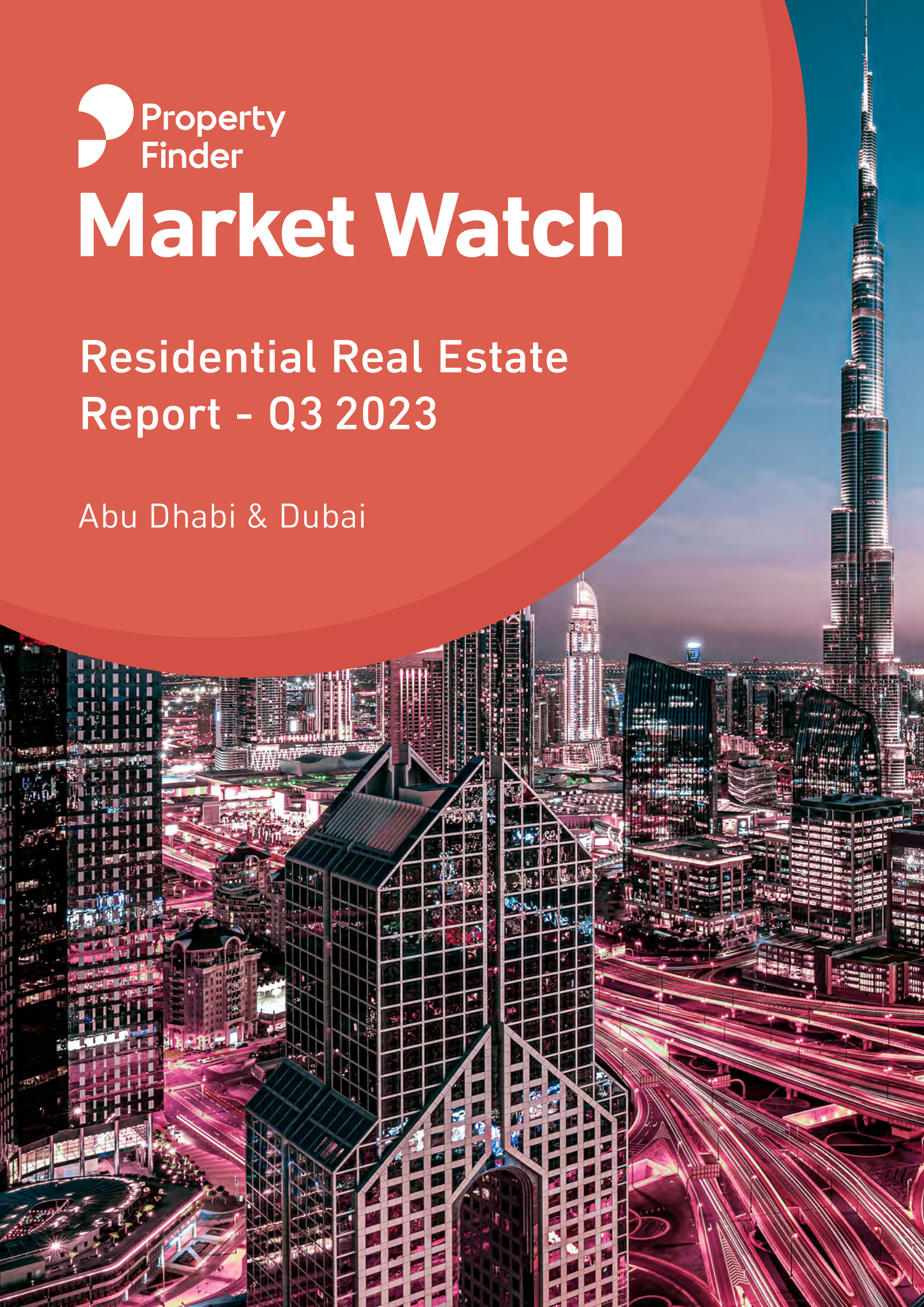




# Market Watch

## Residential Real Estate Report - Q3 2023

Abu Dhabi & Dubai



# 01

## **Abu Dhabi Real Estate Performance**

- Economic Overview
- Market Performance
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# Economic Overview



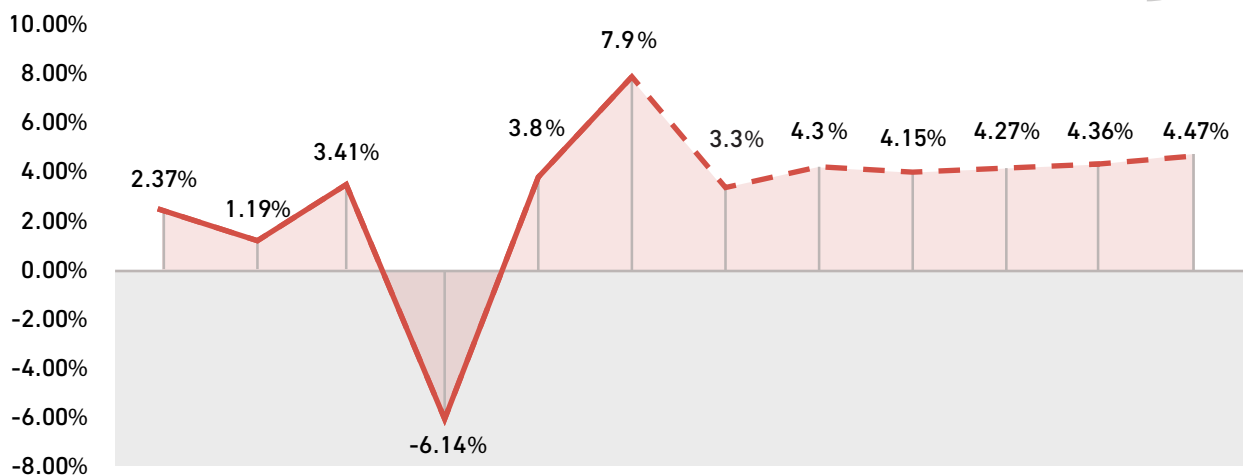
## United Arab Emirates

In the first three months of 2023, the UAE's economic growth registered a 3.8% decrease year-over-year, from 5.5% in the last quarter of 2022. This demonstrates a sustained, albeit slowing, performance in the non-oil sector—which constitutes about 75% of the nation's economy. Concurrently, there was 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). Hence, the anticipated growth for 2023 and 2024 remains at 3.3% and 4.3% respectively.

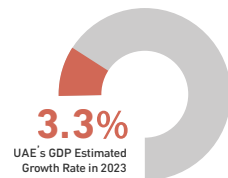
This projection considers a slowdown in the non-oil sectors over these years due to waning global demand and a significant reduction in oil production in 2023 because of the OPEC+ agreements. However, 2024 is likely to witness a resurgence in oil output as certain production restrictions are relaxed. Factors such as the situation in Ukraine, global economic trends, potential changes in OPEC+ production guidelines and production levels from other OPEC+ countries introduce elements of uncertainty into these forecasts. This introduction provides context for the real estate report on the UAE's economy.

In July 2023, the CBUAE increased its overnight deposit facility base rate by 25 basis points, moving it to 5.40% from the previous 5.15%. This decision followed the Federal Reserve's earlier action to hike interest rates by 0.25%. This adjustment aligns with the fact that the Emirati Dirham is pegged to the dollar.

### UAE Real GDP Growth Rate



Source: IMF - Central Bank of the UAE



# Abu Dhabi

## Real Estate Performance

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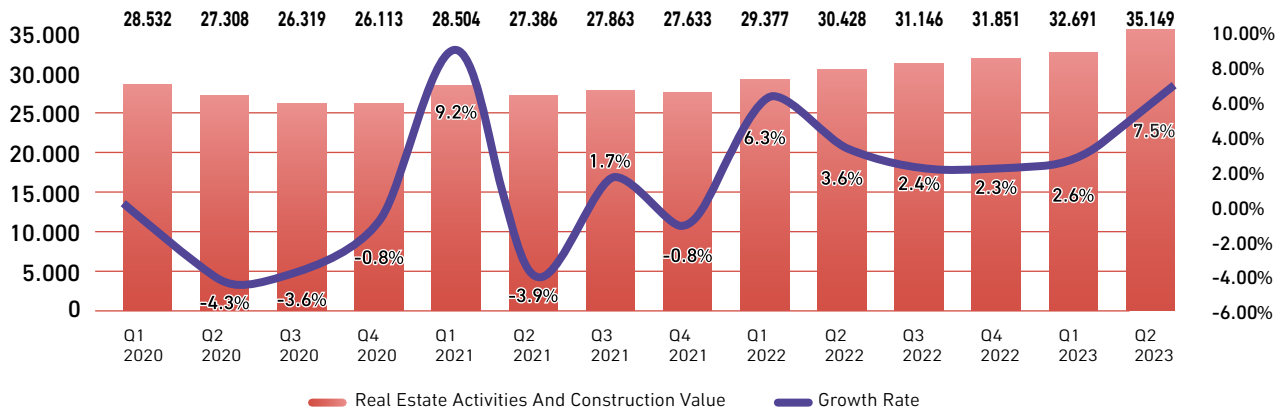


# Economic Overview

## The Emirate of Abu Dhabi

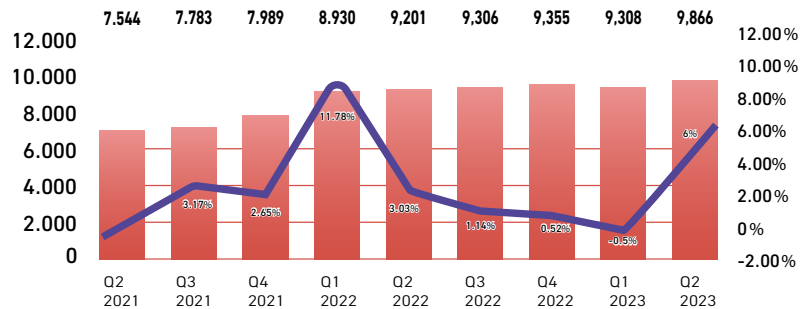
Abu Dhabi's exceptional growth in various sectors throughout 2022 can be attributed to its strong economic framework, supported by collaborative efforts from both the public and private sectors. The emirate has successfully solidified its international standing and sustained its competitive advantage while maintaining a stable macroeconomic environment.

