



Up, up and...not quite away... sales transactions hit record high; mortgage transactions jump following recent dip; price appreciation returns to moderate pace; off-plan launches continue to surge.

SNAPSHOT

SEPTEMBER 2024

Median prices in September



Property price appreciation returns to moderate pace in September, up 1.14% month-on-month

Highest month ever for sales transactions and market on pace for 30% growth by year-end

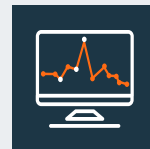
Off-plan project launches remain robust, with sales absorption keeping pace, pushing the market share to over 72%

September sees highest priced apartment sale of 2024; AED 275m on Palm Jumeirah

Mortgage transactions increase 16.6% on the back of lower interest rates

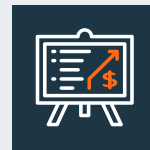
After surging to more than double the monthly average growth rate last month (2.48%), Dubai property price appreciation returned to a more subdued and moderate pace of 1.14% in September, coming back in line with the overall average rate of the current market cycle (1.23%). Fluctuations such as this are to be expected due to the dual nature of the Dubai real estate market, where not only is there steady trading of ready properties that transact relatively consistently and uniformly each month; but also an off-plan market where sales registrations come in waves as new projects are launched and with many developers submitting Oqood registrations in batches.

According to the Property Monitor Dynamic Price Index (DPI), Dubai property prices grew by 1.14% in September and currently stand at AED 1,448 per square foot, 17.4% over the previous all-time high and market peak of September 2014. This brings the overall growth of the market cycle to 57.9% and marks the forty-seventh month since prices bottomed out in late 2020.



+1.14%

Dynamic Price Index
Monthly Change



AED 1,448/sq ft

Dynamic Price Index
Current Property Price



18,038

Number of Monthly
Transactions



AED 275m

Highest Recorded Sale
Apt 2201 | 5 B/R
The One at Palm Jumeirah,
Palm Jumeirah



AED 124k

Lowest Recorded Sale
Apt 206 | Studio
Kappa Acca 4, Dubai South

“**Dubai’s property market is expected to maintain positive momentum with steady price growth and record-high transaction volumes, supported by a robust pipeline of new projects and easing mortgage rates driving demand for both off-plan and ready properties.**”

ZHANN JOCHINKE
Director of Market Intelligence & Research
Cavendish Maxwell

The total volume of sales transactions witnessed a significant increase of 11.7% in September, reaching a total of 18,038 transactions and marking not only the highest-ever September volume, but also the highest month on record overall. Residential transactions, encompassing apartments, townhouses, and villas, accounted for the majority of sales at 95.1% (17,151 transactions). The highest transacted commercial property types were office spaces (1.9%), vacant land (0.95%), and hotel apartments (0.9%).

Annual sales transaction volumes have now surpassed 131,000 and are just 1.9% shy of year-end sales from 2023. With three months remaining, we are on track to see a year-on-year increase of nearly 30% (~170,000 sales). To put this into perspective, by year-end 2024 we will have reached a level of sales activity quadruple that of pre-COVID trading. This phenomenal growth is not simply a post-pandemic recovery, it is unlike that of any other market in the world and is testament to the never-ending commitment of the UAE and Dubai government’s strategic plans, initiatives, and proactive approach to the evolution of the market.

In September, 11,812 off-plan Oqood transactions were recorded, an increase of 12.9% from the previous month and saw a continued jump in market share to 65.5%. Meanwhile, Title Deed sale volumes also witnessed an increase, growing by 9.6% and now account for 34.5% of all sales transactions. While Oqood transactions are generally used to measure the off-plan market, several villa and townhouse sales are presented in the Dubai Land Department data as being issued with Title Deeds and as completed properties—instead of being under construction and sold off-plan. After adjusting for this technicality, off-plan transactions secure an even larger market share of 72.8%.

