



Record Broken or Broken Record? August sees yet another record-breaking month for sales transaction volumes, following suit of every month this year except for April.

Median prices in August



Apartments
AED 1,334,410



Townhouses
AED 3,124,444



Villas
AED 7,134,888

Property price appreciation doubles pace, up 2.48% month-on-month

Emaar market dominance continues as developer records just shy of 2,500 off-plan sales in August

Off-plan project launches continue with vigor and sales absorption appears to keep pace as market share increases to over 70%

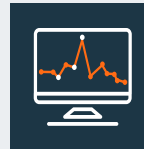
Mortgage transactions dip with rate cuts on the horizon

In August, Dubai property price growth experienced its second highest monthly gain of the current market cycle with a monthly gain of 2.48% recorded. This is more than double the rate of growth compared to last month (1.22%) as well as the average monthly growth experienced year-to-date (1.24%). A large driver behind this surge is directly related to the sheer volume of new off-plan project sales in communities that previously had few new launches or where new launches, and ready property sales were typically balanced. It's important to note that while the index in these communities is being driven higher, not all properties in the communities are increasing at the same rate with older units seeing more moderate gains when viewed in isolation to their new construction counterparts.

According to the Property Monitor Dynamic Price Index (DPI), Dubai property prices grew by 2.48% in August and currently stand at AED 1,431 per square foot, 16% over the previous all-time high and market peak of September 2014. This brings the overall growth of the current market up swing to 56.8% and marks the forty-sixth month since prices bottomed out in late 2020.

SNAPSHOT

AUGUST 2024



+2.48%

Dynamic Price Index
Monthly Change



AED 1,431/sq ft

Dynamic Price Index
Current Property Price



16,145

Number of Monthly
Transactions



AED 139m

Highest Recorded Sale
Apt R-10-01
The Lana, Business Bay



AED 124k

Lowest Recorded Sale
Apt 405 | Studio
Kappa Acca 4, Dubai South

“ **Dubai’s property market continues to show strong momentum with notable price growth. The surge in off-plan project sales is a significant driver, while high transaction volumes reflect sustained buyer confidence, despite the temporary dip in mortgage activity.** ”

ZHANN JOCHINKE
Director of Market Intelligence & Research
Cavendish Maxwell

The total volume of sales transactions witnessed a minor increase of 0.28% in August reaching a total of 16,145 transactions marking not only the highest-ever August volume but also the second-highest month on record overall. This continues the trend of record setting months, in fact every month in 2024 with the exception of April, has achieved its highest-ever transaction volumes for the respective month. Residential transactions, encompassing apartments, townhouses, and villas, accounted for the majority of sales at 93.9% (15,160 transactions). The highest transacted commercial property types were office spaces (1.7%), vacant land (1.6%), and hotel apartments (1.4%).

In August, 10,462 off-plan Oqood transactions were recorded, an increase of 11.4% from the previous month and saw a jump in market share to 64.8%. Meanwhile, Title Deed sale volumes also witnessed a decline, falling by 15.4% and now account for 35.2% of all sales transactions. While Oqood transactions are generally used to measure the off-plan market, several villa and townhouse sales are presented in the Dubai Land Department data as being issued with Title Deeds and as completed properties—instead of being under construction and sold off-plan. After adjusting for this technicality, off-plan transactions secure an even larger market share of 72.2%.

Meanwhile, resales transactions—any subsequent sale of a property that follows the initial first-time sale from the developer, for an off-plan or completed project—stood at 5,272 in August representing a market share of 32.7%, decreasing by 8.4% month-on-month.

New off-plan development project launches remain at record highs, with just shy of 7,400 off-plan units added to the market for sale with an anticipated combined gross sales value of ~AED 16.5 billion. Apartments represent 82.2% by volume of this new inventory, while townhouses and villas represent 14.1% and 3.7% respectively.

