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2024 Dubai Real Estate Market Report: H1 Analysis

Sustained Growth, Unmatched Opportunities

Dubai Real Estate Market: Continuous Growth and Record Sales in 2024

The Dubai real estate market has seen continuous growth with record sales across all sectors. Notably, the end-user market which increased from 2020, due to the stability of the Emirate, has seen villa/townhouse prices increase due to low supply.

Luxury properties in Dubai continue to attract high-net-worth individuals and investors looking for premium real estate opportunities. The city's iconic landmarks, upscale amenities, and luxurious lifestyle offerings contribute to its appeal as a prime real estate destination.

The number of individuals in Dubai with liquid investment wealth — or assets that can be readily converted to cash — of **$1 million or more increased by 78% between 2013 and 2023 to 72,500,** according to the World's Wealthiest Cities Report 2024 from Henley & Partners, in collaboration with New World Wealth.

It's worth noting that Dubai's real estate market is subject to various factors, including economic conditions, government policies, and global events.

Population – Residents

Dubai is on track to hit the 2040 plan of population growth with an increase of residents from **3,661,983** at the beginning of Q1 of 2024, to **3,745,005** as of 12th July 2024, an increase of **2.3%**, compared to **1.45%** increase in the same period of 2023. If the population increases at this steady rate the Emirate will reach just over 5.5m by 2040.
(Source: Dubai Statistics Center)

Other Key facts

158,000	21st	6,700	4,300	
golden visas have been issued	wealthiest city in the world	millionaires moved to Dubai in H1 of 2024	millionaires from Indian are expected to arrive H2 2024	Dubai's off plan payment plans are giving investors larger Returns on their equity than anywhere else in the world