Meanwhile, resales transactions—any subsequent sale of a property that follows the initial first-time sale from the developer, for an off-plan or completed project—stood at 5,666 in September representing a market share of 31.4%, decreasing by 1.2% month-on-month. While overall resale activity decreased, the portion of off-plan resales increased 1.7% to 25.9% and registers as the second-highest level of the current market cycle. Off-plan resale activity has been on a consistent, yet slow, upwards trend over the past three years, however, and as with

previous months, the majority of these resales remain skewed towards properties that are within a year of anticipated completion and as such don’t ring alarm bells of purely speculative activity.

New off-plan development project launches remain at record highs, with just over 13,500 off-plan units added to the market for sale with an anticipated combined gross sales value of ~AED 28.9 billion. Apartments represent 83.5% by volume of this new inventory, while townhouses and villas represent 14.1% and 2.4% respectively. Year-to-date, new project launches have reached slightly less than 100,000 units and AED 242.7 billion in aggregate sales value. This surpasses the volume of units launched in 2023, however falls short by ~AED 30 billion in sales value by comparison. With more than double the amount of developers active in the market, this has led to a much greater diversity in product offerings—while 2023 saw launches skewed towards the luxury and ultra-luxury segments, 2024 has seen projects spread across a wider range of price segments. With over 250 additional projects in the planning phases being tracked by the Property Monitor team, we anticipate that new launches will maintain historically high levels throughout the remainder of 2024 and well into 2025.

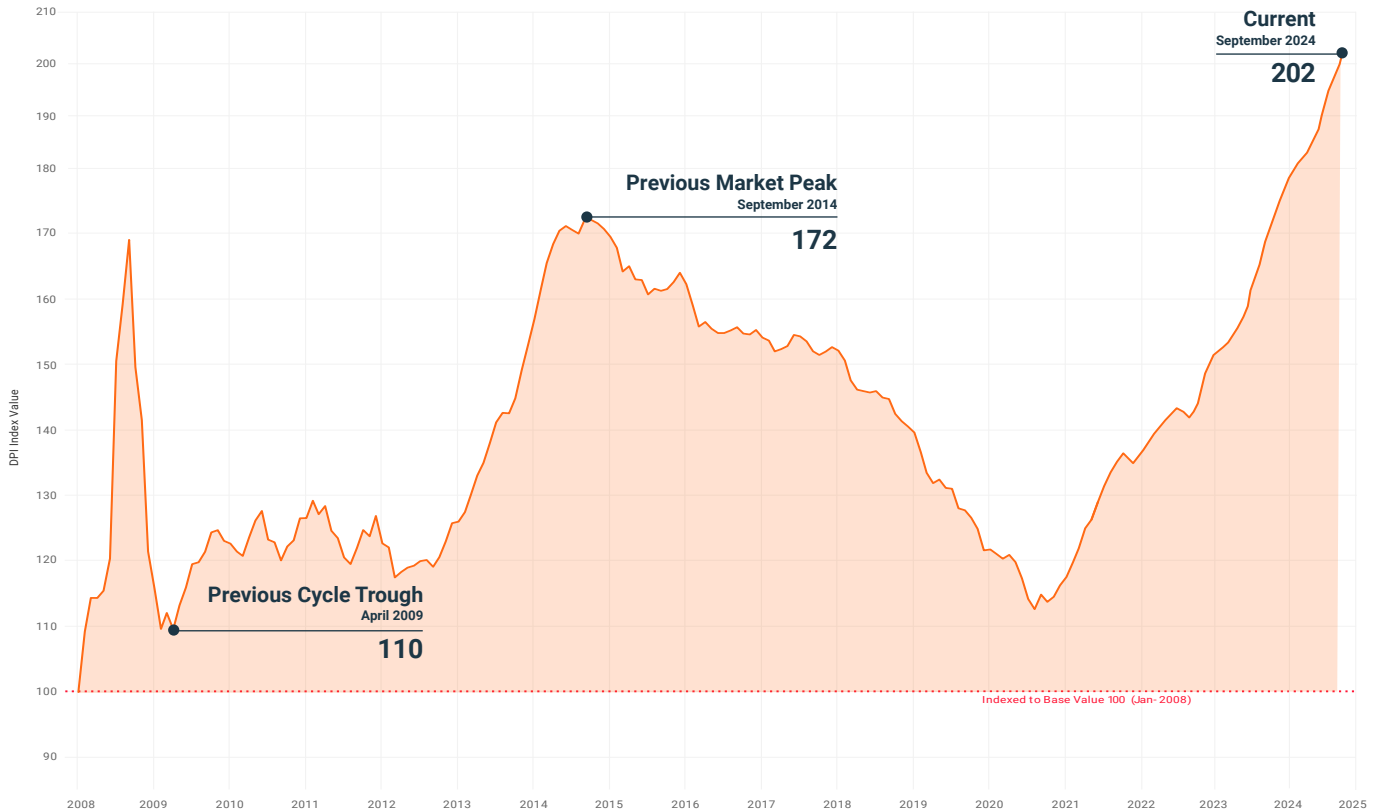
After dipping mildly in August, mortgage transaction volumes increased by 16.6% in September and recorded the second highest level of loans ever recorded with 4,183 registrations. This boost in overall mortgage activity follows the easing of interest rates across both variable and fixed rates, with the biggest reduction being witnessed with variable products (down ~20 basis points). During the month, loans taken for new purchase money mortgages accounted for 44.4% (down 6.9% from last month) of borrowing activity, with the average amount borrowed being AED 1.73m at a loan-to-value ratio of 76.6%. Meanwhile, loans for refinancing and equity release saw their market share decrease by 0.2% to 34.5%. The remaining 21.1% (up by 7.1% from last month) was due to bulk mortgages—those taken by developers and larger investors with multiple units. The 881 bulk loans issued for the month were spread across several projects, most notably portfolio mortgage registrations at La Perla Blanca (190) in Jumeirah Village Circle, Al Manal Residence 1 (129) in Dubai Silicon Oasis, and Ikarus Tower (127) in Dubai Production City.

