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 Reliant
Surveyors

UAE REAL ESTATE MARKET UPDATE Q3 2024 DUBAI



Foreward

On behalf of **Reliant Surveyors**, I am pleased to present the **Q3 2024 Dubai Real Estate Market Report**, showcasing significant growth and resilience in Dubai's real estate sector.

Key highlights include:

39% YoY rise in transaction volume and value, underpinned by strong investor confidence.

19% Quarterly and 51% YoY growth in off-plan property transactions, driving a 32% YoY surge in total residential sales.

80% of transactions are apartments, with 70% linked to off-plan properties, and over 7,000 new units (6,000 apartments) entering the market.

This robust performance reflects the sector's maturity and continued expansion. At Reliant Surveyors, we remain dedicated to delivering insights and tailored services to navigate this dynamic landscape effectively. Explore this report to understand the evolving real estate trends in Dubai.

Abhinav Sharma
Partner - Valuations & Investments
Reliant Surveyors



Real Estate Market Highlights

Q3 2024

Dubai Villa Transactions

1,200 Transactions

Averaging AED 4.5 million. Strong demand drives luxury market growth.

Dubai Apartment Sales

2,500 Transactions

With an average price of AED 1.8 million. Affordable units see high investor interest.

Overall Residential Market Growth

15% Increase

In total residential transactions year-on-year. Resilience in demand despite market fluctuations.

Off-Plan Property Demand

45% of Transactions

In off-plan properties. Investors seek potential capital appreciation and flexible payment plans.

Secondary Market Performance

55% of Sales

Come from secondary market transactions. Established neighborhoods retain investor interest and stability.

Rental Market Trends

5% Increase

In rental prices across both cities. Increased demand for long-term rentals boosts investor confidence.



Dubai Apartment Market Trends & Insight

The UAE's economy demonstrates resilience with GDP growth forecasts of **3.4%** for **2023**, **3.5%** for **2024**, and **4.2%** for **2025**. However, **Q3 2024** saw oil prices drop **11.5%** (from **AED 305** to **AED 270** per barrel), affecting overall growth. Inflation also rose, with the CPI increasing 2.37% year-on-year, driven by geopolitical risks and disrupted supply chains.

Despite economic challenges, the hospitality sector flourished, with **10.6 million visitors** between **January and July 2024**, an **8%** increase year-on-year, supporting broader economic activity.

In real estate, **Q3 2024** showed dynamic growth:

- **39%** YoY rise in transaction volumes and values.
- Off-plan transactions grew **19%** quarterly and **51%** YoY, signaling strong investor interest in new developments.
- The secondary market posted a **10%** quarterly and **18%** annual rise in transaction volumes.
- Total residential sales surged **32%** YoY, with off-plan values up **37%** and secondary market values rising **19%**.

This robust performance underscores Dubai's strong market fundamentals and investor confidence



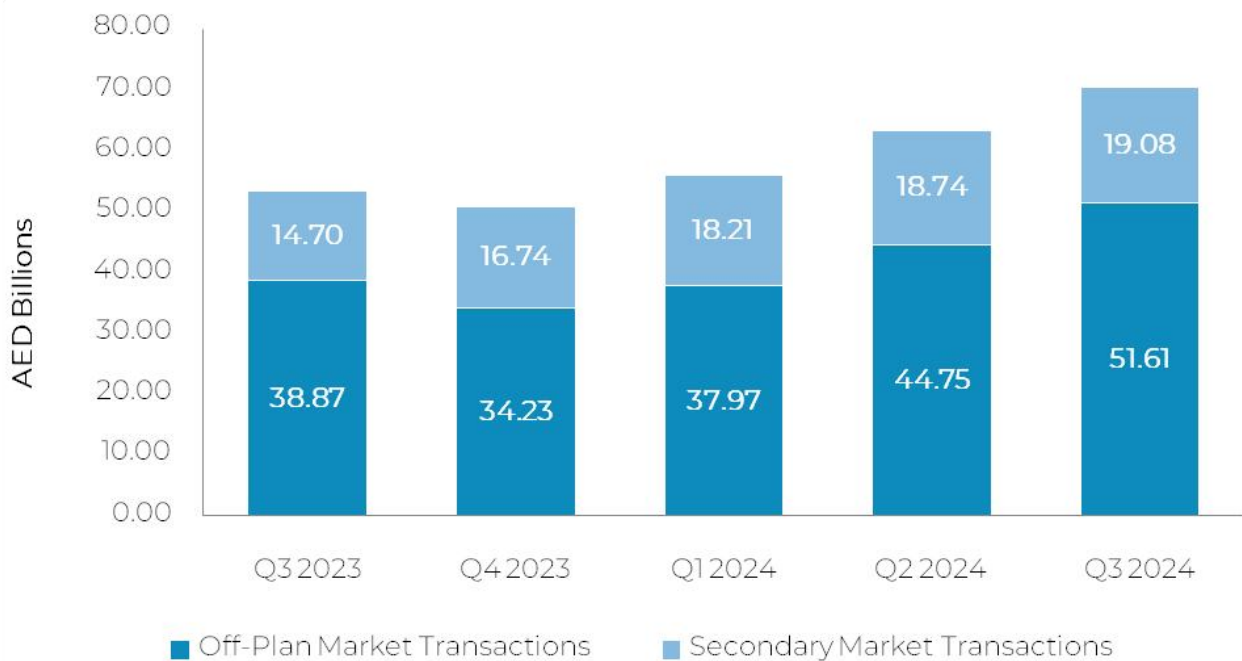
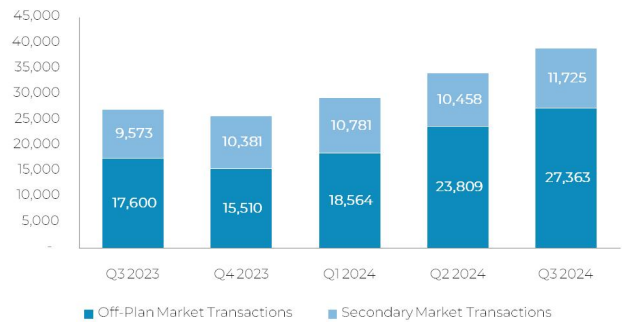
Off Plan Market

