

Property Review

UAE Real Estate Report

Q3 2024



استيکو
zsteco

39
YEARS



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Al Tamimi & Co.



ABU DHABI



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%	1%
	CENTRAL ABU DHABI	40	45	55	65	85	130	120	155	6%	6%
	CORNICHE	45	55	60	78	85	120	120	175	4%	4%
INVESTMENT AREA	AL RAHA BEACH	55	60	70	90	110	140	145	210	1%	5%
	MARINA SQUARE	45	50	55	75	75	120	110	160	0%	2%
	SAADIYAT BEACH RESIDENCES	-	-	70	85	115	135	140	180	2%	0%
	SHAMS ABU DHABI	45	55	53	80	80	120	110	170	0%	3%
	YAS ISLAND	55	60	70	80	105	135	185	200	3%	10%
MID-END PROPERTIES											
ABU DHABI ISLAND		40	55	50	75	60	120	90	165	0%	5%
INVESTMENT AREA	AL RAHA BEACH	42	45	50	70	85	105	140	150	1%	0%
	NAJMAT & TAMOUSH	35	50	45	70	70	90	95	140	3%	3%
	SAADIYAT ISLAND	45	55	55	70	80	110	110	140	3%	6%
	SHAMS ABU DHABI	40	45	45	65	65	100	100	135	0%	0%
	YAS ISLAND	43	50	52	68	80	95	115	130	4%	6%
OFF ISLAND	KHALIFA CITY & MBZ CITY	25	40	45	70	60	115	120	135	0%	2%
LOW-END PROPERTIES											
ABU DHABI ISLAND	AL KHALIDIYA / AL BATEEN	25	35	28	45	50	65	65	90	2%	1%
	CENTRAL ABU DHABI	30	35	40	45	45	67	55	110	4%	7%
	CORNICHE	30	35	40	50	55	60	68	80	0%	0%
INVESTMENT AREA	AL REEF	35	40	50	55	60	72	80	90	2%	4%
OFF ISLAND	KHALIFA CITY & MBZ CITY	22	32	32	42	42	55	60	75	1%	1%



* 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%



% Change

2%

4%

-3%

23%

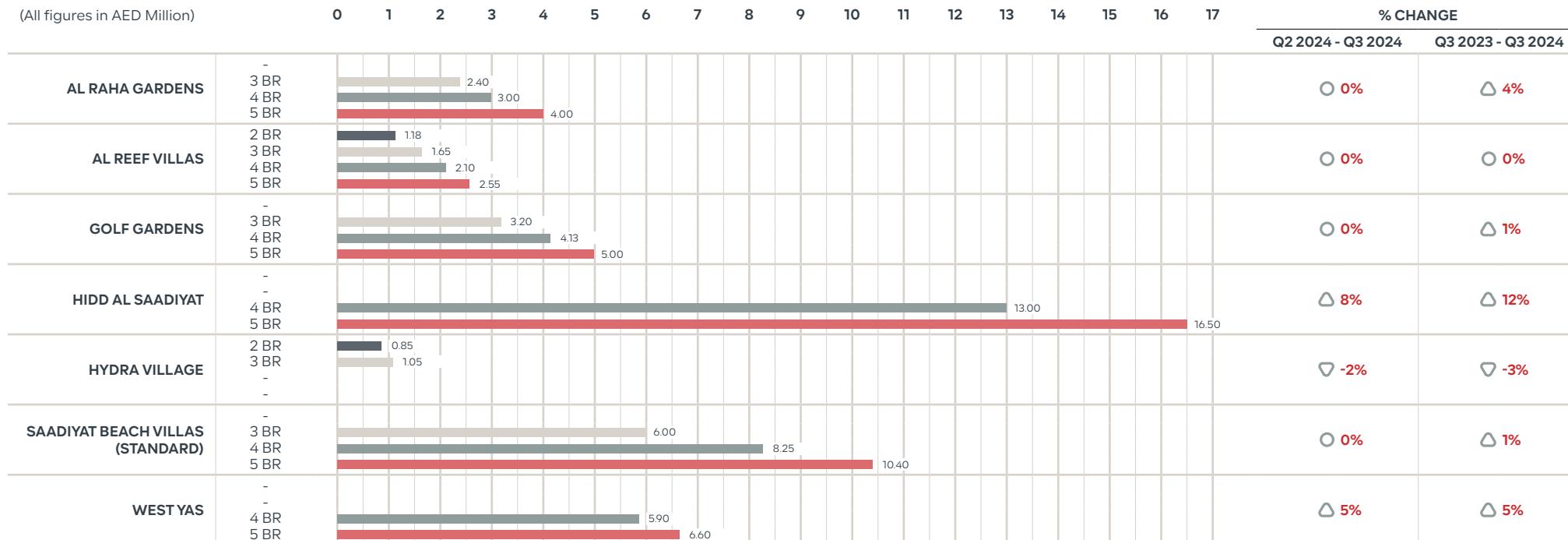
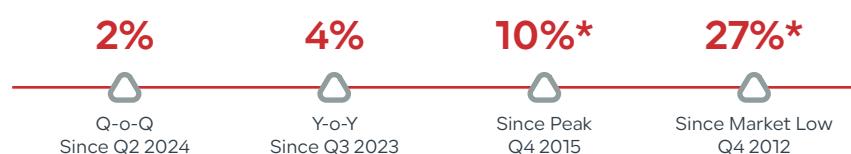
Q-o-Q
Since Q2 2024Y-o-Y
Since Q3 2023Since Peak
Q4 2015Since Market Low
Q4 2012