As we enter the final quarter of the year, we expect the Dubai property market to sustain its positive momentum, driven by steady price growth and strong transaction volumes. However, it’s crucial that monthly price appreciation remains moderate, ideally within the 1% range or lower, as any sustained increases above 2% could raise concerns about potential overheating.

While we do not foresee an overall slowdown, the gap between off-plan and completed property sales is likely to widen. This is due to a combination of the robust pipeline of off-plan projects and the availability of competitively priced inventory. In this context, the rising level of off-plan resales must be carefully monitored, especially when considering the timeline to completion. A growing trend of flipping properties well ahead of their handover could place further pressure on both pricing and supply.

Meanwhile, ready properties could see a rise in demand as mortgage rates ease, but sellers should be cautious. Attempting to push aggressive pricing strategies may deter buyers, undermining the opportunity to capitalise on this demand.

PROPERTY MONITOR DYNAMIC PRICE INDEX





+1.14%
MoM Change



+4.92%
QoQ Change



+16.55%
YoY Change



AED 1,448
Average Property Price Per Sq Ft

DPI MONTHLY OVERVIEW

Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
Sep 2024	202.15	1.14%	4.92%	16.55%	1,448
Aug 2024	199.86	2.48%	5.24%	17.73%	1,431
Jul 2024	195.03	1.22%	3.40%	17.15%	1,397
Jun 2024	192.68	1.46%	4.15%	18.2%	1,380
May 2024	189.91	0.69%	5.09%	17.94%	1,360
Apr 2024	188.61	1.95%	5.23%	20.07%	1,351
Mar 2024	184.99	2.37%	3.41%	19.47%	1,325
Feb 2024	180.72	0.83%	1.82%	17.43%	1,294
Jan 2024	179.24	0.19%	2.17%	17.15%	1,284
Dec 2023	178.90	0.80%	3.14%	17.66%	1,281
Nov 2023	177.49	1.17%	4.55%	18.10%	1,271
Oct 2023	175.43	1.14%	5.37%	17.97%	1,256
Sep 2023	173.45	2.18%	6.44%	18.71%	1,242

