



Property Review

Dubai Real Estate Report

Q3 2024

استیکو
asteco

39
YEARS

Market Overview ↗

Supply

Following a marginal slowdown in project completions over the previous quarter, new handovers surged in Q3 2024. This was particularly evident in the apartment segment, which saw a near 50% increase in completions with approximately 8,100 units entering the market. Whilst new villa supply saw a marginal drop compared to the previous quarter, it is projected to increase towards the end of the year. An additional 14,900 residential units, comprising 11,800 apartments and 3,100 villas, are anticipated for handover in Q4 2024, albeit there will likely be some spillover into 2025.

New project launches continued to thrive, especially along the E311 (Sheikh Mohammed Bin Zayed Road) and E611 (Emirates Road) corridors, pushing Dubai's urban growth further inland. This reflects a strategic shift towards expanding beyond the traditional coastal and central areas, creating new opportunities for residential, commercial and industrial development.

Damac Properties recently introduced Damac Sun City, a new master-planned community in Dubai situated behind Cherrywoods, off Al Qudra Road. The development will feature in excess of 550 x 4-bedroom and 5-bedroom townhouses. Handover is scheduled for early 2028.

Whilst new office completions remained limited, there was a notable increase in project launches, including large-scale Grade A developments such as Immersive Tower in DIFC 2.0 (approximately 630,000 sqft of office space). Additionally, Aldar launched its first commercial development in Dubai, a landmark project on Sheikh Zayed Road anticipated to deliver approximately 950,000 sqft of Grade A office space, alongside a luxury boutique hotel and branded residences.

Concurrent with the increase in project launches and construction efforts, there has been a notable rise in infrastructure development. This investment seeks to enhance traffic flow and address the rising demands driven by urban growth and population expansion.

Rental Rates

In Q3 2024, rental rates for apartments and villas continued to rise, experiencing quarterly increases of 3% and 2%, respectively. This increase can be partially attributed to the updated RERA rental index, which has given certain landlords the flexibility to request larger rent increases upon lease renewal.

Affordable communities continued to lead rental growth in relative terms. This trend emphasises the demand for 'affordable' housing options, with price considerations being a significant factor for many tenants. Consequently, whilst landlords in these areas experienced increased interest, occupancy and rental rates, prospective tenants remained highly price sensitive. As a result, attracting and retaining tenants in more upscale locations may become challenging.

In fact, certain communities and unit types, especially those with larger available inventories (both existing and new supply), recorded slight declines in rental rates. This suggests that some landlords are beginning to modify their pricing strategies to entice tenants and minimise extended vacancies. Furthermore, anecdotal evidence suggests that properties listed above market averages tend to linger and often ultimately require price reductions to secure tenants.

In contrast, rental rates in popular villa communities with limited availability due to a rise in owner-occupiers, as well as long-term tenants benefiting from below-market rents, experienced above average increases. This is due to the fact that the few available villas often feature upgrades such as interior renovations, extensions, extensive landscaped outdoor areas and the addition of private pools.

In the medium-term, Asteco anticipate new supply will relieve upward pressure on rental and occupancy rates.

Sales Prices

Dubai sales price growth continued unabated, particularly in the office sector. The office market experienced average quarterly and annual increases of 5% and 21%, respectively. This surge is primarily attributed to strong economic and business conditions, combined with a limited supply, particularly of Grade A and Grade B+ properties.

Sales prices for apartments and villas also increased by 3% and 4%, respectively, compared to the previous quarter. Whilst there was once a shortage of properties in many established communities, there has been a recent surge in listings with owners seeking to capitalise on favourable market conditions.

Off-plan transactional activity also remained robust, with developments in desirable locations and from prominent developers often selling out within days or even hours. This strong performance is driven by a synergy of key factors such as brand reputation, desirable location, quality product offerings, competitive pricing and attractive payment plans.

The sustained high demand for off-plan properties prompted some developers to introduce aggressive payment plans, with structures reaching as high as 80/20 or 75/25. This trend is making homeownership through off-plan purchases more challenging for lower-income individuals and families, especially those looking for larger apartments or villas.