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

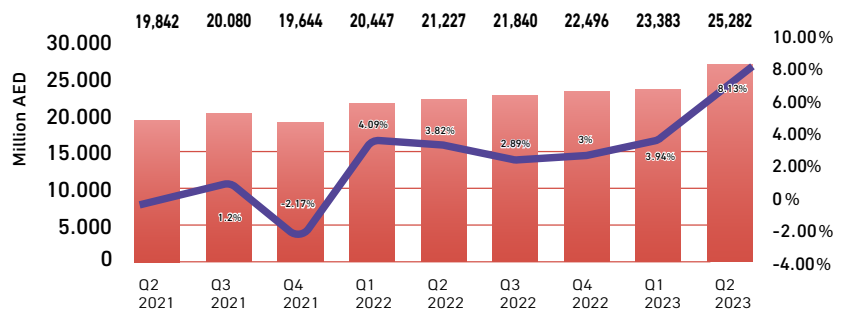


The real estate activities and construction sectors in Abu Dhabi witnessed approximately a 15.5% increase in Q2 2023 compared to Q2 2022 and around 7.5% compared to Q1 2023, driven by the construction sector which witnessed a significant increase of 19.1% compared to Q2 2022 and 8.1% compared to Q1 2023, while the real estate activities sector increased by 7.2% compared to Q2 2022 and 6% compared to Q1 2023.

### Real Estate Activities contribution to Abu Dhabi GDP (Constant Price)



### The Construction Sector Contribution to Abu Dhabi GDP (Constant Price)



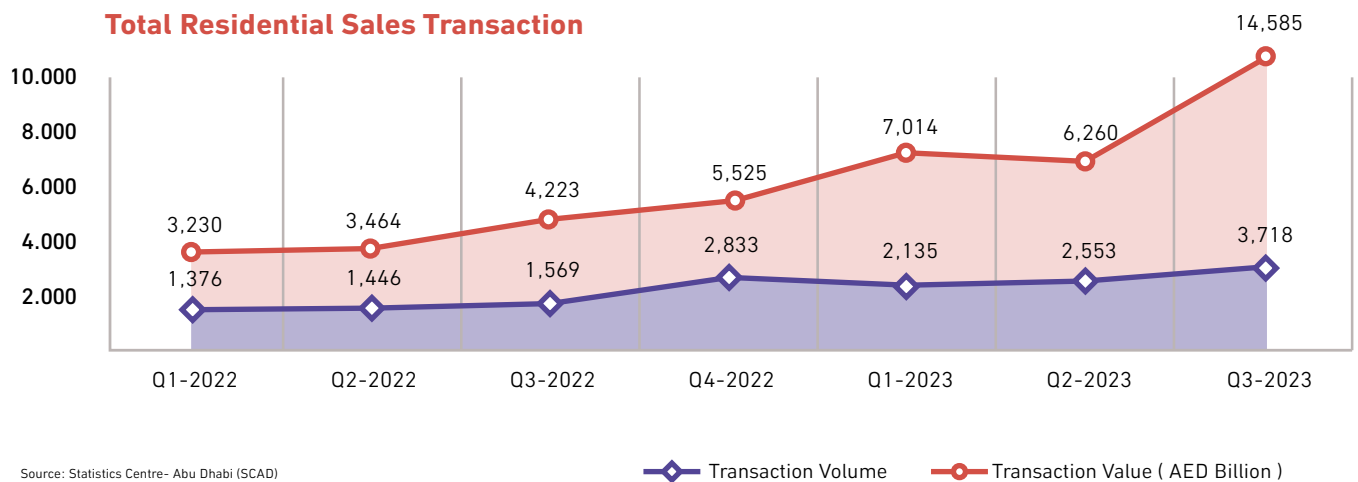
# Market Performance

## Total Sales Transactions - Q3 2023

In Q3 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) during Q3 2023. The number of transactions reached a record high for a quarter, with 3,718 transactions compared to 1,569 transactions in Q3 2022, reflecting a substantial increase of 137%.

Residential transactions accounted for 92% of the total volume and approximately 90% of the overall value. The transaction value amounted to 14.6 billion AED, marking a remarkable 245% increase from 4.2 billion AED recorded in the previous year.

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.



### Insights

YoY changes in Volume	YoY changes in Value	QoQ changes in Volume	QoQ changes in Value
▲ 137%	▲ 245	▲ 46%	▲ 133%

# Market Performance

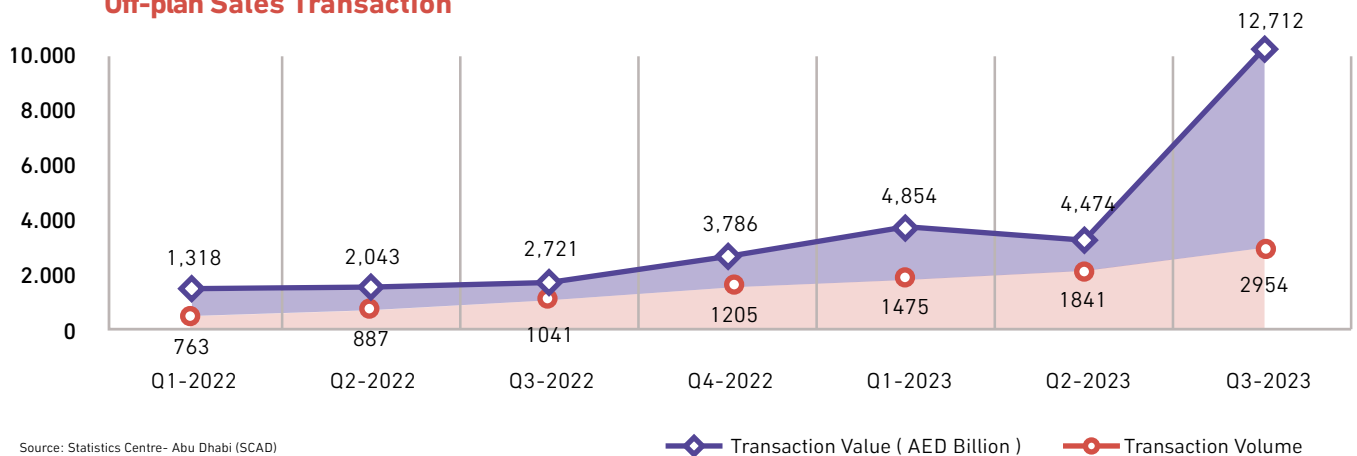
## Off-plan Sales Transactions - Q3 2023

The off-plan market in Q3 2023 kept supporting the real estate market in Abu Dhabi. There were 2,954 off-plan sales transactions compared to 1,041 transactions in Q3 2022 to represent 79% of the total transactions compared to 66% of the total transactions in Q3 2022, recording a significant year-on-year surge by 184% in terms of volume and 367% increase for the same period in terms of value.

The off-plan sales transaction value in Q3 2023 contributed to 87% of the total sales transactions value compared to 64% in Q3 2022 by reaching AED 12,713 billion compared to AED 2.72 billion. While the off-plan market witnessed a 184% increase compared to Q2 2023.



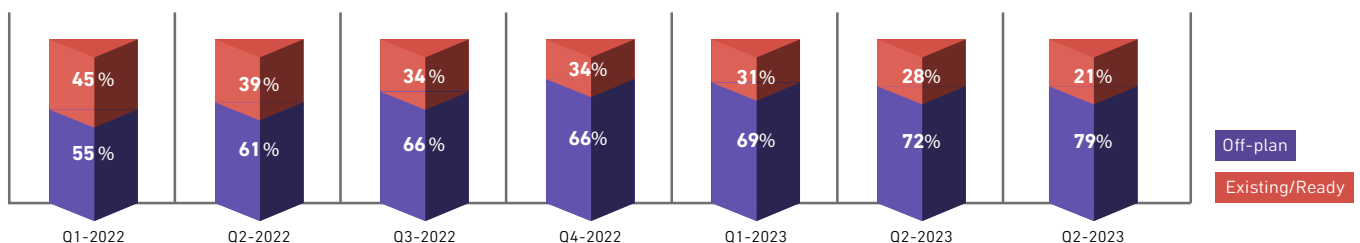
### Off-plan Sales Transaction



### Insights

YoY changes in Volume	YoY changes in Value	QoQ changes in Volume	QoQ changes in Value
▲ 184%	▲ 367%	▲ 60%	▲ 184%

### Total Transaction Volume Relative Distribution



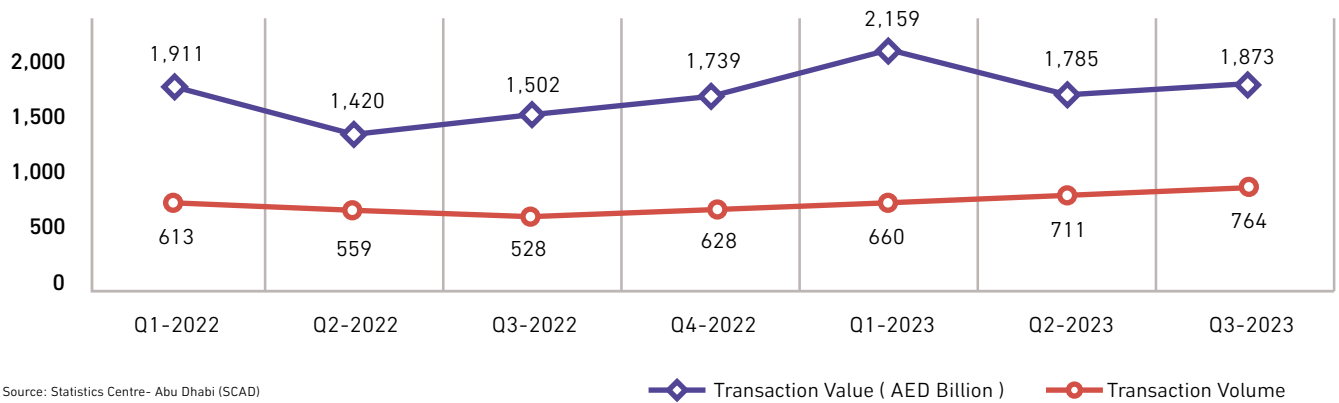
# Market Performance

## Existing/Ready Sales Transactions - Q3 2023

The existing/ready market in Q3 2023 registered 764 ready properties compared to 528 in Q3 2022, to represent around 21% of the total transactions compared to 34% in Q3 2022; witnessing a notable growth of 45% compared to Q3 2022. While the quarter-on-quarter performance witnessed a moderate increase, the number of transactions increased by 7% compared to 711 transactions in Q2 2023.

The existing/ready transaction value in Q3 2023 contributed to 13% of the total sales transactions value compared to 36% in Q3 2022, by reaching AED 1,873 billion, the existing/ready transaction value witnessed a notable increase of 25% compared to AED 1,502 billion in Q3 2022.