Abu Dhabi

Villa Sales Prices ↗

(All figures in AED Million)

**% Change**

* 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

3%

Q-o-Q
Since Q2 2024

8%

Y-o-Y
Since Q3 2023

-13%

Since Peak
Q4 2015

-9%

Since Market Low
Q4 2012

* 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





DUBAI



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

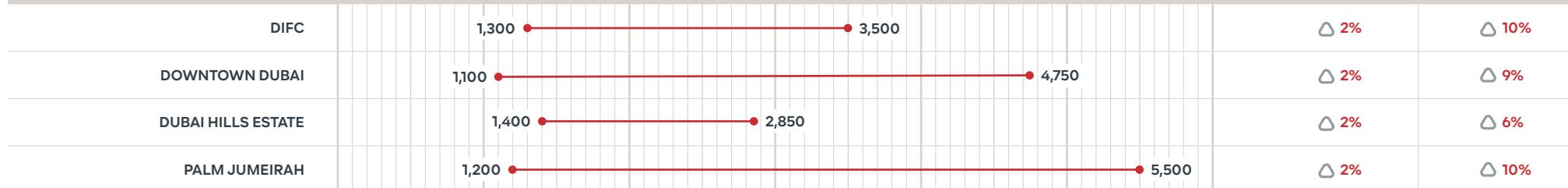
6,000

% CHANGE

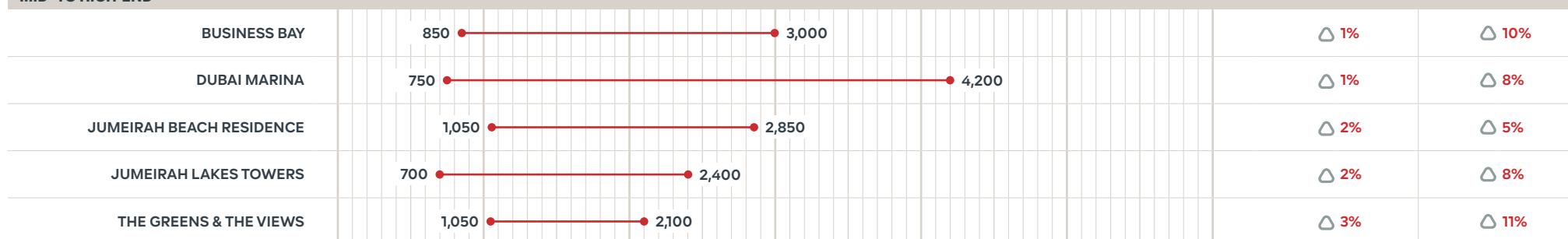
Q2 2024 - Q3 2024

Q3 2023 - Q3 2024

HIGH-TO LUXURY-END



MID- TO HIGH-END



AFFORDABLE



% Change

3%

Q-o-Q
Since Q2 2024

7%

Y-o-Y
Since Q3 2023

3%

Since Peak
Q2 2014

87%

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		3,000								△ 4%	△ 11%
DAMAC HILLS 2 (AKOYA OXYGEN)	575		1,150									△ 7%	△ 7%
DUBAI HILLS ESTATE		1,600		4,000								△ 4%	△ 12%
JUMEIRAH PARK		1,300		2,300								△ 3%	△ 14%
JUMEIRAH VILLAGE	450		2,250									△ 3%	△ 9%
THE MEADOWS		1,750		3,300								△ 5%	△ 17%
PALM JUMEIRAH		2,450							9,500			△ 4%	△ 9%
THE SPRINGS		1,300		2,650								△ 6%	△ 11%
THE LAKES		1,650		3,000								△ 4%	△ 14%
TOWN SQUARE	925		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 ↗