↑ **39%** Volume

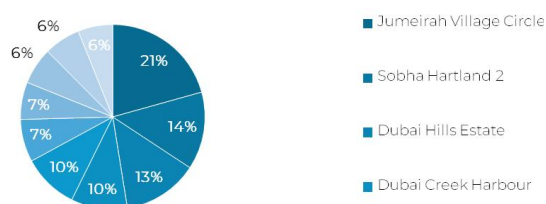
↑ **19%** Value

**Secondary
Market** ↑ **18%** Volume

↑ **19%** Value



Top 10 Areas for Offplan Apartment Transactions



Top 10 Areas for Ready Apartment Transactions



Off-plan market hits **AED 6B**,
Jumeirah Village Circle & Downtown
Dubai lead high-growth areas.



Dubai Villa Market Trends & Insight

The UAE's economy shows steady growth with GDP projections of **3.4% for 2023, 3.5% for 2024, and 4.2% for 2025**. However, oil prices dropped **11.5% in Q3 2024** (from **AED 305 to AED 270** per barrel), impacting economic momentum. Inflation rose **2.37% YoY**, driven by geopolitical risks and disrupted supply chains.

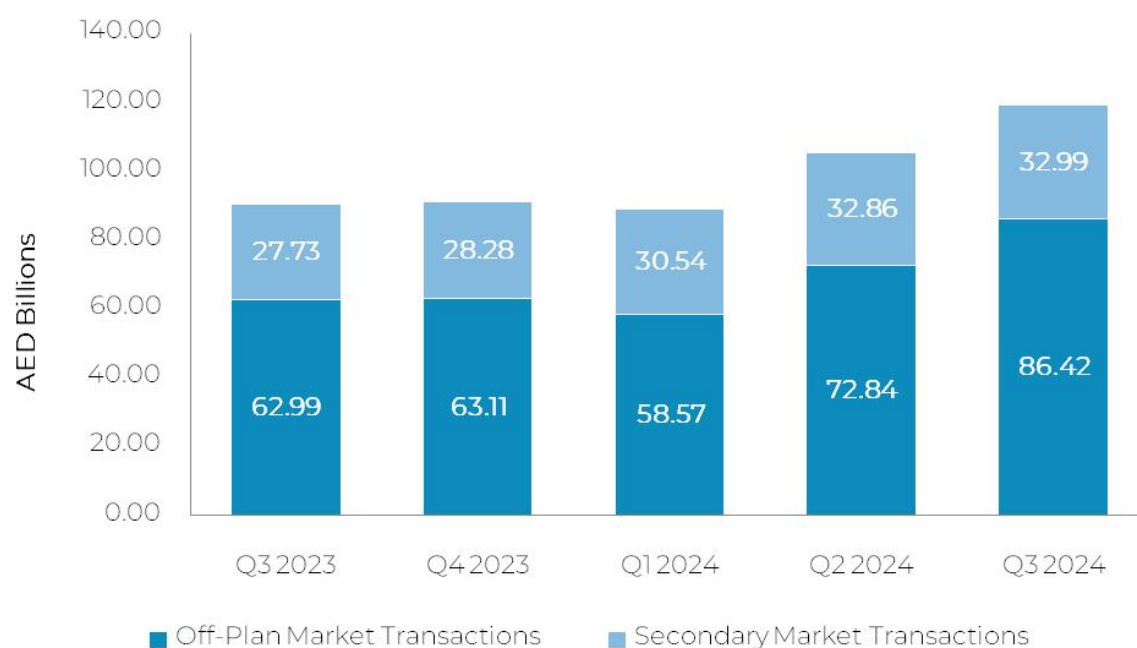
Key real estate trends in **Q3 2024**:

- **39%** YoY rise in transaction volume and value.
- Off-plan sales increased **19%** quarterly and **51%** YoY, signaling strong investor confidence in new developments.
- Secondary market transactions grew **10%** quarterly and **18%** YoY.
- Total residential sales values surged **32%** YoY and **13%** quarterly, with off-plan sales up **37%** YoY and secondary sales rising **19%**.

Tourism contributed positively, with **10.6 million visitors** recorded between **January and July 2024**, an **8%** YoY increase, further boosting market activity. These metrics highlight Dubai's dynamic villa market, driven by a preference for modern developments and sustained investor interest.



Value of Residential Sales Transactions



Dubai Residential Supply



Dubai's housing supply expands:

7,000+ units added, **76,000**
projected for **2025**.



Robust Growth in Dubai's Housing Supply : New Units on the Horizon

During this quarter, the market saw the addition of over 7,000 new units. Of these, more than 6,000 units were apartments, while villa deliveries accounted for approximately 1,000 units.

Based on developer announcements, approximately 25,000 units are expected to be introduced to the market by the end of 2024, with a further 76,000 units projected for delivery in the subsequent year. Going forward, we anticipate supply addition will remain strong as the city matures and developers capitalize on the growth momentum.