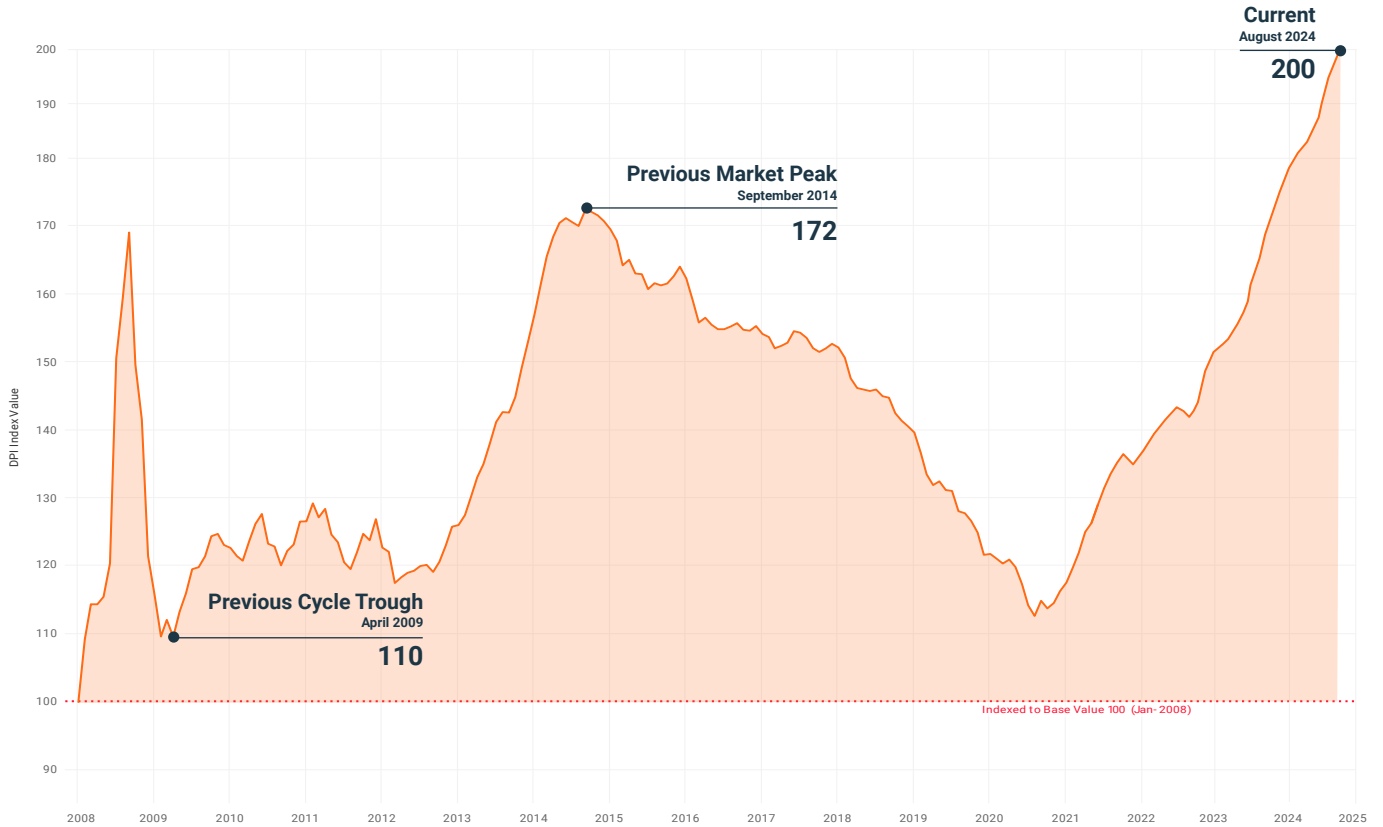
Year-to-date, new project launches have reached nearly 86,000 units and AED 213.7 billion in aggregate sales value and are well on track to surpass last year’s AED 272 billion. With nearly 200 additional projects in the planning phases being tracked by the Property Monitor team, we anticipate that new launches will maintain their historically high levels throughout the remainder of 2024 and for a further 35,000-40,000 units to enter the off-plan market. Expect to see significant growth of new development activity across a myriad pricing segments and communities, particularly for apartment in Dubai Islands, Jumeirah Garden City, Dubai Maritime City, Motor City, and Dubai Land Residence Complex, as well as single-family units—townhouses and villas—in The Valley, The Acres, The Oasis, and The Height Country Club.

