

A photograph of a large, modern mosque with a prominent white dome featuring gold Arabic calligraphy and two tall, slender minarets. The mosque is set against a clear blue sky. In the foreground, there is a paved area with some palm trees and a red 'L' shaped graphic element on the left.

Property Review

Al Ain Real Estate Report

Q3 2023

استيکو
asteco

38
YEARS

Al Ain

Market Overview ↗

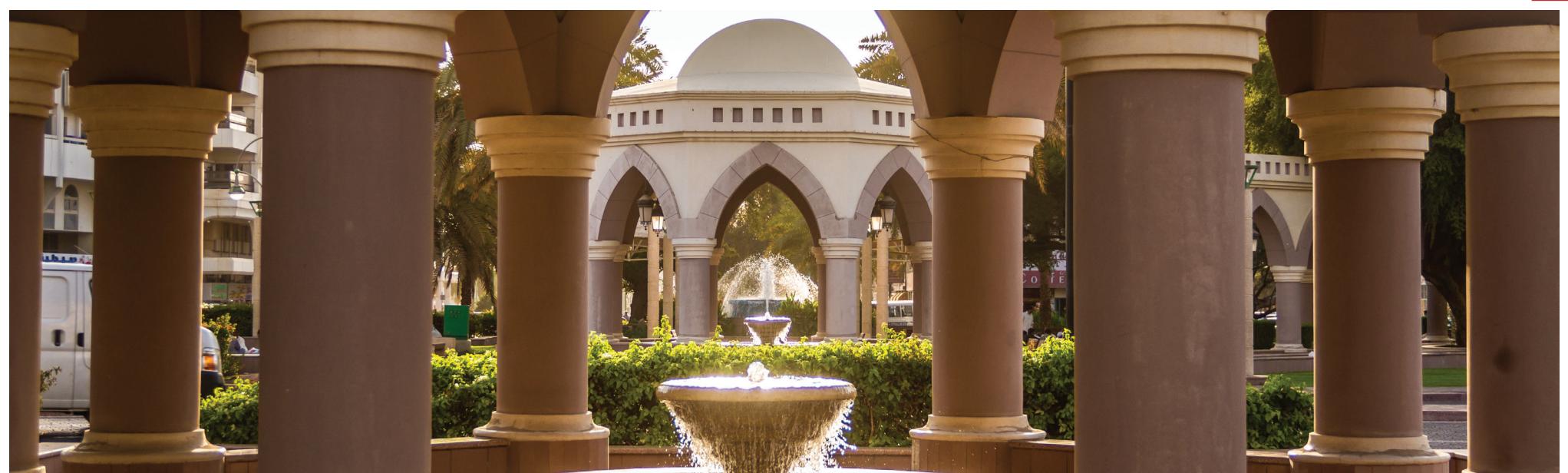
The Al Ain real estate market continued to exhibit robust demand across all asset classes, indicating positive overall market sentiment.

After a period of stagnant rental growth, recent data highlights a notable increase in rental rates for good-quality villas, ranging from 3% to 5% on average over the quarter. This growth varied based on unit location and quality, particularly in properties where rental rates had not kept pace with market averages. In response to the rising demand for residential properties, landlords adjusted their incentives, reducing or eliminating them, marking a shift in the market dynamics.

Similar trends were observed in the office market, where gradual growth in absorption rates over the last six months directly impacted asking rates. Rental rates for high-quality office space increased by an average of 2% in Q3. It is important to note that these increases primarily stem from new lease agreements rather than renewals of existing contracts.

The retail sector in Al Ain City experienced sustained demand, driven primarily by F&B shops. Although retail rental rates saw marginal average increments, they remained within previously reported ranges. This uptick in rental rates reflects the city's improving economic vibrancy.

Regarding new supply, several residential buildings were handed over in different areas of Al Ain, mainly concentrated in the Town Centre areas, further diversifying the available options in the market. These developments, coupled with the evolving rental landscape and increasing demand, signify a positive trajectory for the Al Ain real estate market.





Al Ain

Apartment Rental Rates ↗

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

	1 BEDROOM		2 BEDROOMS		3 BEDROOMS		% CHANGE	
	From	To	From	To	From	To	Q2 2023 - Q3 2023	Q3 2022 - Q3 2023
MATURE BUILDINGS	21	26	31	35	43	48	0%	0%
NEW BUILDINGS	26	29	34	37	52	62	0%	0%
PRIME COMPOUNDS	30	35	42	48	60	80	0%	0%

% Change

0%

Q-o-Q
Since Q2 2023

0%

Y-o-Y
Since Q3 2022

23%

Since Peak
Q4 2015

9%

Since Market Low
Q4 2012



Al Ain

Villa Rental Rates ↗

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

	3 BEDROOMS		4 BEDROOMS		5 BEDROOMS		% CHANGE		
	From	To	From	To	From	To	Q2 2023 - Q3 2023	Q3 2022 - Q3 2023	
MATURE VILLAS	AL JIMI, TOWN CENTRE, ZAKER, OTHER*	42	46	65	70	82	91	0%	0%
	AL TOWAYA	60	70	85	90	90	100	1%	1%
	PRIME COMPOUNDS	75	90	93	105	115	120	3%	3%
RECENT BUILD	AL JIMI, TOWN CENTRE, ZAKER, OTHER*	55	62	70	78	95	105	0%	0%
	AL TOWAYA	70	80	90	100	110	120	7%	7%
	PRIME COMPOUNDS	85	95	120	135	130	140	8%	8%

% Change

2%

Q-o-Q
Since Q2 2023

2%

Y-o-Y
Since Q3 2022

-25%

Since Peak
Q4 2015

6%

Since Market Low
Q4 2012

* Includes Al Khabisi, Al Muwaiji, Al Manasir and Al Masoudi areas.



Al Ain

Office Rental Rates ↗

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



% Change

1%
Q-o-Q
Since Q2 2023

1%
Y-o-Y
Since Q3 2022

-13%
Since Peak
Q4 2015

-30%
Since Market Low
Q3 2012



Al Ain

Retail Rental Rates ↗

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



% Change

0%
Q-o-Q
Since Q2 2023

0%
Y-o-Y
Since Q3 2022

-10%
Since Peak
Q4 2015

-10%
Since Market Low
Q4 2011

Al Ain

Property Map ↗



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.