



Property Review

# Northern Emirates Real Estate Report

Q2 2023

# Northern Emirates Market Overview

The Northern Emirates real estate market continued to benefit from a spillover of Dubai tenants priced out of the Emirate amidst a climate of rising rents. Flexibility at work, employment/business growth and the expansion of the infrastructure has also helped to boost demand.

As such, apartment rental rates across the Northern Emirates registered steady gains of 1% for typical units and 2% for high-end properties in Q2 2023. Average annual changes stood at 5%. High-end properties continued to outperform 'typical' stock as a result of buoyed market sentiment and new additions in that sector.

Sharjah office rental rates also continued to grow with an average quarterly increase of 2%, and 9% compared to the same period last year.

Sharjah sales prices remained relatively unchanged over the last three months, although a select number of transactions were recorded at the above benchmarked rates. We expect to see a similar pattern over the next quarter.

Following Sharjah's lead with their launch of the 'Sharjah Holiday Homes Project' in 2022, Ajman is the latest Emirate to allow short-term rentals. This has opened the market to a whole new category of tenants, as well as increasing the Emirates hospitality offerings.

In addition, the Ajman Department of Economic Development (DED) issued 1,483 new licenses during Q1 2023, a 13% increase compared to Q1 2022. This is likely to provide a boost for real estate demand for the Emirate.

Similar to Dubai, although proportionate in volume, there have been a slew of new project launches, construction milestones and handovers in the Northern Emirates.

Sharjah Sustainable City, developed by Sharjah Investment and Development Authority (Shurooq) and Diamond Developers, announced the launch of its fourth and final phase comprising 324 villas. Located in Al Rahmaniyah, the project spans a land area covering 7.2 million sqft and will accommodate a total of 1,250 sustainable villas. The handover process for the first phase commenced in September 2022.

Ras Al Khaimah (RAK) has been the most active of the Northern Emirates, by some margin, particularly the master developer RAK Properties.

In May 2023, they launched Bayviews Residences, a beachfront development comprising studios, 1 BR and 2 BR apartments located on Hayat Island, Mina Al Arab. RAK Properties also announced an update on Bay Residences, which is now in the second phase of development, following the completion of piling works. The project is situated on Hayat Island, and will comprise 324 apartments distributed across four towers, ranging from studios to 3 BR apartments.

In June 2023, RAK Properties and Dubai-based Ellington Properties entered into an agreement to collaborate on a residential beachfront development on Hayat Island. (No further details had been published at the time of the report.)

Al Hamra awarded the main works package for the construction of 502 villas and townhouses on Falcon Island (located within Al Hamra Village) ranging from 2 BR to 7 BR units.

UAE-based Luxe Developers broke ground on Oceano, a twin-tower waterfront development located on Al Marjan Island comprising 206 apartments over 18 floors.

Ras Al Khaimah Economic Zone (RAKEZ) recorded a strong start to the year welcoming 1,839 new companies in Q1 2023, a 122% increase compared to the same period in 2022, bringing the total to over 18,000 companies from 100 countries, across more than 50 industries.

RAK has ambitious development plans, not least the venture into the world of Casinos and Gaming, which will not only help position itself as an alternative lifestyle destination to Dubai but set it apart from the more prominent Emirate.





Northern Emirates

# Apartment Rental Rates

(All figures in AED 000's p.a.)

		STUDIO		1 BEDROOM		2 BEDROOMS		3 BEDROOMS		% CHANGE	
		From	To	From	To	From	To	From	To	Q1 2023 - Q2 2023	Q2 2022 - Q2 2023
SHARJAH	TYPICAL	9	15	13	20	16	24	25	34	1%	1%
	HIGH END	15	23	20	35	25	50	35	70	2%	4%
AJMAN	TYPICAL	10	15	12.5	15	14	20	21	30	1%	1%
	HIGH END	15	18	16	26	22	36	34	50	2%	6%
UMM AL QUWAIN		10	16	15	20	20	30	30	40	1%	6%
RAS AL KHAIMAH	TYPICAL	12	16	16	24	18	30	35	45	1%	5%
	HIGH END	17	30	25	45	36	60	60	90	2%	9%
FUJAIRAH	TYPICAL	15	18	20	25	24	34	32	45	1%	5%
	HIGH END	20	25	30	38	35	55	55	70	2%	8%





Sharjah

# Apartment Rental Rates ↗

(All figures in AED 000's p.a.)