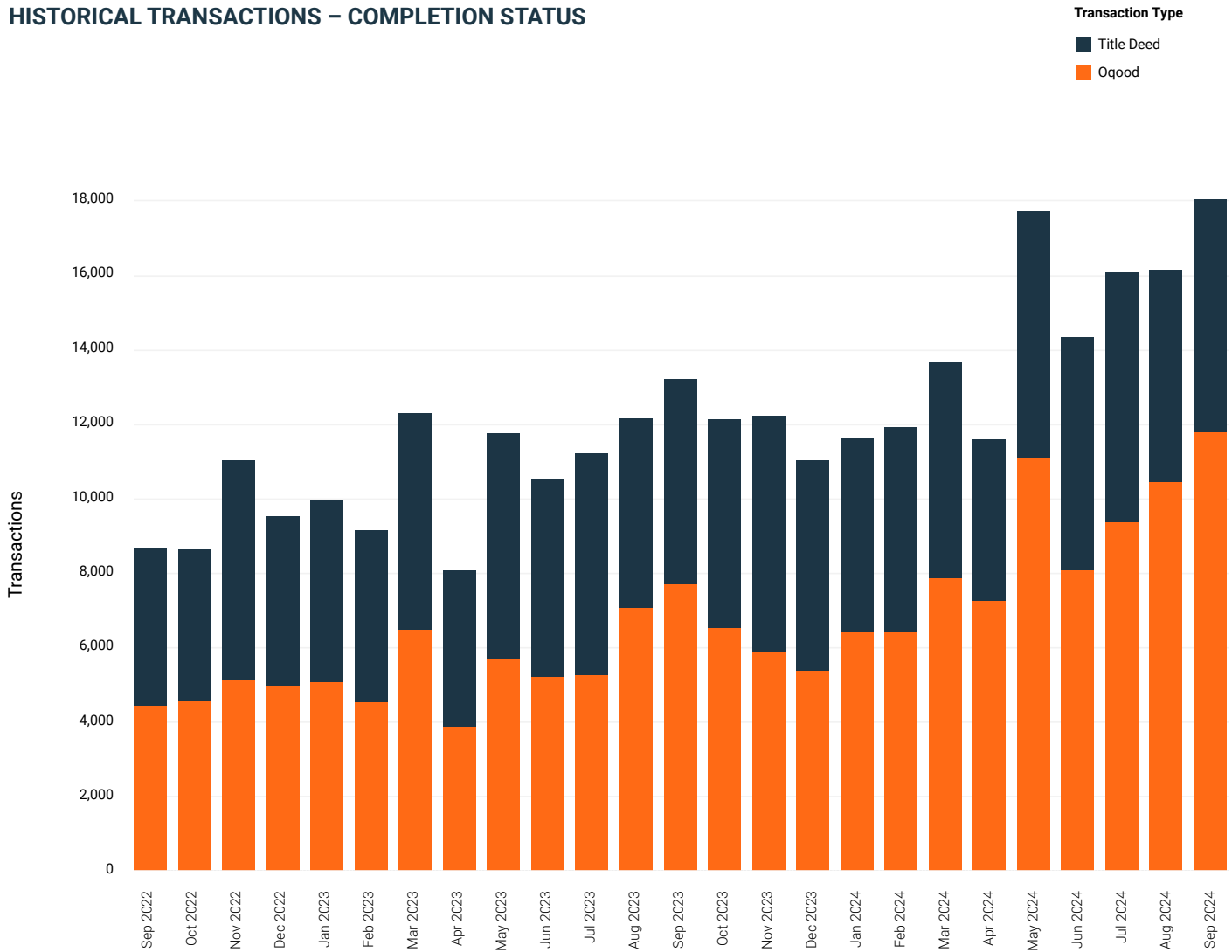
The Property Monitor Dynamic Price Index (DPI) tracks trends of residential property prices throughout 42 key communities in Dubai and is indexed to a base period of January 2008.