Average Price Per Sq Ft of a property

Dubai
$468

New York
$1,612

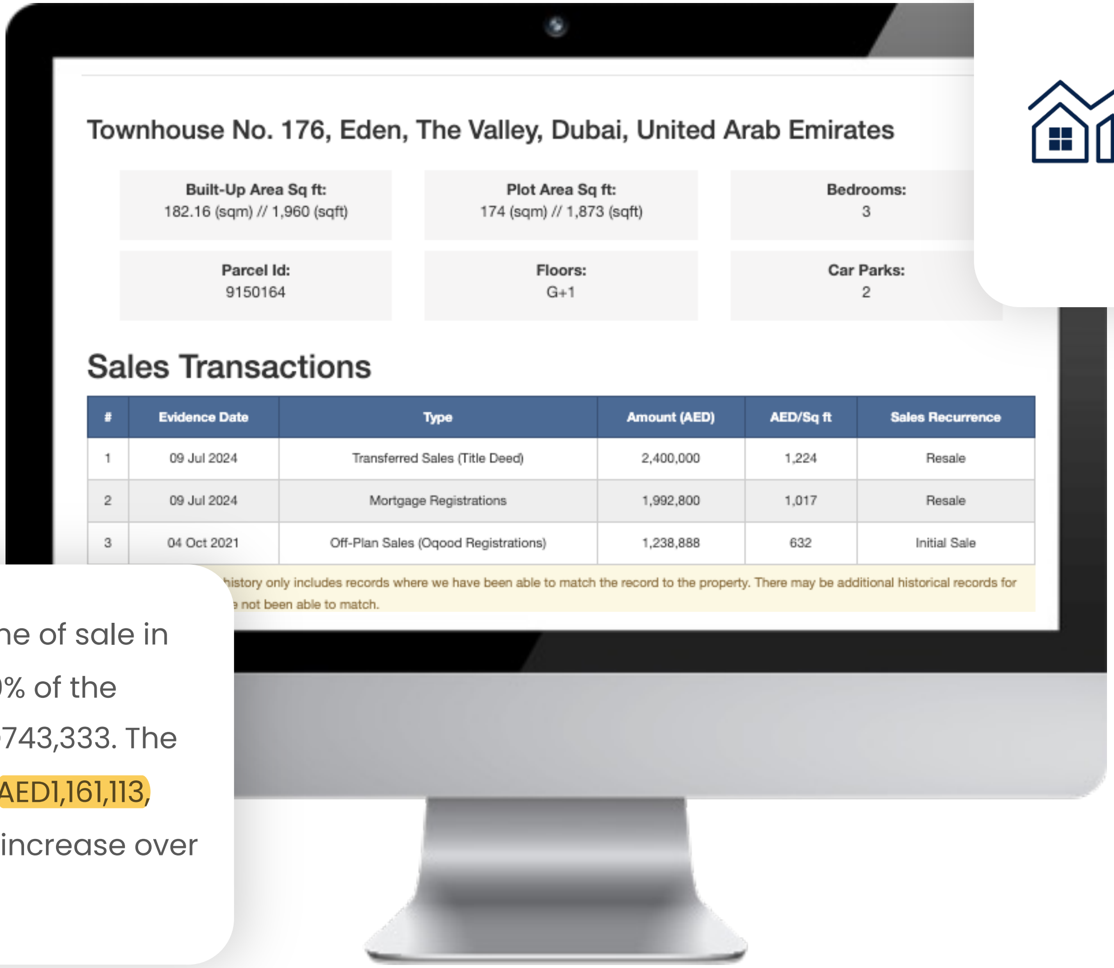
London
$1,314

Hong Kong
$2,000

ROI Comparison of Dubai vs. Other Global Cities

City	Average Rental Yield	Average Property Price Appreciation(5 years)
London	2-3%	10-15%
New York	3-4%	15-20%
Hong Kong	2-3%	10-15%
Dubai	6-8%	18% in one year – 2022 - 2023

Return on Equity, Examples



Townhouse No. 176, Eden, The Valley, Dubai, United Arab Emirates

Built-Up Area Sq ft: 182.16 (sqm) // 1,960 (sqft)	**Plot Area Sq ft:** 174 (sqm) // 1,873 (sqft)	**Bedrooms:** 3
Parcel Id: 9150164	**Floors:** G+1	**Car Parks:** 2

Sales Transactions

#	Evidence Date	Type	Amount (AED)	AED/Sq ft	Sales Recurrence
1	09 Jul 2024	Transferred Sales (Title Deed)	2,400,000	1,224	Resale
2	09 Jul 2024	Mortgage Registrations	1,992,800	1,017	Resale
3	04 Oct 2021	Off-Plan Sales (Oqood Registrations)	1,238,888	632	Initial Sale

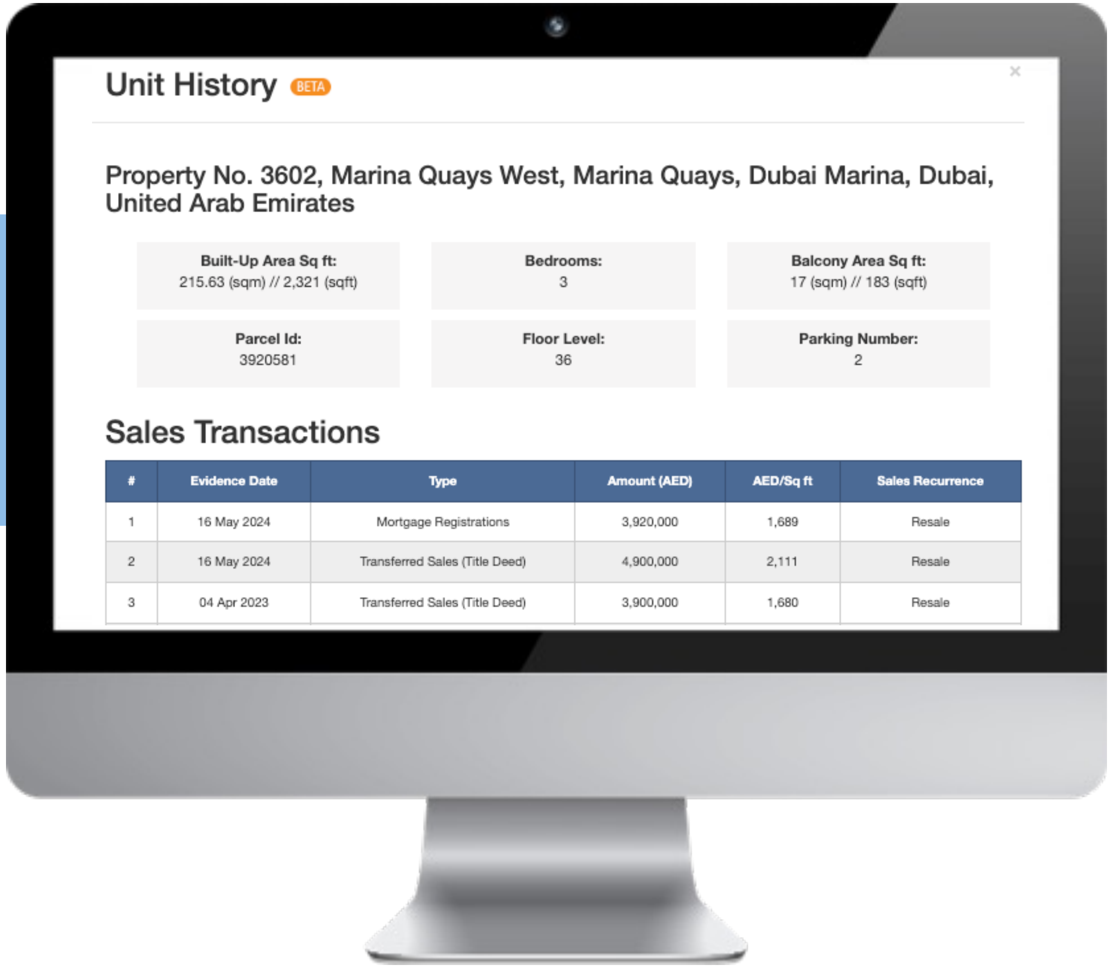
…history only includes records where we have been able to match the record to the property. There may be additional historical records for … not been able to match.

