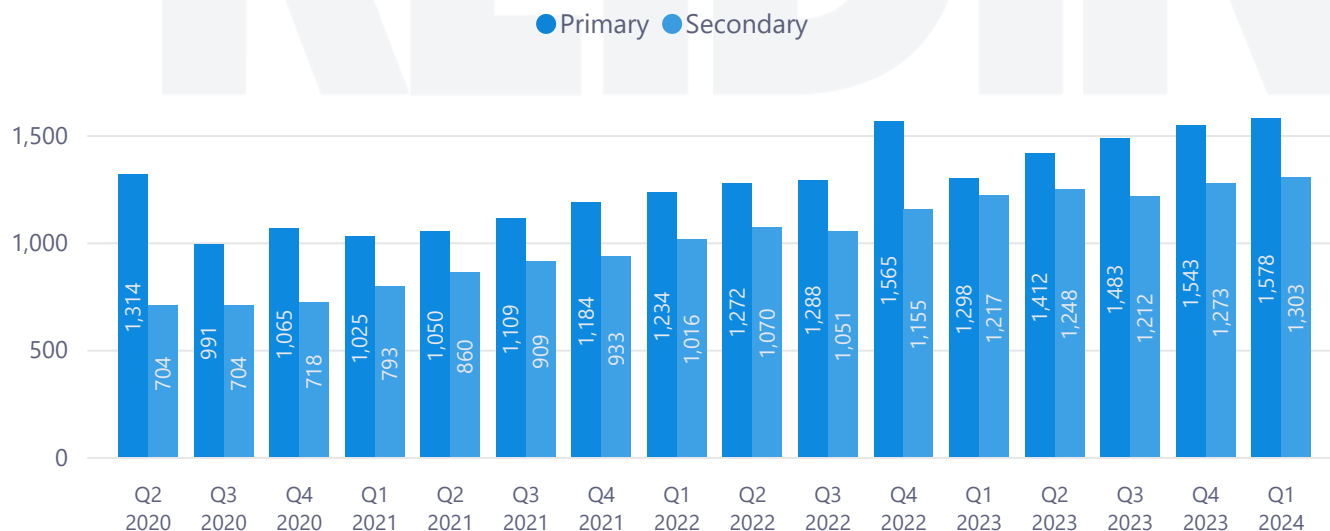
- The overall transaction volume in the residential sector, covering both off-plan and secondary market transactions, experienced a 7.4% surge in the current quarter compared to the previous one, with an annual increase of 20.3%. Compared to the same period last year, there has been a 20.3% rise in sales and a 23.9% increase in the off-plan market.
- The volume of primary sequence transactions increased by 11.8%, while second sequence transactions saw a rise of 0.91%.
- The annual increase in the volume of primary transactions was 18.26%, while second sequence transactions experienced a significant rise of 23.75%.

# Residential Sales Transaction Value

Total Value of Quarterly Residential Transactions (AED)



Average Price of Quarterly Residential Transactions (AED/Sqf)



- The combined impact of off-plan and ready transactions has resulted in an overall sales growth of 23.53% compared to the corresponding period last year. However, the total value of residential transactions faced a modest 2.49% decline when compared to the previous quarter.
- Off-plan transactions experienced a 7.2% decrease, whereas ready transactions saw an 8% increase compared to the previous quarter.
- Primary and secondary sales have shown comparable percentage increases of 16% and 11%, respectively, compared to the same period last year. An impressive combined annual growth of 113% has been observed.



# Average Residential Sales Transaction Value

## Average Price of Off-plan Transactions by Property Type (AED)



- The average prices for off-plan villas and apartments have decreased by 26% and 4.7%, respectively, compared to the previous quarter.
- On the other hand, off-plan villa communities in Dubai experienced a substantial price surge of 47% compared to the same period last year. Conversely, off-plan apartments saw a 9% decrease in price during the same timeframe.

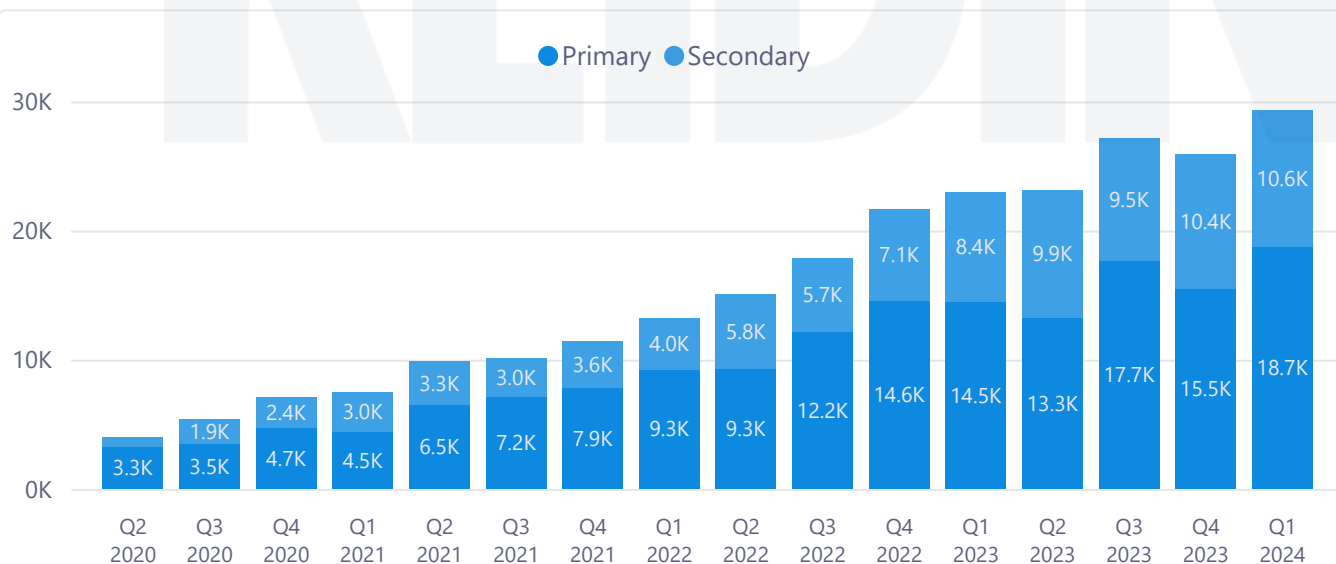
## Average Price of Ready Property Transactions by Property Type (AED)



- Ready villa ticket prices surged by 48% compared to the last quarter, while apartment ticket prices remained unchanged.
- When looking at the same period last year, ready villa prices saw a decrease of 3.9%, whereas ready apartment prices showed little to no change.