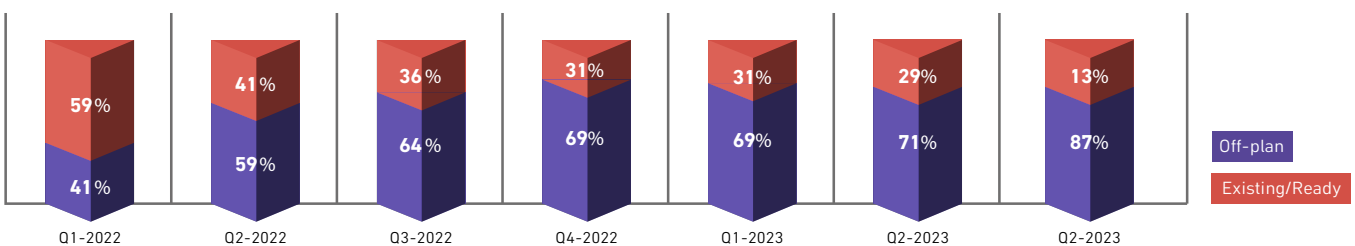
### Existing / Ready Sales Transaction



### Insights

YoY changes in Volume	YoY changes in Value	MoM changes in Volume	MoM changes in Value
▲ 45%	▲ 25%	▲ 7%	▲ 5%

### Total Transaction Value Relative Distribution



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 Q3 2022, to their current value in Q3 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 Q3 2023.



## TOP AREAS

FOR SALE IN Q3 2023



## Apartments

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



## Villas &amp; Townhouses

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





# Market Trends



## Sales Market Trends for Apartments - Q3 2023

Property Finder's proprietary data revealed that Al Reem Island, Yas Island, AL Raha Beach, Saadiyat Island and Masdar City are still the preferred choices for those who want to own an apartment for investment or residence purposes in Q3 2023.

There has been a moderate increase of 1% in the average asking price for apartments during Q3 2023 compared to Q3 2022. Furthermore, the data reveals that the average sales price for a one-bedroom apartment witnessed a slight increase from AED 900 thousand to AED 910 thousand, while a two-bedroom apartment increased from AED 1.48 million to AED 1.5 million. The average sales price for a three-bedroom apartment also stood at AED 2.1 million.

Saadiyat Island experienced the most significant change in average prices among the most searched areas in Abu Dhabi, with a 27.8% ROCG for three-bedroom apartments compared to Q3 2022 and 17.5% 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 third quarter of 2023.

One Bedroom	Q3 2022 Average Price	Q3 2023 Average Price	ROCG
Al Reem Island	877,000	909,000	3.69%
Yas Island	960,000	1,000,000	4.17%
Al Raha Beach	1,190,000	1,200,000	0.84%
Saadiyat Island	2,285,000	2,283,000	-0.13%
Masdar City	846,000	754,000	-10.95%

Two Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROCG
Al Reem Island	1,332,600	1,400,000	5.06%
Yas Island	1,600,000	1,815,000	13.44%
Al Raha Beach	1,650,000	1,750,000	6.06%
Saadiyat Island	4,078,000	4,792,000	17.51%
Masdar City	1,095,000	1,100,000	0.46%

Three Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROCG
Al Reem Island	2,000,000	2,050,000	2.53%
Yas Island	1,900,000	1,960,000	8.36%
Al Raha Beach	2,525,000	2,500,000	-0.99%
Saadiyat Island	5,961,600	7,619,000	27.80%
Masdar City	1,950,000	1,471,000	-24.58%



# Market Trends



## Sales Market Trends for Villas - Q3 2023

According to Property Finder's proprietary data, the average asking price for villas increased by 11% compared to Q3 2022, due to the surge of asking prices for four and five-bedroom villas. As for affordable and luxurious villas or townhouses, home buyers' top picks for Q3 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 Q3 2023, the data reveals that the sales price for three-bedroom villas or townhouses increased from AED 3 million to AED 3.1 million, while the sales price for a four-bedroom villa or townhouses has increased from AED 3.8 million to AED 4.4 million, and the sales price for five-bedroom villa or townhouses has increased from AED 5.2 million to AED 6.5 million.

In the top 5 areas, Al Reem and Saadiyat Islands stood out as the only areas that experienced steady and moderate growth. The average asking prices of three-bedroom villas in Al Reem island increased by 6.7% compared to Q3 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 Q3 2023, with the average asking price for a three-bedroom villa reaching AED 6.6 million, which had the highest return on capital gains, by recording a growth of 10% for three-bedroom villas.

Three Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROCG
Yas Island	4,450,000	4,500,000	1.1%
Saadiyat Island	6,000,000	6,600,000	10%
Al Reef	1,597,901	1,601,000	0.2%
Khalifa City	2,850,000	2,940,000	3.2%
Al Reem Island	3,214,000	3,430,000	6.7%

Four Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROCG
Yas Island	6,000,000	5,984,700	-0.3%
Saadiyat Island	8,927,000	9,021,000	1.1%
Al Reef	2,200,000	2,239,000	1.7%
Khalifa City	4,166,000	4,096,000	-1.7%
Al Reem Island	3,311,000	3,494,000	5.5%

Five Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROCG
Yas Island	6,400,000	6,800,000	6.3%
Saadiyat Island	18,250,000	12,867,000	-29.5%
Al Reef	2,525,000	2,500,000	-1.0%
Khalifa City	5,882,000	5,300,000	-9.9%
Al Reem Island	NA	NA	NA



## TOP AREAS

## FOR RENT IN Q3 2023



## Apartments

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



## Villas &amp; 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 - Q3 2023

Property Finder's proprietary data revealed that Al Reem Island, Al Raha Beach, Khalifa City, Corniche Road and Al Khalidiya remained the preferred choice among renters in Q3 2023 for Apartments.

The average rental prices in Q3 2023 increased by 4% compared to Q3 2022. One-bedroom apartment rents increased from AED 55 thousand to AED 60 thousand, two-bedroom apartment rents rose from AED 87 thousand to AED 90 thousand, while three-bedroom apartment rents remained the same as Q3 2022 at AED 140 thousand. However, only Khalifa City and Al Khalidiya experienced a rise in average rent prices for the most in-demand areas.

In Khalifa City, one-bedroom apartment rents increased by 2.4%, two-bedroom apartment rents rose by 5%, and three-bedroom apartment rents increased by 7%. Al Reem Island saw a 5% increase in one-bedroom apartment rents and a 6% rise in two-bedroom apartment rents, while three-bedroom apartment rents increased by 4% compared to Q3 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 Reem Island has the highest ROI for one and two-bedroom apartments, with 7.1% and 6.4%, respectively, followed by Al Raha Beach with roughly 5% for one-bedroom apartments and 5.6% for two-bedroom apartments.

One Bedroom	Q3 2022 Average Price	Q3 2023 Average Price	ROI
Al Reem Island	57,000	60,000	7.1%
Al Raha Beach	60,000	60,000	5%
Khalifa City	42,000	44,000	6.7%
Corniche Road	85,000	85,000	NA
Al Khalidiya	63,000	60,000	NA

Two Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROI
Al Reem Island	85,000	90,000	6.4%
Al Raha Beach	108,000	109,000	5.6%
Khalifa City	60,000	63,000	5.1%
Corniche Road	117,000	115,000	NA
Al Khalidiya	80,000	75,000	NA

Three Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROI
Al Reem Island	125,000	130,000	6.3%
Al Raha Beach	170,000	150,000	6%
Khalifa City	80,000	86,000	3.3%
Corniche Road	156,000	150,000	NA
Al Khalidiya	100,000	100,000	NA



# Market Trends

## Rental Market Trends for Villas - Q3 2023

Property Finder's proprietary data revealed that Khalifa city, Mohamed Bin Zayed, Yas Island, Al Reef and Saadiyat Island were the preferred choices among renters in Q3 2023 for villas.

Regarding Q3 2023 rental prices, the data indicates an increase of 3% in the average rent prices for villas compared to Q3 2022. This increase is primarily supported by the rise in rent prices for two and four-bedroom villas. The average rent of a two-bedroom villa increased from AED 75 thousand to AED 85 thousand, while the average price of a four-bedroom villa increased from AED 210 thousand to AED 218 thousand.

In Q3 2023, the most demanded areas showed varied results in terms of rental prices. Saadiyat Island witnessed the highest increase in rental prices for four-bedroom villas/townhouses, with a 23% rise, followed by Khalifa City, with a 17% increase for three-bedroom villas.

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 and four-bedroom villas, with 6.56% for three-bedroom and 6.4% and 6.3% for four and five-bedroom, respectively. Yas Island had an ROI of around 5.6%, 5.7%, and 4.9% for three, four, and five-bedroom villas, respectively.

Three Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROI
Khalifa City	120,000	140,000	4.12%
Mohamed Bin Zayed City	117,500	117,500	4.75%
Yas Island	230,000	250,000	5.56%
Al Reef	99,999	105,000	6.56%
Saadiyat Island	300,000	300,000	4.22%

Four Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROI
Khalifa City	155,000	160,000	5.33%
Mohamed Bin Zayed City	130,000	130,000	3%
Yas Island	300,000	340,000	5.68%
Al Reef	135,000	140,000	6.36%
Saadiyat Island	350,000	430,000	5.90%

Five Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROI
Khalifa City	170,000	170,000	5.23%
Mohamed Bin Zayed City	150,000	150,000	3%
Yas Island	300,000	330,000	4.85%
Al Reef	150,000	157,500	6.30%
Saadiyat Island	550,000	600,000	6.32%

# Dubai

## Real Estate Performance

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# Economic Overview

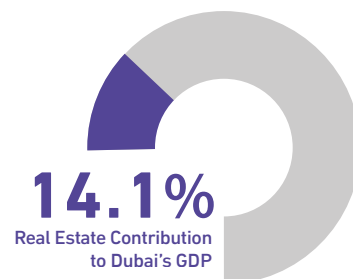
## The Emirate of Dubai

According to the recent data released by the Dubai Statistics Center, the real estate sector in Dubai made up approximately 14.1% of the city's GDP in 2022. The sector experienced a notable increase of 3.1% compared to the previous year. However, the construction sector witnessed a decline of 3% in 2022 when compared to 2021.