Initial Purchaser in The Valley by Emaar – Sold at launch for 1,238,888 on a 60% during construction and 40% post handover (transferrable to new buyer).

The equity at the time of sale in the property was 60% of the original price of AED743,333. The premium paid was AED1,161,113, representing a 56% increase over a period of 3 years.

Ready Property Appreciation Example

The property was sold on the 4th April 2023 and re-sold May 2024 for a premium of AED1,020,000, a 25.6% increase in 13 months.



Unit History BETA

Property No. 3602, Marina Quays West, Marina Quays, Dubai Marina, Dubai, United Arab Emirates

Built-Up Area Sq ft: 215.63 (sqm) // 2,321 (sqft)	**Bedrooms:** 3	**Balcony Area Sq ft:** 17 (sqm) // 183 (sqft)
Parcel Id: 3920581	**Floor Level:** 36	**Parking Number:** 2

Sales Transactions

#	Evidence Date	Type	Amount (AED)	AED/Sq ft	Sales Recurrence
1	16 May 2024	Mortgage Registrations	3,920,000	1,689	Resale
2	16 May 2024	Transferred Sales (Title Deed)	4,900,000	2,111	Resale
3	04 Apr 2023	Transferred Sales (Title Deed)	3,900,000	1,680	Resale

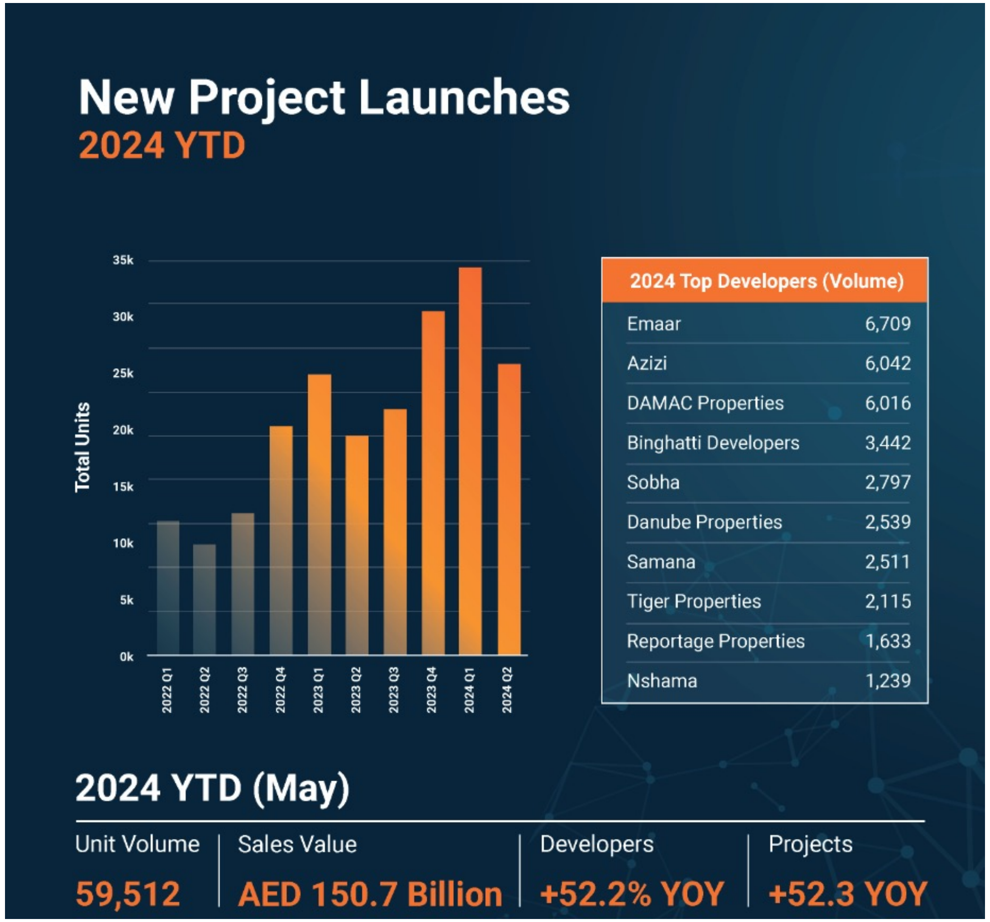
Is the market heading for a downtown? Are prices increasing too much?