# Apartment Sales Transactions

Number of Apartment & Serviced Apartment Transactions



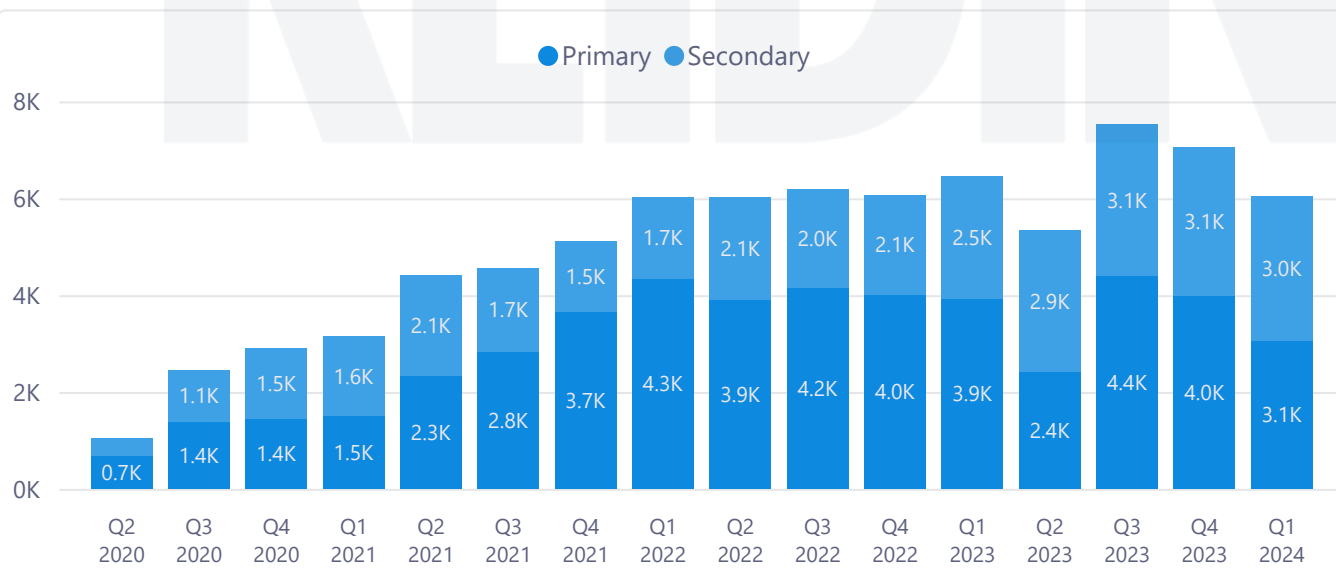
- Ready and off-plan apartment sales experienced substantial growth in both the first quarter of 2024 and the corresponding period from the previous year, with increases of 13.3% and 27.83%, respectively.
- Ready apartments and serviced apartments have enjoyed a solid rise of 3.82% compared to the last quarter. Meanwhile, off-plan apartments and serviced apartments also experienced a remarkable increase of 19.7% compared to the previous quarter.
- The number of sales transactions for apartments sourced from developer supply saw a significant increase of 36.8% compared to the corresponding period last year. Additionally, transactions for apartments sold from the existing market supply exhibited a strong growth of 14.9% compared to the previous year.

# Villa Sales Transactions

Number of Villa & Townhouse Transactions

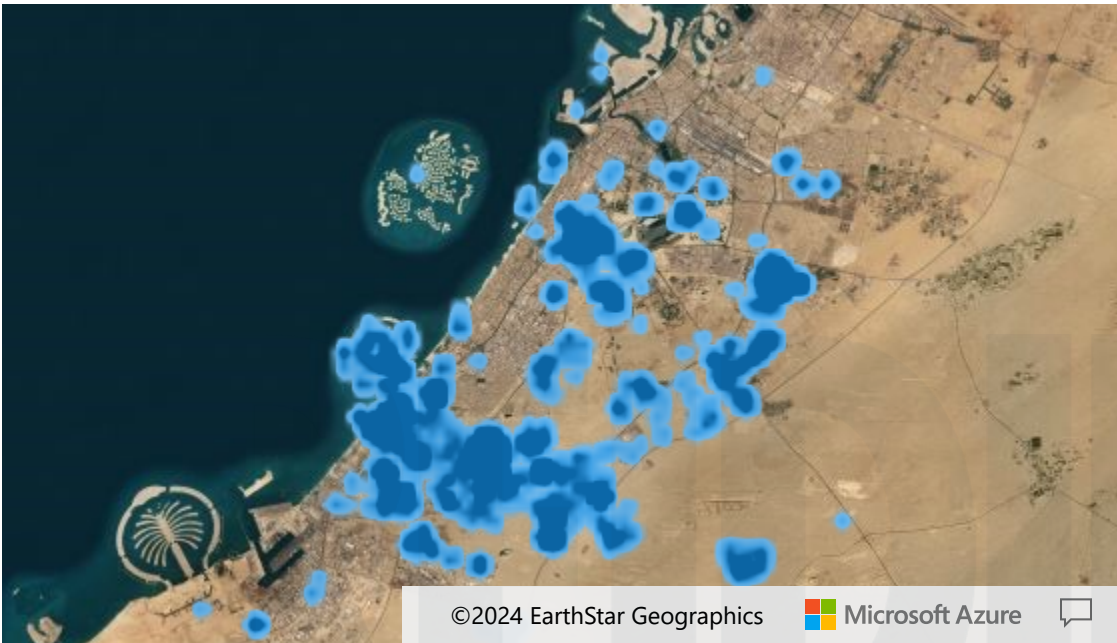


- The total volume of ready villa transactions declined by 6% annually and 14% quarterly. Off-plan transaction volume saw a quarterly decrease of 5% and secondary villa transactions decreased by 26% quarterly.
- The number of villa sales sourced directly from developers experienced a 15% decrease compared to last year, but sales from the current supply saw a 13% increase over the same period.