At an emirate-wide level, the index value for September 2024 increased by 2.29 index points to 202.15 from 199.86 in August 2024, representing a month-on-month increase of 1.14%.

In September 2024, property prices continued climbing to all-time highs and now stand at AED 1,448 per sq ft. This is now 84.5% above the market trough of April 2009 and 17.4% above the market peak of September 2014. Absent any significant economic, geopolitical, or unforeseen global events, current market conditions are likely to provide for continued growth throughout 2024.

On a year-on-year basis, prices have increased by 16.5% in September and now marks 43 straight months of year-on-year increases, while on a year-to-date basis, prices have increased by 12.8% in September 2024 compared to 13.4% in September 2023.

HISTORICAL TRANSACTIONS – COMPLETION STATUS

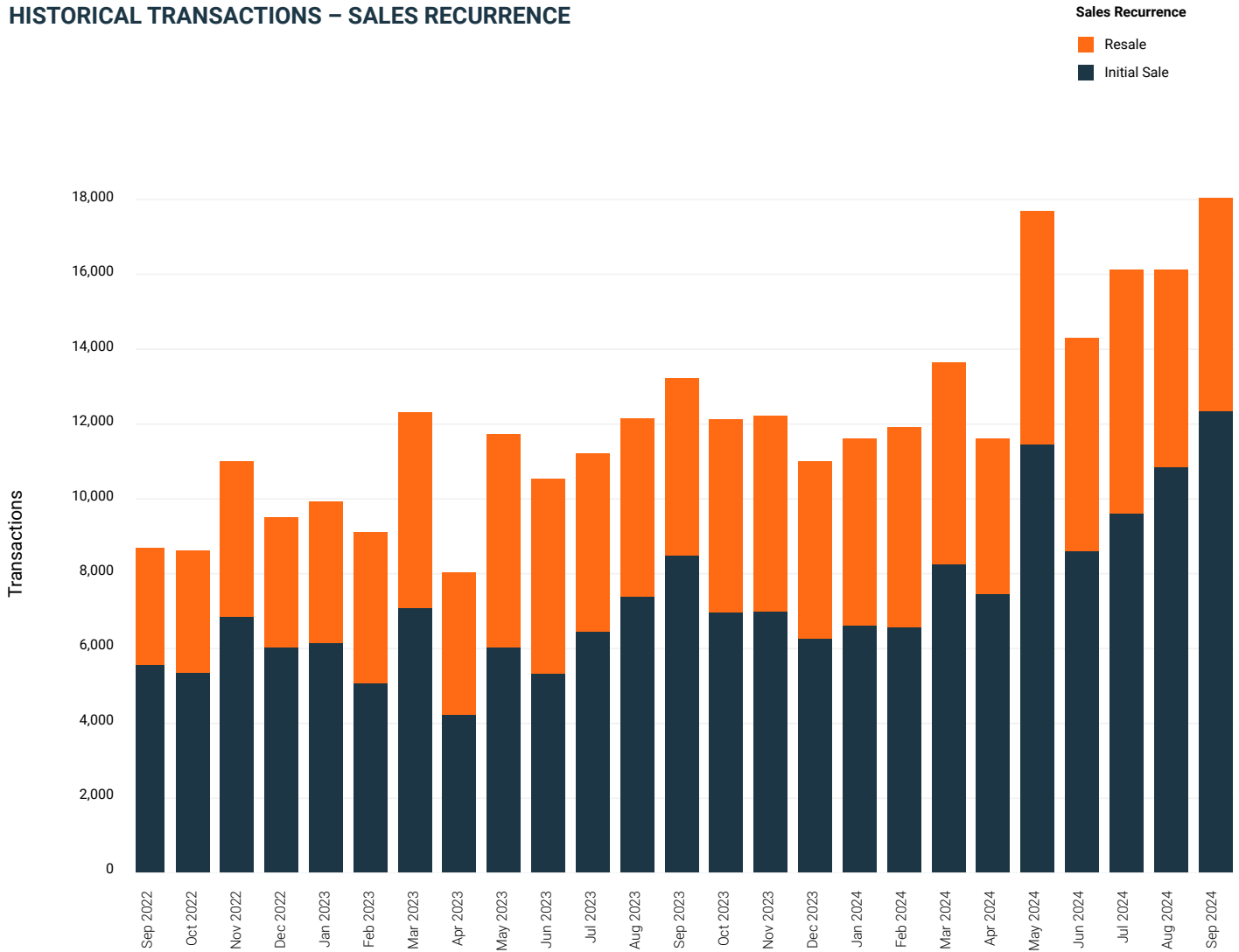


Sales transaction volumes in September reached 18,038, increasing by 11.7% compared to August 2024 and setting an all-time record as the highest ever monthly volume of sales in the Dubai market. During the month, the split between Oqood and Title Deed property transactions was weighted in favour of the former, with Oqood registrations accounting for 65.5% of all transactions, up by 0.7% month-on-month. After adjusting for registration technicalities where several off-plan villa and townhouse transactions are shown as Title Deed, the true breakdown of market share is further bolstered to 72.8% in favour of properties under construction having been sold off-plan.