In response to more demanding payment plans, some UAE lenders started offering enhanced financing options for off-plan properties, allowing buyers to secure up to 10% additional financing during the construction phase. In addition, the market witnessed the emergence of innovative financing solutions, such as fractional ownership platforms.

The government's proactive approach to enhancing the country's physical, social, technological and legal infrastructure, combined with robust underlying fundamentals, will continue to contribute to strong market conditions and a degree of resilience against external factors.

Dubai Supply ↗

	Completed in H1 2024	Completed in Q3 2024	Projected Q4 2024
 APARTMENTS No. of units	12,900	8,100	11,800
 VILLAS No. of units	3,925	900	3,100
 OFFICES Million sq.ft.	0.37	0.35	0



Dubai

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
HIGH-TO LUXURY-END										
DIFC	70	100	90	180	140	260	200	300	4%	10%
DOWNTOWN DUBAI	55	110	75	200	110	300	160	400	4%	10%
PALM JUMEIRAH	70	130	110	240	140	330	200	500	3%	10%
SHEIKH ZAYED ROAD	55	70	60	130	80	160	100	220	0%	-7%
MID-TO HIGH-END										
BUSINESS BAY	45	100	60	140	90	200	140	240	0%	7%
DUBAI MARINA	50	120	60	170	85	240	130	300	5%	4%
JUMEIRAH BEACH RESIDENCE	65	95	85	160	100	200	160	260	3%	3%
JUMEIRAH LAKES TOWERS	45	80	55	160	80	180	120	200	4%	11%
THE GREENS & THE VIEWS	45	75	70	130	100	180	160	220	4%	2%
AFFORDABLE										
DEIRA	20	55	37.5	80	60	120	85	160	2%	8%
DISCOVERY GARDENS	35	55	50	75	70	90	-	-	4%	8%
DUBAI SPORTS CITY	35	55	45	80	65	115	90	150	5%	6%
INTERNATIONAL CITY	20	45	35	60	45	85	60	95	3%	4%
JUMEIRAH VILLAGE	35	75	40	110	70	160	90	200	5%	21%





Dubai

Apartment Sales Prices ↗

(All figures in AED per sq.ft.)