The answer lies in the simple rule of economics, the Emirates is getting an additional **8,000** plus residents per month, the demand outweighs supply in the majority of projects being launched and sold out, and ready properties, correctly priced are selling with a maximum of **4 weeks** of being on the market.

UBS reported in **2022** that Dubai was 'fair valued' and is often compared to the top ten most expensive cities to live in, but the prices do not match by far. The additional appeal is Dubai's Government, they ensure safety, good education, medical care, and a good life for multiple nationalities. With strategic planning stretching to **2070**, Dubai is organized, regulated, and accommodates all industries as well as being in the center of the world with great travel options for business and pleasure.

The premiums and returns on equity show that there are large returns to be made on buying off-plan or ready properties, and we can confidently say that for at least the next 2-3 years.

Launches:



Supply:

The total number of properties completed was just 30% of the residential supply compared to the increase in population in 2023 and with only 101 projects at 75% construction or more the supply will still be lessor than the influx of residents.

Total number of
units to be handed over in 2024

16,733

13,163	1,722	1,566	282
Comprising of Apartments	Villas	Townhouses	Commercial

The hot areas for completion:

ARABIAN RANCHES III
CAYA

BUSINESS BAY

تلال الغاف
Tilal Al Ghaf

JVC

Arjan

meydan

Upcoming Units Not Handed Over

Total number of units to be handed over
31,790

20,791	3,650	6,544	805
Comprising of Apartments	Villas	Townhouses	Commercial

Sales Transactions H1 2024

Off Plan Registrations Initial Sale (direct from the developer):

41,641 total units
38,437 apartments
2,638 townhouses
566 villas

Top Areas – in order

JVC, MBRC, Dubai Hills Estate, Arjan, Town Square, Dubai South

Off Plan Registrations Resale (before completion):

5,743 total units
4,419 apartments
1,179 townhouses
145 villas

Top Areas – in order

Business Bay, MBRC, Dubai Creek Harbour, Dubai Harbour, The Valley, Damac Lagoons

Top tip – if you are looking to resale an off plan unit the highest premium in recent months has been within 6 months of completion

It is important to note that the transactions not all sales will be made in 2023 but this is to give a close indication of sale. The reason for this is that the Oqood Registration generally happens anytime up to 3-4 months after the signing of the reservation form.

Sales Transactions H1 2024

Ready Property Registrations:

24,697 total units
19,072 apartments
3,169 townhouses
2,453 villas

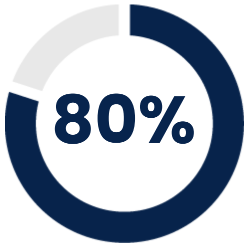
Top Areas – in order

JVC, Dubai Marina, International City, Emirates Living, Dubai Sports City, Dubai South

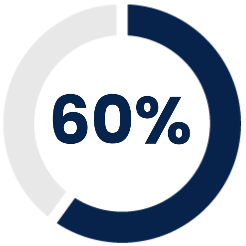
Mortgage Transactions

Since 2020, and the fast recovery of the pandemic many tenants have switched from leasing to buying. This is shown in the below with mortgages hitting their peak in Q2 2024.