New Unit Additions In Dubai's Real Estate Market



Total New Units:
Over **7,000**



Apartments:
More than **6,000**



Villas: More
than **1,000**

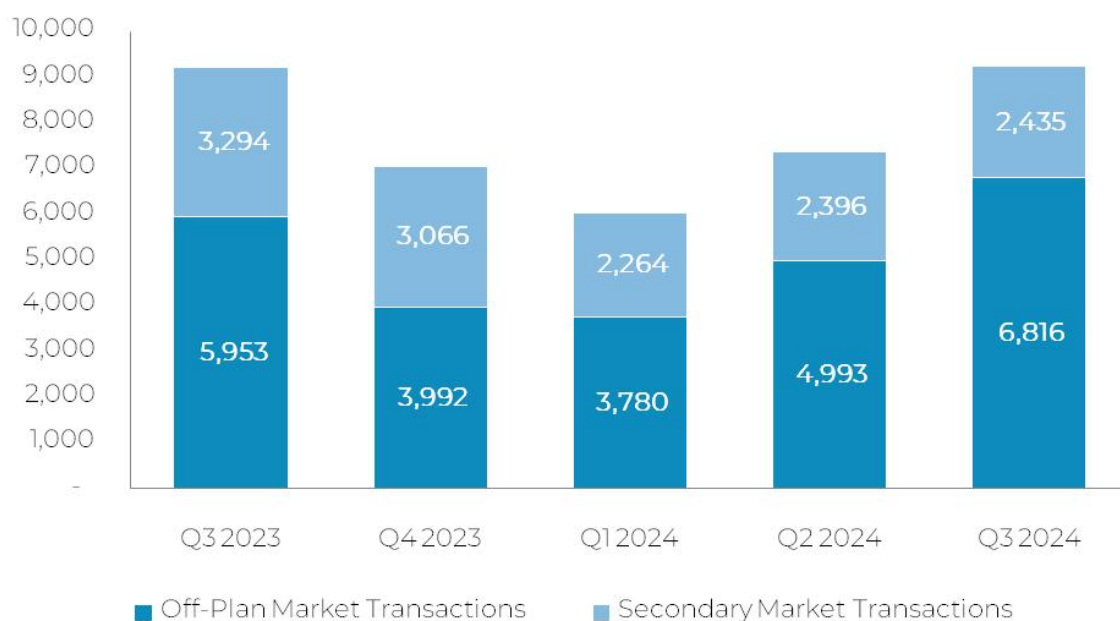
Future Projections



Expected Units by End of
2024: Approximately **25,000**

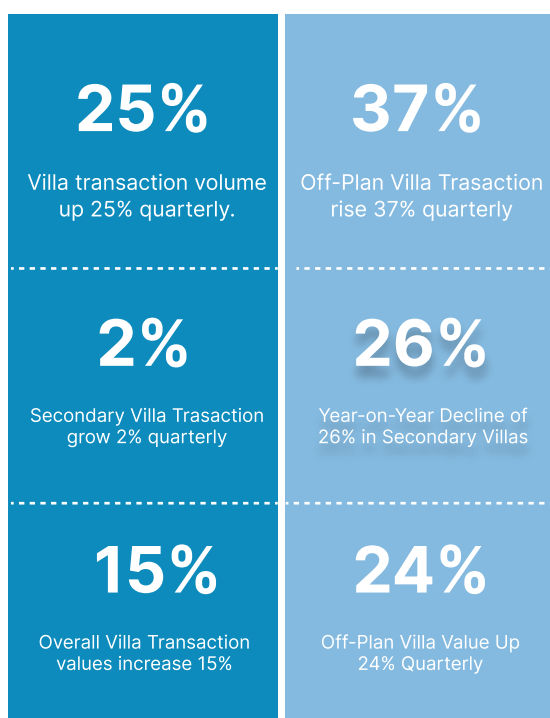


Projected Units For
2025: **76,000**



Dubai Villa Transaction Overview

The total volume of villa transactions in Dubai demonstrated robust growth, with a quarter-over-quarter increase of 25% and a slight rise year-on-year. This growth reflects a steady demand for villas, indicating a positive trend in the real estate market.



Off-Plan vs. Secondary Transactions

Off-plan villa transactions marked a significant quarterly increase of 37% and an annual rise of 14%. In contrast, secondary villa transactions exhibited a modest 2% growth from the previous quarter, but they experienced a notable decline of 26% year-on-year. This divergence suggests that investors are increasingly favoring new developments over existing properties.

Investor Confidence in the Market

The surge in both off-plan and ready villa sales underscores the continued confidence of investors and end-users in Dubai's real estate landscape. This trend indicates a growing belief in the market's stability and potential for future appreciation.

Transaction Value Trends

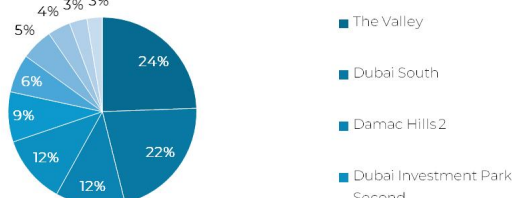
Overall, the values of villa transactions showed a quarterly growth of 15% and a year-on-year increase of 7%. Off-plan villa transaction values experienced significant growth, rising by 24% from the previous quarter and 25% compared to the same period last year. Conversely, secondary villa transaction values declined slightly by 1% quarter-over-quarter and saw a more considerable decrease of 20% year-on-year.