Emaar Properties claimed the top spot in the off-plan market with the bulk of developers' off-plan registrations taking a dominant market share of 20.5%. They recorded 2,343 transactions spread across a myriad of their projects, most notably Golf Point in Emaar South where 480 sales were recorded. This was followed by Address Residences DHE and Club Place in Dubai Hills, and Address Residences Dubai Creek Harbour with 288, 270, and 208 sales respectively.

DAMAC Properties was next at 18.3% of all off-plan transactions with townhouse sales at their new DAMAC Riverside master development being a clear leader for the month clocking up 652 sales across the Ivy, Lush, and Sage sub-communities, then was followed by townhouse sales in Violet 1 (265) DAMAC Hills 2, as well as apartment sales at Elo 2 (242), Elo 3 (180), and Elo 1 (177) in DAMAC Hills 2. Taking third place was Sobha Group securing a 10.3% market share with activity largely concentrated across the Riverside Crescent buildings in Sobha Harland II where more than 69% of their 810 sales took place, then was followed by Sobha Orbis in Motor City with 214 sales and Sobha One with 96.

HISTORICAL TRANSACTIONS – SALES RECURRENCE



In September 2024, the market share of initial developer sales increased by 1.2%, rising to 68.6% versus resale transactions. The 12-month rolling average now stands at 62.0% for initial sales and 38.0% for resales, the latter of which, after reaching a high of 51.8% in April 2021, has been slowly trending back down towards the levels of 2019 and 2020, 33.2% and 33.8% respectively.

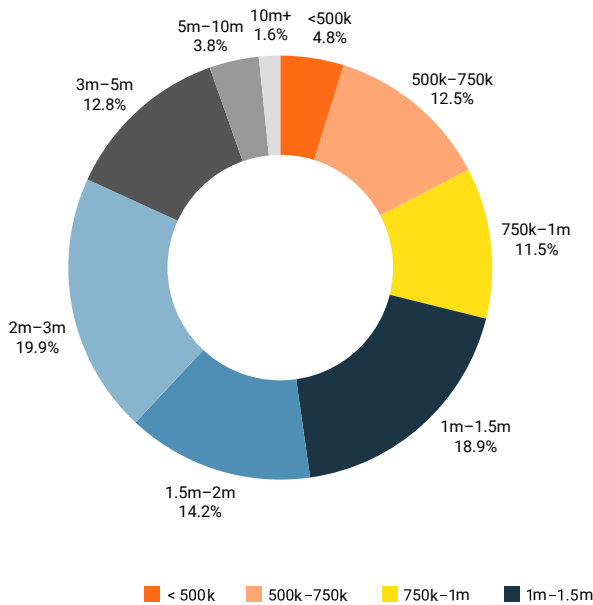
Jumeirah Village Circle was the most popular master development for initial sales, where 9.7% (1,170) of all such transactions occurred. One Park Central took the top spot for the month with 220 registrations, then was followed by Central Park Tower (76), Binghatti Phoenix (66), and Pearl House III (56).