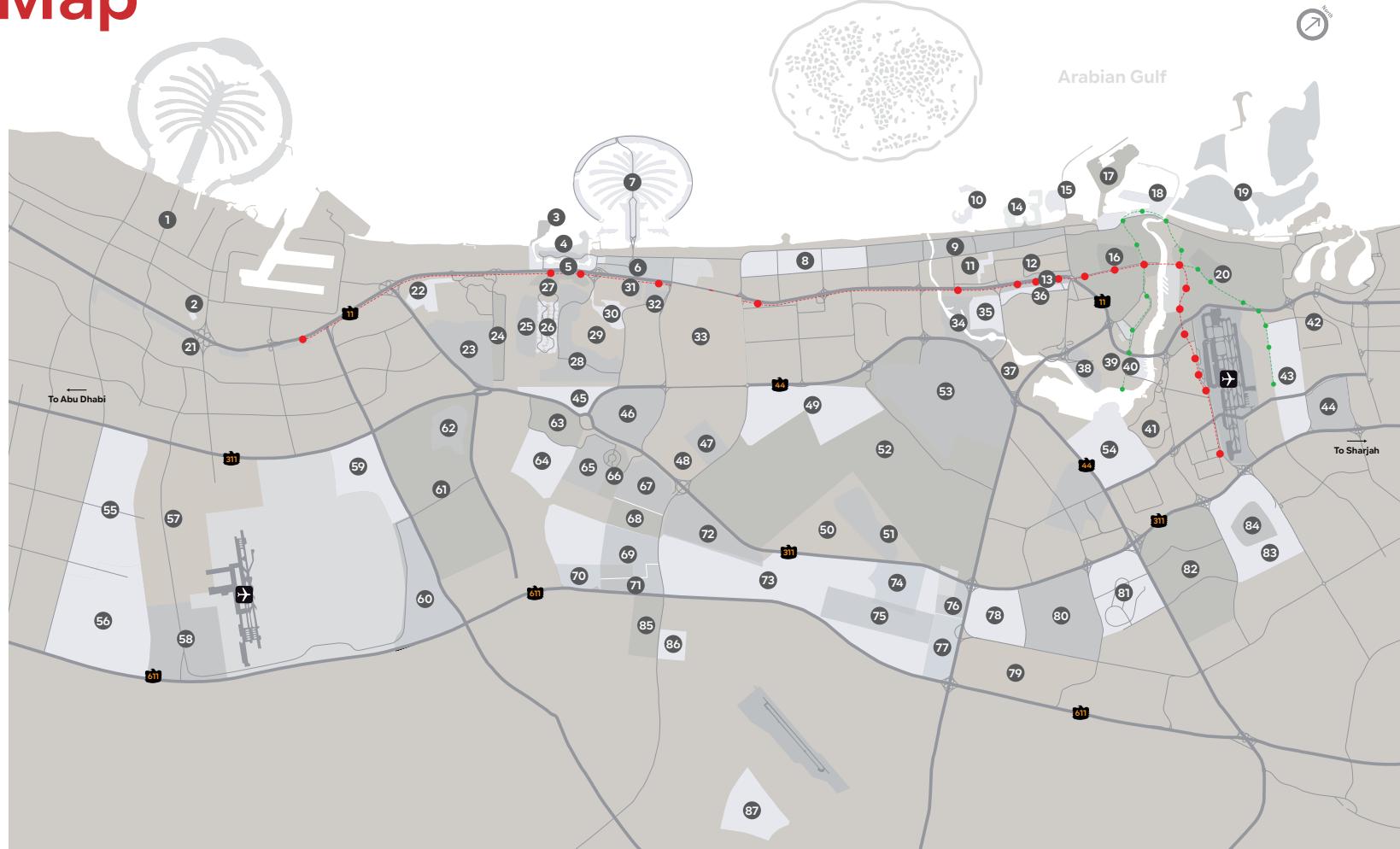
(All figures in AED per sq.ft.)

	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%



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	57	Logistics District	65	Victory Heights	72	Arabian Ranches	85	Town Square
36	DIFC	44	Muhaisnah	51	Al Barari	58	Aviation District	66	Dubai Sports City	73	Dubailand	86	Mira
37	Dubai Design District	45	Jumeirah Village Triangle	52	Mohammed Bin Rashid City (MBR City)	59	Expo 2020	67	Motor City	74	Falcon City of Wonders	87	Damac Hills 2
38	Dubai Healthcare City - Phase 2	46	Jumeirah Village Circle	53	Meydan	61	Dubai Investment Park	68	Dubai Studio City	75	The Villa	81	International City
39	Al Jaddaf	47	Dubai Science Park	54	Dubai Creek Harbour	62	Green Community	69	Damac Hills	76	Liwan	82	Al Warqaa



**NORTHERN
EMIRATES**



Northern Emirates

Market Overview ↗

Asteco observed an increase in tenants relocating from Dubai to the Northern Emirates. The "concertina effect", where Dubai residents move to more affordable options in the Northern Emirates during periods of rising rents and return when rents are more subdued, is an established pattern. Expectedly this movement was led by price sensitive tenants that are seeking to mitigate the financial impact of rental increases. For many, this issue is made more acute following the RERA rental calculator update in March 2024. However, it is worth noting that rental rates also rose in the Northern Emirates, albeit they remained significantly lower than in most of Dubai's communities, with the added benefit of larger unit sizes.

It should be noted that the decision to relocate is typically influenced by a confluence of factors, rather than a single isolated reason. Beyond rental pressure, several other factors contribute to this migration:

- Job growth in the Northern Emirates, fuelled by economic expansion
- Increased availability of quality developments and master-planned communities
- Hybrid work arrangements offering more locational flexibility
- Lower cost of living
- Change of pace or lifestyle

Whilst commuting times are a crucial factor in the cost-benefit analysis for potential movers, many seem willing to bear the burden. For a significant number of individuals, the financial benefits, improved infrastructure and lifestyle preferences simply outweigh the challenges posed by traffic.