Leading Areas: Off-plan vs Ready Villa

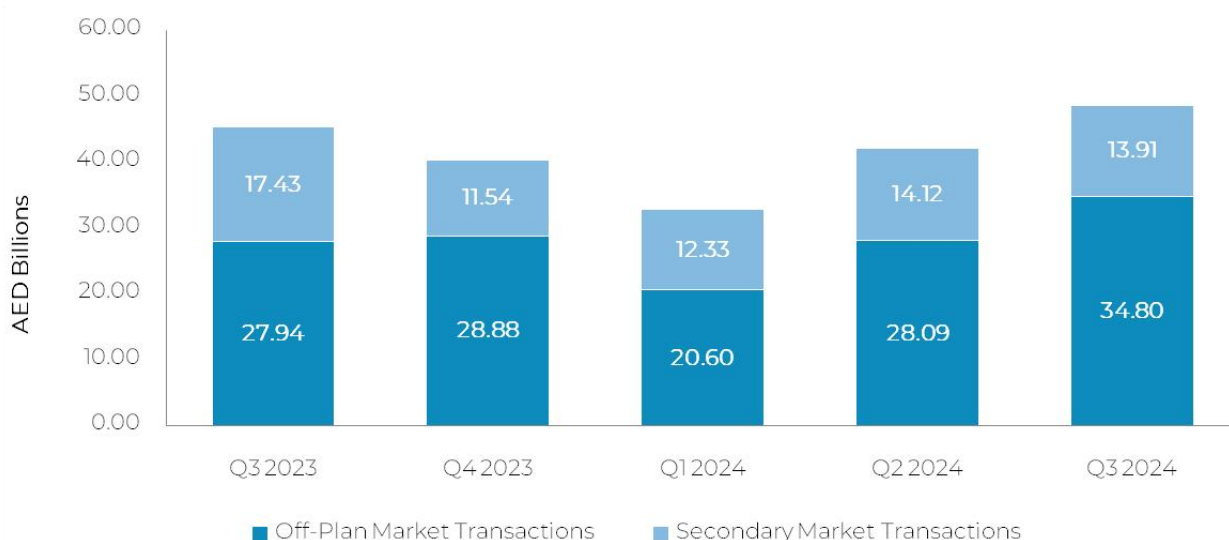
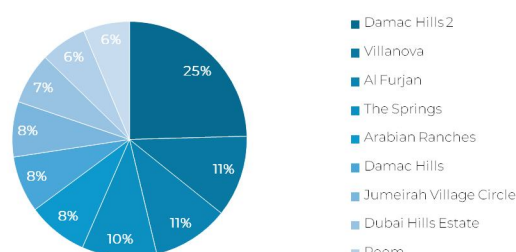
The leading areas for off-plan villa transactions highlight a diverse market for prospective buyers. The Valley stands out as the most popular choice, followed by Dubai South and Damac Hills 2, which also attract significant interest. Other notable areas include Dubai Investment Park Second and Athlon by Aldar, contributing to a dynamic off-plan villa landscape.

In contrast, the ready villa market shows strong demand in well-established communities. Damac Hills 2 is the frontrunner in this category, with Villanova and Al Furjan also drawing considerable attention. Popular locations like The Springs, Arabian Ranches, and Jumeirah Village Circle further illustrate the appeal of ready-to-move-in villas among buyers.

Top 10 Areas for Offplan Villa Transactions



Top 10 Areas for Ready Villa Transactions



Dubai Office Market Dynamics

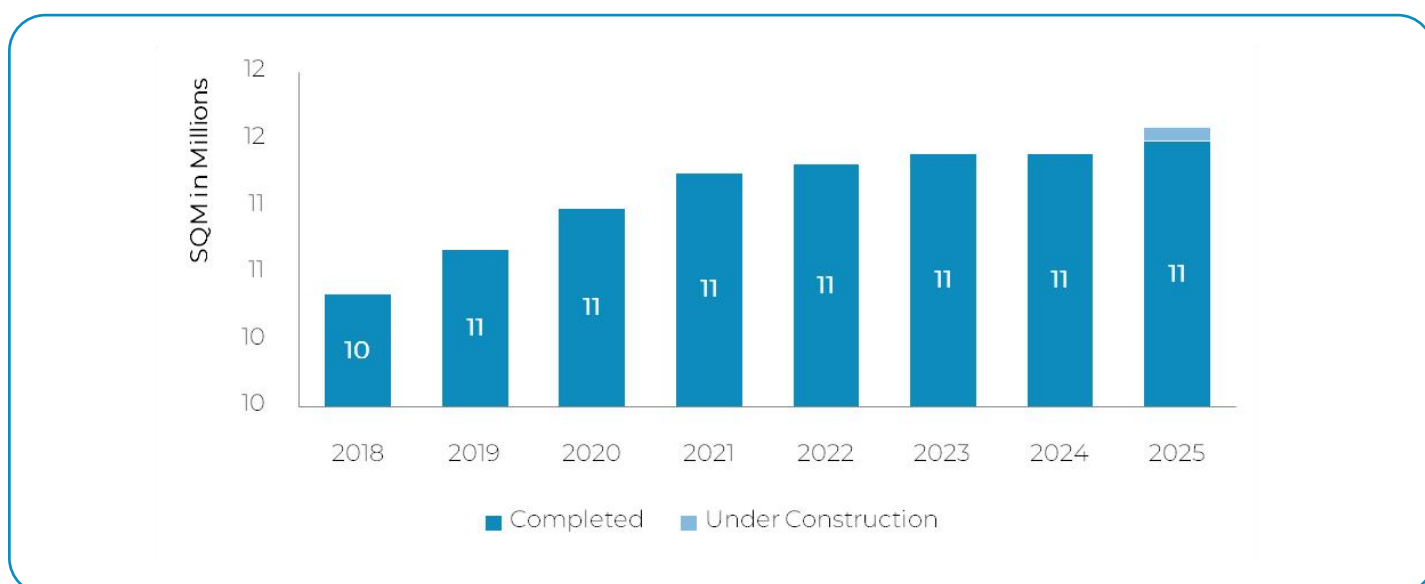
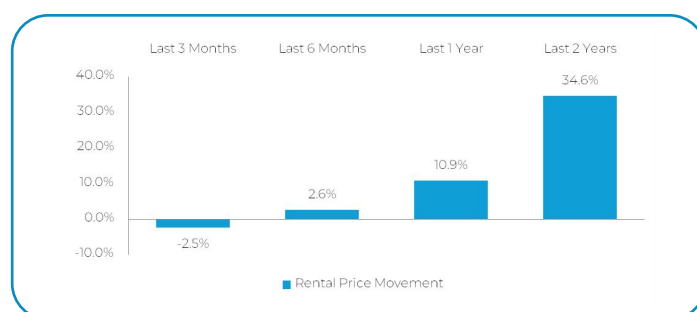
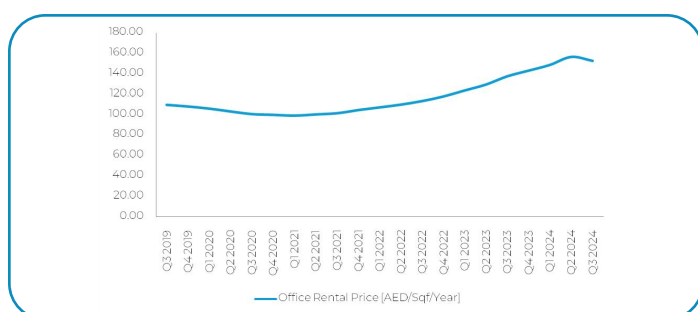
Trends & Insight

