



Double digit price growth recorded for 2022, as prices rise again in December, and end the year 11% higher. Dubai is the standout global property marketplace, resisting the pressures of rising interest rates and inflation with two straight years of turbo-charged growth as developers re-discover their mojo.

### Median prices in December



**Apartments**

**AED 1,252,885**



**Townhouses**

**AED 2,195,444**



**Villas**

**AED 4,150,000**

Typical end of year slowdown not in sight as average Dubai property prices rise a further 1.7% in December

Strongest December sales performance on record, amidst the second highest volume of yearly sales ever seen

Off-plan resales continue to rise, now just shy of 20% of the market. How much of this is being driven by speculators?

Developers show renewed confidence and bring a record 53,000 units to market in 2022 with a total value in excess of AED 155 billion

Gross rental yields continue increase with apartments just over 7% making capital and rental returns irresistible for many investors

Mortgages volumes remain high however buoyed by rising bulk investor portfolio transactions

Ending on a high, what has been an incredibly strong year for the Dubai real estate market, property price growth continued by recording a 1.17% increase in December. Dubai property values now stand at AED 1,089 per sq ft according to the Property Monitor Dynamic Price Index (DPI), now back to a level not seen since December 2013 during the last market upswing and in January 2018 on the long pre-COVID downcycle.

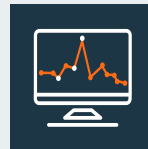
Overall property price growth reached 11.05% in 2022, averaging 0.92% per month—down from 1.33% per month in 2021 when annual price growth was just shy of 16%, but still a very strong yearly performance. As previously reported, the diminishing monthly rate of price appreciation can be viewed as a positive sign, one that points to a market that is trending towards sustainable price growth that can help continue to carry the market upwards well into 2023.

After surpassing 10,000 transactions last month, the total volume of sales transactions declined 10.4% in December registering a total of 9,131 sales. However, transactions for the month still reached a level that marks the strongest December on record and almost double that of every December since 2014. Residential transactions—those for apartments, townhouses, and villas—accounted for 91.1% (8,321 sales transactions) of the total, with hotel apartments (3.3%), offices (2.1%), and land sales (1.9%) being the highest transacted commercial property types.

A total of 96,557 sales transactions were registered in 2022 (89.6% of which were residential), a 157.5% increase over last year and just 1,400 sales short of claiming the highest year ever witnessed in Dubai market history. While not reaching the all-time market record—which counts both residential and commercial transactions—sales performance in 2022 for the residential segment did indeed reach a new all-time high with 86,849 sales displacing the long-standing record of 80,831 sales set in 2009.

## SNAPSHOT

December 2022



**+1.17%**

Dynamic Price Index  
Monthly Change



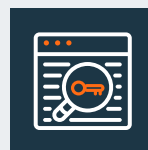
**AED 1,089/sq ft**

Dynamic Price Index  
Current Property Price



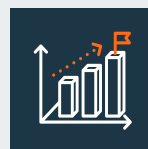
**9,131**

Number of Monthly  
Transactions



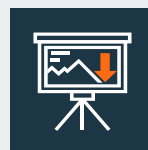
**6.64%**

Gross Rental Yield



**AED 133.15m**

Highest Recorded Sale  
Apt 1501 – 5 Bedroom  
Bvlgari Lighthouse,  
Jumeirah Bay Island



**AED 129k**

Lowest Recorded Sale  
Apt 805 – Studio  
Al Murad Towers,  
Al Barsha

“ It is perhaps that Dubai cannot be truly compared, on a like-for-like basis, with any other global market owing to its unique position, whereby it has become an oasis, not just in the desert but the world real estate sector. A particular feature of the current demand curve is the stream of interest from across the globe which seems to be fueled by a near endless number of taps, from the impact of the Arab Spring on the previous market cycle, to COVID-19, to the Ukraine-Russian conflict, and most recently the removal of restrictions in China and the reopening for travel abroad. ”

**ZHANN JOCHINKE**  
Director of Market Intelligence & Research  
Cavendish Maxwell

Should the market be able to maintain the record-setting pace of 2022 we could see in excess of 110,000 transactions next year. Property Monitor analysis, however, predicts that this is unlikely and that some steam and investor froth will inevitably come off the market and transaction volumes should moderate throughout the year ahead.