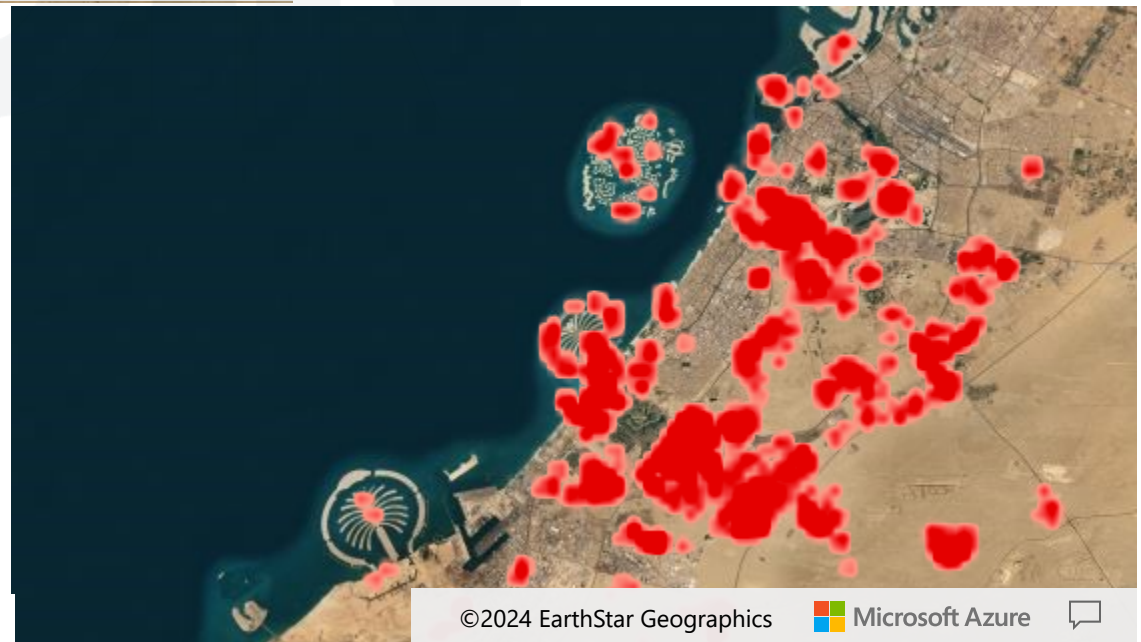


# Heatmap Sales Transactions

Ready Property Transactions

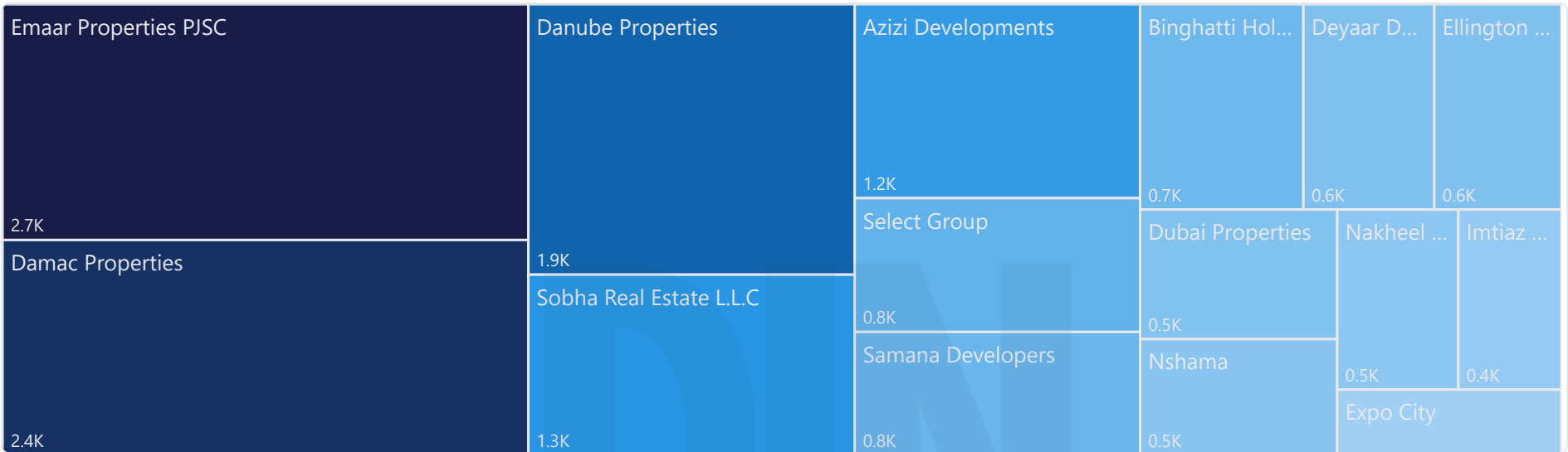


Off-plan Property Transactions

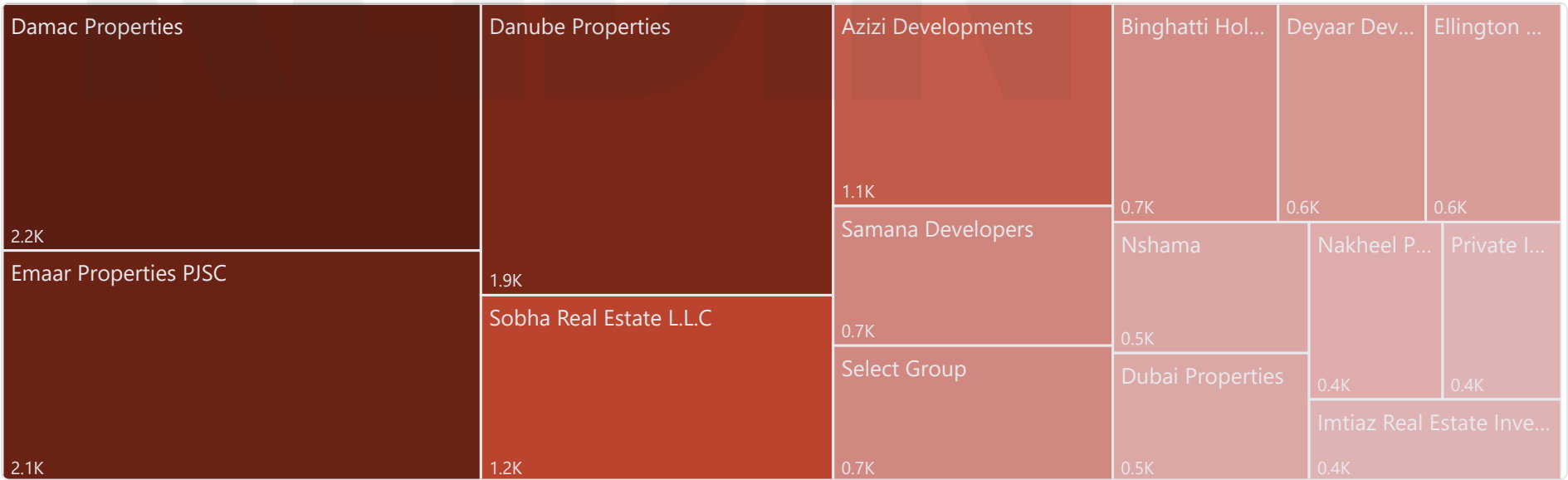


# Sales Transactions by Developer

Number of Off-Plan Property Transactions by Developer



Number of Off-plan Primary Sales Transactions by Developer





# Dubai & Abu Dhabi Real Estate **Market Overview** **Q1 2024**

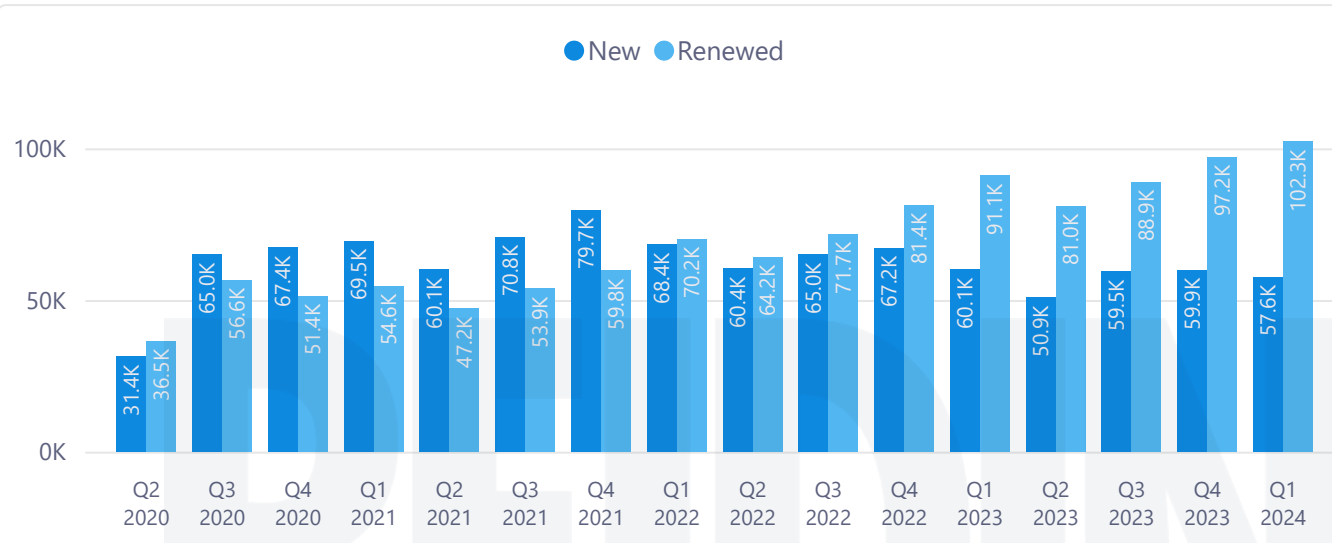
## Residential Rent Transaction Analysis

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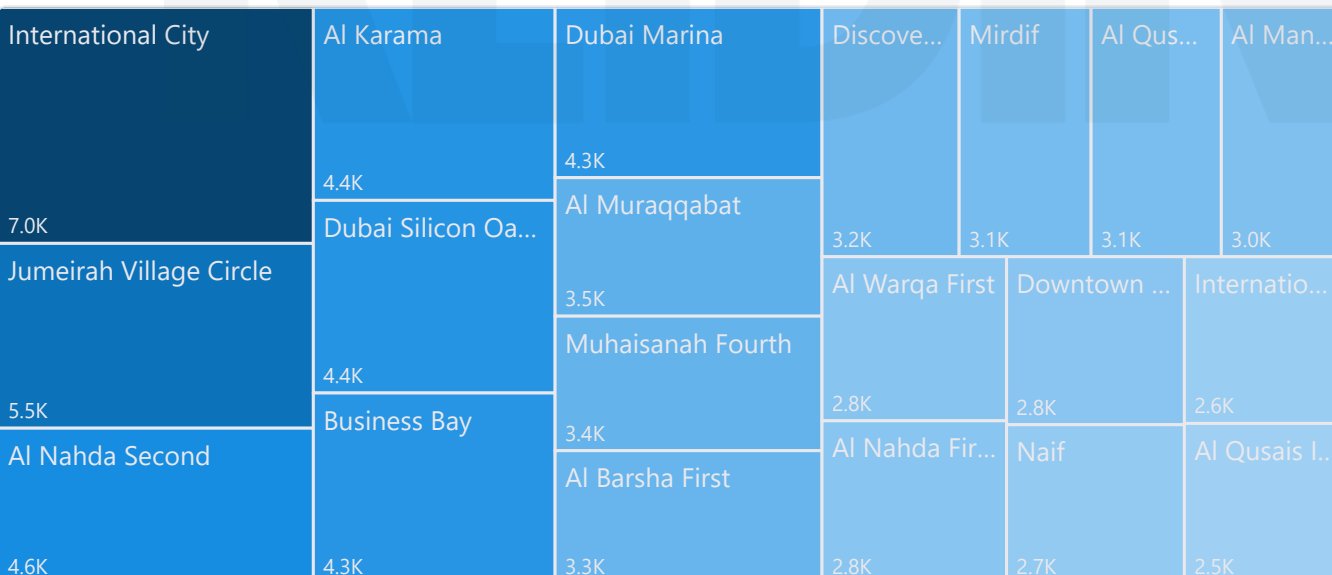