Mortgage transaction volumes decreased by 10.1% in August dropping to 3,589, this follows July’s stellar performance which saw the second highest level of mortgages ever recorded. This dip is inline with our earlier forecast, and we continue to believe that it will likely be a momentary pause as borrowers wait for rates to fall with the first rate cut all but certain to be at the upcoming US FOMC meeting in September. Once interest rates begin to ease, we foresee monthly loan volumes rallying and expect new record transaction levels being largely driven by refinancing activities as rate differentials and refinancing costs begin to make sense for many borrowers. During August, loans taken for new purchase money mortgages accounted for 51.3% (down 1.7% from last month) of borrowing activity, with the average amount borrowed being AED 1.77m at a loan-to-value ratio of 76.7%.

Meanwhile, loans for refinancing and equity release saw their market share increase by 0.9% to 34.7%. The remaining 14% up by 0.8% from last month) was due to bulk mortgages—those taken by developers and larger investors with multiple units. The 497 bulk loans issued for the month were spread across several projects, most notably portfolio mortgage registrations at Golden Dream Tower 1 (230) in Jumeirah Village Circle, Continental Tower (27) in Dubai Marina, and the podium retail and commercial units at DAMAC Towers by Paramount (15).

Forward looking, we anticipate the market will continue its upward trajectory with price growth and high transaction volumes. While we do not foresee an overall slowdown, the gap between off-plan and completed property sales is likely to widen further. This is partly due to the robust pipeline of off-plan projects and partly due to the availability of suitably priced inventory. As mortgage rates ease and prospective purchases find themselves with greater buying power ready properties could witness a bump in activity, however, this will rely on sellers pricing correctly and not seeing this as an opportunity to test aggressive pricing strategies.

PROPERTY MONITOR DYNAMIC PRICE INDEX





+2.48%
MoM Change



+5.24%
QoQ Change



+17.73%
YoY Change



AED 1,431
Average Property Price Per Sq Ft

DPI MONTHLY OVERVIEW

Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
Aug 2024	199.86	2.48%	5.24%	17.73%	1,431
Jul 2024	195.03	1.22%	3.40%	17.15%	1,397
Jun 2024	192.68	1.46%	4.15%	18.2%	1,380
May 2024	189.91	0.69%	5.09%	17.94%	1,360
Apr 2024	188.61	1.95%	5.23%	20.07%	1,351
Mar 2024	184.99	2.37%	3.41%	19.47%	1,325
Feb 2024	180.72	0.83%	1.82%	17.43%	1,294
Jan 2024	179.24	0.19%	2.17%	17.15%	1,284
Dec 2023	178.90	0.80%	3.14%	17.66%	1,281
Nov 2023	177.49	1.17%	4.55%	18.10%	1,271
Oct 2023	175.43	1.14%	5.37%	17.97%	1,256
Sep 2023	173.45	2.18%	6.44%	18.71%	1,242
Aug 2023	169.76	1.97%	5.43%	18.57%	1,216