A total of 4,654 off-plan Oqood transactions were registered in December, increasing by 1.1% month-on-month and by an even more hearty 80.7% on a yearly basis. Oqood transactions now account for 51% of the market, while Title Deed sale volumes fell to 49% after witnessing a considerable decrease for the month, shrinking by 19.9%. While first impressions may point to a market that is split relatively evenly between off-plan and completed properties, after we adjust for registration technicalities with the Dubai Land Department (DLD)—where several villa and townhouse sales are presented as being completed and with Title Deeds issued, when they are in fact under construction having been sold off-plan—the accurate breakdown of market share is 59.8% in favour of off-plan. This key market insight, exclusively provided by Property Monitor experts, is important to track and assists in understanding the changing market dynamics.

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 3,772 in December representing a market share of 41.3%, falling 2.1% month-on-month. A growing portion (19.7%) of this resale activity can be attributed to secondary sales of off-plan properties where the initial buyers, in most cases, are capitalising on the current market upswing and cashing out with a premium in hand. Should this number continue to grow, and more importantly become further driven by speculative purchasing, the market runs the risk of inflating to where a bubble bursting scenario could unfold. We will be watching this carefully.

New off-plan development project launches once again reached a record monthly high in December adding just over 9,500 units to the market for sale at an anticipated combined gross sales value of ~AED 23.3 billion. Apartments represent 81.7% by volume of this new inventory while townhouses and villas represent 14.5% and 3.8% respectively. Year-to-date new project launches have exceeded just over 53,000 units and AED 155 billion in aggregate sales value.

Mortgage transaction volumes declined slightly in December (down just over 1%), registering 2,293 loans for the month (with a total value of ~AED 17.7 billion), this remains unexpectedly high given the current interest rate environment and ever-increasing borrowing costs. A deeper investigation into these headline transaction numbers reveals that bulk mortgage registrations—those taken by developers and larger investors with multiple units—comprised 36.6% of loans, increasing market share

by 13% from last month helping to maintain high monthly volumes. These bulk registrations were spread across several projects, most notably J One Tower 2 in Business Bay where 116 loan transactions were recorded under a combination mortgage transfer and delayed mortgage portfolio registration for a total of AED 9.08b. Additional analysis into these transactions reveals that actual loan volume was for only 96 units in a portfolio mortgage with a value of AED 350m and due to intricacies in the way DLD records various mortgage data the total value of the portfolio was inadvertently inflated.

Breaking down the mortgage market further, shows that a further 32.1% of loans taken were new purchase money mortgages with the average amount borrowed being AED 1.76m at a loan-to-value ratio of 77.4%, while the remaining 31.3% of loans (down 7.4% from last month) were for refinancing or equity releases.