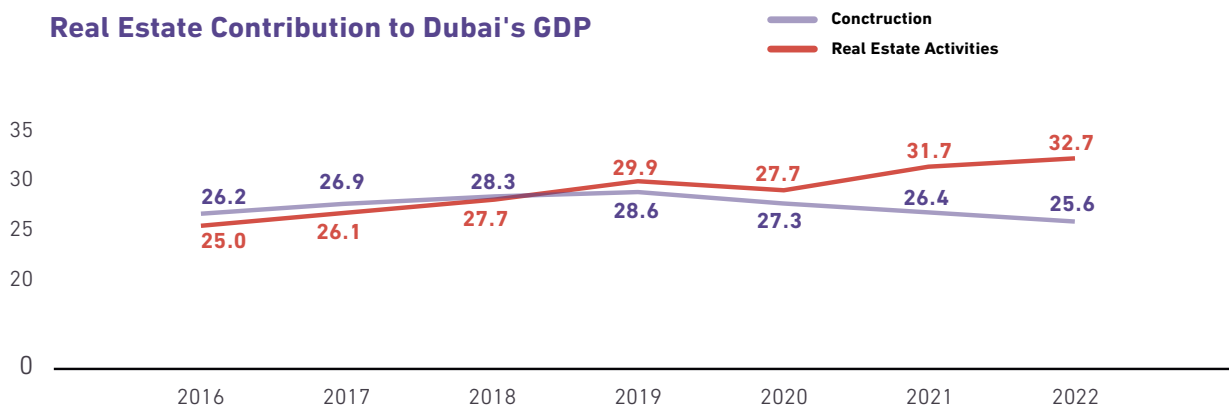
According to the Central Bank of the United Arab Emirates, in Q1 2023, Dubai witnessed a significant number of tourists, with a total of 4.7 million visitors. This figure was only 80 thousand less compared to the same period in 2019, showcasing a remarkable recovery. Furthermore, it represented an increase of 700 thousand tourists compared to the first quarter of 2022.

Despite the growth in the number of tourist establishments from 769 in Q1 2022 to 814 in Q1 2023, and an additional 8000 rooms becoming available, the hotel occupancy rate in Dubai remained relatively stable at 83% during the first quarter of 2023.

Simultaneously, there were changes in the average daily room rate. It rose by 22% when compared to 2019, indicating an increase in prices. However, in comparison to 2022, the average daily room rate experienced a decline of 6%. This decline could be attributed to the larger number of accommodations that became available in the market.



Real Estate Contribution to Dubai's GDP

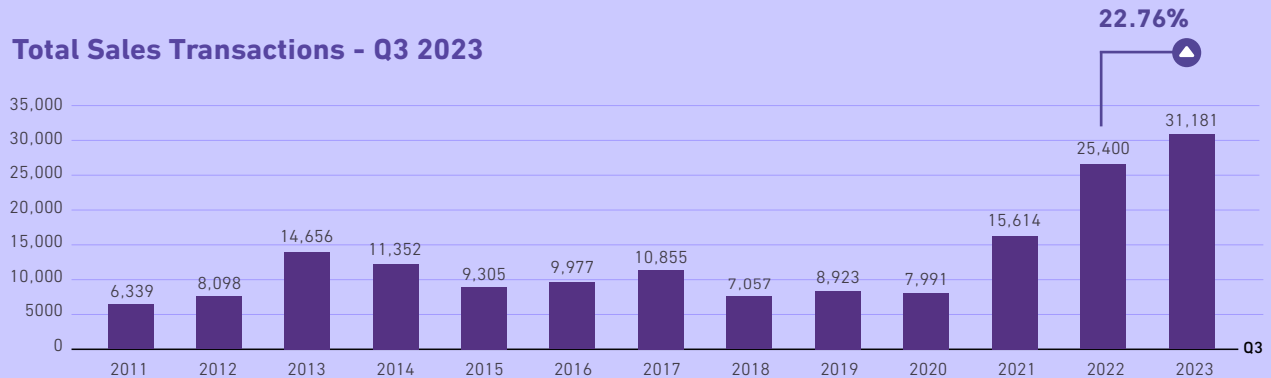


# MARKET Performance

## Total Sales Transactions Volume - Q3 2023

Off-plan, 47.19% Existing 52.81%

### Total Sales Transactions - Q3 2023



Source: Dubai Land Department

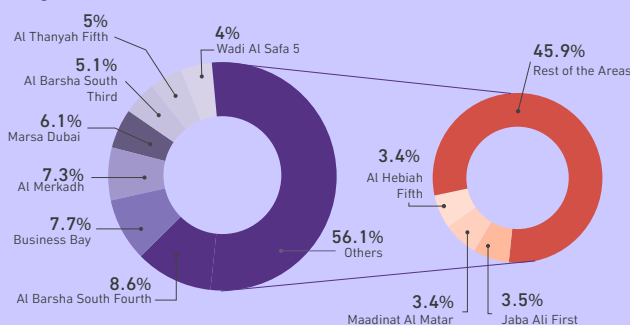
Q3 2023 witnessed a remarkable record for a quarter over the last decade. The registered sales reached 31,181 transactions compared to 25,400 transactions in Q3 2022, recording a sharp increase of 22.76% YoY to be the highest performance for a quarter for the last decade, driven by the outstanding performance of ready transactions.

In Q3 2023, a total of 132 areas saw real estate transactions, with 54.1% of the total transactions being accounted for by just ten areas. Leading the pack was Al Barsha South Fourth, which contributed 8.6% of the total transactions, followed by Business Bay at 7.7%, and Al Merkadh with almost 7.3%. Interestingly, there was a significant increase in demand for places out of the top ten areas, such as Al Hebiah Sixth which saw an almost 374% increase in transactions, as well as Zabeel Second with around 738% and Al Goze Second by recording 458 sales transactions compared to just one transaction in Q3 2022.

Looking at the top ten areas in terms of transaction volume, Al Thanyah Fifth saw a notable increase of 133%, followed by Wadi Al Safa 5 with an increase of 110% and Al Merkadh with a 80% increase.

The existing/ready transactions in Q3 2023 presented 52.8% of the total sales transactions compared to 53.5% in Q3 2022. The off-plan transactions contributed to 47.2% of the total sales transactions compared to 46.5% in Q3 2022.

### Relative Distribution of Total Transactions by Area - Q3 2023



Source: Dubai Land Department

### Top 10 Areas in Terms of Total Volume of Transactions

### Q3 2023 vs Q3 2022

Top 10 Areas in Terms of Total Volume of Transactions	Q3 2023 vs Q3 2022
Al Barsha South Fourth	75.72%
Business Bay	-22.53%
Al Merkadh	80.05%
Marsa Dubai	7.30%
Al Barsha South Third	36.95%
Al Thanyah Fifth	132.89%
Wadi Al Safa 5	109.62%
Jabal Ali First	-18.78%
Madinat Al Matar	55.40%
Al Hebiah Fifth	-34.23%

Source: Dubai Land Department

# MARKET Performance

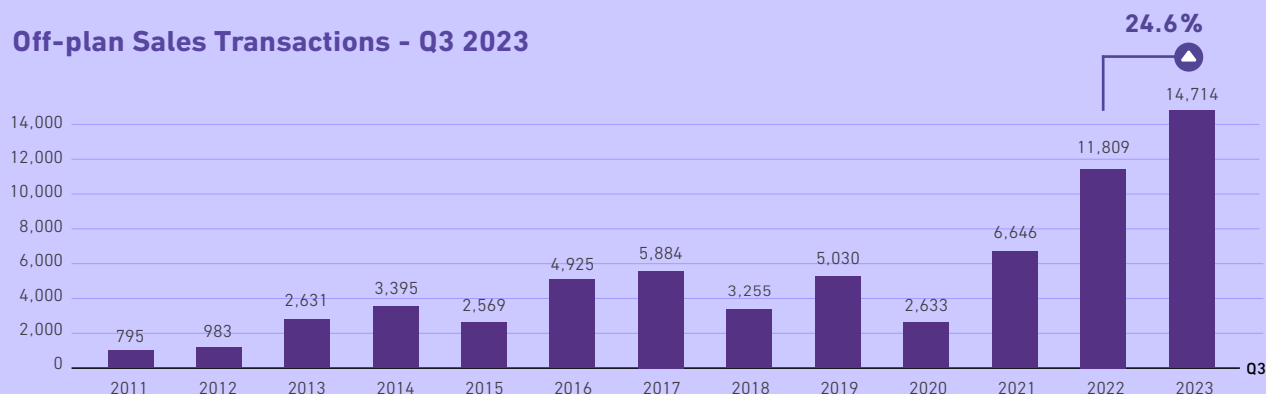
## Off-plan Sales Transactions Volume - Q3 2023

The off-plan sales witnessed a notable record by reaching 14,714 transactions in Q3 2023 compared to 11,809 in Q3 2022, recording around a 24.6% increase. The off-plan transactions contributed to 47.2% of the total transactions, to record the highest sales transaction volume for Q3 in a decade.

In Q3 2023, a total of 47 areas saw off-plan transactions, with 70.3% of the total transactions being accounted for by just ten areas. Leading the pack was Al Merkadh, which contributed to 11.85% of the total transactions, followed by Al Barsha South Fourth at 10.55%, and Business Bay with over 8.9%. Interestingly, there was a significant increase in demand out of the top areas, such as Al Barsha South Fifth which saw an almost 666% increase in transactions by recording 452, as well as Zabeel Second with around 1055%. It's worth mentioning that Q3 noted the emergence of Wadi Al Safa 2 which witnessed 102 transactions compared to only one in Q3 2022.

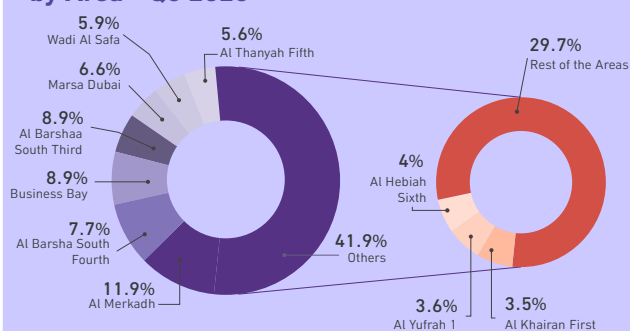
Looking at the top ten areas for the off-plan market in terms of transaction volume, Al Thanyah Fifth increased by 1905%, with the number of transactions increasing from 42 to a record 842 transactions in Q3 2023. Al Hebiah Sixth saw a remarkable increase of 642% while Wadi Al Safa 5 increased by 171%.