# Residential Rent Transactions

Quarterly Residential Rent Transactions by Type



Quarterly Residential Rent Transactions by Area

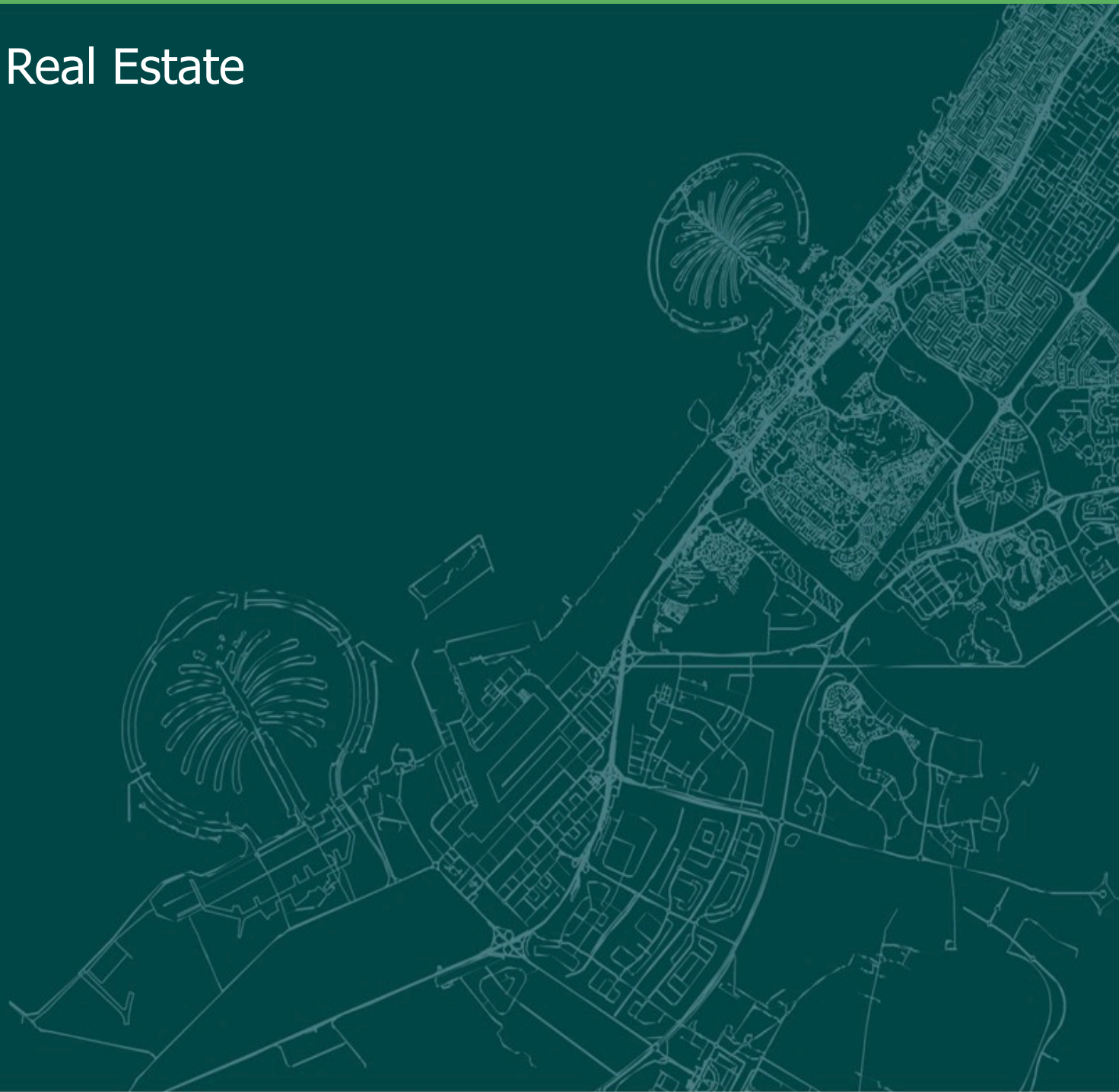


- Combined residential contracts (new and renewed) increased by 1.8% quarterly and 5.8% annually.
- In this quarter, rental new contracts signed saw a 3.8% decline compared to the previous quarter. Renewed contracts, however, showed a 5.2% increase, indicating a healthy expansion and vibrancy in the rental market.
- Compared to the same period last year, new rental contracts also experienced a 4% decrease, while renewed contracts rose by 19%.

# Dubai & Abu Dhabi Real Estate **Market Overview** **Q1 2024**

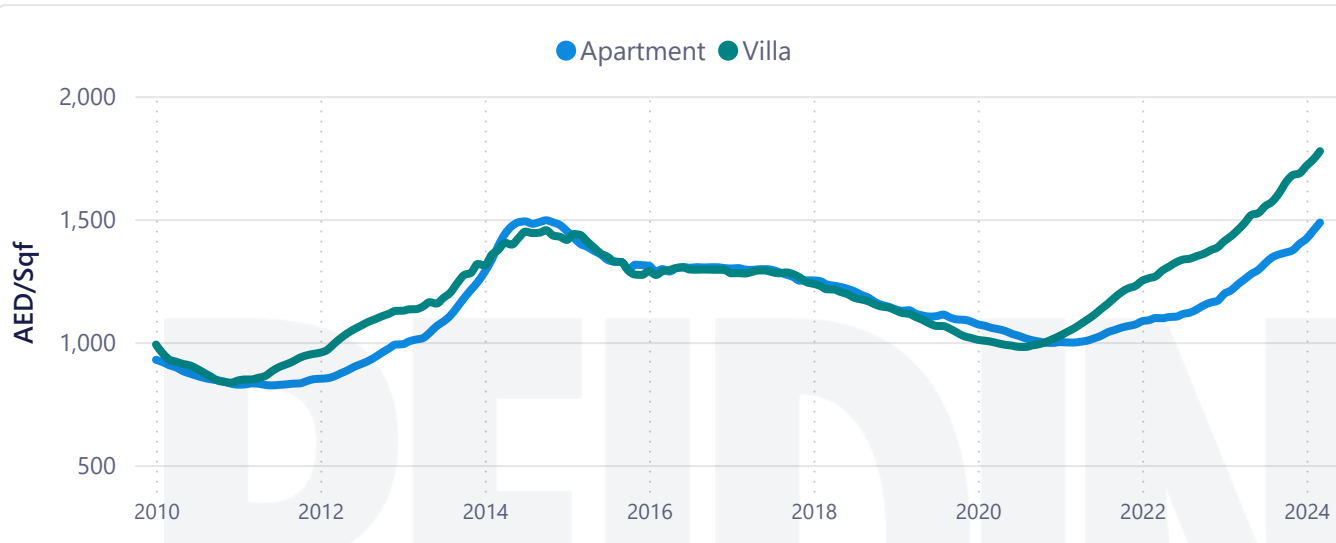
## Market Trends

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# Dubai Residential Price Trends