Taking second place was DAMAC Hills 2 with 1,018 sales and an 8.4% market share. Sales in the community were spread across various projects, most notably Violet 1 and Elo 2 with 265 and 242 registrations respectively. Coming in third for September was Sobha Hartland II

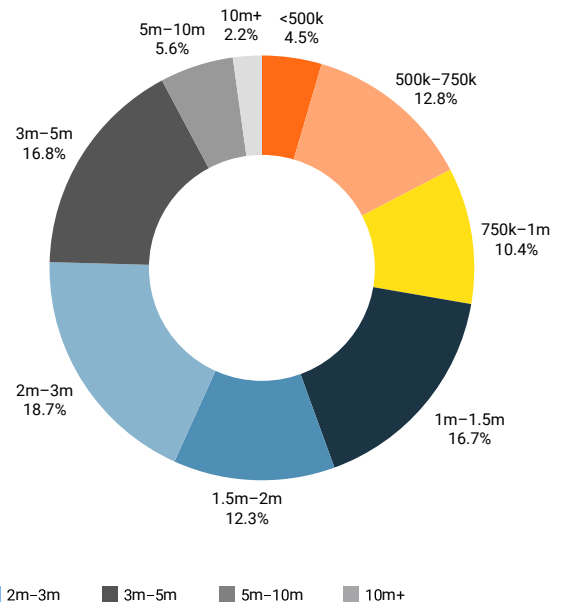
claiming 6.7% market share with a total of 810 sales. 360 Riverside Crescent took the top spot for the month with 202 registrations, then was followed by 350 Riverside Crescent (190), 310 Riverside Crescent (154), and 340 Riverside Crescent (152).

The top master developments for residential resale transactions were Jumeirah Village Circle with 9.3% of such transactions spread across multiple projects, with the highest level of sales occurring at Binghatti Corner (31) and Binghatti Emerald (12). This was followed by Business Bay with a 5.3% market share with Al Habtoor Residences (13) being the highest transacted. Closing out the top 3 master developments for resale was Dubai Marina holding 4.9% of the market, with Orra Marina recording 16 sales for the month.

PRICE TIERS (AED) – September 2024



PRICE TIERS (AED) – August 2024



PRICE TIERS (AED) MONTHLY COMPARISON

	September 2024	August 2024	MoM Change
<500k	4.8%	4.5%	0.36%
500k-750k	12.5%	12.8%	-0.36%
750k-1m	11.5%	10.4%	1.10%
1m-1.5m	18.9%	16.7%	2.20%
1.5m-2m	14.2%	12.3%	1.90%
2m-3m	19.9%	18.7%	1.20%
3m-5m	12.8%	16.8%	-4.00%
5m-10m	3.8%	5.6%	-1.80%
10m+	1.6%	2.2%	-0.60%

Growing their share of the market at the fastest pace was the AED 1m-1.5m price tier which increased by 2.2% in September to reach a total of 18.9%. The growth of this price tier can be largely attributed to the successful new development launches of Mid category apartments at Lagoon Views in DAMAC Lagoons and Sobha Orbis in Motor City where sales prices averaged AED 1,722 and AED 1,890 per sq ft respectively, additionally, Lower-Mid apartments at Golf Point in Emaar South added to strength in the tier with average sales prices of AED 1,402 per sq ft. Meanwhile, the biggest market share loser was the AED 3m-5m tier, which decreased by 4%, falling to 12.8%.