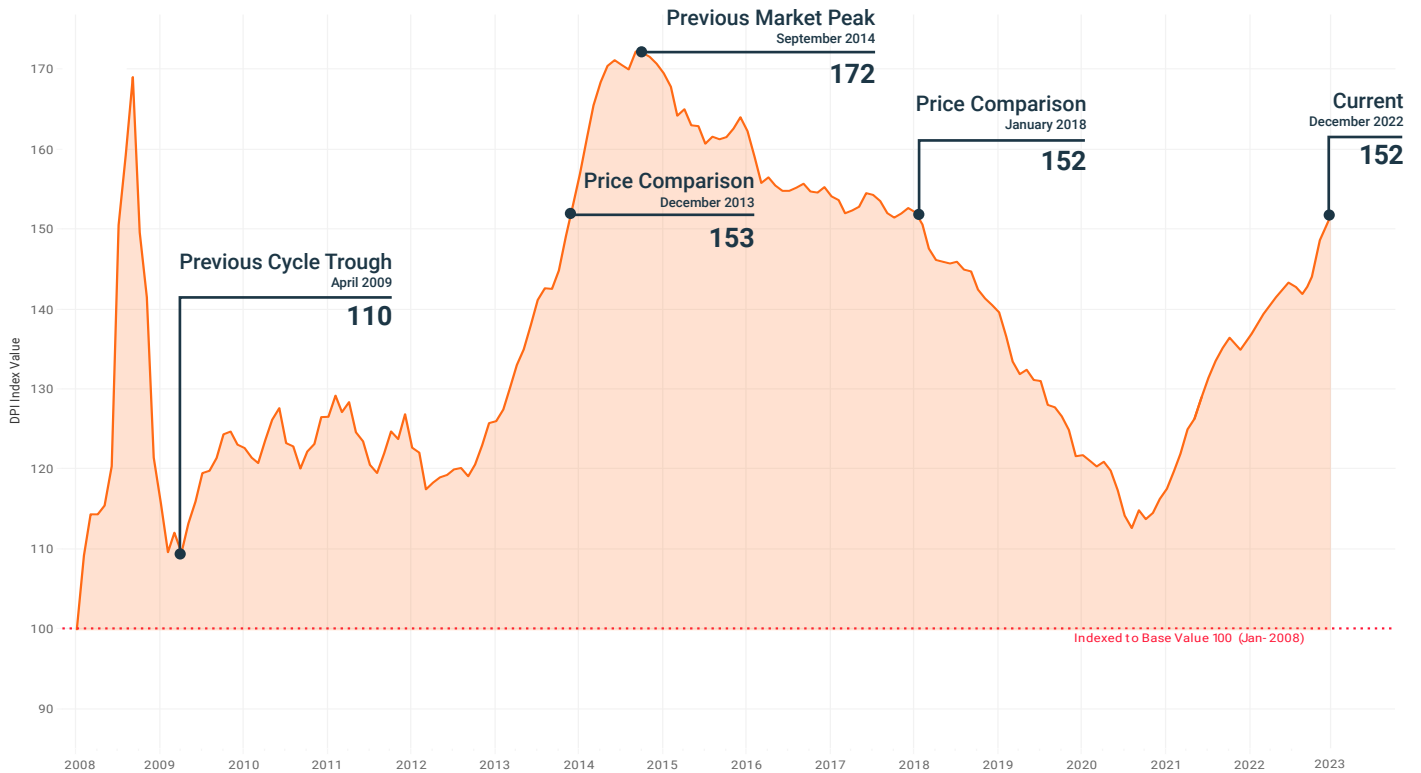
In December, Emirate-wide average gross rental yields stood at 6.64%, up by 0.11% month-on-month, with yields for all three residential property types increasing: townhouses up by 0.24% to 6.30%, apartments up by 0.11% to 7.01%, and villas up by 0.05 to 5.19%. In the months ahead we foresee that yields for residential properties will experience small-to-moderate growth and likely face downwards pressure with rental prices cooling off as several projects finish construction and handover in the early part of the new year.

A retrospective view of 2022 paints a picture of a robust Dubai real estate market, one that has outperformed many expectations and continued to flourish at time when comparable global markets have been inescapably entangled in the thralls of inflation, energy prices, and rising interest rates that have ultimately led many into a downturn. It is perhaps that Dubai cannot be truly compared, on a like-for-like basis, with any other global market owing to its unique position, whereby it has become an oasis, not just in the desert but the world real estate sector. A particular feature of the current demand curve is the stream of interest from across the globe which seems to be fueled by a near endless number of taps, from the impact of the Arab Spring on the previous market cycle, to COVID-19, to the Ukraine-Russian conflict, and most recently the removal of restrictions in China and the reopening for travel abroad. Dubai and the UAE have strategically positioned themselves over the years to be a destination for all and as a result seem to be the net beneficiary of the events outside of its own borders.

Property prices in Dubai are up 29.3% since bottoming out in November 2020 yet they remain just over 8% below the peak of the last market cycle which topped out in September 2014. Typically, but not always, each market cycle sees prices power on to rise higher than the peak of the previous cycle. While the biggest gains are probably behind us with a strong prospect of price stability lying ahead, we foresee that the Dubai market will continue to gently appreciate this year. However, as previously reported and being a spoiler alert, the current market boom can't run indefinitely. Developers, investors, and consumers should keep this in mind and assess their unique situations and goals carefully.

Forward looking to 2023 we anticipate that the diverging tale of two markets will continue, with off-plan maintaining dominant market share for the foreseeable future with project launches to continue in full steam ahead mode so long as absorption can be sustained, while the ready property market will largely plateau across the majority of property types and prices points. Headwinds and downside side risks look firmly concentrated around affordability, availability, inflation, and mortgage interest rates.