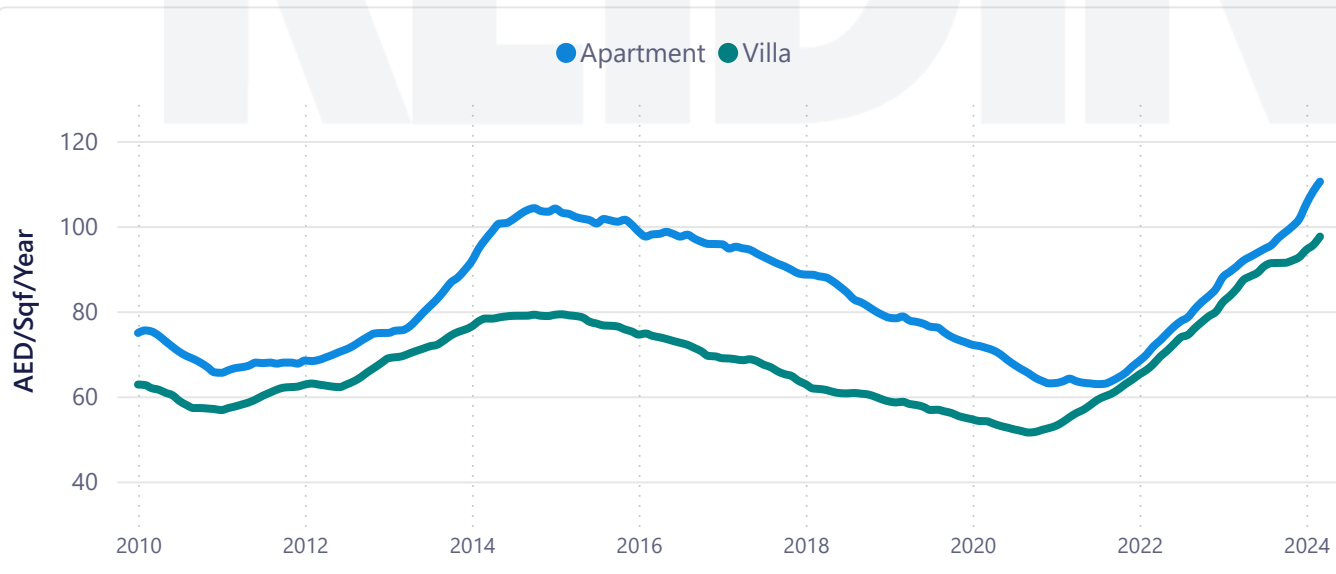
## Sales Price Trends



- Dubai villa sales prices maintained their upward momentum this quarter, rising by 5.3% from the previous quarter and 22.1% from the same period last year.

- Apartment sales prices in Dubai saw a 6.2% increase compared to the previous quarter, achieving a steady 20.4% growth from the same period last year.

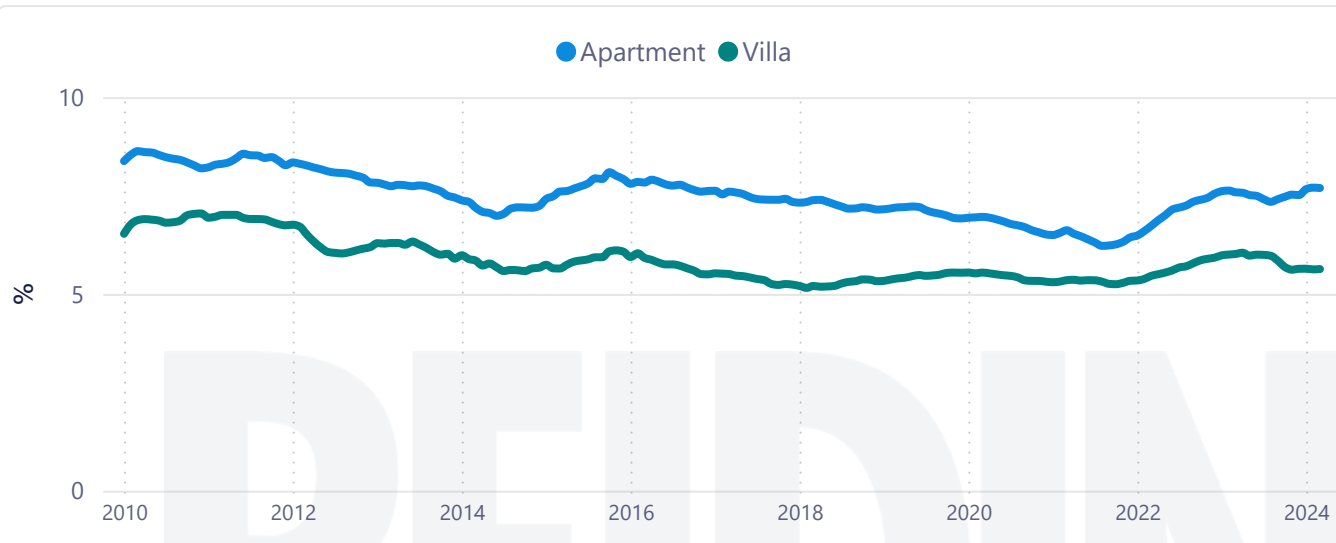
## Rent Price Trends



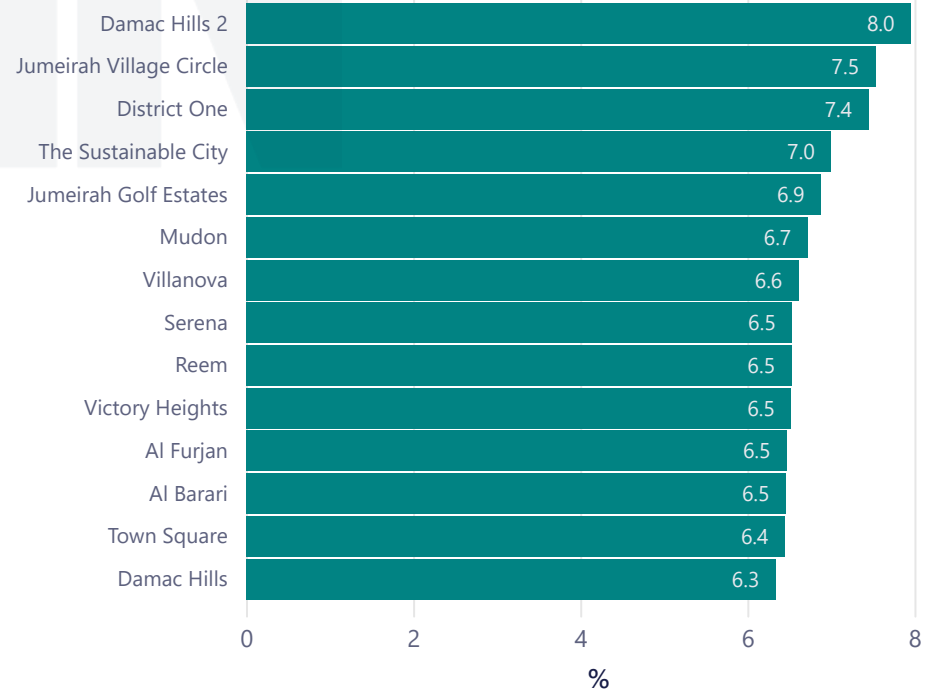
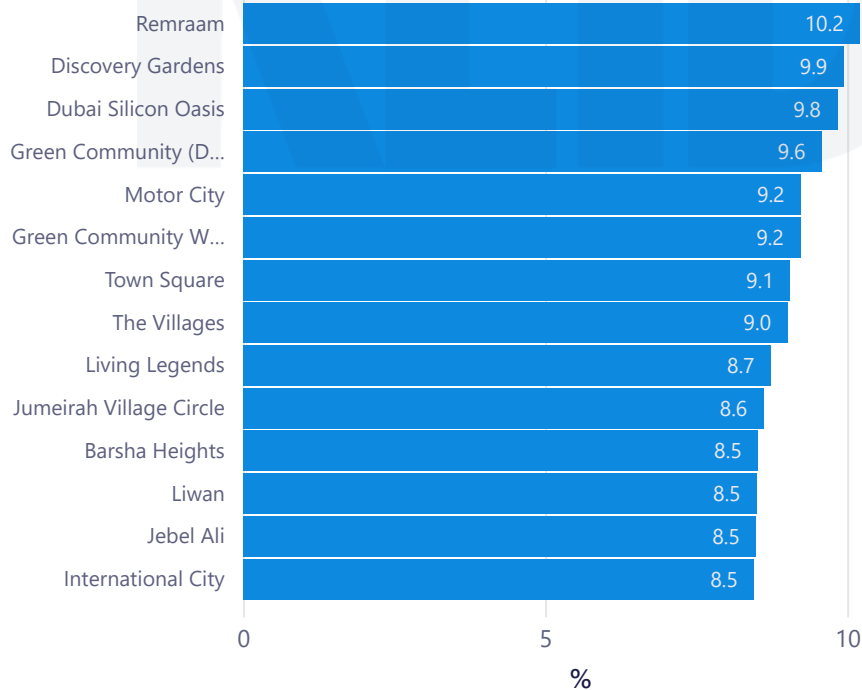
- Apartment rentals in Dubai experienced a notable rise of 8.7% compared to the previous quarter and a significant 22.2% increase from the corresponding period last year. Meanwhile, villa rentals in Dubai increased by 5.2% from the previous quarter and are 14.5% higher than the same period last year.