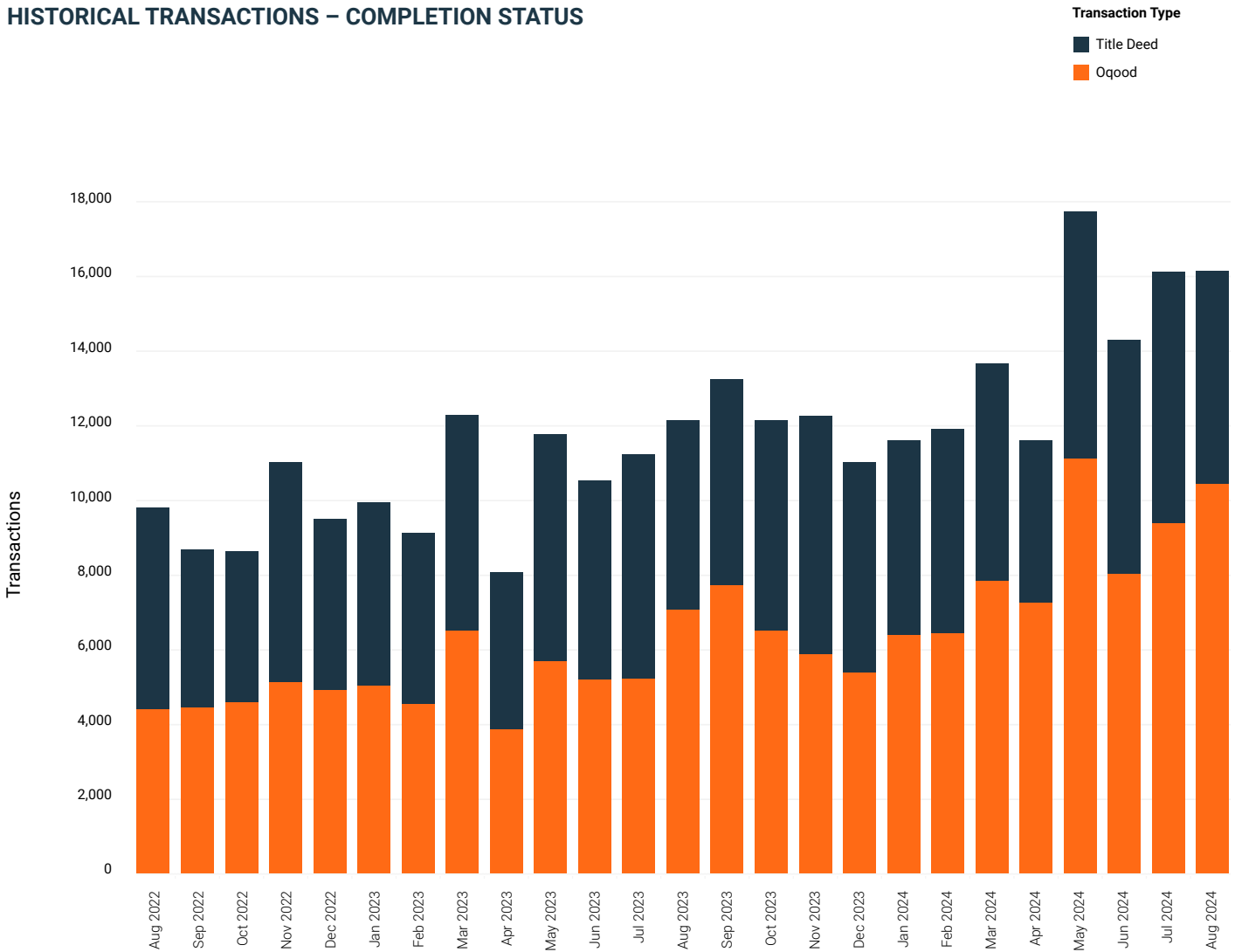
The Property Monitor Dynamic Price Index (DPI) tracks trends of residential property prices throughout 42 key communities in Dubai and is indexed to a base period of January 2008.

At an emirate-wide level, the index value for August 2024 increased by 4.84 index points to 199.86 from 195.03 in July 2024, representing a month-on-month increase of 2.48%.

In August 2024, property prices continued climbing to all-time highs and now stand at AED 1,431 per sq ft. This is now 82.4% above the market trough of April 2009 and 16.03% above the market peak of September 2014. Absent any significant economic, geopolitical, or unforeseen global events, current market conditions are likely to provide for continued growth throughout 2024.