**PROPERTY MONITOR DYNAMIC PRICE INDEX**





**+1.17%**  
MoM Change



**+4.06%**  
QoQ Change



**+11.59%**  
YoY Change



**AED 1,089**  
Average Property Price Per Sq Ft

**DPI MONTHLY OVERVIEW**

Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
Dec 2022	152.05	1.17%	4.06%	11.59%	1,089
Nov 2022	150.29	1.06%	4.97%	11.23%	1,076
Oct 2022	148.71	1.77%	5.15%	8.98%	1,065
Sep 2022	146.12	2.06%	2.72%	8.10%	1,047
Aug 2022	143.17	1.24%	0.33%	7.21%	1,025
Jul 2022	141.42	-0.58%	-0.16%	7.59%	1,013
Jun 2022	142.25	-0.31%	1.19%	10.26%	1,019
May 2022	142.70	0.74%	2.06%	12.97%	1,022
Apr 2022	141.65	0.76%	2.45%	13.31%	1,014
Mar 2022	140.58	0.54%	3.17%	15.28%	1,007
Feb 2022	139.82	1.12%	3.48%	16.71%	1,001
Jan 2022	138.27	1.47%	1.32%	17.60%	990
Dec 2021	136.26	0.85%	0.80%	17.17%	976

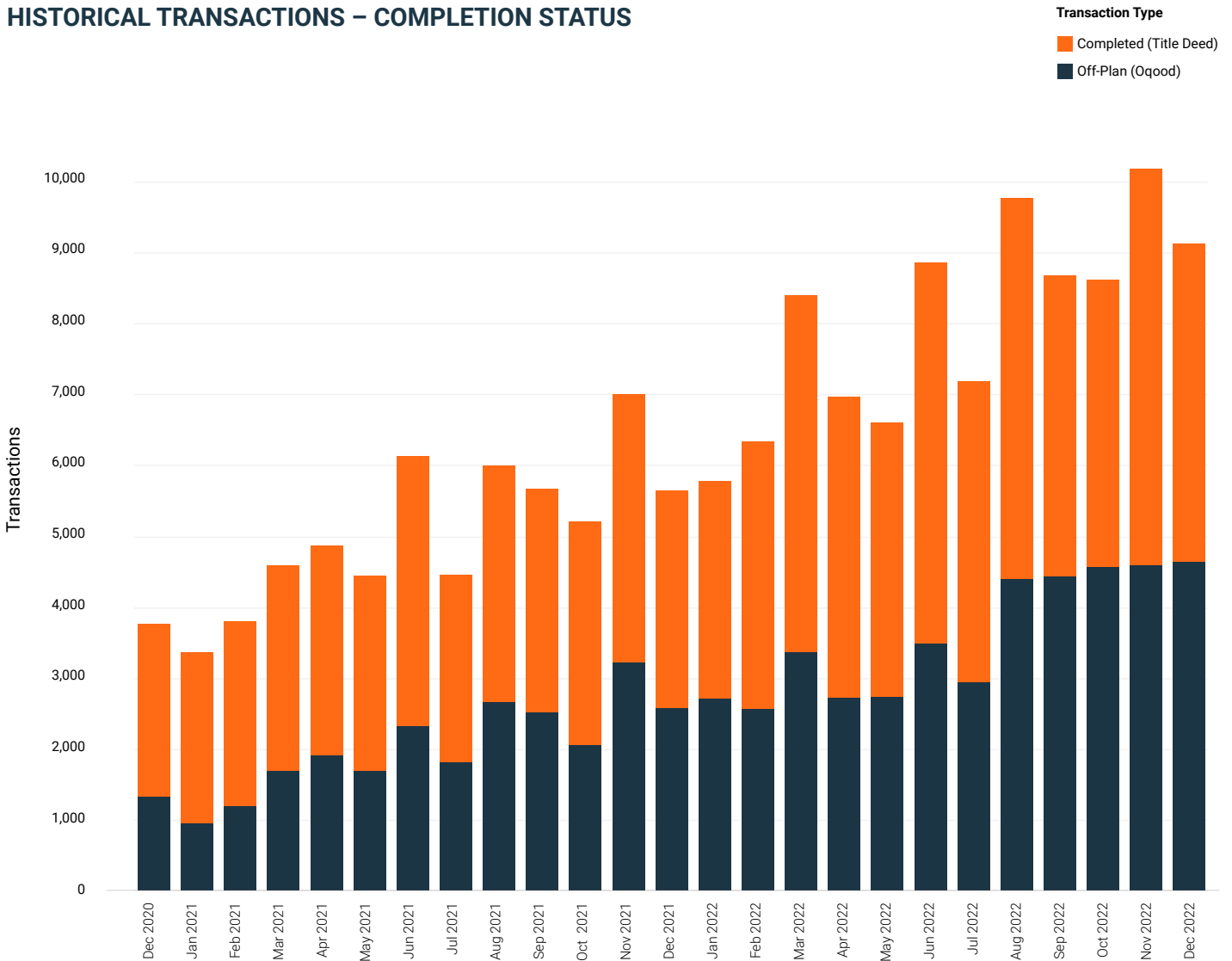
The Property Monitor Dynamic Price Index (DPI) tracks trends of residential property prices throughout 42 key communities in Dubai and is indexed to a base period of January 2008.