0

1,000

2,000

3,000

4,000

5,000

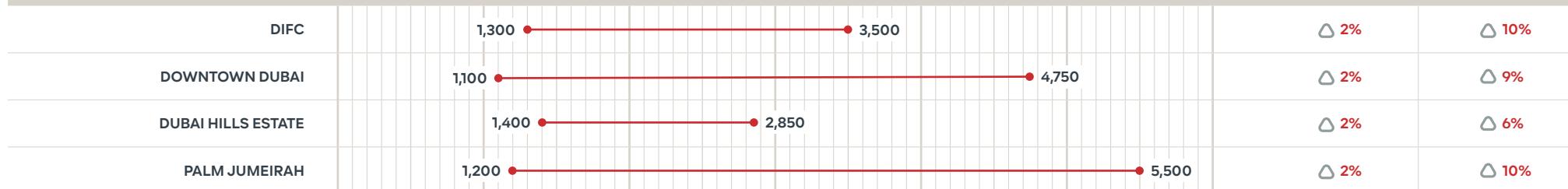
6,000

% CHANGE

Q2 2024 - Q3 2024

Q3 2023 - Q3 2024

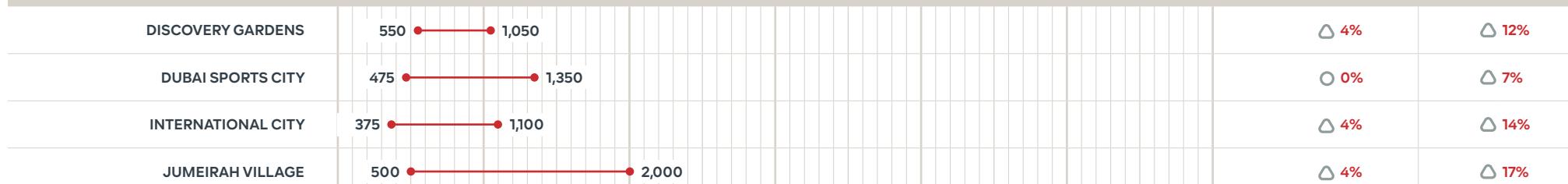
HIGH-TO LUXURY-END



MID- TO HIGH-END



AFFORDABLE



% Change

3%

7%

3%

87%

Q-o-Q
Since Q2 2024

Y-o-Y
Since Q3 2023

Since Peak
Q2 2014

Since Market Low
Q3 2011

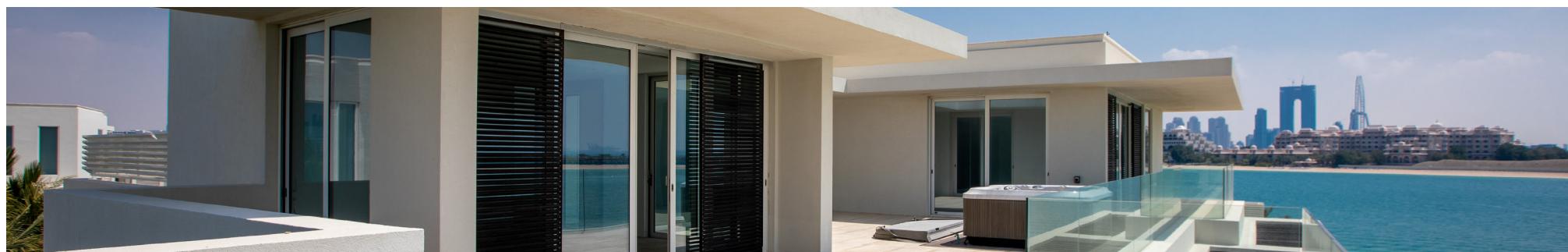


Dubai

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
ARABIAN RANCHES	140	200	170	340	230	450	350	500	2%	2%
DAMAC HILLS 2 (AKOYA OXYGEN)	70	100	70	135	75	145	105	150	5%	17%
DUBAI HILLS ESTATE	-	-	200	400	250	500	300	600	1%	9%
JUMEIRAH / UMM SUQEIM	-	-	150	350	180	400	250	600	0%	4%
JUMEIRAH PARK	-	-	250	420	275	575	400	600	5%	5%
JUMEIRAH VILLAGE	120	250	130	230	140	260	160	260	2%	5%
THE MEADOWS	-	-	280	450	300	500	350	750	6%	13%
MIRDIF	60	120	75	150	90	200	125	225	1%	-2%
PALM JUMEIRAH	-	-	350	800	450	1,000	700	1,400	6%	6%
THE SPRINGS	100	220	160	300	-	-	-	-	3%	6%
THE LAKES	-	-	250	450	300	500	375	550	7%	11%
TOWN SQUARE	-	-	105	165	140	190	-	-	0%	0%





Dubai

Villa Sales Prices ↗

(All figures in AED per sq.ft.)

	0	1,000	2,000	3,000	4,000	5,000	6,000	7,000	8,000	9,000	10,000	% CHANGE	
												Q2 2024 - Q3 2024	Q3 2023 - Q3 2024
ARABIAN RANCHES		1,250	1,250	3,000	3,000							△ 4%	△ 11%
DAMAC HILLS 2 (AKOYA OXYGEN)	575	575	1,150	1,150								△ 7%	△ 7%
DUBAI HILLS ESTATE		1,600	1,600	4,000	4,000							△ 4%	△ 12%
JUMEIRAH PARK		1,300	1,300	2,300	2,300							△ 3%	△ 14%
JUMEIRAH VILLAGE	450	450	2,250	2,250								△ 3%	△ 9%
THE MEADOWS		1,750	1,750	3,300	3,300							△ 5%	△ 17%
PALM JUMEIRAH		2,450	2,450	9,500	9,500							△ 4%	△ 9%
THE SPRINGS		1,300	1,300	2,650	2,650							△ 6%	△ 11%
THE LAKES		1,650	1,650	3,000	3,000							△ 4%	△ 14%
TOWN SQUARE	925	925	1,325	1,325								△ 5%	△ 11%