On a year-on-year basis, prices have increased by 17.7% in August and now marks 42 straight months of year-on-year increases, while on a year-to-date basis, prices have increased by 11.5% in August 2024 compared to 10.9% in August 2023.

HISTORICAL TRANSACTIONS – COMPLETION STATUS

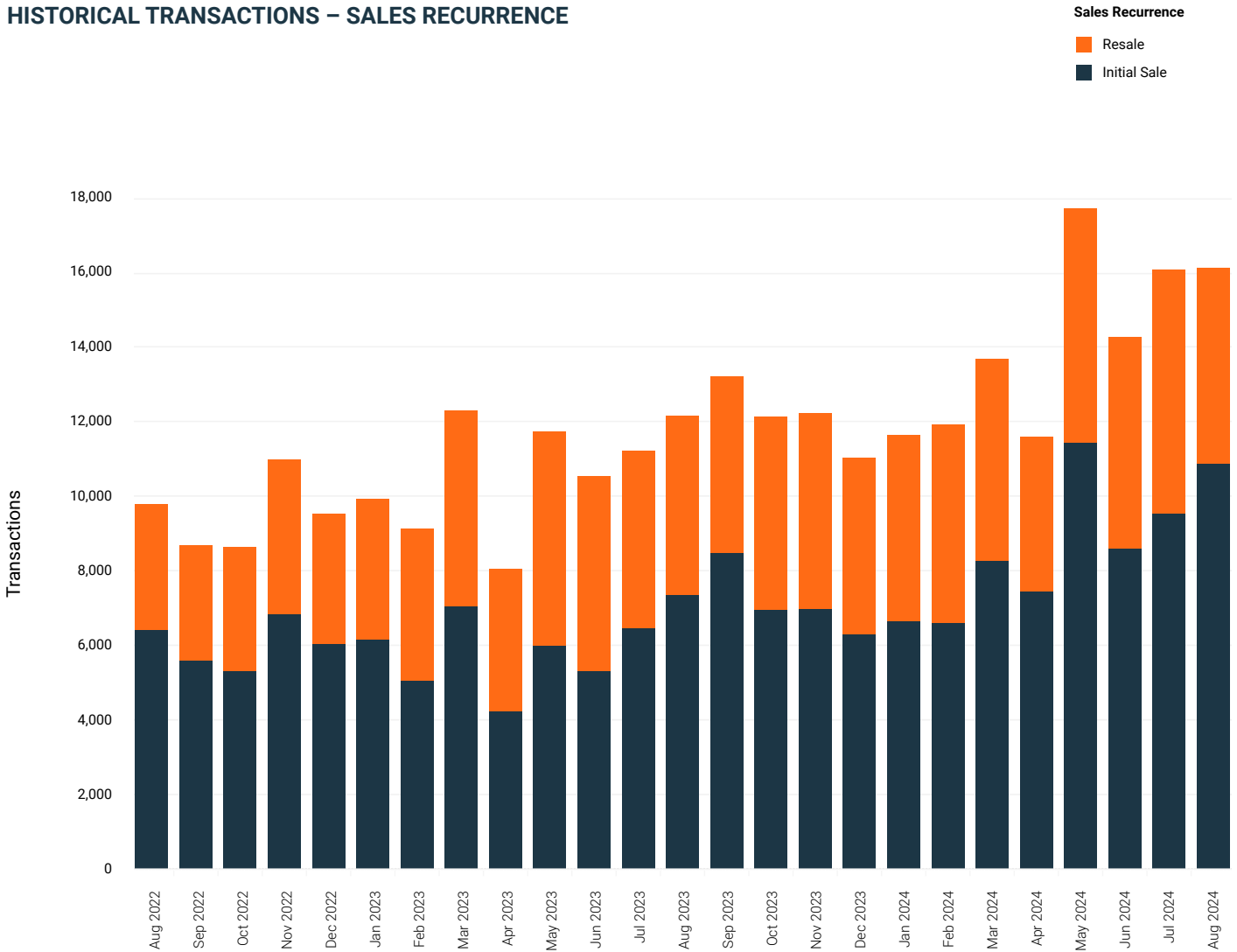


Sales transaction volumes in August reached 16,145, increasing marginally by 0.2% compared to July 2024. During the month, the split between Oqood and Title Deed property transactions was weighted in favour of the former, with Oqood registrations accounting for 64.8% of all transactions, up by 6.5% month-on-month. After adjusting for registration technicalities where several off-plan villa and townhouse transactions are shown as Title Deed, the true breakdown of market share is further bolstered to 72.2% in favour of properties under construction having been sold off-plan.

Emaar Properties claimed the top spot in the off-plan market with the bulk of developers’ off-plan registrations taking a remarkably dominant market share of 24.1%. They recorded 2,459 transactions spread across a myriad of their projects, most notably Marina Views in Mina Rashid Yachts and Marina where 435 sales were recorded. This was followed by Venera and Velora in The Valley, and Golf Lane and Greenway 2 in Emaar South with 426, 370, 342, and 250 sales respectively.

