



Property Review

Abu Dhabi Real Estate Report

Q3 2024

استیکو
asteco

39
YEARS

Market Overview ↗

Supply

During Q3 2024, approximately 950 residential units were completed and delivered across Abu Dhabi, notably in areas such as Noya on Yas Island, Jubail Island and Al Raha Beach. This period also witnessed the announcement and launch of several key residential projects, totalling approximately 2,560 units, including:

- W Residences Al Maryah Island by Taraf Holding (170 units)
- Yas Riva by Aldar (151 units)
- The Arthouse Saadiyat Grove by Aldar (281 units)
- Reportage Village Khalifa City by Reportage (312 units)
- Bloom Living Granada, Seville and Armelia by Bloom Holding (961 units)
- Selina Bay Yas by Reportage (679 units)

In September 2024, Aldar Properties and Mubadala Investment Company formed a strategic partnership to create four joint ventures focused on owning, managing and developing real estate assets worth over AED 30 billion.

Asteco anticipates additional project announcements throughout the remainder of 2024, driven by a substantial pipeline of residential and mixed-use developments currently in the planning and early development phases.

Rental Rates

A significant development in the Abu Dhabi real estate market during Q3 2024 was the official launch of the Abu Dhabi Rental Index by the Abu Dhabi Real Estate Centre (ADREC). This tool is expected to foster transparency and accountability in the market, empowering stakeholders to make informed decisions. Its potential impact on international investor sentiment is also anticipated to be positive, as it provides greater clarity and stability to the rental market.

The residential rental market in Abu Dhabi maintained its positive momentum during the third quarter, with landlords retaining an advantage due to robust leasing activity fuelled by localised demand.

Rental rates for apartments increased across all areas in Q3. Whilst our data indicates an average quarterly growth of 1% (4% over the year), major developments in various locations experienced a more pronounced rise in demand, leading to an estimated 5% increase in rental rates. The high-end segment demonstrated the strongest performance, with average increases ranging from 2% to 5%.

The villa market also demonstrated strong performance, with rental growth observed across all areas. Saadiyat Island, Khalifa City and MBZ City led the way, with rental rates increasing by up to 5% from the previous quarter. Overall, villa rents rose by an average of 2% quarterly and 4% annually.

The trend of rising rental rates for high-quality Grade A/B office space, which began in 2023, continued in Q3 2024. Average rents across the market experienced approximately 3% quarterly and 8% annual growth. However, certain developments witnessed a more pronounced upswing in rental rates, reaching up to a 10% compared to the same period last year. These increases were primarily implemented for new lease agreements or when existing rents were no longer aligned with current market rates.

This upward movement in office rents is largely due to the limited availability of prime office space in Abu Dhabi, coupled with increased demand from expanding businesses. Government initiatives aimed at attracting foreign investment have also played a significant role in driving this demand.

Sales Prices

Abu Dhabi's real estate market demonstrated robust activity in Q3 2024, with approximately 1,850 residential transactions recorded. Ready property sales outperformed off-plan transactions, accounting for nearly 58% of the total (1,070 deals), which signifies a marked increase of 16% from the previous quarter and 43% year-on-year. This trend is largely attributed to a decline in off-plan transactions due to fewer new project launches in recent months.

Apartment sales prices continued their upward trajectory, with an overall quarterly and annual increase of 4% and 8%. Several areas recorded price appreciations exceeding 10% over the past 12 months.

The villa sales market noted average sales price growth of 2% over the quarter and 4% over the year. Whilst villa sales prices in several communities remained within the expected market range, which explains the more moderate average growth rate, an upward trend was evident across all villa communities. Notably, well-located villas in prime communities on Saadiyat Island registered a considerable price appreciation of over 25% year-on-year.

Demand for off-plan developments remained strong, with recently launched projects achieving record absorption rates that set new benchmarks in Abu Dhabi. This strong performance underscores the sustained confidence in the market and the appeal of new developments.

The Abu Dhabi real estate market is well positioned for growth in the short to medium term. Several factors support this outlook, including a growing interest from new developers entering the Abu Dhabi market, and a significant pipeline of planned residential and mixed-use developments, particularly on Reem Island, which has become increasingly attractive under the Abu Dhabi Global Market (ADGM) jurisdiction.



Abu Dhabi Supply ↗

	Completed in H1 2024	Completed in Q3 2024	Projected Q4 2024
 APARTMENTS No. of units	1,750	600	700
 VILLAS No. of units	1,500	350	1,000