	STUDIO		1 BEDROOM		2 BEDROOMS		3 BEDROOMS		% CHANGE	
	From	To	From	To	From	To	From	To	Q1 2023 - Q2 2023	Q2 2022 - Q2 2023
AL MAJAZ	15	18	18	30	20	45	30	65	0%	1%
AL QASIMIA	10	16	15	25	18	35	30	45	0%	1%
AL NAHDA	15	23	18	35	19	47	37.5	65	0%	3%
AL KHAN / AL MAMZAR	16	20	18	35	25	50	35	70	0%	2%
ABU SHAGARA	12	17	14	25	18	34	30	42	0%	1%
AL BUTINA	9	12	13	20	16	25	25	35	0%	2%
AL YARMOOK	10	13	13.5	17	17	20	27	40	0%	0%
ROLLA	10	14	14	20	18	26	27	34	0%	2%



% Change

2%

Q-o-Q  
Since Q1 2023

2%

Y-o-Y  
Since Q2 2022

-34%

Since Peak  
Q1 2015

4%

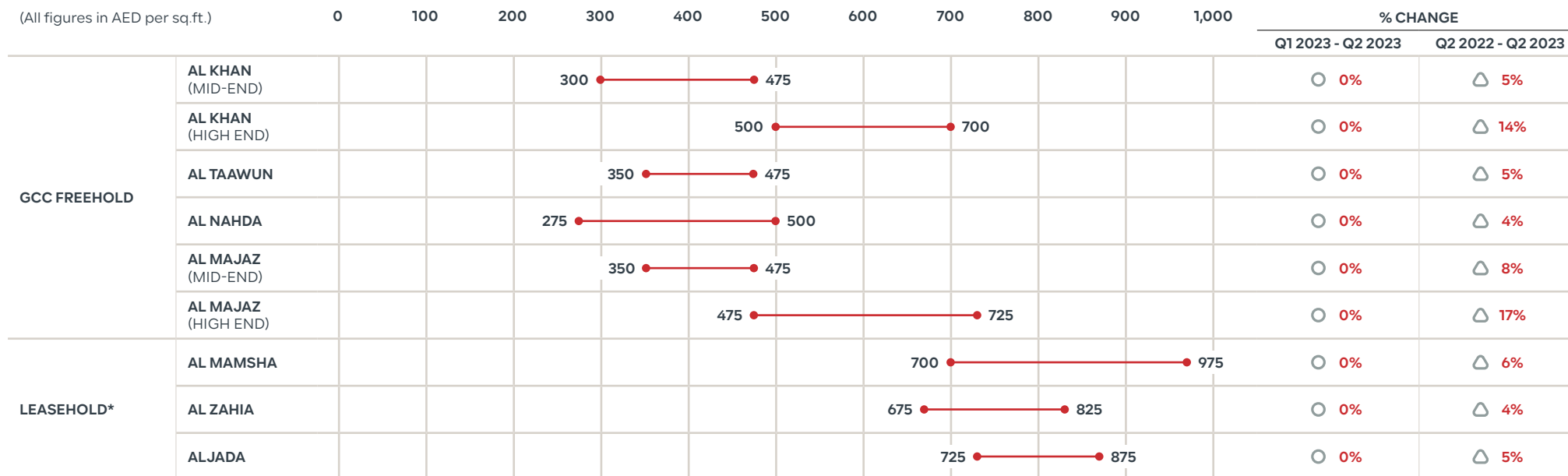
Since Market Low  
Q4 2012



Sharjah

# Apartment Sales Prices

(All figures in AED per sq.ft.)