The Northern Emirates' sales market returned a strong performance, with sustained demand and upward price trends across various property types. This positive momentum is driven by increased economic activity, infrastructure development and growing interest from both local and international investors. The relative affordability of properties compared to neighbouring Dubai further contributes to the appeal of the Northern Emirates, attracting a diverse range of buyers.

Although Sharjah and Ras Al Khaimah remain at the forefront of new supply and project launches, Fujairah and Umm Al Quwain also witnessed an increase in real estate activity.

Key project launches and development updates include:

Sharjah

- Alef Group announced the launch of Nama 4, located within Nama in Al Mamsha Raseel Sharjah (Zone 3). The Nama cluster consists of 1,029 units spread across 6 buildings, with Nama 4 featuring 198 x 1-bedroom, 2-bedroom and 3-bedroom apartments.
- Alef Group completed 80% of residential units in Sharjah's Al Mamsha Souks project, handing over 3,052 units including studios, 1-bedroom, 2-bedroom and 3-bedroom apartments and duplexes.
- Alef Group announced the completion of the master infrastructure for the Hayyan development. The project includes the Arim and Alma neighbourhoods, which are progressing ahead of schedule. Arim neighbourhood consists of 848 villa units and Alma includes 299 2-bedroom to 6 -bedroom villas and townhouses.
- Sharjah launched a new state-of-the-art sports city. Sports City Stadium will feature four sports complexes around a central square.
- Shurooq, the Sharjah Investment and Development Authority, launched Ajwan, a mixed-use project located in Khorfakkan. The development features a 5-star hotel and six residential buildings with a variety of 2-bedroom, 3-bedroom and 4-bedroom apartments and duplexes. Phase 1 will offer 79 units.

Ras Al Khaimah

- Damac Properties marked the company's inaugural development in the Emirate with the launch of Shoreline by DAMAC. Located on Al Marjan Island, the development offers 1-bedroom, 2-bedroom and 3-bedroom apartments and duplexes with direct beach access, earmarked for completion in Q3 2028.
- Marjan, the master developer of Al Marjan Island, partnered with Mira Developments to launch Mira Coral Bay. Located in the Al Mairid area, Mira Coral Bay will feature a 5-star spa hotel with 100 keys, a resort hotel featuring 250 rooms, a state-of-the-art yacht club and beach clubs. In addition, the development will comprise six clusters of villas (165 units), two clusters of townhouses (128 units), four clusters of apartments (650 units) and 10 premium restaurants.

Fujairah

- Future Cities, in collaboration with Emtelak Properties, announced the Ocean Living project, a luxury villa development in Fujairah's Al Aqah Beach area.

Umm Al Quwain

- Sobha Realty, in partnership with Umm Al Quwain Properties, announced Sobha Siniya Island, a mixed-use beachfront development located within proximity of Al Marjan Island. The project is expected to be completed in phases, with the first phase set to be delivered by 2025. It will offer a collection of villas, waterfront mansions, apartments and resorts, as well as a wide range of amenities, including a family golf course, floating pavilion, event halls and a helix bridge.

Mirroring the trends in Abu Dhabi and Dubai, the Northern Emirates, particularly Sharjah and Ras Al Khaimah, continue to record robust economic growth, thus fuelling substantial activity and investment within the real estate market. This growth is propelled by diversification initiatives, infrastructure improvements, tourism expansion and supportive government policies.



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	Q2 2024 - Q3 2024	Q3 2023 - Q3 2024
SHARJAH	TYPICAL	12	18	14	38	18	48	32	58	3%	16%
	HIGH-END	18	43	24	60	27	80	42	100	3%	19%
AJMAN	TYPICAL	13	19	15	21	19	28	26	36	2%	15%
	HIGH-END	17	22	22	30	30	44	41	55	2%	15%
UMM AL QUWAIN		13	23	18	27	19	31	31	42	1%	9%
RAS AL KHAIMAH	TYPICAL	15	22	19	30	22	45	40	60	6%	22%
	HIGH-END	24	36	27	55	43	85	80	120	6%	24%
FUJAIRAH	TYPICAL	17	23	20	28	26	36	31	50	2%	9%
	HIGH-END	23	34	36	42	37	55	57	71	2%	6%





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	Q2 2024 - Q3 2024	Q3 2023 - Q3 2024
AL MAJAZ	18	32	23	45	26	62	35	85	3%	17%
AL QASIMIA	14	20	17	32	23	42	37	65	3%	17%
AL NAHDA	18	29	20	40	25	50	50	70	0%	15%
AL KHAN / AL MAMZAR	21	28	24	47	31	62	48	81	3%	17%
ABU SHAGARA	14	25	19	34	24	45	32	51	3%	14%
AL BUTINA	10	14	16	26	18	32	25	40	1%	9%
AL YARMOOK	13	16	15	22	20	25	27	40	1%	10%
ROLLA	11	17	14	27	23	31	29	35	3%	9%





Sharjah

Apartment Sales Prices ↗

(All figures in AED per sq.ft.)