% Change**4%**Q-o-Q
Since Q2 2024**9%**Y-o-Y
Since Q3 2023**13%**Since Peak
Q2 2014**91%**Since Market Low
Q3 2011



Dubai

Office Rental Rates ↗

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

	AVERAGE RENTAL RATES		% CHANGE	
	From	To	Q2 2024 - Q3 2024	Q3 2023 - Q3 2024
BARSHA HEIGHTS (TECOM)	75	180	5%	43%
BUR DUBAI	65	150	6%	17%
BUSINESS BAY	75	225	5%	38%
DIFC	140	360	2%	18%
JUMEIRAH LAKES TOWERS	70	180	5%	47%
SHEIKH ZAYED ROAD	90	230	4%	32%





Dubai

Office Sales Prices ↗

(All figures in AED per sq.ft.)

	0	500	1,000	1,500	2,000	2,500	3,000	3,500	4,000	4,500	% CHANGE	
											Q2 2024 - Q3 2024	Q3 2023 - Q3 2024
BARSHA HEIGHTS (TECOM)			800		1,850						△ 8%	△ 39%
BUSINESS BAY			850				3,550				△ 7%	△ 33%
DIFC				1,750				4,050			△ 8%	△ 23%
JUMEIRAH LAKES TOWERS			650		2,700						△ 7%	△ 36%