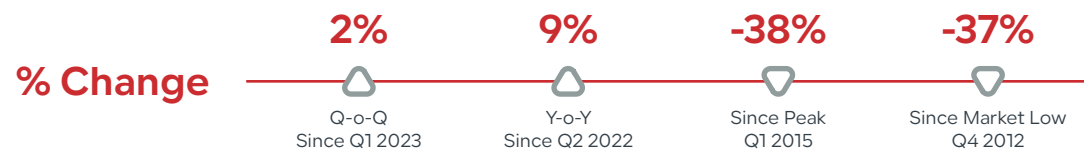
\* Leasehold ownership (up to 100 years) for all nationalities.



# Sharjah Office Rental Rates

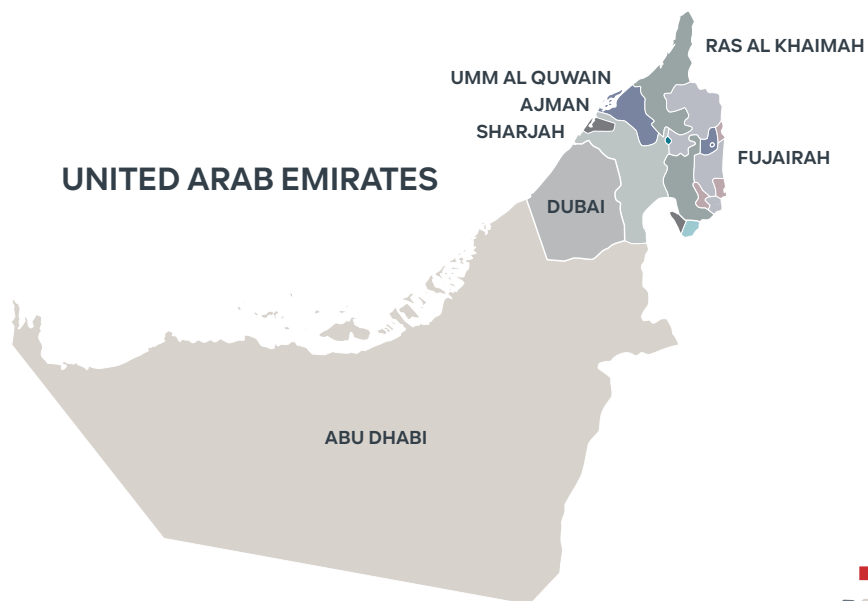
(All figures in AED per sq.ft. p.a.)

	AVERAGE RENTAL RATES		% CHANGE	
	From	To	Q1 2023 - Q2 2023	Q2 2022 - Q2 2023
AL TAAWUN ROAD	25	35	2%	6%
CORNICHE AREA	30	50	1%	12%
AL WAHDA	25	35	2%	9%
AL QASIMIA	20	35	2%	10%
CLOCK R/A	25	35	2%	11%
AL YARMOOK	25	35	2%	8%
INDUSTRIAL AREA	20	35	2%	8%