At an emirate-wide level, the index value for December 2022 increased by 1.76 index points to 152.05 from 150.29 in November 2022, representing a month-on-month increase of 1.17%.

In December 2022, property prices stood at AED 1,089 per sq ft, down 11.7% from the market peak in September 2014 and are 38.8% above the market trough of April 2009. Property prices were last at these levels during the expansion phase of the previous market cycle in December 2013.

On year-on-year basis, prices have increased by 11.6% in December 2022 and now mark 22 straight months of year-on-year increases, while at a year-to-date basis, prices have increased by 11.1% in December 2022 compared to 15.6% in December 2021.

## HISTORICAL TRANSACTIONS – COMPLETION STATUS



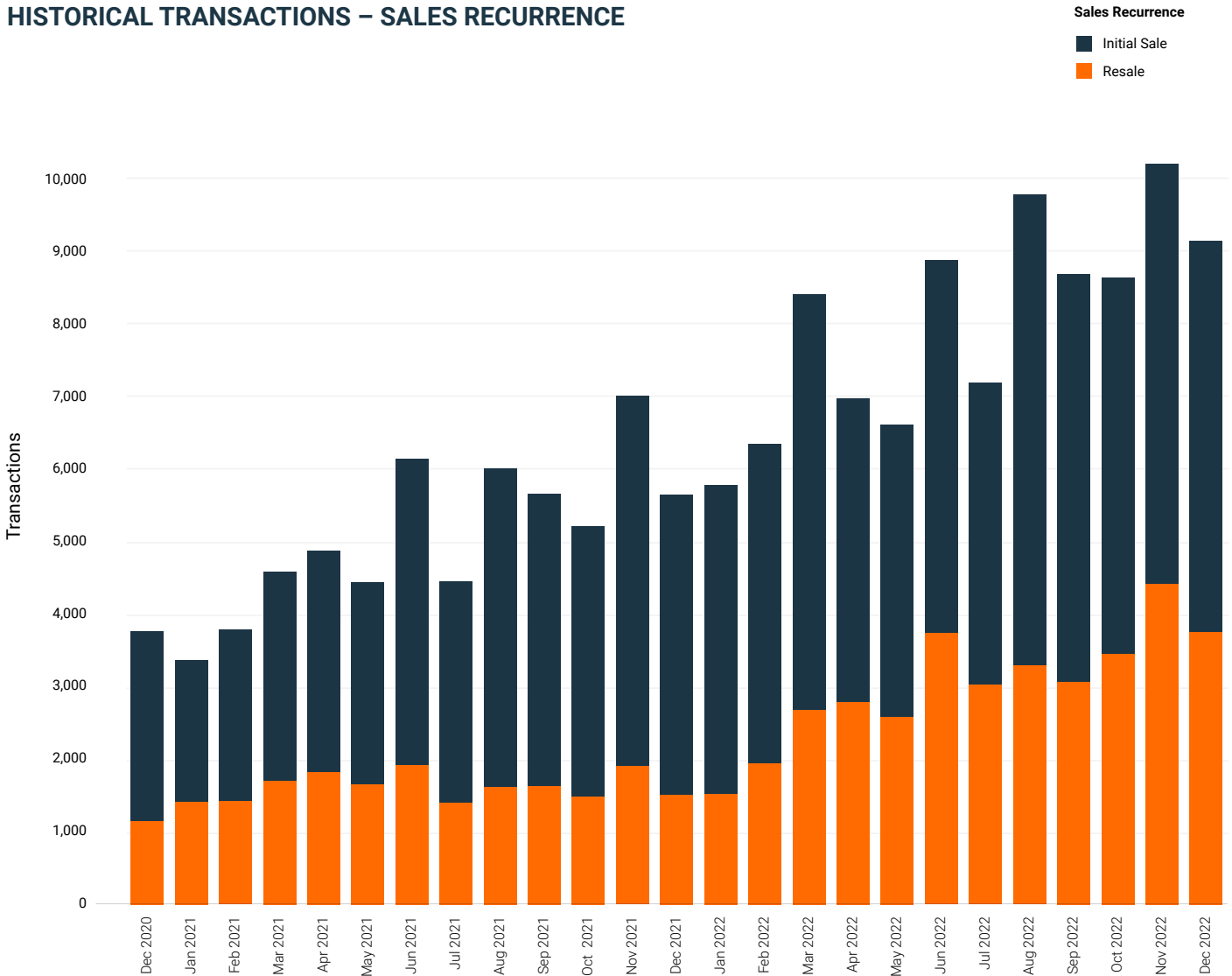
Transaction volumes in December reached 9,131 decreasing by 10.4% month-on-month yet still registering as the highest December ever. During the month, the split between off-plan (Oqood) and completed property transactions again reversed trend and back in favour of the former with Oqood registrations accounting for 51% of all transactions, up 5.8% month-on-month. While initial Oqood registrations are often considered representative of the off-plan market, several off-plan villa and townhouse transactions—for properties that are under construction—are registered as title deed transactions for parcels of land by the Dubai Land Department. If we adjust for these registration technicalities the true breakdown of market share is 59.8% in favour of properties under construction having been sold off-plan.