# Dubai Gross Rental Yields

Gross Rental Yields



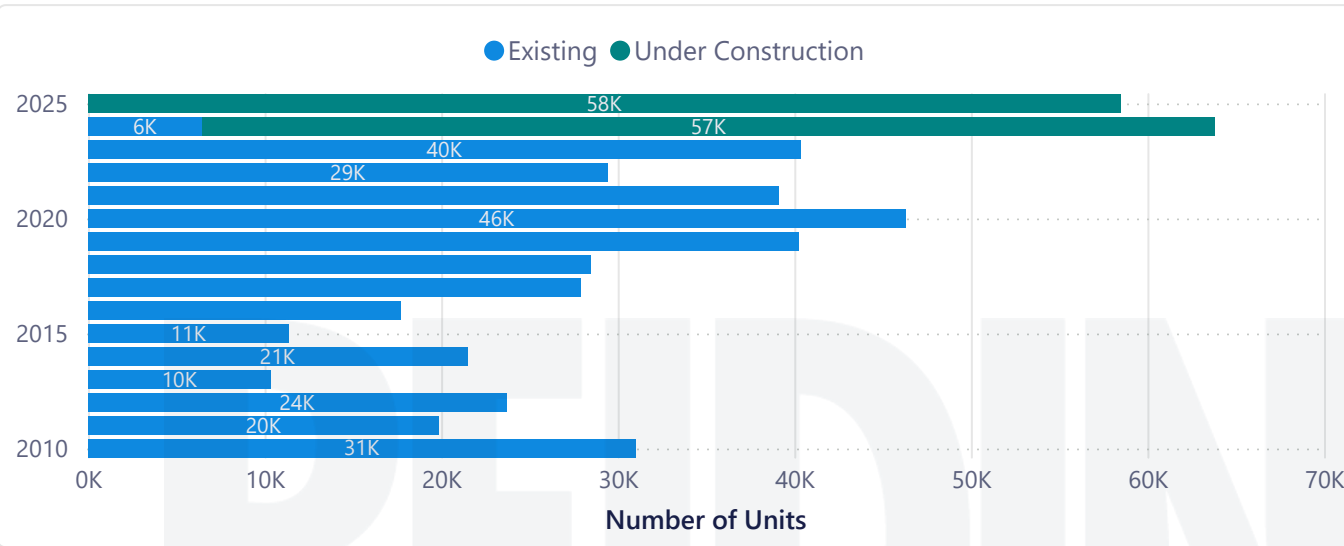
- Compared to the previous quarter, apartment gross rental yields in Dubai have risen by 2.38% and reached 7.7%. Although villa rental yields continue to decline due to higher sale price increase compared to rental increase, the rate of decrease is slower than it was in the prior quarter and averaged 5.6%.
- Affordable areas such as Remraam and Discovery Gardens are showing a better growth, surpassing prime areas.