## Northern Emirates

# Property Map



UNITED ARAB EMIRATES

ABU DHABI

DUBAI

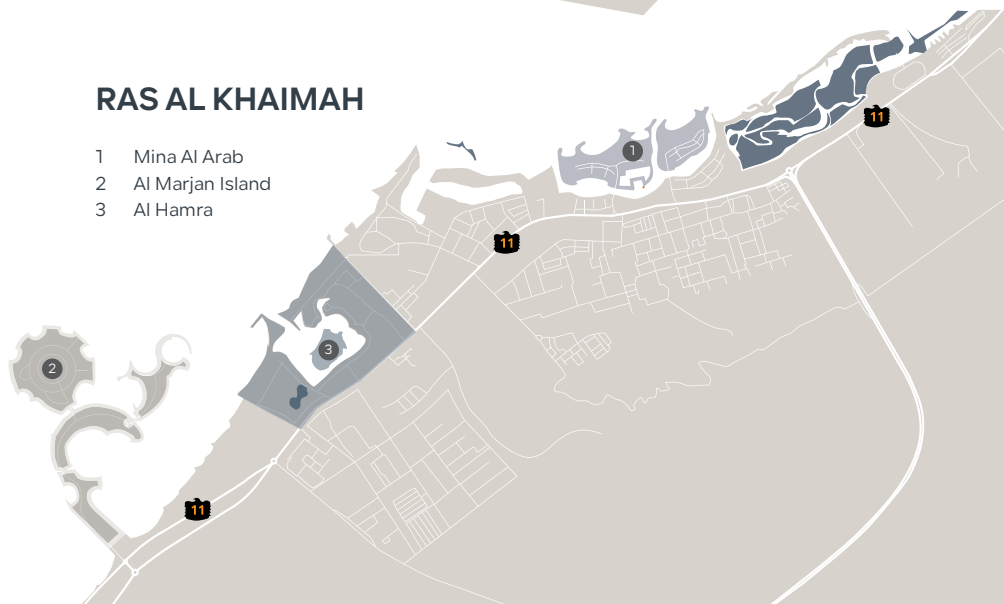
UMM AL QUWAIN  
AJMAN  
SHARJAH

RAS AL KHAIMAH

FUJAIRAH

## RAS AL KHAIMAH

- 1 Mina Al Arab
- 2 Al Marjan Island
- 3 Al Hamra



## SHARJAH

- 1 Abu Shagara
- 2 Al Khan
- 3 Al Majaz
- 4 Al Nahda
- 5 Al Qasimia
- 6 Al Taawun
- 7 Al Wahda
- 8 Corniche/Buhaira
- 9 Al Khalidiya
- 10 King Faisal and King Abdul Aziz Street



# About Asteco



Asteco is a major regional and international award-winning full-service real estate services company that was formed in 1985 and has gained enormous respect for consistently delivering high quality, professional, value-added real estate services in a transparent manner. The company is also widely recognised for its involvement with many of the projects that have defined the landscape and physical infrastructure of the United Arab Emirates.

The world-class company has a distinguished and important combination of local knowledge and international expertise and has been renowned for its application of the latest technological tools and innovations, its commitment to transparency, winning strategies, and human expertise.

Undisputed Real Estate experts with a regional presence to serve its customers, Asteco proudly represents a significant number of the region's top property Owners, Developers, and Investors.

Asteco offers a wide range of services and solutions to its clients from Valuation Advisory and Building Consultancy, Property Management, Sales & Leasing as well as Franchising services. The company applies innovative solutions and cutting-edge technology to add tangible value for its Clients at every stage of the property lifecycle and to continuously elevate customer experiences.

## VALUATION & ADVISORY

Our professional advisory services are conducted by suitably qualified personnel all of whom have had extensive Real Estate experience within the Middle East and internationally.

Our valuations are carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) and International Valuation Standards (IVS) and are undertaken by appropriately qualified valuers with extensive local experience.

The Professional Services Asteco conducts throughout the region include:

- Consultancy & advisory services
- Market research
- Valuation services

## SALES

Asteco has a large property Sales division with multi-lingual representatives based all over the UAE. Our Sales teams have extensive experience in the negotiation and sale of a variety of assets.

## LEASING

Asteco has been instrumental in the Leasing of many high-profile developments across the GCC.

## PROPERTY MANAGEMENT

Asteco provides comprehensive Property Management services to all property Owners, whether a single unit (IPM) or a regional mixed-use portfolio. Our focus is on maximising value for our Clients.

## BUILDING CONSULTANCY

The Building Consultancy Team at Asteco have a wealth of experience supporting their Clients throughout all stages of the built asset lifecycle. Each of the team's highly trained surveyors have an in-depth knowledge of construction technology, building pathology and effective project management methods which enable us to provide our Clients with a comprehensive building consultancy service.

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**Note:** It should be noted that the number of developments/areas has changed over the years in line with the delivery of new stock. As such, the average in the earlier years is derived from a lower number of projects. Whilst representing the apartment/villa/office average at the time, it is not a like for like comparison.