During the month, DAMAC Properties reclaimed the top spot in the off-plan market with the bulk of developers’ Oqood (off-plan) registrations, taking a dominant market share of 16.8%. They recorded just over 880 transactions with the bulk of their sales occurring at Marbella (232) in DAMAC Lagoons and at Chic Tower (125) in Business Bay.

EMAAR Properties was next, at 15.3% of all off-plan registrations spread across a myriad of their projects, most notably Marina Shores in Dubai Marina with 229 sales recorded. This was followed by Golf Heights in The Greens with 212 sales, and The Cove II in Dubai Creek Harbour with 165 transactions. Closing out the top three was Azizi, taking at 7.42% market share with the vast majority of sales activity in various buildings in their Azizi Riviera community.

In the ongoing trend that emerged in 2020, a significant portion of title deed transactions were initial sales registered directly by developers for unsold inventory in completed projects. Out of a total of 5,395 initial developer sales recorded in December, 11.9% were in completed projects. It is important to note that several off-plan villa and townhouse transactions (for properties that are under construction) are registered as title deed transactions for parcels of land by Dubai Land Department. These are adjusted in this calculation to provide a true reflection of the sales of unsold inventory in completed projects.

## HISTORICAL TRANSACTIONS – SALES RECURRENCE



In December 2022, the market share of initial developer sales grew by 2.1% to 58.7% versus resale transactions. The 12-month rolling average now stands at 61.6% for initial sales and 38.4% for resales, the latter of which, after reaching a high of 51.8% in January 2021 has been continually trending back down towards the levels of 2019 and 2020, 33.2% and 33.8% respectively.

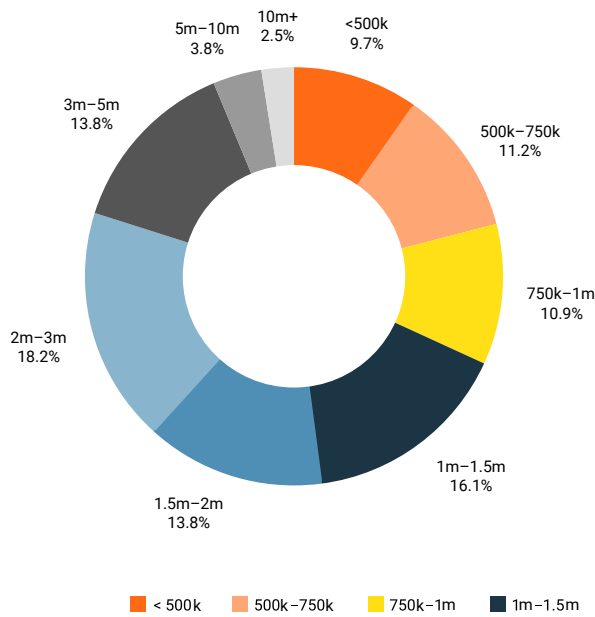
MBR City was the most popular master development for initial sales, where 18.5% (991) of all such transactions occurred. The Crest by Sobha topped the leaderboard at 245 registrations and was followed by G&Co’s Elie Saab Vie and Elie Saab A Vie at The Fields District 11 with a combined total of 195 sales.