Also experiencing notable growth during the month was the adjacent AED 1.5m-2m price tier which grew by 1.9%. Growth in this segment can be largely attributed to off-plan sales of Low category townhouses at Violet in DAMAC Hills 2 trading at AED 778 per sq ft, as well as Upper-Mid and High quality category apartments at Club Place in Dubai Hills and 360 Riverside Crescent in Sobha Hartland II where price per square foot values averaged AED 2,161 and AED 2,474 respectively.

Condensing the individual 9 price tier segments to 3 main groups, properties in the mid-tier of AED 1m-3m again accounted for the largest share of the market at 53.3%, up by 5.3%. The low-price tiers with property values under AED 1m now represent 28.8% of the market, up by 1.1% from August, while the high-end price tiers—properties over AED 3m—now represent 18.2% of the market, down by 6.4% month-on-month.

METHODOLOGY AND METRICS

Dynamic Price Index

The Property Monitor Dynamic Price Index family (DPI) are calculated using a moving average algorithm of median prices and the Dutot price index formula with cleansing of extreme values and outliers. The indices are published at the end of each calendar month and are subject to backward revision should any new datapoint or datasets become available. This is a unique feature of the Property Monitor DPI as it always uses the fullest data set available and takes into account data which was not available at the point of original index compilation. Detailed index methodology and notes are available at propertymonitor.com/pmdpi.html

Completed Transaction

Consists of transactions that are recorded on the Dubai Land Department's official Title Deed register for all sales of completed property which has been issued a Building Completion Certificate (BCC) and is available to purchase and occupy. Typically, it refers to the subsequent resale(s) of a property and transfer of ownership which takes place between two or more private parties, however, it may also include any initial first-time transfers between developers and buyers whereby a BCC has been issued and the developer had not previously sold the property.

Gross Rental Yield

Is the annual rent as a percentage of the purchase price or value of a property and is presented in this report as a value that represents the blended average rental yield of properties in Dubai across all communities.

Highest Recorded Sale

The single transaction of an apartment or villa that achieved the highest recorded transferred sales price during the month either in the off-plan or completed segment. Excludes plot/raw land only sales.

Initial Sale

The first sale of a property, usually directly from the developer or project sponsor to a buyer. Typically, an initial sale would occur during the construction phase of a project and get registered as an off-plan transaction with an Oqood. However, should the developer hold unsold units after the project is completed, an initial sale would be recorded with a Title Deed. An initial sale only occurs once and every subsequent sale thereafter is a 'resale'.

Lowest Recorded Sale

The single transaction of an apartment or villa that achieved the lowest recorded transferred sales price during the month either in the off-plan or completed segment.

ABOUT PROPERTY MONITOR

Property Monitor is the region's leading real estate intelligence platform and the only data source powered by RICS-accredited professionals, bringing unprecedented transparency and accuracy to local property markets. Through Property Monitor, market stakeholders can directly access real-time, transparent and accurate intelligence, unmatched anywhere else in the region. The platform empowers investors, property specialists and banking professionals with authoritative data, analytics and insights that closely correlate with market movements, empowering confident and informed property-related decisions. As of 2022, we are proud to officially be part of the Cavendish Maxwell group of companies.

Please get in touch with us for our detailed community reports and any other specific requirements you might have.



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After being processed and cleansed, transaction data for the monthly market report is extracted on the first day of each month and includes transactions as posted by the Dubai Land Departments as of midnight of the last day of the relevant reporting period. Comparison of the data, the periodic MoM and YoY periods, and other values printed in the monthly reports may not correlate from time-to-time, this is due to additional transactions being added to the underlying data which are post-dated or otherwise not released prior to publication.