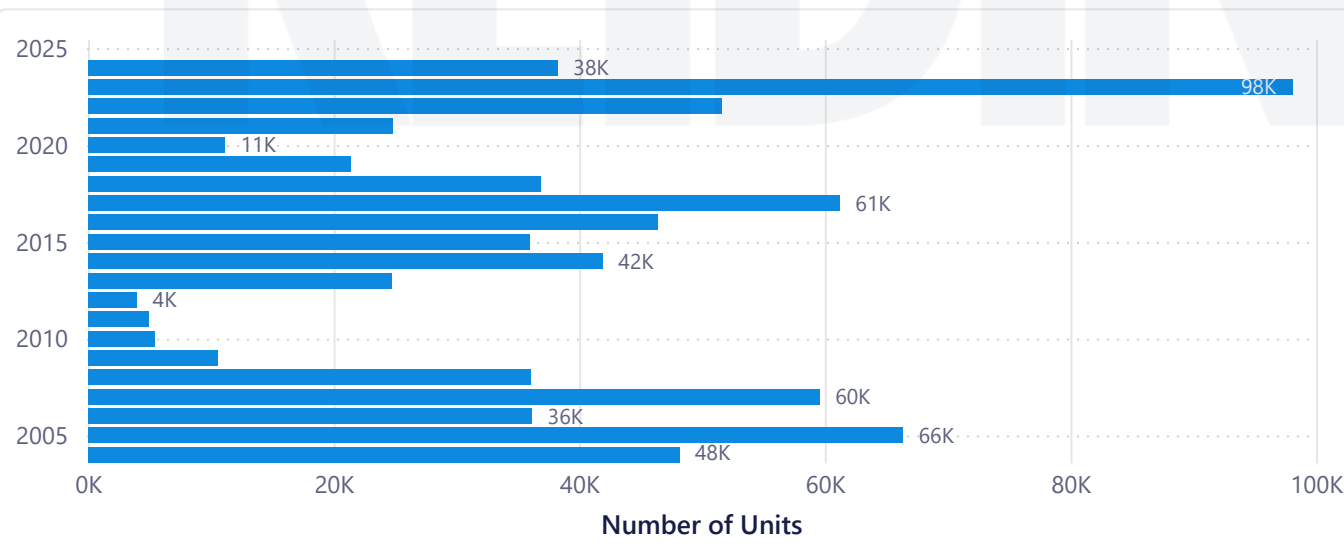


# Dubai Residential Supply (Freehold)

Dubai Residential Supply



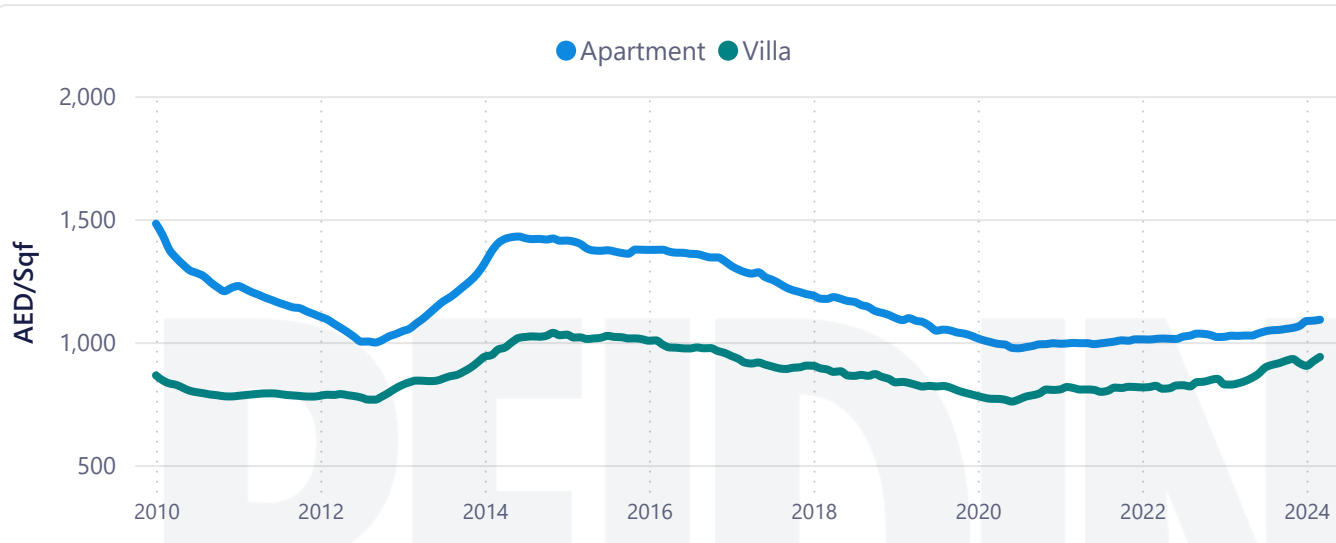
Dubai Residential Launches



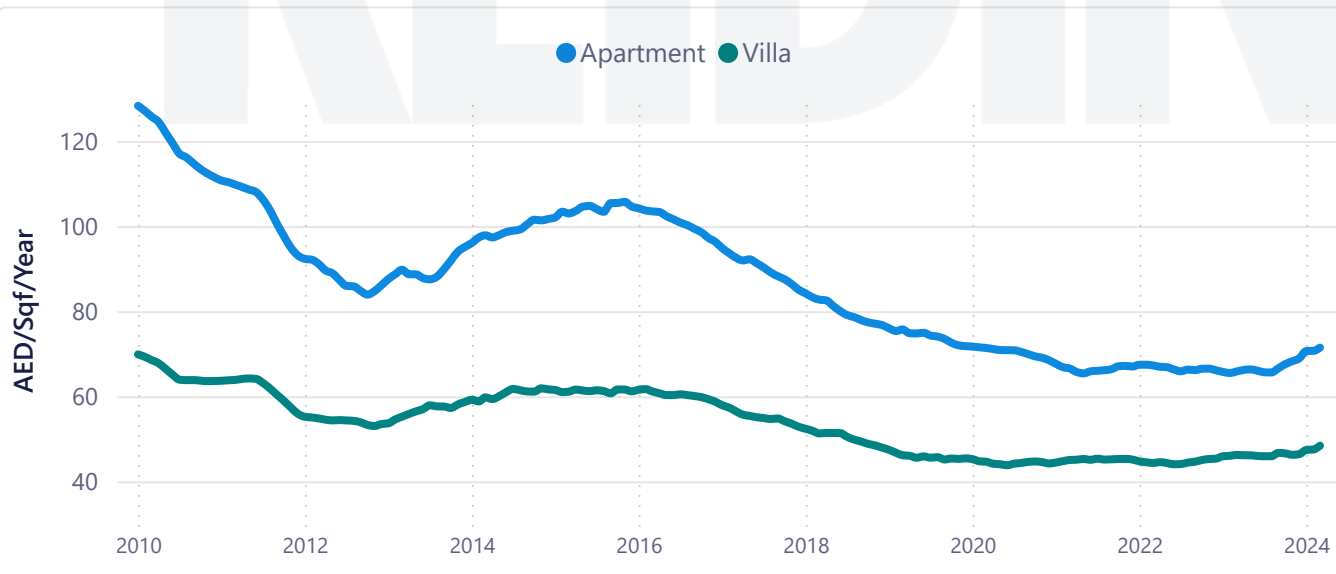
- This quarter, the Dubai real estate market saw the addition of over 6,450 units in total. Of these, more than 4,770 were apartments, and approximately 1,670 were villas.
- Based on developer announcements, an extra 64,000 units are anticipated to be brought to the market by the end of 2024, with an additional 52,000 units projected for the subsequent year.