Taking second place was Business Bay, where initial sales held 8.2% market share and 439 transactions were recorded. Chic Tower by DAMAC was the most prominent project in the master development with 125 sales, then Peninsula Four “The Plaza” by Select Group followed with 91, and DAMAC’s Akyon City 3 with 59 for the month.

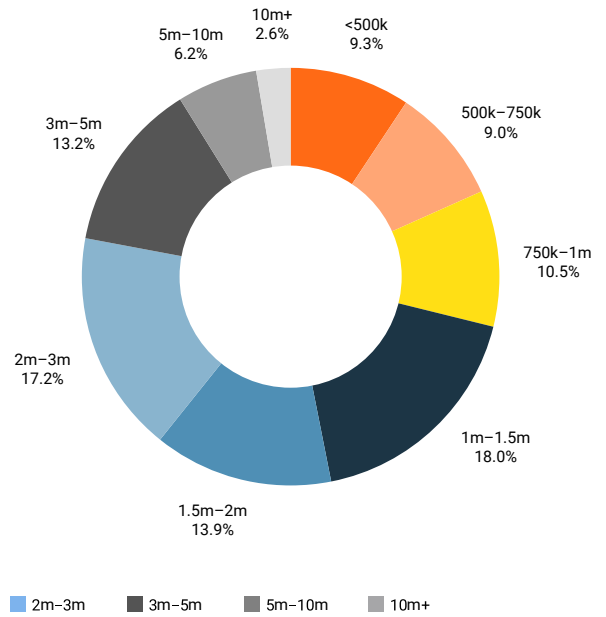
Coming in third for December was DAMAC Lagoons which claimed a 7.9% market share with a total of 451 sales. The Marbella sub-community dominated, registering 232 initial sales, and was followed by Malta with 46, Monte Carlo with 43, and Venice with 44.

The top master developments for residential resale transactions were Dubai Marina with 9.3% of such transactions across multiple projects, the highest level of sales occurred at Escan Tower and Marina Pinnacle with 32 and 30 sales respectively, the majority of which appear to be a bulk investor deal. This was followed by Jumeirah Village Circle at an 8.3% market share with Dune Residency recording 99 transactions and again presenting as a bulk investor transaction. Closing out the top 3 master developments for resale was Business Bay holding 7.1% of the market with DAMAC Maison Prive recording 21 sales.

**PRICE TIERS (AED) – DECEMBER 2022**



**PRICE TIERS (AED) – NOVEMBER 2022**



**PRICE TIERS (AED) MONTHLY COMPARISON**

	December 2022	November 2022	MoM Change
<500k	9.7%	9.3%	0.44%
500k-750k	11.2%	9.0%	2.24%
750k-1m	10.9%	10.5%	0.38%
1m-1.5m	16.1%	18.1%	-2.03%
1.5m-2m	13.8%	13.9%	-0.08%
2m-3m	18.2%	17.2%	0.96%
3m-5m	13.8%	13.2%	0.64%
5m-10m	3.8%	6.2%	-2.43%
10m+	2.5%	2.6%	-0.11%

Growing their share of the market at the fastest pace was the AED 500m-750k price tier which increased by 2.2% in December to reach a total of 11.2%. This growth was primarily driven by sales of studio and 1-bedroom apartments at Azizi Riviera in Meydan One where sales prices averaged AED 1,829 per sq ft, as well as studio sales at Opalz by Danube in Dubai Science Park where sales prices averaged AED 1,331 per sq ft. Meanwhile, the biggest market share loser was the AED 5-10m tier which decreased by 2.4% falling to 3.8%.

Also experiencing notable growth during the month were the adjacent AED 2m-3m and AED 3m-5m price tiers which collectively grew by 1.6%. This growth can be largely attributed to the success of off-plan sales for luxury townhouses at the Fields in District 11 of Mohammad Bin Rashid City where sales prices, as well as apartments at Golf Heights in The Greens.

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 48.1%, shrinking by 1.2% from last month. The low-price tiers with property values under than AED 1m now represents 31.9% of the market, up by 3.1% from November, while the high-end price tiers—properties over AED 3m—now represents 20.1% of the market, down by 1.9% 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/pmddpi.html](http://propertymonitor.com/pmddpi.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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