### Off-plan Sales Transactions - Q3 2023



Source: Dubai Land Department

### Relative Distribution of Total Transactions by Area - Q3 2023



Source: Dubai Land Department

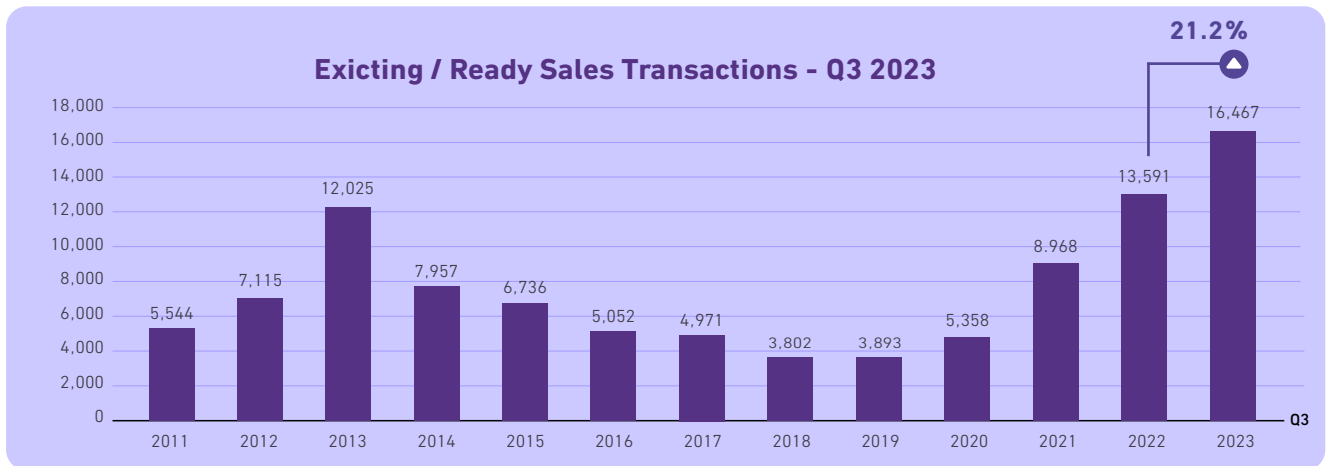
### Top 10 Areas in Terms of Total Volume of Transactions

Top 10 Areas in Terms of Total Volume of Transactions	Q3 2023 vs Q3 2022
Al Merkadh	68.9%
Al Barsha South Fourth	107.4%
Business Bay	-28.4%
Al Barsha South Third	39.9%
Marsa Dubai	26.1%
Wadi Al Safa 5	170.9%
Al Thanyah Fifth	1904.8%
Al Khairan First	-11.9%
Al Hebiah Sixth	641.5%
Al Yufrah 1	103.7%

Source: Dubai Land Department

# MARKET Performance

## Existing / Ready Sales Transactions Volume - Q3 2023

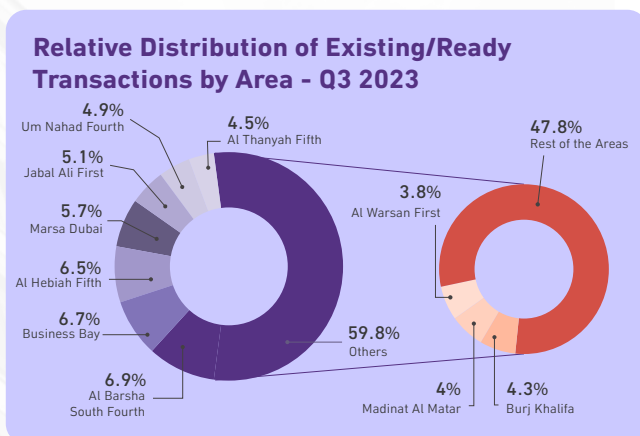


Source: Dubai Land Department

The existing sales witnessed a new record by reaching 16,467 transactions in Q3 2023 compared to 13,591 in Q3 2022, to be the highest performance for a quarter ever recorded. The ready/existing transactions witnessed a year-on-year increase of 21.2% compared to Q3 2022 and an increase of 7.24% compared to Q2 2023. The existing transactions contributed to 52.8% of the total transactions.

In Q3 2023, a total of 132 areas saw existing/ready transactions, with 52.2% of the total transactions being accounted for by just ten areas. Leading the pack was Al Barsha South Fourth, which contributed to 6.9% of the total transactions, followed by Business Bay at 6.7%, and Al Hebiah Fifth with over 6.5%. Interestingly, there was a significant increase in demand out of the top areas, such as Al Merkadh with around 133.5%. It's worth mentioning that Q3 2023 noted the emergence of Al Goze Second which witnessed 458 transactions, compared to one transaction in Q3 2022.

Looking at the top ten areas for the ready/existing market in terms of transaction volume, Madinat Al Matar saw a notable increase of 238.9%, followed by Al Barsha South Fourth with an increase of 44.6%, and Burj Khalifa with a 37.8% increase.



Source: Dubai Land Department

Top 10 Areas in terms of Volume of Transactions - Existing/Ready	Q3 2023 vs Q3 2022
Al Barsha South Fourth	44.6%
Business Bay	-13.9%
Al Hebiah Fourth	-33.2%
Marsa Dubai	-7.3%
Jabal Ali First	-11.3%
Um Nahad Fourth	NA
Al Thanyah Fifth	15.9%
Burj Khalifa	37.8%
Madinat Al Matar	238.9%
Al Warsan First	3.7%

Source: Dubai Land Department

# MARKET Performance

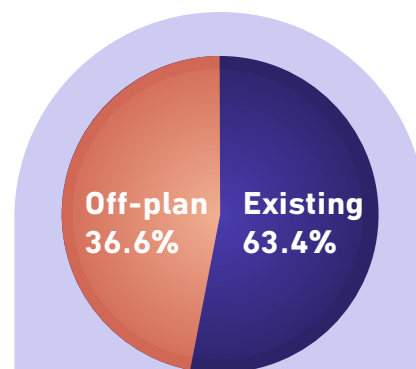
## Total Sales Transactions Value - Q3 2023

In Q3 2023, the sales transactions recorded the highest value ever for a quarter by reaching AED 97.54 billion compared to AED 69.38 billion in Q3 2022. The market value of sales transactions increased by 40.6% compared to Q3 2022, forming a new high for the total sales value. The strong economic growth and tourism industry have led to steady demand for housing, in addition to the instability of the global economy.

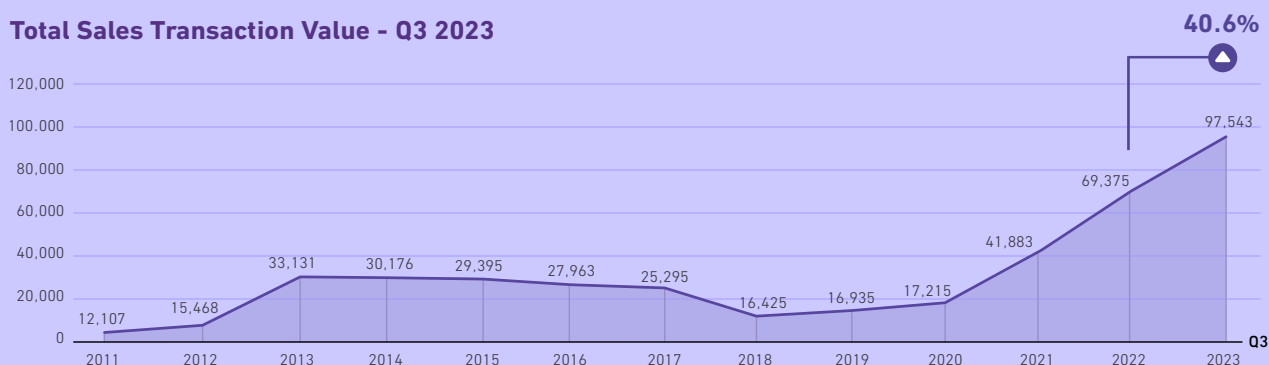
During Q3 2023, real estate transactions took place in 132 areas. The top ten areas accounted for 50.9% of the total transactions, with Marsa Dubai leading at 9.3% of the total transaction value, followed by Al Goze Second at 7.5% and Palm Jumeirah with over 7.1%. It's worth noting that there was a remarkable surge in demand for areas outside of the top ten. For instance, Al Hebiah Sixth saw a nearly 436% increase in transaction value recording AED 1.9 billion compared to AED 353.7 million, while Al Barsha South Third and Wadi Al Safa 5 recorded around 139% and 100% increases respectively, compared to Q3 2022.

Also, World Islands saw a significant jump in transaction value, from almost AED 20.5 million in Q3 2022 to over AED 720.7 million in Q3 2023. Most of them were off-plan transactions. New communities entered the list with noteworthy transactions, such as Um Nahad Fourth, which recorded transactions worth AED 1.1 billion, with all of them being ready properties.

Looking at the top ten areas in terms of transaction value, Al Goze Second saw a notable increase which recorded AED 7.4 billion compared to AED 1.6 billion in Q3 2022, followed by Wadi Al Safa 3 with an increase of 485%, and Al Thanyah Fifth with a 121% increase compared to Q3 2022.

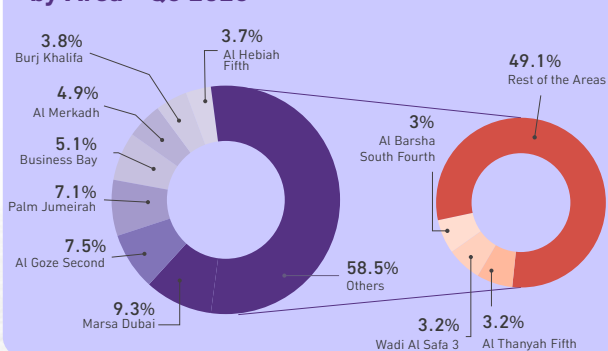


Total Sales Transaction Value - Q3 2023



Source: Dubai Land Department

Relative Distribution of Total Value by Area - Q3 2023



Source: Dubai Land Department

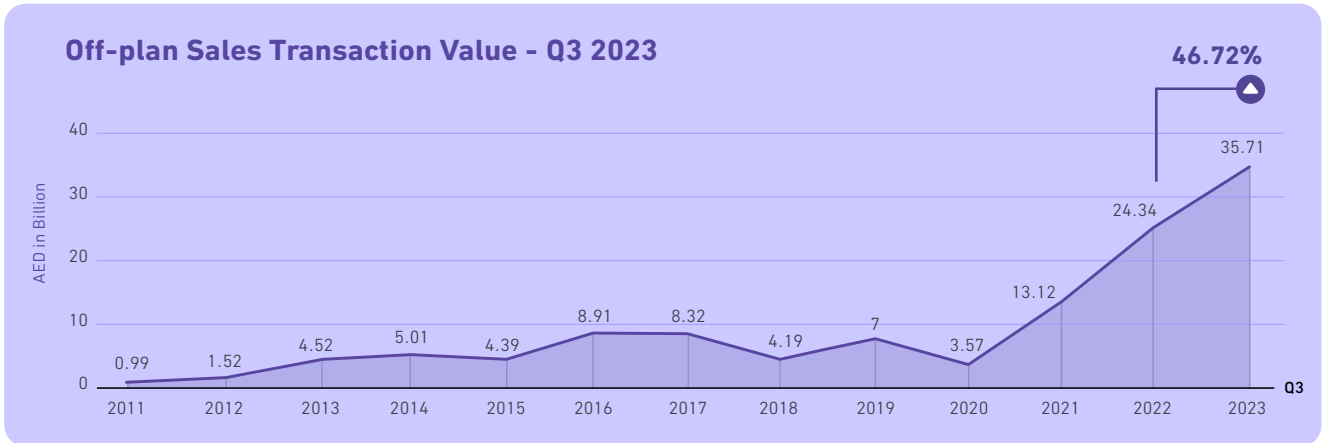
Top 10 Areas in Terms of Total Value of Transactions