Sobha Group was next at 10.9% of all off-plan transactions with sales activity largely concentrated across the Riverside Crescent buildings in Sobha Harland II where more than 71% of their 1,107 sales took place, then was followed by Sobha One with 254 sales and Sobha Orbis in Motor City with 41. Taking third place was Azizi Development securing a 6.2% market share with Azizi Beach Oasis 1 in Dubai Studio City being a clear leader for the month clocking up 157 sales, then was followed by Azizi Grand (99) in Dubai Sports City and Azizi Riviera 63 (51).

HISTORICAL TRANSACTIONS – SALES RECURRENCE



In August 2024, the market share of initial developer sales increased by a considerable marginal 8.4% rising to 67.3% versus resale transactions. The 12-month rolling average now stands at 61.9% for initial sales and 38.1% for resales, the latter of which, after reaching a high of 51.8% in April 2021, has been slowly trending back down towards the levels of 2019 and 2020, 33.2% and 33.8% respectively.

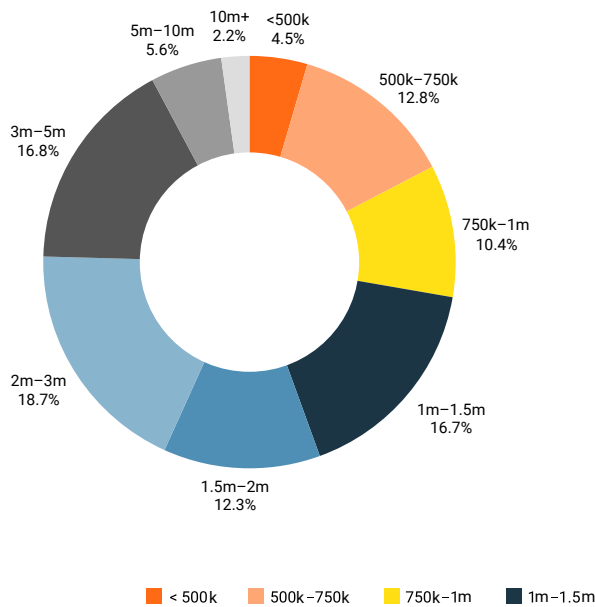
Jumeirah Village Circle was the most popular master development for initial sales, where 9.7% (1,031) of all such transactions occurred. 10 Oxford took the top spot for the month with 134 registrations, then was followed by One Park Central (109), the Fifth Tower (95), and Hillmont Residences (67).

Taking second place was The Valley with 874 sales and an 8.2% market share. Sales in the community were spread across various projects, most notably Venera and Velora with 426 and 370 registrations respectively.