		0	100	200	300	400	500	600	700	800	900	1,000	1,100	1,200	1,300	% CHANGE	Q2 2024 - Q3 2024	Q3 2023 - Q3 2024
GCC FREEHOLD	AL KHAN (MID-END)				350	480										△ 2%	△ 5%	
	AL KHAN (HIGH-END)					525	800									△ 2%	△ 8%	
	AL TAAWUN				375	520										△ 4%	△ 7%	
	AL NAHDA				325	600										△ 2%	△ 6%	
	AL MAJAZ (MID-END)				375	525										△ 3%	△ 7%	
	AL MAJAZ (HIGH-END)				475	850										△ 1%	△ 5%	
LEASEHOLD*	AL MAMSHA					700	1,020									△ 1%	△ 7%	
	AL ZAHIA					675				1,275						△ 3%	△ 9%	
	ALJADA					675				1,090						△ 1%	△ 5%	



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



Sharjah

Office Rental Rates ↗

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

	From	To	AVERAGE RENTAL RATES		% CHANGE	
			Q2 2024 - Q3 2024	Q3 2023 - Q3 2024		
AL TAAWUN ROAD	32	60	7%	10%		
CORNICHE AREA	32	57	3%	11%		
AL WAHDA	27	39	4%	11%		
AL QASIMIA	25	36	3%	10%		
CLOCK R/A	25	36	3%	9%		
AL YARMOOK	25	35	4%	10%		
INDUSTRIAL AREA	25	50	3%	13%		

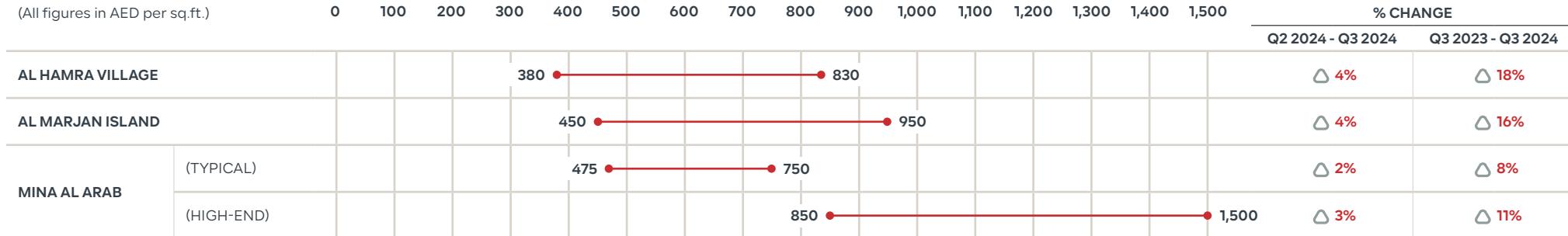




Ras Al Khaimah

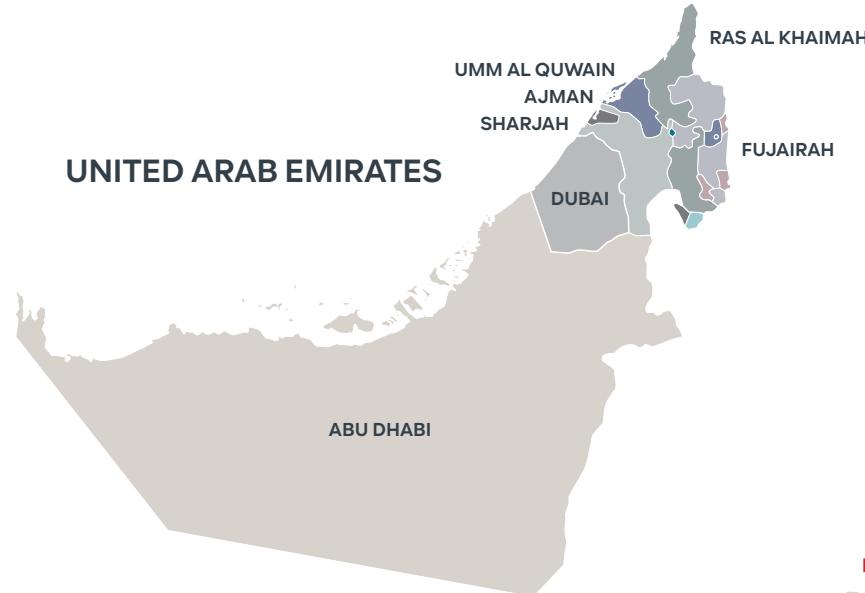
Apartment Sales Prices ↗

(All figures in AED per sq.ft.)