The UAE's GDP growth is forecasted at **3.4%** for **2023**, **3.5%** for **2024**, and **4.2%** for **2025**, despite economic challenges. Oil prices declined by **11.5%** in **Q3 2024** (to **AED 270** per barrel), contributing to slower growth and rising inflation, with the CPI increasing **2.37%** YoY due to geopolitical tensions.

Real estate market highlights for **Q3 2024**:

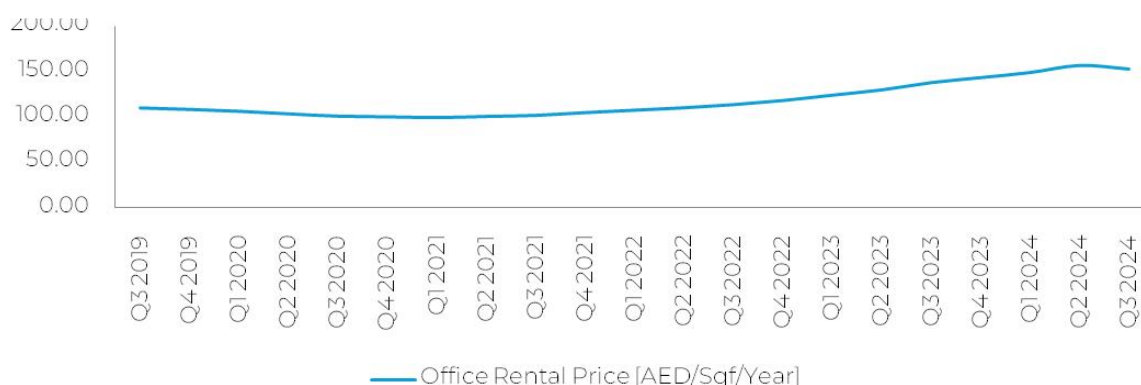
- **39%** YoY growth in transaction volume and value.
- Off-plan transactions up **19%** quarterly and **51%** YoY, showing strong investor confidence.
- Secondary market grew **10%** quarterly and **18%** YoY, driven by demand for established properties.
- Overall transaction values rose **32%** YoY and **13%** quarterly, reflecting resilience in office and residential markets.

Tourism, with **10.6 million** visitors (**up 8% YoY**), supports broader economic and market growth. These trends highlight investor optimism in Dubai's evolving office market.



Market Correction in Office Rental Prices

In the third quarter of 2024, the office market experienced a slight correction, with rental prices declining by 2.49%. This dip indicates a potential shift in demand dynamics, as businesses adapt to evolving market conditions and work preferences.

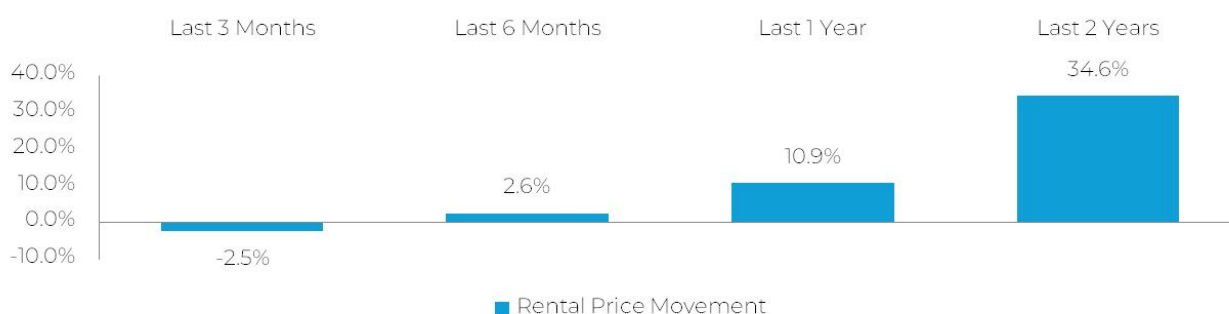


New Developments in Mixed-Use Spaces

This quarter saw the delivery of 204 sqm of office space as part of the Binghatti Corner project in Jumeirah Village Circle. Uniquely integrated within a predominantly residential apartment development, this project stands out as the only office development completed in 2024 thus far. It exemplifies the growing trend of mixed-use developments, where commercial and residential units coexist to create vibrant community spaces.

Future Outlook for Office Space

Looking ahead, the market is expected to introduce an additional 96,000 sqm of office space in 2025. This anticipated growth reflects ongoing investment in the sector and a response to the changing needs of businesses seeking modern, flexible work environments.