% Change

5%

Q-o-Q
Since Q2 2024

21%

Y-o-Y
Since Q3 2023

1%

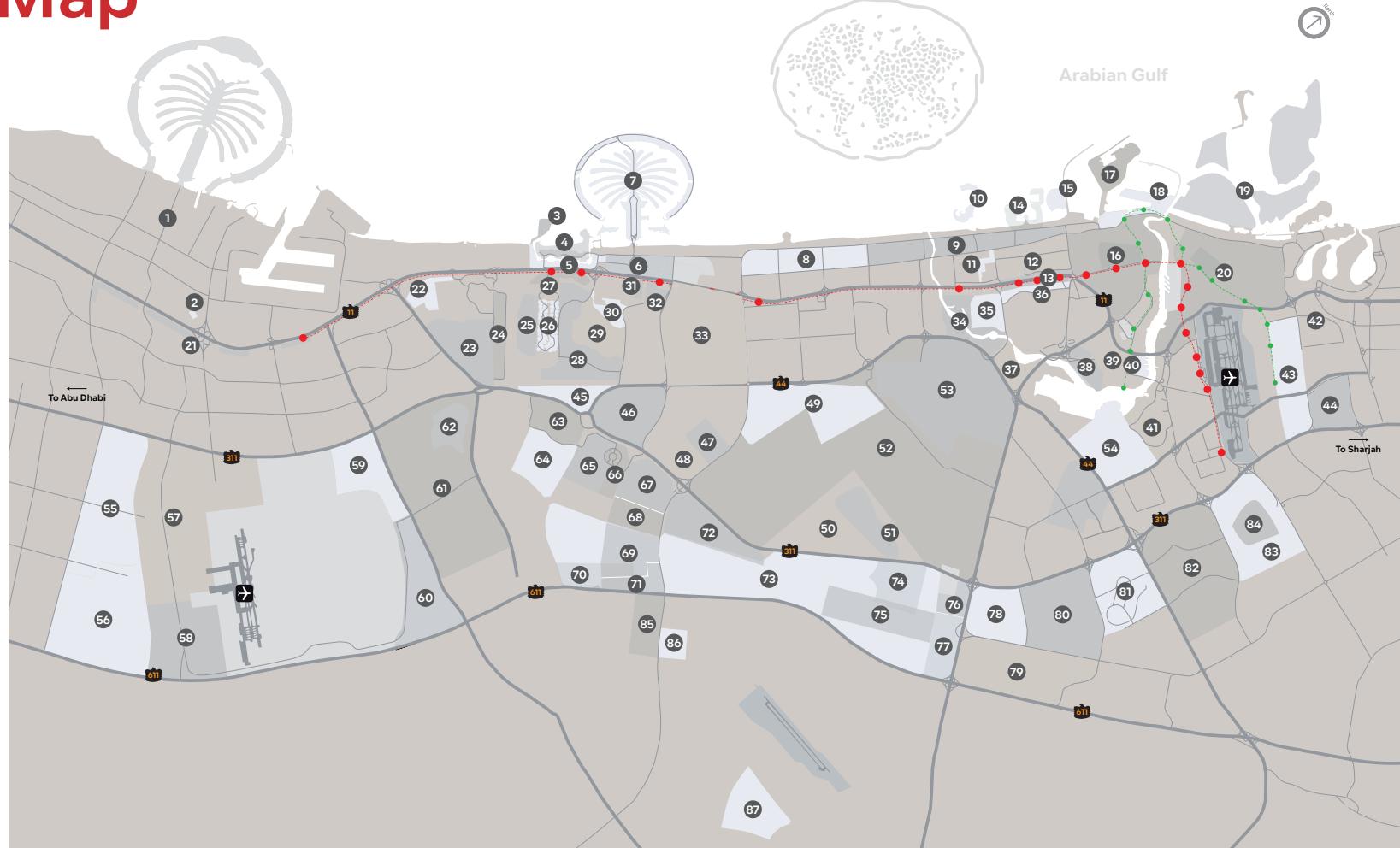
Since Peak
Q1 2015

57%

Since Market Low
Q2 2012

Dubai Property Map

- 1 Veneto
- 2 Badrah
- 3 Bluewater Island
- 4 Jumeirah Beach Residence
- 5 Dubai Marina
- 6 Dubai Internet City, Dubai Media City & Dubai Knowledge Park
- 7 Palm Jumeirah
- 8 Umm Suqeim
- 9 Jumeirah
- 10 Jumeirah Bay
- 11 City Walk
- 12 Al Satwa
- 13 Sheikh Zayed Road
- 14 La Mer
- 15 Pearl Jumeirah
- 16 Bur Dubai
- 17 Dubai Maritime City
- 18 Port Rashid
- 19 Dubai Islands
- 20 Deira
- 21 Downtown Jebel Ali
- 22 Wasl Gate
- 23 Al Furjan
- 24 Discovery Gardens
- 25 Jumeirah Park
- 26 Jumeirah Islands
- 27 Jumeirah Lakes Towers
- 28 The Springs / The Meadows
- 29 Emirates Hills
- 30 The Lakes
- 31 The Greens
- 32 Barsha Heights (Tecom)
- 33 Al Barsha
- 34 Business Bay
- 35 Downtown Dubai
- 36 DIFC
- 37 Dubai Design District
- 38 Dubai Healthcare City - Phase 2
- 39 Al Jaddaf
- 40 Jaddaf Waterfront (Culture Village)



41	Dubai Festival City	48	Arjan	55	Commercial District	63	Dubai Production City (IMPZ)	70	Remraam	77	DubaiLand Residence Complex	83	Mirdif
42	Al Nahda	49	Dubai Hills Estate	56	Golf District	64	Jumeirah Golf Estates	71	Mudon	78	Dubai Silicon Oasis	84	Uptown Mirdif
35	Downtown Dubai	43	Al Qusais	50	Living Legends	65	Victory Heights	72	Arabian Ranches	79	Dubai Academic City	85	Town Square
36	DIFC	44	Muhaisnah	51	Al Barari	66	Dubai Sports City	73	Dubailand	80	International City Phase 2 & 3	86	Mira
37	Dubai Design District	45	Jumeirah Village Triangle	52	Mohammed Bin Rashid City (MBR City)	67	Motor City	74	Falcon City of Wonders	81	International City	87	Damac Hills 2
38	Dubai Healthcare City - Phase 2	46	Jumeirah Village Circle	53	Meydan	68	Dubai Studio City	75	The Villa	82	Al Warqaa		
39	Al Jaddaf	47	Dubai Science Park	54	Dubai Creek Harbour	69	Damac Hills	76	Liwan				

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.