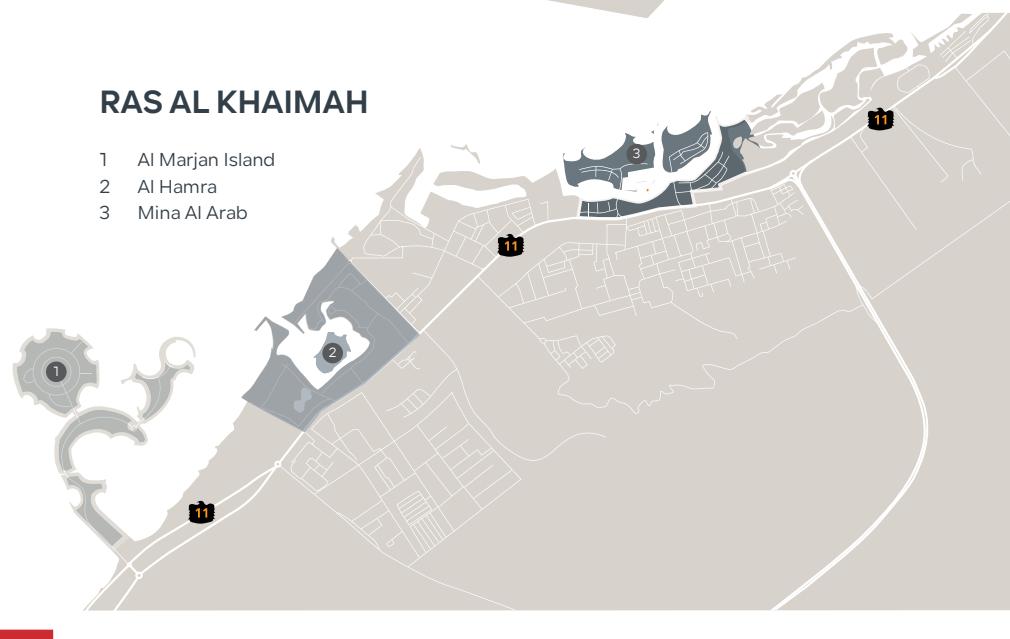
Northern Emirates

Property Map ↗



RAS AL KHAIMAH

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



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



AL AIN



Al Ain

Market Overview ↗

The Al Ain real estate market maintained its positive trajectory in Q3 2024, with rental rates rising across most asset classes. Strong demand in the residential sector prompted landlords to seek rent increases, typically between 2% and 5%, for tenancy renewals.

Several villa communities reported average rental increases of 2% compared to both the previous quarter and the same period last year. This upward trend was primarily observed in established family-oriented neighbourhoods rather than newly built properties. Whilst new villas also recorded rental increases, these remained within the expected market range.

Mature apartment buildings registered rental growth of approximately 2% over the quarter and 1% year-on-year, particularly for units previously priced below market value.

Whilst office rental rates across the city rose by 4% on average, both quarterly and annually, growth in the central business districts along Main Street and Khalifa Street was marginally more pronounced with a 5% increase in rental rates over the quarter and year.

In contrast, retail rental rates remained unchanged compared to the previous quarter and annually. However, an uptick in demand was observed, particularly for street retail outlets in the food and beverage sector, which continued to attract strong foot traffic.

Al Ain's focus on economic diversification, particularly with regard to developing infrastructure and enhance tourism and investment services, is driving demand for a variety of property types and contributing to the growth of the real estate market.

Al Ain's focus on economic diversification through infrastructure development, tourism promotion and investment incentives, coupled with its stable economic base, is driving demand for various property types and contributing to the positive momentum in the real estate market, evident in the increasing demand and rising rental rates across different sectors.





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 2024 - Q3 2024	Q3 2023 - Q3 2024
MATURE BUILDINGS	23	26	31	36	43	48	2%	1%
NEW BUILDINGS	26	29	33	36	51	61	0%	-1%
PRIME COMPOUNDS	30	35	42	48	60	80	0%	0%



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 2024 - Q3 2024	Q3 2023 - Q3 2024
MATURE VILLAS	AL JIMI, TOWN CENTRE, ZAKER, OTHER*	43	46	65	70	85	95	2% 2%
	AL TOWAYA	60	70	85	90	90	100	0% 0%
	PRIME COMPOUNDS	75	90	93	105	115	120	0% 0%
RECENT BUILD	AL JIMI, TOWN CENTRE, ZAKER, OTHER*	55	62	70	78	100	110	2% 2%
	AL TOWAYA	70	80	90	100	110	120	0% 0%
	PRIME COMPOUNDS	85	95	120	135	130	140	0% 0%



* 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

4%

4%

-10%

-28%

Q-o-Q
Since Q2 2024Y-o-Y
Since Q3 2023Since Peak
Q4 2015Since Market Low
Q3 2012

Al Ain

Retail Rental Rates ↗

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



% Change

0%

0%

-10%

-10%

Q-o-Q
Since Q2 2024Y-o-Y
Since Q3 2023Since Peak
Q4 2015Since Market Low
Q4 2011

Al Ain

Property Map ↗



The global economy has held steady in 2024, achieving what looks to have been a soft landing of moderate growth and cooling inflation. Activity in the US has held up well this year with the economy expanding by 3% on an annualized basis in Q2 while the Eurozone has edged away from the stagnant conditions it endured in 2023. Emerging economies are showing a more mixed performance with India's economy recording growth of 6.7% y/y in Q2 this year while doubts remain over whether China will be able to achieve its 5% growth target for the full year. In the context of uneven global growth, the consistent positive performance of the GCC economies remains a bright spot for the global economy.