Kesiaenoai Sales Changes

Qtr	Q2 2023	Q3 2023	Q4 2023	Q1 2023	Q2 2023
VOLUME OF TRANSACTIONS					
Off-Plan	-11%	41%	-14%	15%	18%
Secondary	9%	-3%	12%	-3%	-3%
VOLUME OF TRANSACTIONS					
Off-Plan	-6%	48%	0%	-7%	14%
Secondary	9%	-5%	2%	8%	6%

Apartment Sales Changes

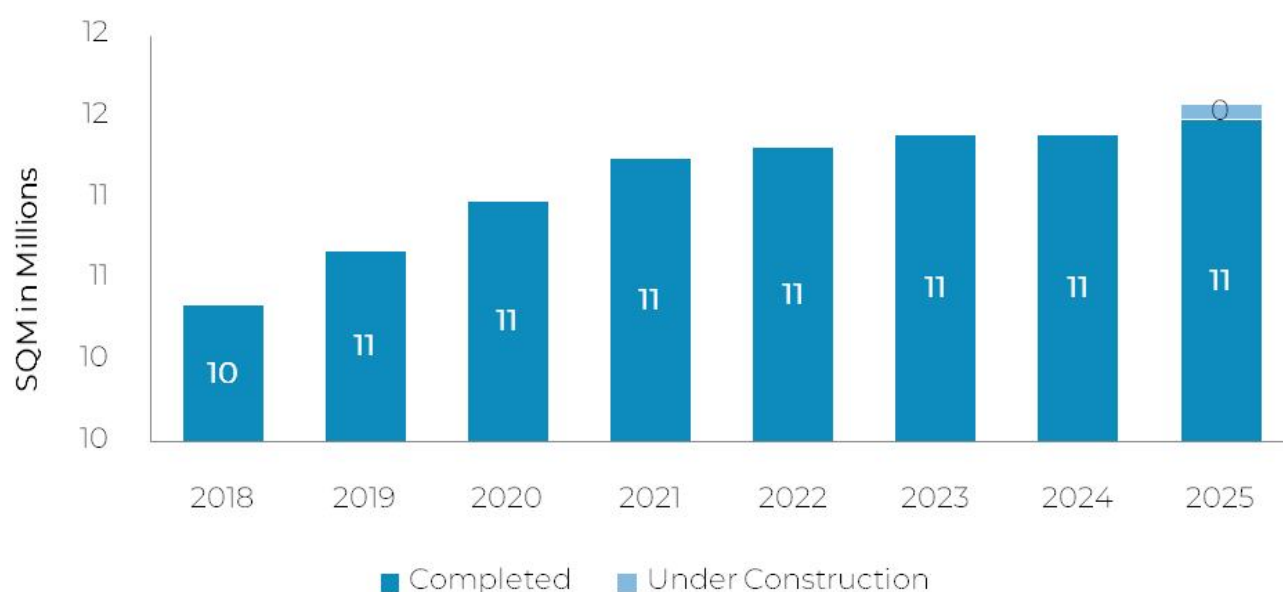
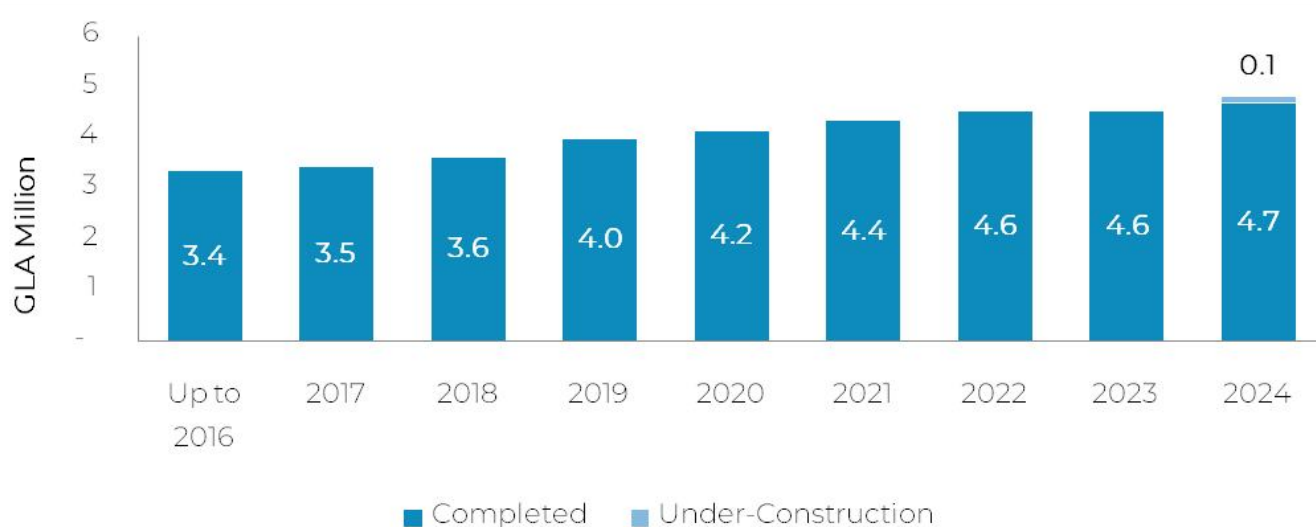
Qtr	Q2 2023	Q3 2023	Q4 2023	Q1 2023	Q2 2023
VOLUME OF TRANSACTIONS					
Off-Plan	-4%	36%	-12%	20%	17%
Secondary	9%	-6%	8%	4%	-5%
VOLUME OF TRANSACTIONS					
Off-Plan	3%	28%	-12%	11%	7%
Secondary	10%	-15%	14%	9%	1%