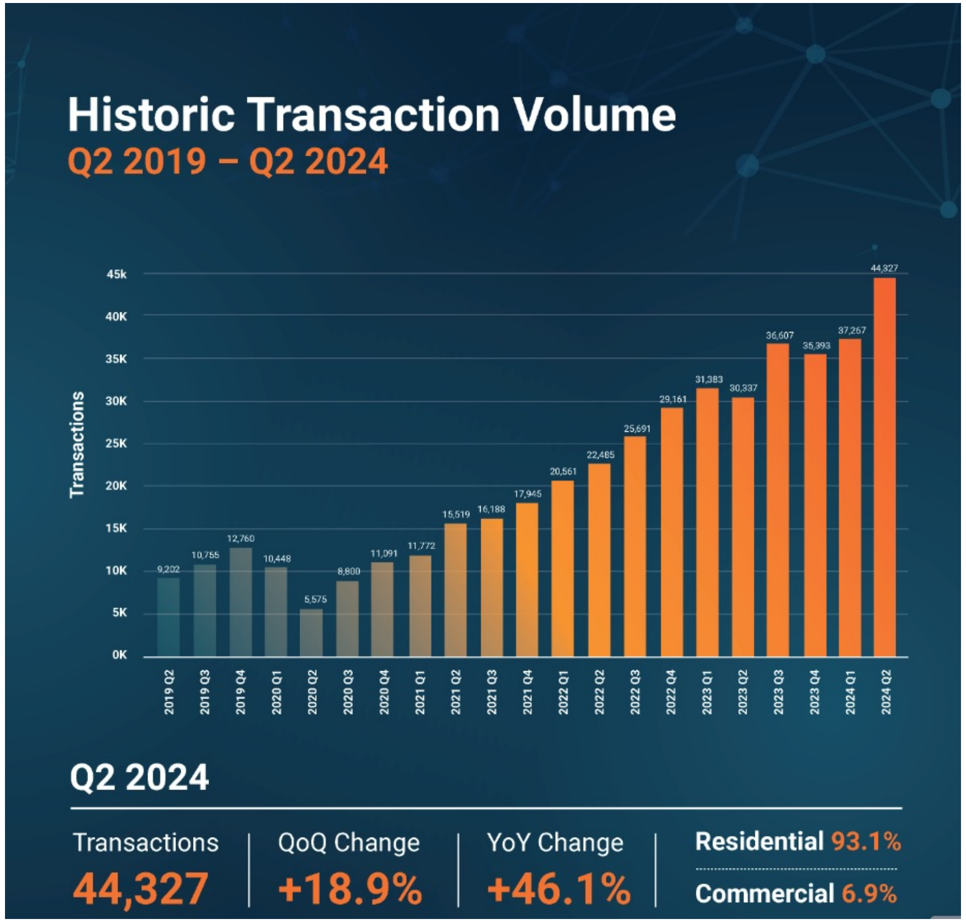
Banks are processing:



finance for residents first home



finance for non-residents first home



Rentals

The rental market has seen accelerated prices in the past year, this is due to high demand, low supply, particularly of townhouses and villas, and changes in the rental calculator to assist landlords sin recovering a market price after the severe drop in covid times.

92,730
new tenancy contracts were registered in H1 of 2024

81,724	5,839	5,137
apartments	villas	townhouses

149,760
contracts renewed in the same period

135,698	10,132	3,930
apartments	villas	townhouses

Example of Pricing in H1 – new contracts

1 bedroom apartments in Downtown, averaged **AED123,059**, compared to **AED109,435**.

11% increase

1 bedroom apartments in Dubai Marina in the same period averaged **AED97,422** compared with **AED86,146**.

11.5% increase

3 bedroom villa in Dubai Hills averaged **AED339,411** compared to **AED303,709**.

10.5% increase

3 bedroom villa in Arabian Ranches averaged **AED364,404** compared to **AED294,821** in the same period of 2023.

23.8% increase

Commercial 2024

The commercial real estate market in Dubai is known for its high demand and competitive nature. Dubai is a major business hub in the Middle East, attracting companies from various industries to establish a presence in the city. This has led to a significant demand for office spaces, retail outlets, and other commercial properties.

2024 H1 - **1,481 offices transacted**
25% in sales from the same period in 2023

Areas to watch:

THE VALLEY

EXPO 2020 DUBAI UAE

JVC

Arjan

In the News

01

Dubai Green Spine:

Plans unveiled for 64km green highway along E311 with 1 million trees, solar-powered trams, new parks and farms

02

UAE jobs:

Incoming influx of white-collar talent from US, UK, Europe as global firms push for staff relocation plans

03

UAE Central Bank's balance sheet hits record AED789.82bn in April 2024 - This is a 25% rise from the same year-ago period

04

Sheikh Mohammed promotes Marwan Ahmed bin Ghalita to Dubai Land Department Director-General role

05

96 of the 500 largest companies on the 'Fortune 500' list have a dedicated office in the Middle East and Africa to service the region. Research company Infomineo found that 138 of these companies (70 percent) had chosen Dubai for their MEA headquarters.

06

18% of new businesses joining Dubai Chamber of Commerce in Q1 2024

What is happening now?

July 2024

1st July – 15th July

Off-Plan Sales – Registrations

2,429
Transactions
- 22% YoY

- **10%** in JVC
- **8%** Business Bay
- **6%** Dubai Hills Estate

Resale

2,713
Transactions
+28% YoY

- **7%** in JVC
- **6.3%** Business Bay
- **5.3%** Dubai Marina

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Thank You