The UAE is on track to record another year of healthy economic activity in 2024. The preliminary estimate from the Federal Competitiveness and Statistics Centre is for the national economy to have expanded by 3.4% y/y in Q1, marginally cooler than the 3.6% growth estimated for 2023 as a whole. Oil production had been lower at the start of this year as the UAE participates in OPEC+ efforts to rebalance oil markets, dragging on headline growth levels. The non-oil economy of the UAE expanded by 4% y/y in Q1 2024, cooling from 6.7% recorded in Q4 last year. But data from Abu Dhabi suggests that the non-oil economy in the emirate

accelerated in Q2 to growth of 6.6% y/y from 4.7% in Q1, suggesting some wider momentum across the UAE as a whole.

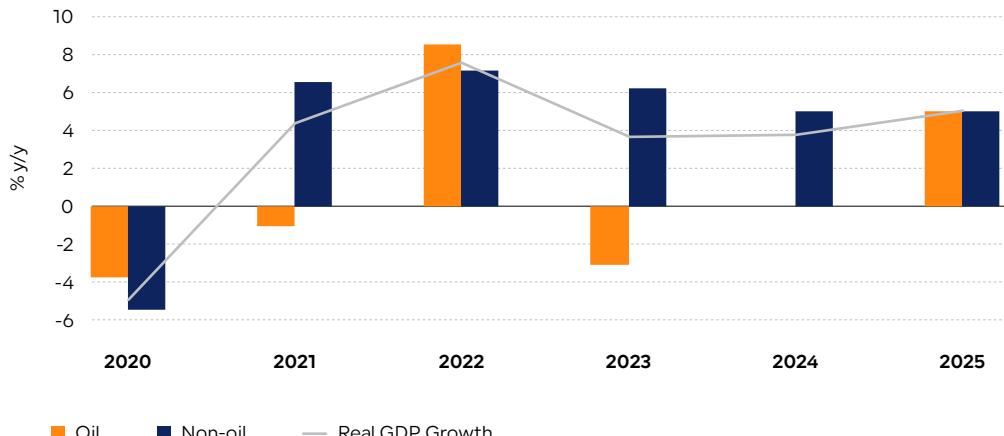
Real-time data for the UAE has been positive so far in 2024. The S&P Global purchasing managers' index has remained well above the neutral 50 level since coming out of the pandemic slump and in Q3 2024 recorded an average of 53.9. Activity has shown signs of cooling this year with the Q3 PMI numbers the lowest for the year and the average for the quarter below the average of 55.9 recorded for the same period last year. However, the index measures momentum rather than volume and suggests that growth is still robust and from a larger base.

Firms have been reporting rising input prices as the global inflation surge of the last several years feeds through to the UAE economy but overall price pressures have been moderate. Economy-wide inflation has recorded an average of 2.1% year-to-date as of July though it has been faster in Dubai. Housing and utilities are the primary source of inflation in Dubai's economy and have risen by an average of 6.5% year-to-date as of August, up from 5.5% in the same period a year earlier.

Emirates NBD expects that the UAE non-oil economy will grow by 5% in 2024, slower than the 6.2% recorded in 2023. For 2025, growth will remain strong at 5% for the non-oil economy with support from a larger consumption base thanks to a rise in population in the last several years. A strong amount of project work from both the private and public sectors will also underpin economic activity. As of October 2024, there was USD 193bn of projects underway in the UAE, of which construction was the largest sector according to data from MEED Projects. Further along the pipeline, there are roughly USD 630bn of projects in the planning stage for the UAE's economy, of which almost 60% were related to construction along with strong investment in infrastructure and utilities.

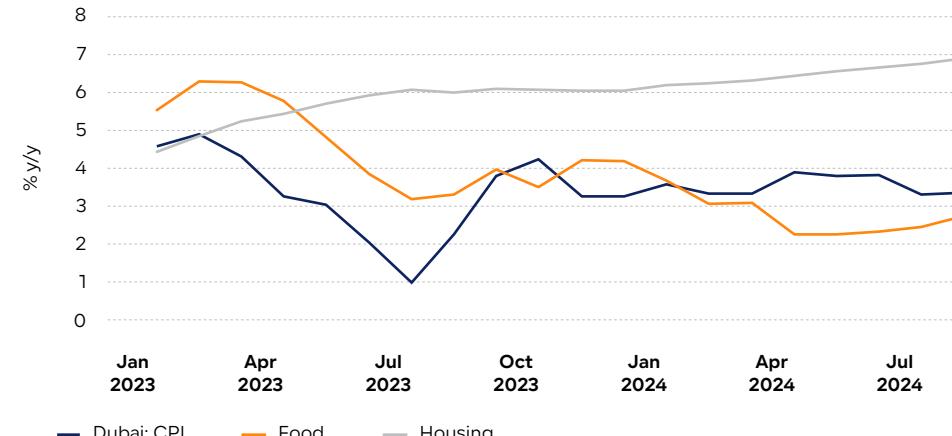
Interest rates are set to decline over the rest of 2024 and into 2025 and that should help to provide a tailwind to economic activity in the UAE. We expect another 50bps of cuts from the Federal Reserve in 2024 before a further 125bps of easing in 2025. Oil prices are on track to decline in 2025 but the UAE will still manage to record a fiscal surplus, limiting the need to rely on debt financing.