Villa Sales Changes

Qtr	Q2 2023	Q3 2023	Q4 2023	Q1 2023	Q2 2023
VOLUME OF TRANSACTIONS					
Off-Plan	-30%	91%	-33%	-5%	24%
Secondary	12%	48%	-7%	-26%	8%
VOLUME OF TRANSACTIONS					
Off-Plan	-23%	127%	3%	-29%	-27%
Secondary	9%	45%	-34%	7%	-13%

Integration of Retail Space in Residential Developments

In the third quarter of 2024, around 3,247 sqm of retail space was added to the market, predominantly within retail sections of residential buildings, developed by notable firms such as Emaar Properties PJSC, Binghatti Holding Limited, and Dar Al Arkan. This trend highlights the growing integration of retail facilities within residential developments, improving convenience and accessibility for residents. Additionally, over 147,000 sqm of retail space is projected for delivery in 2024

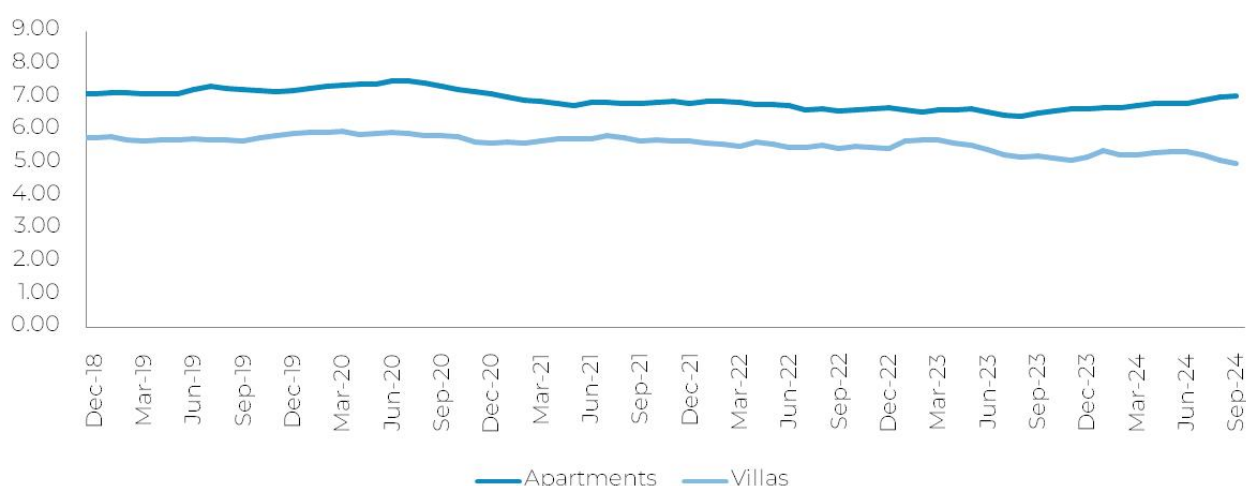


Real Estate Trends in Abu Dhabi and Dubai

Dubai's real estate market in 2024 has displayed noticeable changes in rental yields, particularly in the residential sector. Apartment rental yields have decreased by 2.06% quarter-over-quarter, while villa rental yields also saw a dip of 2.00%. This decline indicates a shift in the rental market, which has been experiencing adjustments after a period of growth.

Despite this drop in rental yields, the overall real estate market remains robust, supported by high demand in both the residential and luxury property segments. Dubai continues to attract local and international investors, particularly in the luxury property market. This demand is driven by the city's strong infrastructure, business-friendly environment, and its position as a global tourism hub.

While rental yields have softened, the resilience of the market and the long-term outlook for property values remain strong. Investors are actively exploring opportunities across various sectors, particularly in areas with high growth potential. These evolving trends showcase Dubai's ability to adapt to market shifts while maintaining its status as a leading global real estate destination.



Dubai Off-plan Real Estate Market Overview October 2024

In October 2024, the off-plan Property Market Saw a remarkable surge, with total property sole transaction reaching 7,140 and a scale value of AED 23.5Billion-on impressive increased of 31.5% in-sales volume and 52.5% in sales value compared to October 2022



APARTMENT

5.820 Transitions
AED 11.3 Billon in Sales Value



VILLAS

928 Transitions
AED 7.1 Billion in Sales Value



PLOTS

223 Transitions
AED 4.8 Billion in Sales Value



COMMERCIAL

169 Transitions
AED 315.6 million in Sales Value

Dubai Secondary Real Estate Market Overview October 2024

In October 2024, the Secondary Property Market Experienced notable activity, with total property sale transactions reaching 4,997 and a sale value of AED 15.8 billion an increased of 54.5% in sale volume and 62% in sale Value Compared to October 2022. This surge highlights the ongoing demand and resilience within Dubai's real estate sector, showcasing the market's ability to adopt and thrive in a competitive environment