Top 10 Areas in Terms of Total Value of Transactions	Q3 2023 Vs Q3 2022
Marsa Dubai	67.38%
Al Goze Second	NA
Palm Jumeirah	24.03%
Business Bay	-2.72%
Al Merkadh	63.93%
Burj Khalifa	-18.27%
Al Hebiah Fifth	-9.82%
Al Thanyah Fifth	121.47%
Wadi Al Safa 3	485.47%
Al Barsha South Fourth	84.26%

Source: Dubai Land Department

# MARKET Performance

## Off-plan Sales Transaction Value - Q3 2023



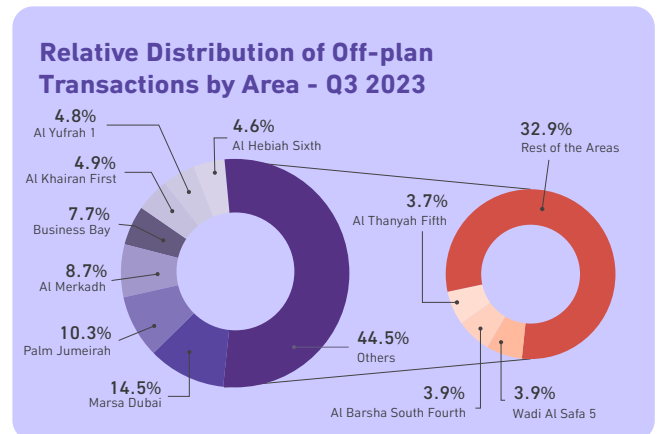
Source: Dubai Land Department

The off-plan sales created a notable record by reaching a value worth AED 35.71 billion in Q3 2023 compared to AED 24.34 billion in Q3 2022, registering around a 46.72% increase. The off-plan transactions contributed to 36.6% of the total transactions' value witnessing the highest value for Q3 ever recorded.

In Q3 2023, a total of 47 areas saw off-plan transactions, with 67.1% of the total transactions' value being accounted for by just ten areas. Leading the pack was Marsa Dubai, which contributed 14.5% of the total transactions' value, followed by Palm Jumeirah at 10.3% and Al Merkadh with over 8.72%.

Interestingly, there was a significant increase in demand out of the top areas, such as Zabeel First which saw transactions worth AED 722.3 million compared to AED 50 million in Q3 2022, as well as Al Barsha South Fifth by recording transactions worth AED 484 million compared to AED 45 million for the same period.

Looking at the transaction values for the top ten areas in the off-plan market, Al Thanyah Fifth saw a remarkable surge by recording AED 1.4 billion compared to AED 39 million in Q3 2022, followed by Al Hebiah Sixth at 792% and Al Yufrah 1 at 285% compared to Q3 2022.



Source: Dubai Land Department

Off-plan top 10 Areas in terms of the transaction value in Q3 2023	Q3 2023 Vs Q3 2022
Marsa Dubai	84%
Palm Jumeirah	67%
Al Merkadh	103%
Business Bay	-8%
Al Khairan First	29%
Al Yufrah 1	285%
Al Hebiah Sixth	792%
Wadi Al Safa 5	169%
Al Barsha South Fourth	158%
Al Thanyah Fifth	3403%

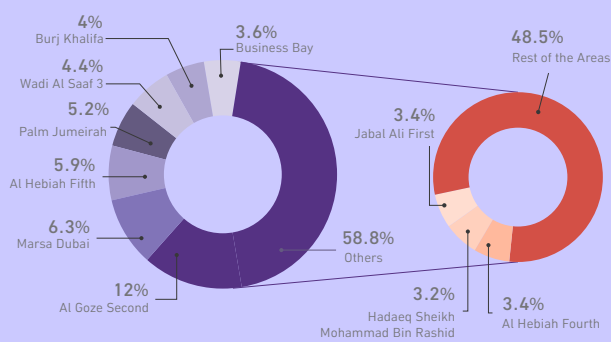
Source: Dubai Land Department

# MARKET Performance



## Existing/Ready Sales Transactions Value - Q3 2023

**Relative Distribution of the Existing/Ready Transaction Value by Area - Q3 2023**



Source: Dubai Land Department

**Existing/Ready Top 10 Areas in terms of transaction Value in Q3 2023**

Existing/Ready Top 10 Areas in terms of transaction Value in Q3 2023	Q3 2023 Vs Q3 2022
Al Goze Second	NA
Marsa Dubai	49.1%
Al Hebiah Fifth	-8%
Palm Jumeirah	-4.6%
Wadi Al Safa 3	452.9%
Burj Khalifa	38.9%
Business Bay	4.2%
Al Hebiah Fourth	10.8%
Jabal Ali First	-9.3%
Hadaeq Sheikh Mohammed Bin Rashid	-2.2%

Source: Dubai Land Department

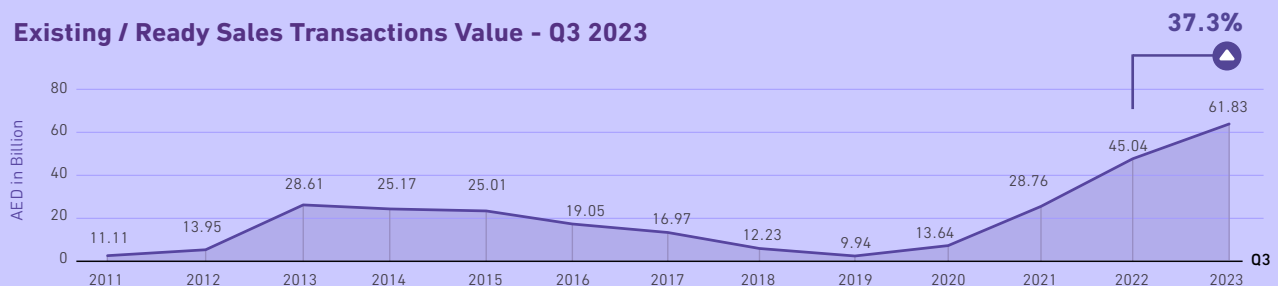
In the third quarter of 2023, the existing/ready sales value hit a new record high of AED 61.8 billion compared to AED 45.03 billion in Q3 2022, marking a remarkable increase of 37.3%. To record the highest transaction value ever recorded for a quarter, with an 11.2% increase from Q2 2023.

In Q3 2023, a total of 132 areas saw existing/ready transactions, with 51.45% of the total transactions' value being accounted for by just ten areas. Leading the pack was Al Goze Second, which contributed 12% of the total transactions' value, followed by Marsa Dubai at 6.3%.

Interestingly, there was a significant increase in demand out of the top areas, such as Palm Deira, which recorded transactions worth AED 933 million compared to AED 17 million in Q3 2022, as well as Trade Center First by recording transactions worth AED 510 million compared to AED 13 million for the same period.

Looking at the top ten areas for the existing/ready market in terms of transaction value, Al Goze Second saw a remarkable increase from AED 1.6 billion in Q3 2022 to AED 7.4 billion followed by Wadi Al Safa 3, which saw an increase of 453%, followed by Marsa Dubai with an increase of 46%.

**Existing / Ready Sales Transactions Value - Q3 2023**



Source: Dubai Land Department

# MARKET Performance

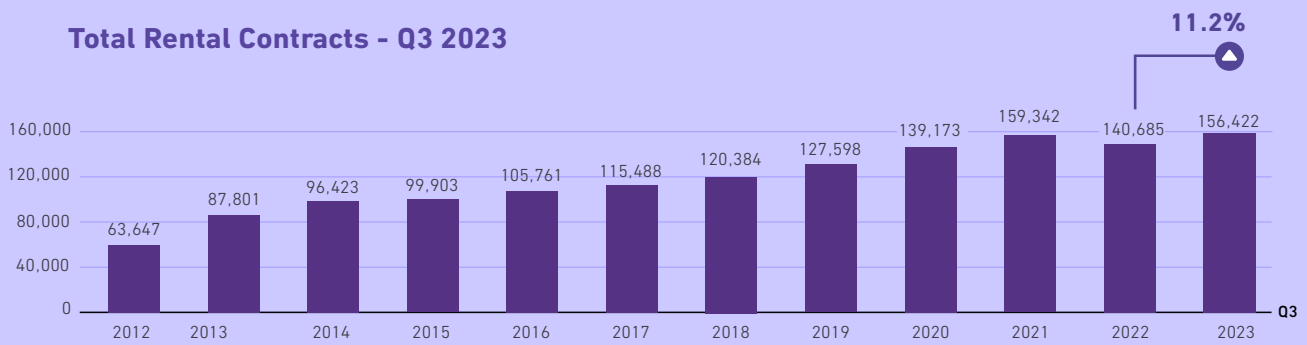
## Total Rental Contracts - Q3 2023

Dubai has a relatively stable rental market compared to the global markets. In Q3 2023, the rental contracts witnessed a year-on-year increase of 11.2% by registering 156,422 contracts compared to 140,685 contracts in Q3 2022. It is noteworthy that tenants changed their behaviour, preferring to own a home instead of renting, driven by the surge in average market value for renting.

According to Dubai Land Department's data, in Q3 2023, around 54.2% of the total rental contracts were new contracts, while 45.8% were renewals. Annual contracts contributed to 92.53% of total contracts compared to 87.33% in Q3 2022 while the non-annual contracts shrunk by 7.5% to represent just 12.67% of the total contracts. Moreover, the residential contracts represented around 69.74% of the total rental contracts, while 29.22% were registered for commercial contracts and others.

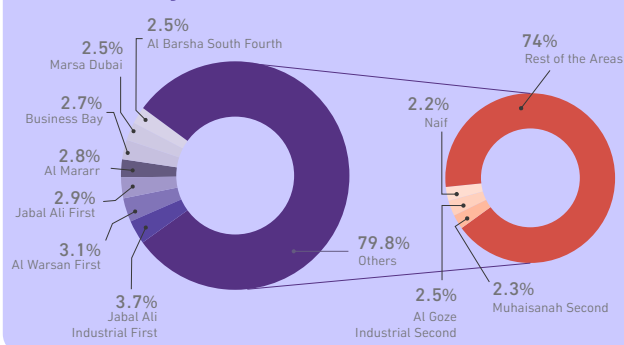
Looking at the top ten areas in terms of contract volume, Al Mararr saw a notable increase of 56.1%, followed by Al Goze Industrial Second with an increase of 16.2%, and Naif with a 11.6% increase.