Abu Dhabi

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	Q2 2024 - Q3 2024	Q3 2023 - Q3 2024
PRIME PROPERTIES										
ABU DHABI ISLAND	60	65	65	125	107	167	145	216	0%	3%
INVESTMENT AREA*	60	95	90	205	135	290	180	400	0%	6%
HIGH-END PROPERTIES										
ABU DHABI ISLAND	AL KHALIDIYA / AL BATEEN	55	75	60	90	80	145	110	215	2%
	CENTRAL ABU DHABI	40	45	55	65	85	130	120	155	6%
	CORNICHE	45	55	60	78	85	120	120	175	4%
INVESTMENT AREA	AL RAHA BEACH	55	60	70	90	110	140	145	210	1%
	MARINA SQUARE	45	50	55	75	75	120	110	160	0%
	SAADIYAT BEACH RESIDENCES	-	-	70	85	115	135	140	180	2%
	SHAMS ABU DHABI	45	55	53	80	80	120	110	170	0%
	YAS ISLAND	55	60	70	80	105	135	185	200	3%
MID-END PROPERTIES										
ABU DHABI ISLAND		40	55	50	75	60	120	90	165	0%
INVESTMENT AREA	AL RAHA BEACH	42	45	50	70	85	105	140	150	1%
	NAJMAT & TAMOUSH	35	50	45	70	70	90	95	140	3%
	SAADIYAT ISLAND	45	55	55	70	80	110	110	140	3%
	SHAMS ABU DHABI	40	45	45	65	65	100	100	135	0%
	YAS ISLAND	43	50	52	68	80	95	115	130	4%
OFF ISLAND	KHALIFA CITY & MBZ CITY	25	40	45	70	60	115	120	135	0%
LOW-END PROPERTIES										
ABU DHABI ISLAND	AL KHALIDIYA / AL BATEEN	25	35	28	45	50	65	65	90	2%
	CENTRAL ABU DHABI	30	35	40	45	45	67	55	110	4%
	CORNICHE	30	35	40	50	55	60	68	80	0%
INVESTMENT AREA	AL REEF	35	40	50	55	60	72	80	90	2%
OFF ISLAND	KHALIFA CITY & MBZ CITY	22	32	32	42	42	55	60	75	1%

% Change



* Includes Mamsha Al Saadiyat Development



Abu Dhabi

Apartment Sales Prices ↗

(All figures in AED per sq.ft.)

	0	500	1,000	1,500	2,000	% CHANGE	
						Q2 2024 - Q3 2024	Q3 2023 - Q3 2024
AL BANDAR			1,150	1,500		△ 1%	△ 6%
AL MUNEERA			1,000	1,350		○ 0%	△ 3%
AL REEF DOWNTOWN		640	850			○ 0%	△ -1%
AL ZEINA			1,100	1,400		△ 4%	△ 9%
ARC & THE GATE TOWERS			870	1,100		△ 1%	△ 1%
CITY OF LIGHTS (HYDRA)		750	1,000			△ 6%	△ 9%
CITY OF LIGHTS (OTHER PROJECTS)			850	1,025		△ 5%	△ 12%
MARINA SQUARE			800	1,075		△ 2%	△ 3%
SAADIYAT BEACH RESIDENCES			1,200	1,450		△ 4%	△ 6%
SUN & SKY TOWERS		925	1,150			△ 2%	△ 6%
YAS ISLAND - ANSAM			1,150	1,500		△ 5%	△ 13%
YAS ISLAND - WATER'S EDGE			1,050	1,350		△ 4%	△ 9%





Abu Dhabi

Villa Rental Rates

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

		2 BEDROOMS		3 BEDROOMS		4 BEDROOMS		5 BEDROOMS		% CHANGE	
		From	To	From	To	From	To	From	To	Q2 2024 - Q3 2024	Q3 2023 - Q3 2024
ABU DHABI ISLAND	AL KHALIDIYA / AL BATEEN	-	-	150	170	155	190	175	250	0%	0%
	AL NAHYAN CAMP / AL MUROOR	-	-	150	160	165	195	170	210	4%	7%
	MUSHRIF / KARAMA / MANASEER	-	-	155	160	165	190	195	230	2%	2%
INVESTMENT AREA	AL RAHA BEACH	-	-	200	220	250	280	290	380	4%	5%
	AL REEF	75	90	100	110	135	145	150	160	1%	4%
	HIDD AL SAADIYAT	-	-	-	-	420	550	520	725	6%	6%
	HYDRA VILLAGE	58	62	65	70	-	-	-	-	2%	9%
	LULUAT AL RAHA	-	-	-	-	200	205	350	370	0%	1%
	SAADIYAT BEACH VILLAS	-	-	300	400	370	440	450	650	2%	2%
	WEST YAS	-	-	-	-	260	300	300	350	0%	1%
	YAS ACRES	180	200	220	260	280	340	320	410	2%	1%
OFF ISLAND	AL RAHA GARDENS	-	-	150	165	155	195	205	240	1%	1%
	GOLF GARDENS	-	-	190	210	220	270	270	380	0%	3%
	KHALIFA CITY	-	-	120	135	120	165	140	190	5%	7%
	MBZ CITY	-	-	105	115	110	145	125	180	5%	5%





Abu Dhabi

Villa Sales Prices ↗

(All figures in AED Million)