UAE economy to record healthy pace of activity



Source: FCSC, Emirates NBD Research

Headline inflation has been moderate while housing costs on the rise



Source: Dubai Statistics Center

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In November 2023, Abu Dhabi Real Estate Centre (ADREC) was established by the Department of Municipalities and Transport. ADREC was established to promote inclusivity for residents, investors, and visitors alike. It prioritises the enhancement of Abu Dhabi's global real estate standing, with an aim to strengthen the entire sector's ecosystem. By fostering an inclusive environment, ADREC will attract a diverse array of stakeholders, which can enhance investment opportunities and community engagement. The emphasis on transparency and collaboration not only builds trust among stakeholders but also encourages innovative solutions that can drive the sector forward. As a result, ADREC is poised to play a pivotal role in shaping a sustainable and prosperous future for Abu Dhabi's real estate market. This initiative signifies a strategic shift for Abu Dhabi, positioning it as a competitive player on the global real estate stage. Further, it emphasises and supports the intention to diversify the UAE's economy beyond oil.

Services

ADREC has several critical functions that will reshape the real estate landscape in Abu Dhabi. One of its primary roles is to provide regulatory oversight for real estate transactions, ensuring compliance with established laws and regulations. This includes monitoring property sales, rentals, and lease agreements, thereby protecting the rights of all parties involved.

A significant aspect of ADREC's service offering is its collaboration with the TAMM system, an integrated platform designed to facilitate government services. Through TAMM, ADREC will enable seamless access to a variety of real estate services, such as property registration, licensing, and regulatory approvals. This integration not only enhances the efficiency of the property management process but also provides a user-friendly experience for investors and residents alike.

Additionally, The Real Estate Dispute Settlement Center, known as "Taswyia," was established to address a broad spectrum of real estate disputes through amicable resolution methods. Taswyia is staffed by a team of specialists who provide innovative alternative solutions aimed at saving time and effort, thereby enhancing the competitive advantage of real estate investment in Abu Dhabi. To ensure convenient access for clients, the centre operates three strategically located settlement facilities across the Emirate of Abu Dhabi in Abu Dhabi City, Al Ain City, and the Al Dhafra Region. The types of real estate disputes that can be resolved amicably at the Real Estate Dispute Settlement Centers include issues related to property division agreements (such as the segregation of joint ownership, physical partitioning, and benefit sharing), construction disputes, relinquishment and exit agreements concerning inherited lands, as well as disputes arising from real estate regulations.

ADREC is also dedicated to fostering public-private partnerships in real estate development. By collaborating with local and international developers, the centre aims to promote large-scale projects that align with the city's vision for sustainable growth.

Property Index

In line with ADREC's commitment to transparency, it has launched a robust Property Index. This index is not merely a catalogue of property listings; it is an analytical tool that aggregates and analyses data from various segments of the market, including residential, commercial, and industrial properties. By offering detailed insights into property values, rental rates, and occupancy trends, the Property Index enables stakeholders to make well-informed investment decisions. More than this, it enhances the ability of investors and developers to evaluate potential risks and rewards. This is particularly important in a rapidly changing market, where timely information can significantly influence investment strategies. The index also includes historical data, allowing users to track trends over time and assess the impact of economic conditions, regulatory changes, and other factors on property values.

ADREC's broader goals of fostering a competitive real estate environment in Abu Dhabi are evidenced by the establishment of the Property Index. By promoting transparency, the index encourages fair competition among property developers and agents, ultimately benefiting consumers through better pricing and service options. Additionally, the data provided can assist in policy-making and urban planning, ensuring that development aligns with the Emirate's strategic vision.

Impact on Abu Dhabi's Real Estate Market

The establishment of ADREC marks a significant advancement for the Abu Dhabi real estate sector, providing a comprehensive framework that enhances regulatory oversight and fosters collaboration among stakeholders. By integrating services like TAMM for streamlined transactions and Taswyia for efficient dispute resolution, ADREC promotes a more accessible and transparent environment for investors and residents alike. The introduction of the Property Index empowers stakeholders with critical market insights, enabling informed decision-making. Together, these initiatives will not only improve the overall efficiency of the real estate market but also further solidify Abu Dhabi's position as a competitive player on the global stage, ultimately driving sustainable growth and diversification within the economy.

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 and Sales & Leasing. 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.