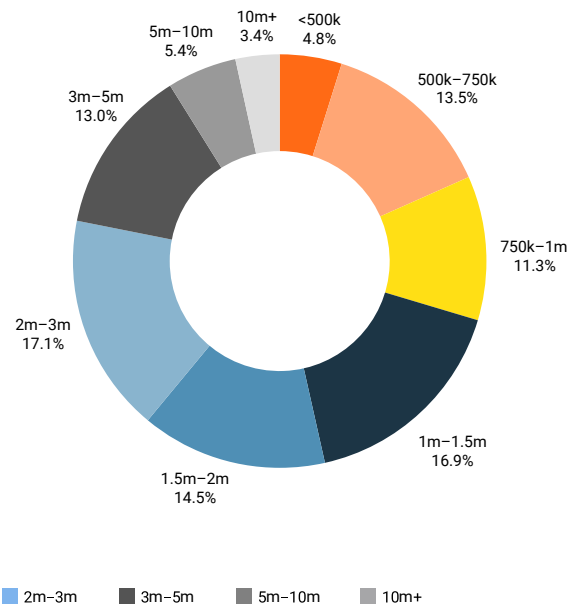
Coming in third for August was Sobha Hartland II claiming 7.4% market share with a total of 788 sales. 350 Riverside Crescent took the top spot for the month with 205 registrations, then was followed by 340 Riverside Crescent (196), 320 Riverside Crescent (170), and 360 Riverside Crescent (125).

The top master developments for residential resale transactions were Jumeirah Village Circle with 7.6% of such transactions spread across multiple projects, with the highest level of sales occurring at Binghatti Corner (8) and Uniestate Prime Tower (8). This was followed by Business Bay with a 6.3% market share with Sol Bay (20) being the highest transacted. Closing out the top 3 master developments for resale was Dubai Marina holding 4.9% of the market, with Escan Tower recording 13 sales for the month.

PRICE TIERS (AED) – August 2024



PRICE TIERS (AED) – July 2024



PRICE TIERS (AED) MONTHLY COMPARISON

	August 2024	July 2024	MoM Change
<500k	4.5%	4.8%	-0.30%
500k-750k	12.8%	13.5%	-0.70%
750k-1m	10.4%	11.3%	-0.90%
1m-1.5m	16.7%	16.9%	-0.20%
1.5m-2m	12.3%	14.5%	-2.20%
2m-3m	18.7%	17.1%	1.60%
3m-5m	16.8%	13.0%	3.80%
5m-10m	5.6%	5.5%	0.10%
10m+	2.2%	3.4%	-1.20%

Growing their share of the market at the fastest pace was the AED 3m-5m price tier which increased by 3.8% in August to reach a total of 16.8%. The growth of this price tier can be largely attributed to the successful new development launches of high-quality category townhouses at Venera and Velora in The Valley, and luxury apartments at Marina Views in Mina Rashid Yachts and Marina where sales prices averaged AED 1,231 and AED 2,941 per sq ft respectively. Meanwhile, the biggest market share loser was the AED 1.5-2m tier, which decreased by 2.2% falling to 12.3%.

Also experiencing notable growth during the month was the adjacent AED 2m-3m price tier which grew by 1.6%. Growth in this segment can be largely attributed to the same projects as well as off-plan branded apartment sales in Downtown Dubai across the high and luxury price segments at 25H Heimat and Rixos Financial Center Road Dubai Residences where price per square foot values averaged AED 2,774 and AED 2,981 respectively.

Condensing the individual 9 price tier segments to 3 main groups, properties in the mid-tier of AED 1m-3m again accounted for the largest share of the market at 47.7%, down by 0.8%. The low-price tiers with property values under AED 1m now represent 27.7% of the market, down by 1.9% from July, while the high-end price tiers—properties over AED 3m—now represent 24.6% of the market, up by 2.7% month-on-month.

METHODOLOGY AND METRICS

Dynamic Price Index

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

Completed Transaction

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

Gross Rental Yield

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

Highest Recorded Sale

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

Initial Sale

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

Lowest Recorded Sale

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

ABOUT PROPERTY MONITOR

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

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



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