# Abu Dhabi Residential Price Trends

## Sales Price Trends



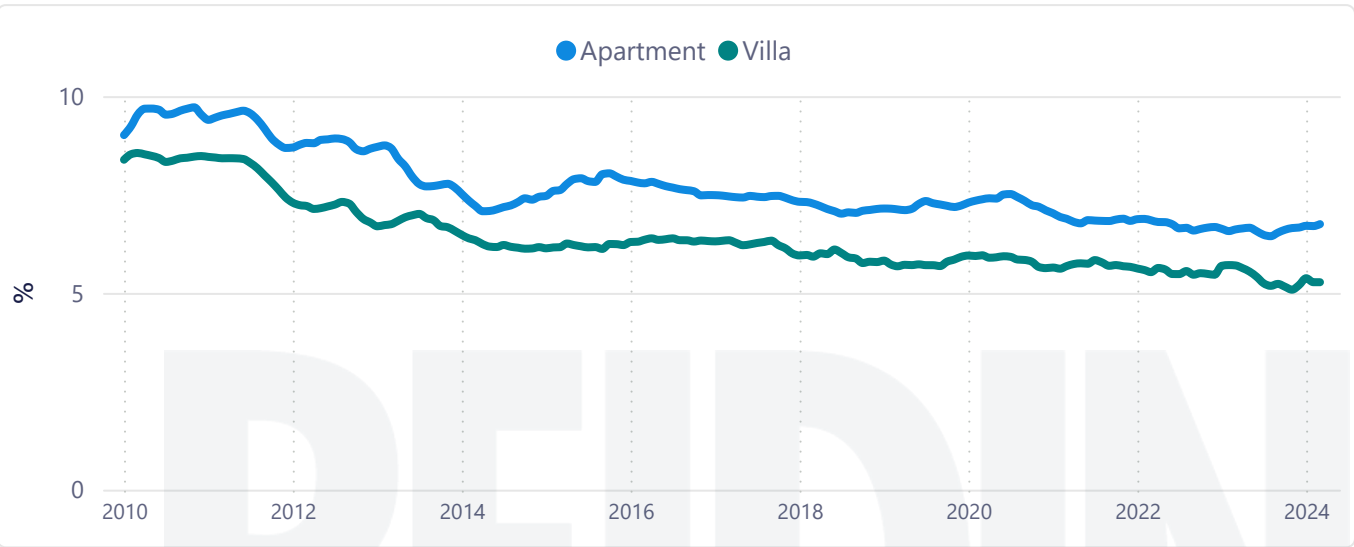
## Rent Price Trends



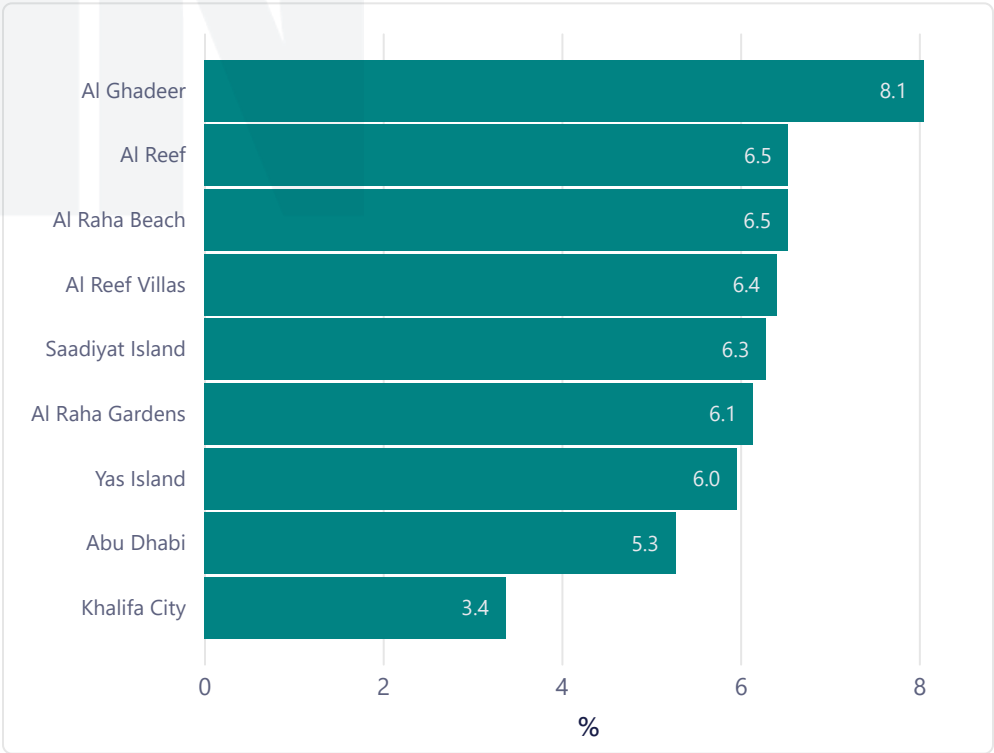
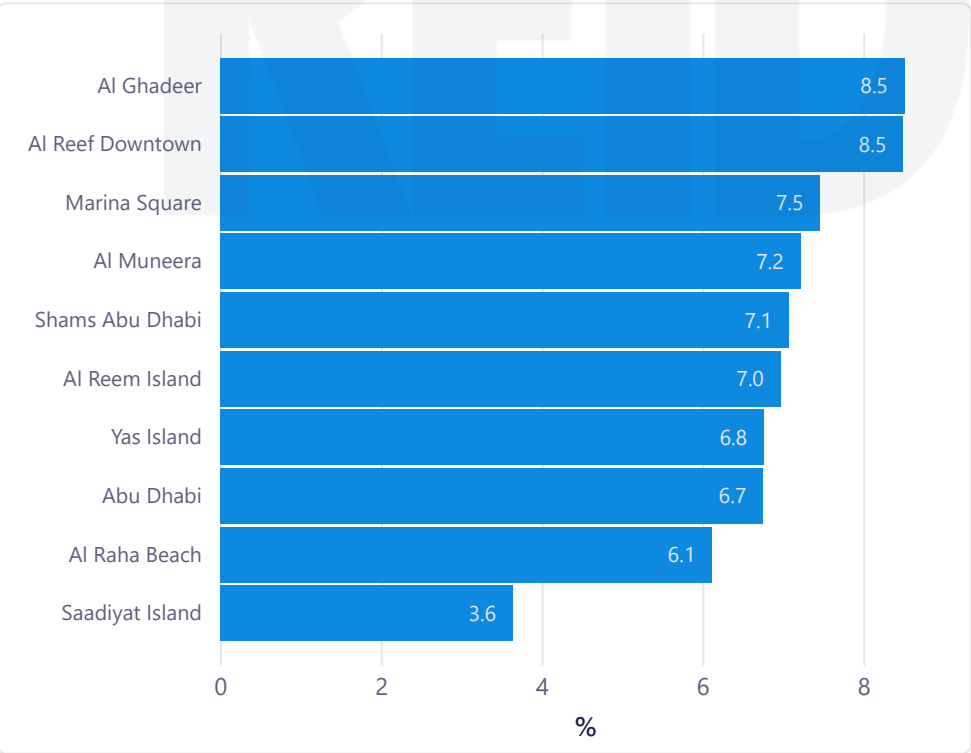
- Abu Dhabi's apartment sales prices showed consistent growth, rising by 2.4% from the previous quarter and demonstrating a 6.4% increase compared to the same period last year.
- Villa sales prices in Abu Dhabi also saw an uptick, with a 2.8% rise from the previous quarter. Compared to the same period last year, villa sales prices in Abu Dhabi experienced a substantial increase of 13.0%.
- Overall, villa sales prices have reached their peak since November 2023, making it a more appealing investment option for both investors and end users.

# Abu Dhabi Gross Rental Yields

Gross Rental Yields

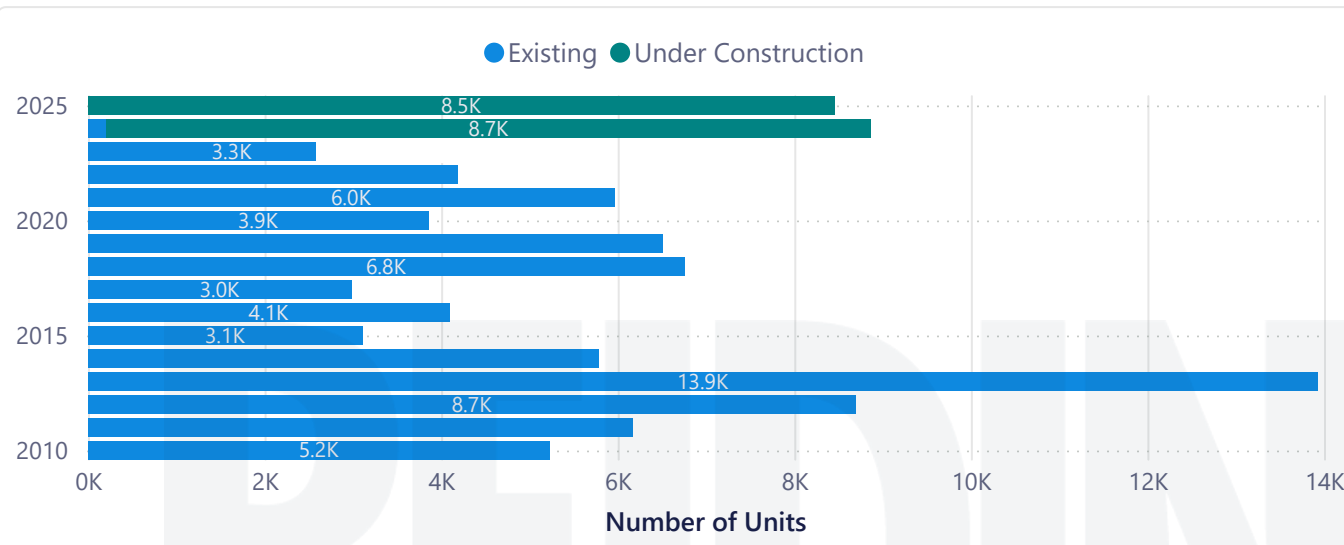


- Apartment gross rental yields in Abu Dhabi have risen by 1.20% compared to the last quarter and reached 6.7%.
- After experiencing declines in the preceding three quarters, villa rentals in Abu Dhabi have now seen an increase of 1.43% and reached 5.3%.

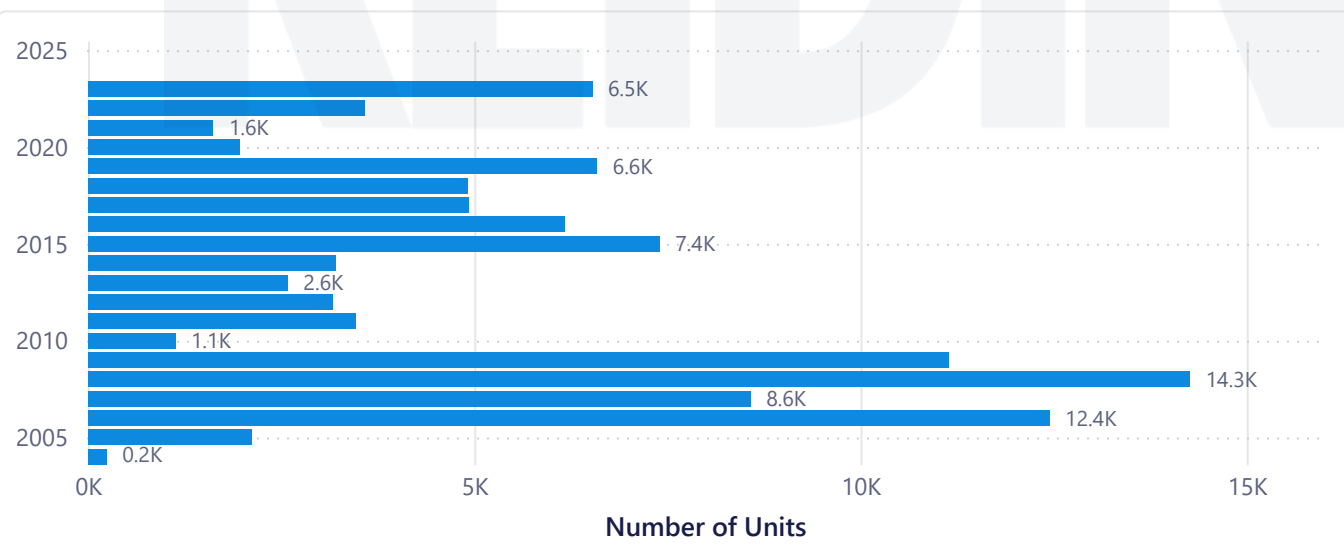


# Abu Dhabi Residential Supply (Freehold)

Abu Dhabi Residential Supply



Abu Dhabi Residential Launches



- In this quarter, 207 new units were brought into the Abu Dhabi market, all located in Al Raha Beach.
- Developer announcements indicate that nearly 9,000 new units will be delivered in 2024, with another 8,000 planned for 2025.

# REIDIN

Data Analytics

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