### Total Rental Contracts - Q3 2023



Source: Dubai Land Department

### Relative Distribution of Total Rental Contracts by Area - Q3 2023



Source: Dubai Land Department

### Top 10 Areas in Terms of the Contracts' Volume

### Q3 2023 Vs Q3 2022

Jabal Ali Industrial First	1.6%
Al Warsan First	-0.2%
Jabal Ali First	0.9%
Al Mararr	56.1%
Business Bay	4.8%
Marsa Dubai	3.4%
Al Barsha South Fourth	8.5%
Al Goze Industrial Second	16.2%
Muhaisanah Second	-9.4%
Naif	11.6%

Source: Dubai Land Department

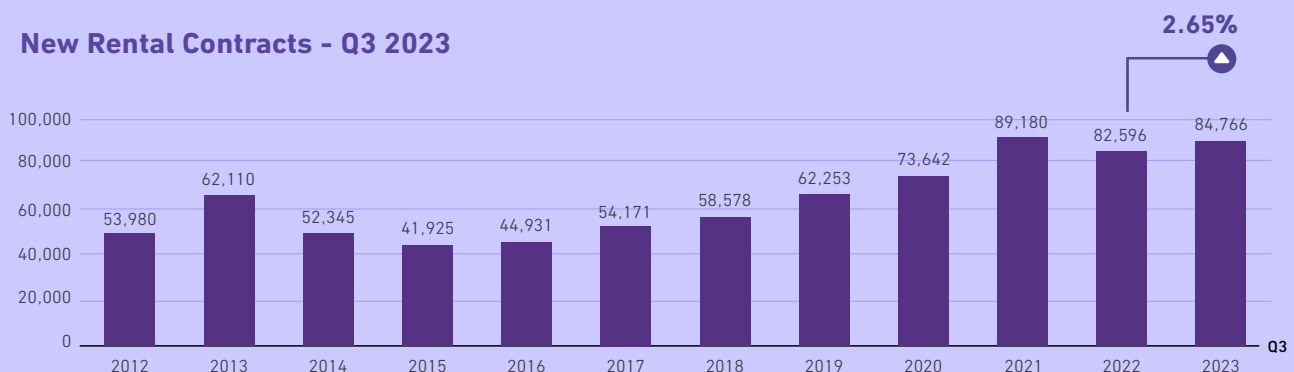
# MARKET Performance

## New Rental Contracts - Q3 2023

In Q3 2023, the new contracts witnessed an increase of 2.63% by registering 84,766 contracts compared to 82,596 contracts in Q3 2022. The quarter-on-quarter analysis shows that Q3 2023 witnessed a significant increase of 20.97% compared to 70,074 registered contracts in Q2 2023.

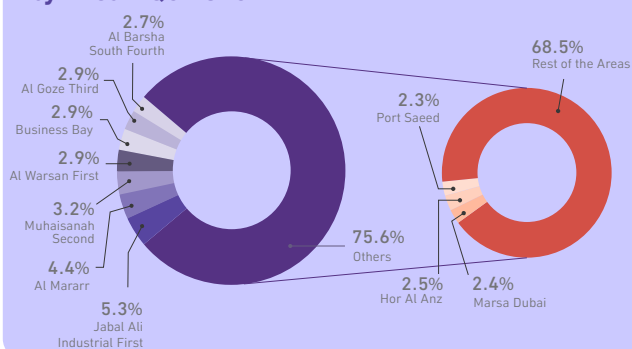
Looking at the top ten areas in terms of contract volume, Hor Al Anz saw a notable increase of 318% for the second quarter on row, followed by Al Mararr with an increase of 77%, and Al Goze Third with a 74.5% increase compared to Q3 2022.

### New Rental Contracts - Q3 2023



Source: Dubai Land Department

### Relative Distribution of the New Contracts by Area - Q3 2023



Source: Dubai Land Department

### Top 10 Areas in Terms of New Contracts Volume

### Q3 2023 Vs Q3 2022

Top 10 Areas in Terms of New Contracts Volume	Q3 2023 Vs Q3 2022
Jabal Ali Industrial First	4.1%
Al Mararr	77.3%
Muhaisanah Second	15.5%
Al Warsan First	-0.8%
Business Bay	-1.1%
Al Goze Third	74.5%
Al Barsha South Fourth	-11.9%
Hor Al Anz	317.5%
Marsa Dubai	-5.7%
Port Saeed	5.3%

Source: Dubai Land Department

# MARKET Performance

## Renewed Contracts Volume - Q3 2023

In Q3 2023, the renewed contracts supported the rental market by registering 71,696 contracts, witnessing an increase of 23.36% compared to 58,089 contracts in Q3 2022. The quarter-on-quarter analysis revealed that the renewed market increased by 17% compared to 61,219 registered contracts in Q2 2023.

Looking at the top ten areas in terms of contract volume, Al Barsha South Fourth saw a notable increase of 45%, followed by Al Goze Industrial Second with an increase of 26.6% and Al Karama with a 16% increase.

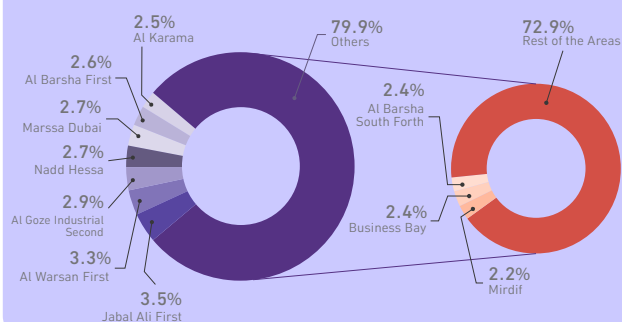


### Renewed Contracts - Q3 2023



Source: Dubai Land Department

### Relative Distribution of the Renewed Contracts by Area - Q3 2023



Source: Dubai Land Department

### Top 10 Areas in Terms of Renewed Contracts Volume

### Q3 2023 Vs Q3 2022

Jabal Ali First	5.8%
Al Warsan First	0.2%
Al Goze Industrial Second	26.6%
Marsa Dubai	12.4%
Nadd Hessa	14.4%
Al Barsha First	14.2%
Al Karama	15.8%
Business Bay	12.3%
Al Barsha South Fourth	45.4%
Mirdif	15.4%

Source: Dubai Land Department

# MARKET Trends

## Dubai Market Trends - Q3 2023

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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 sales average asking price of properties in Q3 2022, to its current value in Q3 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 Q3 2023.



## TOP AREAS

## FOR SALE IN Q3 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. Al Furjan
5. DAMAC Hills





# MARKET Trends

## Sales Market Trends for Apartments - Q3 2023

Based on proprietary data from Property Finder, the average asking price for apartments in Q3 2023 surged by 18% compared to Q3 2022. Driven by the price increase of studios which witnessed a 15% surge compared to Q3 2022, along with four- and five-bedroom apartments which witnessed a significant increase of 16% and 43%, respectively.

The data of the most demanded areas show that one-bedroom apartments' average sales price increased from AED 1.6 million to AED 1.9 million, while two-bedroom apartments' prices rose from AED 2.5 million to AED 3 million. Moreover, the three-bedroom apartments' sales asking price significantly increased from AED 3.9 million to AED 4.9 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 23%, 44% and 56% Return-on-Capital-Gains (ROCG), respectively compared to Q3 2022 average asking price.

Business Bay and Jumeirah Village Circle (JVC) also observed a notable increase in Q3 2023 compared to Q3 2022. The one and two-bedroom apartments in Business Bay witnessed a 28% increase. Additionally, the prices of one-bedroom apartments in JVC grew by 21.4%, while two and three-bedroom apartments recorded a 28% and 34% increase, respectively.



One Bedroom	Q3 2022 Average Price	Q3 2023 Average Price	ROCG
Dubai Marina	1,300,000	1,545,000	18.8%
Downtown Dubai	1,800,000	1,950,000	8.3%
Jumeirah Village Circle	700,000	850,000	21.4%
Business Bay	1,380,000	1,765,000	27.9%
Palm Jumeirah	2,780,000	3,430,000	23.4%

Two Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROCG
Dubai Marina	2,159,000	2,500,000	15.8%
Downtown Dubai	3,500,000	3,600,000	2.0%
Jumeirah Village Circle	1,130,000	1,450,000	28.3%
Business Bay	2,070,000	2,650,000	28%
Palm Jumeirah	3,600,000	5,200,000	44.4%

Three Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROCG
Dubai Marina	3,400,000	3,900,000	14.7%
Downtown Dubai	6,600,000	6,871,000	3.2%
Jumeirah Village Circle	1,600,000	2,150,000	34.4%
Business Bay	3,000,000	4,000,000	33.3%
Palm Jumeirah	4,800,000	7,500,000	56.3%



# MARKET Trends

## Sales Market Trends for Villas - Q3 2023

In Q3 2023, there was a significant increase in the average asking price for villas, ranging from 24% compared to Q3 2022. The data of the most demanded areas indicate that the average sales price of three-bedroom villas rose from AED 4.3 million to AED 5.4 million, while four-bedroom villas saw an increase from AED 7.2 million to AED 11 million. Furthermore, the sales price for five-bedroom villas surged from AED 10.4 million to AED 14.8 million.

The average price of villas varied depending on the location. Palm Jumeirah witnessed the highest average price for four-bedroom villas, leading to a respective 73% increase in Return-on-Capital-Gains (ROCG). However, the surge in the average price was not exclusive to Palm Jumeirah, as Dubai Hills Estate has recorded a significant increase in ROCG, with a 55% increase for five-bedroom villas. Additionally, Al Furjan witnessed a significant increase in the average asking price of four-bedroom villas by 25% (ROCG) and five-bedroom villas by 16%.