APARTMENT

3,548 Transitions
AED 6.3 Billion in Sales Value



VILLAS

883 Transitions
AED 4.1 Billion in Sales Value



PLOTS

303 Transitions
AED 5 Billion in Sales Value



COMMERCIAL

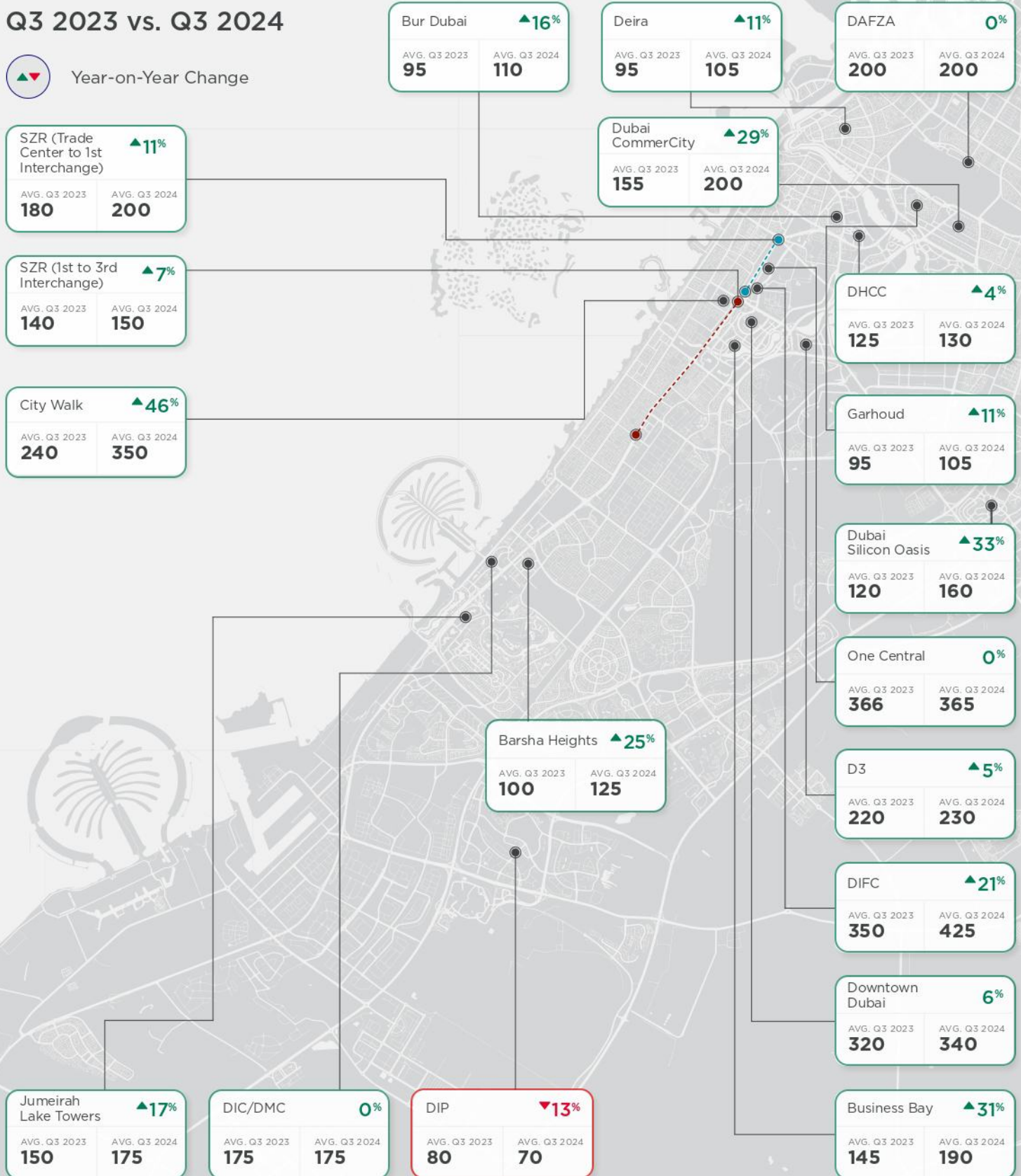
263 Transitions
AED 467.3 million in Sales Value

Residential Sale Price (Aed/sq. ft.)

Q3 2023 vs. Q3 2024



Year-on-Year Change



Navigating Tomorrow:

A Strategic Outlook on Dubai's Real Estate Market

Dubai's real estate market is set for major changes in the coming years. The city's growing appeal, both locally and internationally, continues to attract investors. With a steady demand for luxury properties from global buyers and a rising expatriate population, Dubai remains a top destination for real estate investments. The city's advanced infrastructure, business-friendly environment, and status as a global tourism hub all contribute to its strong investment potential.

Mixed-use developments, which combine residential, retail, and recreational spaces, are expected to remain popular. These developments cater to changing preferences for more convenient and accessible living. People are increasingly seeking properties that offer a well-rounded lifestyle, and demand for such integrated spaces is likely to keep growing.

Dubai has seen a slight decrease in rental yields for both apartments and villas, with a drop of **2.06% and 2.00%**, respectively. This suggests that property owners may need to adjust rental prices to stay competitive. Although rental yields have fallen, long-term investment prospects remain strong due to ongoing development and the city's continuous growth. Dubai's demand for both residential and commercial properties is expected to continue as the economy expands.

Global events and economic factors will also impact the Dubai real estate market. Investors should be mindful of these trends as they could influence local property values. Despite these challenges, the future of Dubai's real estate looks bright, driven by government support, new developments, and evolving consumer needs.

Abhinav Sharma

Partner - Valuations & Investments
Reliant Surveyors





About Reliant Surveyors

At **Reliant Surveyors**, we provide expert real estate services tailored to Dubai's dynamic market. Our specialties include Development Management, Transaction Advisory, and Strategic Valuation, all designed to meet the unique demands of this vibrant city.

Our dedicated team uses advanced tools and local insights to guide clients through the complexities of Dubai's real estate landscape, helping them make informed decisions and maximize their investments. We focus on building lasting client relationships, simplifying real estate processes, and delivering solutions that are specifically crafted for Dubai's evolving market.

With a commitment to integrity and innovation, we strive to be your trusted partner in navigating Dubai's ever-changing real estate sector.



Mr. Vivek Seth
Partner - Property &
Business Valuation



Mr. Abhinav Sharma
Partner- Valuations &
Investments



Mrs. Amrita Chandhok
Partner- Strategic Advisory
& Valuations

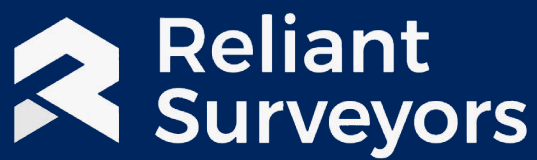
Services

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-

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UAE REAL ESTATE MARKET UPDATE **Q3 2024**

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