															% CHANGE		
															Q2 2024 - Q3 2024	Q3 2023 - Q3 2024	
AL RAHA GARDENS	-															0%	4%
	3 BR		2.40														
	4 BR		3.00														
AL REEF VILLAS	5 BR		4.00														
	2 BR		1.18													0%	0%
	3 BR		1.65														
	4 BR		2.10														
GOLF GARDENS	5 BR		2.55														
	-															0%	1%
	3 BR		3.20														
	4 BR		4.13														
HIDD AL SAADIYAT	5 BR		5.00														
	-															8%	12%
	4 BR		13.00														
	5 BR		16.50														
HYDRA VILLAGE	2 BR		0.85														
	3 BR		1.05														
	-																
	-																
SAADIYAT BEACH VILLAS (STANDARD)	3 BR		6.00													0%	1%
	4 BR		8.25														
	5 BR		10.40														
WEST YAS	-																
	4 BR		5.90													5%	5%
	5 BR		6.60														

% Change

2%

Q-o-Q
Since Q2 2024

4%

Y-o-Y
Since Q3 2023

10%*

Since Peak
Q4 2015

27%*

Since Market Low
Q4 2012

* Includes Al Raha Gardens, Golf Gardens & Al Reef Villas only. Later averages are reflective of an increase in new developments of higher quality.



Abu Dhabi

Office Rental Rates ↗

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

	AVERAGE RENTAL RATES		% CHANGE	
	From	To	Q2 2024 - Q3 2024	Q3 2023 - Q3 2024
PRIME STOCK				
FITTED*	1,550	2,850	1%	10%
QUALITY STOCK				
FITTED	1,000	1,325	3%	10%
SHELL AND CORE	825	975	3%	8%
OLDER STOCK				
GOOD	675	850	0%	8%
TYPICAL BUILDING	550	650	0%	0%
LOW QUALITY BUILDING	425	500	0%	5%



% Change



* Includes developments such as Al Maryah Island, Aldar HQ, International Tower, Nation Towers, Ittihad Towers, etc.

Abu Dhabi

Property Map ↗

- 1 Al Bandar - Al Raha Beach
- 2 Al Bateen Wharf
- 3 Al Gurm
- 4 Al Maqtaa
- 5 Al Muneera - Al Raha Beach
- 6 Al Nahyan Camp
- 7 Al Raha Gardens
- 8 Al Rayyana
- 9 Al Reef
- 10 Al Zeina - Al Raha Beach
- 11 Baniyas
- 12 Al Bateen Airport Area
- 13 Al Bateen Area
- 14 Bawabat Al Sharq
- 15 Capital District (ADNEC)
- 16 Central Business District (CBD) / Tourist Club Area
- 17 Corniche
- 18 Danet Abu Dhabi
- 19 Eastern Mangroves
- 20 Golf Gardens
- 21 Hydra Village
- 22 Khalidiyah/ Al Hosn/ Al Manhal
- 23 Khalifa City A
- 24 Khalifa City B
- 25 Al Maryah Island
- 26 Mohamed Bin Zayed City (MBZ)
- 27 Al Mina
- 28 Al Mushrif/ Al Karamah/ Al Manaseer/ Al Muroor
- 29 Abu Dhabi Gate City
- 30 Rawdhat Abu Dhabi
- 31 Al Reem Island - Marina Square
- 32 Al Reem Island - Najmat Abu Dhabi
- 33 Al Reem Island - Rest of Shams Abu Dhabi
- 34 Al Reem Island - City of Lights
- 35 Al Reem Island - The Gate District
- 36 Saadiyat Beach District
- 37 Hills Abu Dhabi
- 38 West Yas
- 39 Yas Acres
- 40 Ansam
- 41 Al Raha Beach
- 42 Mamsha Al Saadiyat
- 43 Hidd Al Saadiyat
- 44 Masdar City
- 45 Al Jubail Island
- 46 Musaffah
- 47 Al Hudayriyat Island
- 48 Water's Edge



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.

James Joughin
BSc (Hons), MRICS

Executive Director -
Valuation & Advisory
+971 4 403 7777
JamesJ@Asteco.com

Ghada Amhaz
MSc, MRICS

Associate Director -
Research & Advisory, Abu Dhabi
+971 2 626 2660
GhadaA@asteco.com

Tamer Ibrahim Chaaban
BE

Associate Director /
General Manager - Al Ain
+971 3 766 6097
TamerI@asteco.com

Jenny Weidling
BA (Hons)

Associate Director -
Research & Advisory
+971 4 403 7777
JennyW@Asteco.com



DISCLAIMER: The information contained in this report has been obtained from and is based upon sources that Asteco Property Management believes to be reliable; however, no warranty or representation, expressed or implied, is made to the accuracy or completeness of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions imposed by our principals. Asteco Property Management will not be held responsible for any third-party contributions. All opinions and estimates included in this report constitute Asteco Property Management's judgment, as of the date of this report and are subject to change without notice. Figures contained in this report are derived from a basket of locations highlighted in this report and therefore represent a snapshot of the UAE market. Averages, however, represent a wider range of areas. Particularly exclusive or unique projects have been excluded from the data to avoid distorting averages. Due care and attention has been used in the preparation of forecast information. However, actual results may vary from forecasts and any variation may be materially positive or negative. Forecasts, by their very nature, involve risk and uncertainty because they relate to future events and circumstances which are beyond Asteco Property Management's control. For a full in-depth study of the market, please contact Asteco Property Management's Research team. Asteco Property Management LLC. Commercial License No. 218551. Paid-up Capital AED 4,000,000. | ORN 180.

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.