Three Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROCG
Dubai Hills Estate	4,097,000	5,847,600	42.7%
Palm Jumeirah	8,965,000	11,250,000	25.5%
Arabian Ranches	3,175,000	3,895,000	22.7%
Al Furjan	2,600,000	3,000,000	15.4%
DAMAC Hills	2,600,000	2,950,000	13.5%

Four Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROCG
Dubai Hills Estate	4,000,000	5,000,000	25%
Palm Jumeirah	20,862,000	36,072,000	72.9%
Arabian Ranches	4,850,000	6,500,000	34%
Al Furjan	2,560,000	3,300,000	25%
DAMAC Hills	3,886,000	4,500,000	15.8%

Five Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROCG
Dubai Hills Estate	8,440,000	13,062,000	54.76%
Palm Jumeirah	25,000,000	38,000,000	52%
Arabian Ranches	6,900,000	9,400,000	36.23%
Al Furjan	4,750,000	5,500,000	15.79%
DAMAC Hills	7,071,000	8,166,000	15.49%



## TOP AREAS

## FOR RENT IN Q3 2023



## Apartments

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



## Villas &amp; Townhouses

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





# MARKET Trends

## Rental Market Trends for Apartments - Q3 2023

Property Finder's proprietary data revealed that Dubai Marina, Jumeirah Village Circle (JVC), Business Bay, Downtown Dubai and Jumeirah Lake Towers (JLT) remained the preferred choices for apartments for renters in Q3 2023.

According to Property Finder asking price, rents in Dubai in Q3 2023 increased significantly compared to Q3 2022. On average, rent prices increased by 15%. The increase was more significant for studio, one, two and three-bedroom apartments with an increase of 20%, 23.1%, 22.7%, and 22.2% respectively. The most searched area, Jumeirah Village Circle (JVC) witnessed the highest average rent price increase for three-bedroom apartments, with a 45% increase, followed by Dubai Marina with a 38% increase.

JVC, one of the most searched areas, witnessed the highest ROI for one and three-bedroom apartments with 7.6% and 7.4%, respectively. While Dubai Marina had the highest rental yields (ROI) for two-bedroom apartments with 6.6%.



One Bedroom	Q3 2022 Average Price	Q3 2023 Average Price	ROI
Dubai Marina	90,000	105,000	6.8%
Jumairah Village Circle	50,000	65,000	7.6%
Business Bay	110,000	130,000	7.4%
Downtown DUBai	75,000	90,000	4.6%
Jumairah Lake Towers	65,000	80,000	5.9%

Two Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROI
Dubai Marina	140,000	165,000	6.6%
Jumairah Village Circle	70,000	95,000	6.55%
Business Bay	130,000	150,000	5.66%
Downtown DUBai	215,000	220,000	6.11%
Jumairah Lake Towers	95,000	115,000	5.9%

Three Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROI
Dubai Marina	200,000	275,000	7.1%
Jumairah Village Circle	110,000	160,000	7.4%
Business Bay	170,000	220,000	5.5%
Downtown DUBai	330,000	350,000	5.1%
Jumairah Lake Towers	149,000	160,000	5.14%



# MARKET Trends



## Rental Market Trends for Villas - Q3 2023

Property Finder's proprietary data revealed that in Q3 2023, Dubai Hills Estate, Damac Hills 2, Al Barsha, Jumeirah and Damac Hills emerged as the top choices among renters searching for villas. However, prospective renters should prepare to pay a higher price than in the previous year, as average rental prices for villas in Dubai increased by around 24.5% compared to Q3 2022, according to Property Finder's asking price data. The average rental price for a three-bedroom villa rose by 38%, while four-bedroom villas experienced a 32% hike and five-bedroom villas saw an increase of 8%.

Al Barsha was the most profitable area in Q3 2023 for renting a three and four-bedroom villa, with the highest return on investment (ROI) of 9.3% and 8.3% respectively, followed by Damac Hills with 8.2% for four-bedroom villas, while the same area recorded 7.12% for three-bedrooms.

Damac Hills 2 also topped the list for rental yields (ROI) in the most sought-after areas of Dubai for three-bedroom villas with a 6.3%, while four-bedroom and five-bedroom villas recorded a 6% and 5.6% 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	Q3 2022 Average Price	Q3 2023 Average Price	ROI
Dubai Hills Estate	300,000	330,000	5.6%
Damac Hills 2	65,000	90,000	6.3%
Al Barsha	325,000	375,000	9.3%
Jumeirah	232,500	230,000	1.6%
Damac Hills	180,000	210,000	7.1%

Four Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROI
Dubai Hills Estate	280,000	280,000	5.6%
Damac Hills 2	70,000	110,000	6%
Al Barsha	230,000	375,000	8.3%
Jumeirah	300,000	380,000	2%
Damac Hills	360,000	370,000	8.2%

Five Bedrooms	Q3 2022 Average Price	Q3 2023 Average Price	ROI
Dubai Marina	450,000	415,000	3.2%
Jumairah Village Circle	100,000	140,000	5.6%
Business Bay	300,000	400,000	4.3%
Downtown Dubai	370,000	350,000	3.8%
Jumairah Lake Towers	380,000	400,000	4.9%



# The Official Real Estate Indices For the Emirates of Dubai

## Mo'asher Q3 - 2023

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# MO'ASHER

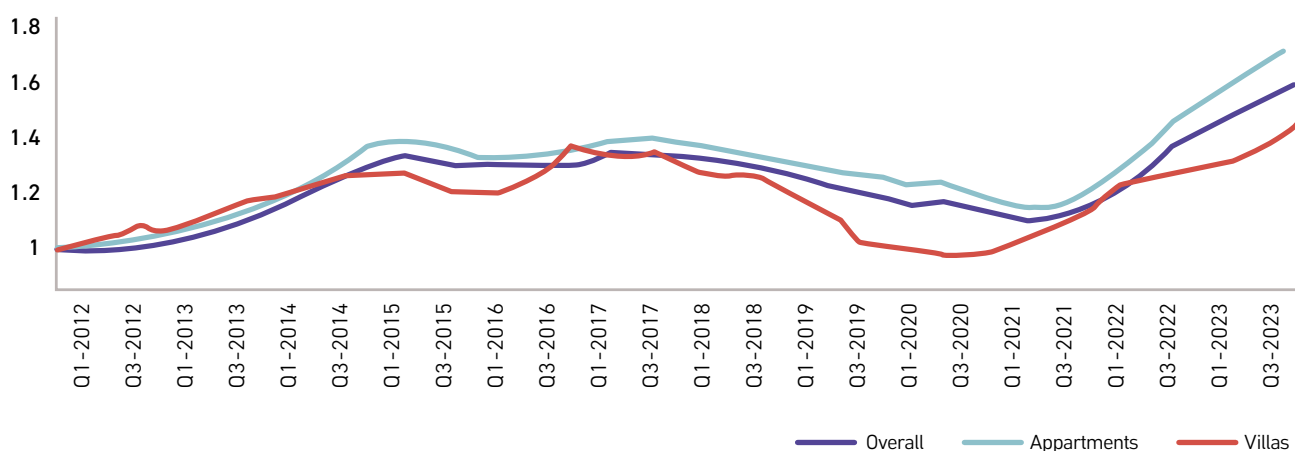
## - Q3 2023



### The Official Sales Price Index - Q3 2023

In Q3 2023, the overall quarterly Index for sales recorded 1.554 and an Index price of AED 1,429,187. The apartments quarterly sales Index recorded 1.676 and an Index price of AED 1,390,272, and the villas/townhouses quarterly sales Index recorded 1.443 and an Index price of AED 2,473,730.

The Index showed growth in all categories. Year on Year (YoY), from Q3 2022 to Q3 2023, the overall Index surged from 1.383 to 1.554, indicating a 12.4% increase. The Apartment segment displayed the most significant YoY growth, jumping from 1.444 to 1.676. Villas experienced a growth from 1.276 to 1.443. While the Apartment segment dominated in YoY growth, the Villas category showed a more rapid QoQ appreciation. Overall, Q3 2023 reflects 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.



Time	Overall Index	Appartments	Villas
QoQ	↗ 2.71%	↗ 3.46%	↗ 5.87%
6M	↗ 6.37%	↗ 7.71%	↗ 9.82%
9M	↗ 9.13%	↗ 11.73%	↗ 11.34%

# MO'ASHER

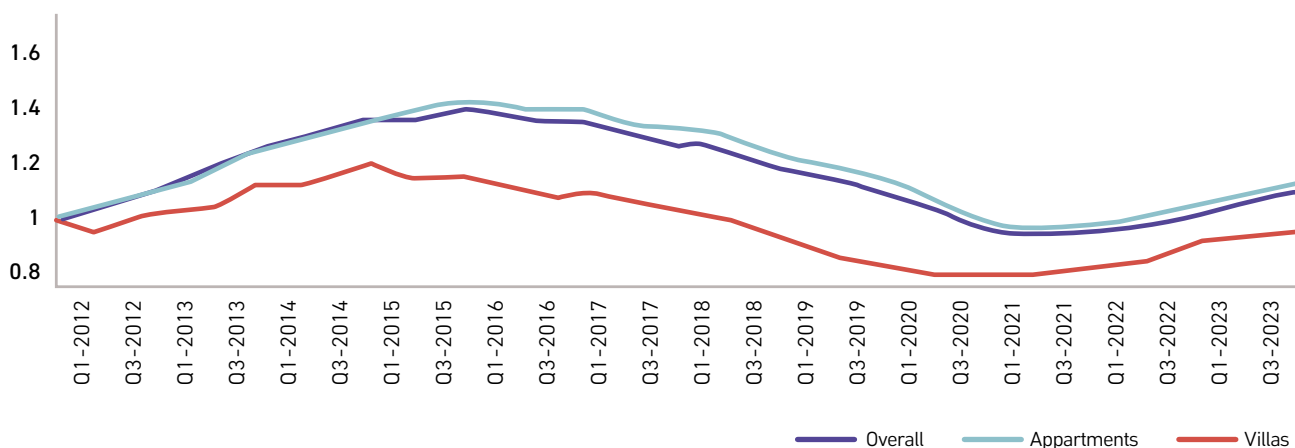
## - Q3 2023



### The Official Rental Performance Index - Q3 2023

The overall quarterly Index for rental in Q3 2023 recorded 1.08 and an Index price of AED 58,036, the apartments quarterly rental Index recorded 1.104 and an Index price of AED 53,005, and the villas/townhouses quarterly rental Index recorded 0.969 and an Index price of AED 150,181.

In Q3 2023, the Rental Performance Index displayed a noteworthy uptick across all categories. The overall rental Index stood at 1.08, indicating an improved rental environment compared to previous quarters. Specifically, apartments witnessed a boost with an Index of 1.104, showcasing a rise in demand or potentially a decrease in available units, leading to heightened rental performance. Villas, although trailing slightly behind apartments, still saw an encouraging increase, registering an Index of 0.969. This quarter's positive shift suggests a more robust and possibly revitalizing real estate market in Dubai, especially after the challenges faced in the preceding years.



Time	Overall Index	Apartments	Villas
QoQ	↗ 2.76%	↗ 2.79%	↗ 2.76%
6M	↗ 5.16%	↗ 4.94%	↗ 3.86%
9M	↗ 7.14%	↗ 6.77%	↗ 5.33%

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