

realpoint
VALUERS

United Arab Emirates

Dubai Property Market Overview- Year 2022

Commitment, Quality and Professionalism



DUBAI MARKET OVERVIEW

- The UAE hosts a wide range of healthy property market segments which includes residential, commercial, hospitality, industrial, etc. All segments flourished during 2022 and the nation's property market performed exceptionally whilst successfully regaining momentum since the threat of the COVID-19 pandemic has eased.
- The year 2022 saw 92,138 transactions recorded under the residential segment amounting to a total transaction value of AED 223 billion, while the commercial segment recorded transactions to a total value of AED 7.48 billion during the same period. Increments in these two segments account for 64% and 29% respectively in comparison to the number of transactions recorded during 2021.
- Currently many new developments are introduced to the market and developers focus more on the mid-income expat population in Dubai.
- Flexible payment plans, low-down payment schemes, and long-term payment plans are offered by developers to facilitate property purchases. These options have improved the absorption of existing inventory through off-plan sales in the current property market, which are popular options compared to readily available properties.



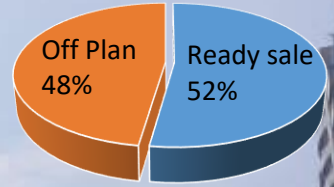
RESIDENTIAL - MARKET HIGHLIGHTS

Off-plan residential segment truncations recorded in 2022 increased by 5% compared to 2021. Apartment transactions have majorly contributed to the overall performance of the residential segment, as opposed to villa property transactions. Approximately 70,758 residential units are in the pipeline to be supplied to the market in 2023, out of which 5,570 units have already been completed.

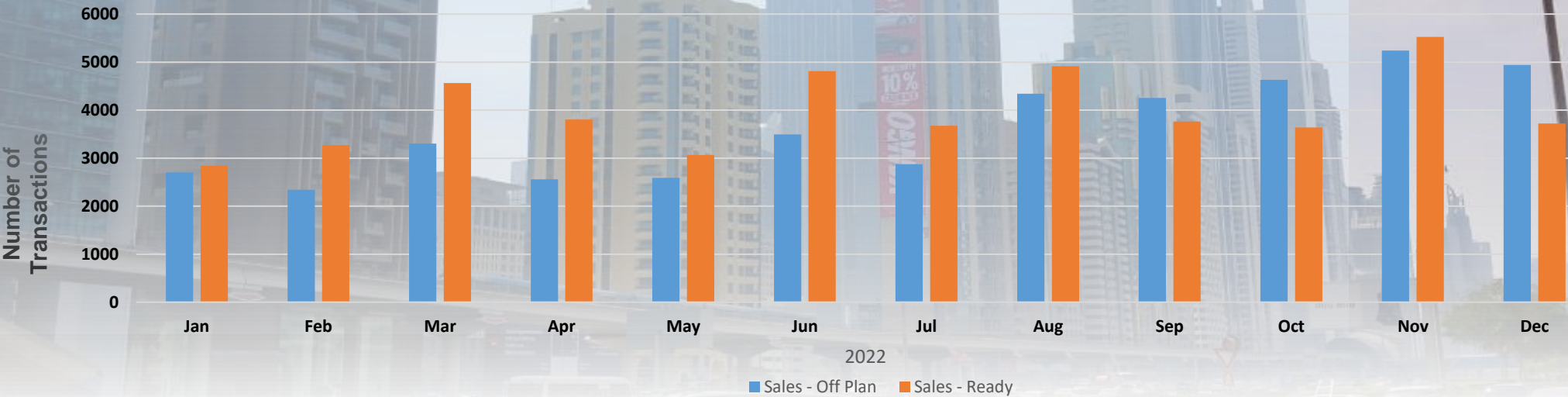
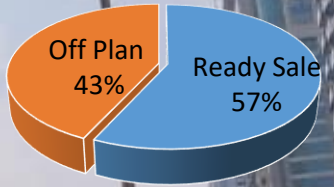
Currently, many geographical locations around the globe are dealing with geopolitical and economic difficulties and the threat of an impending recession. Dubai has outperformed many regions mainly due to the outstanding performance of its residential property segment.

Increased activity in relation to the residential segment is also partially due to prices offered in Dubai which are reasonable in comparison to those offered in other major cities throughout the world.

Residential Transactions in 2022

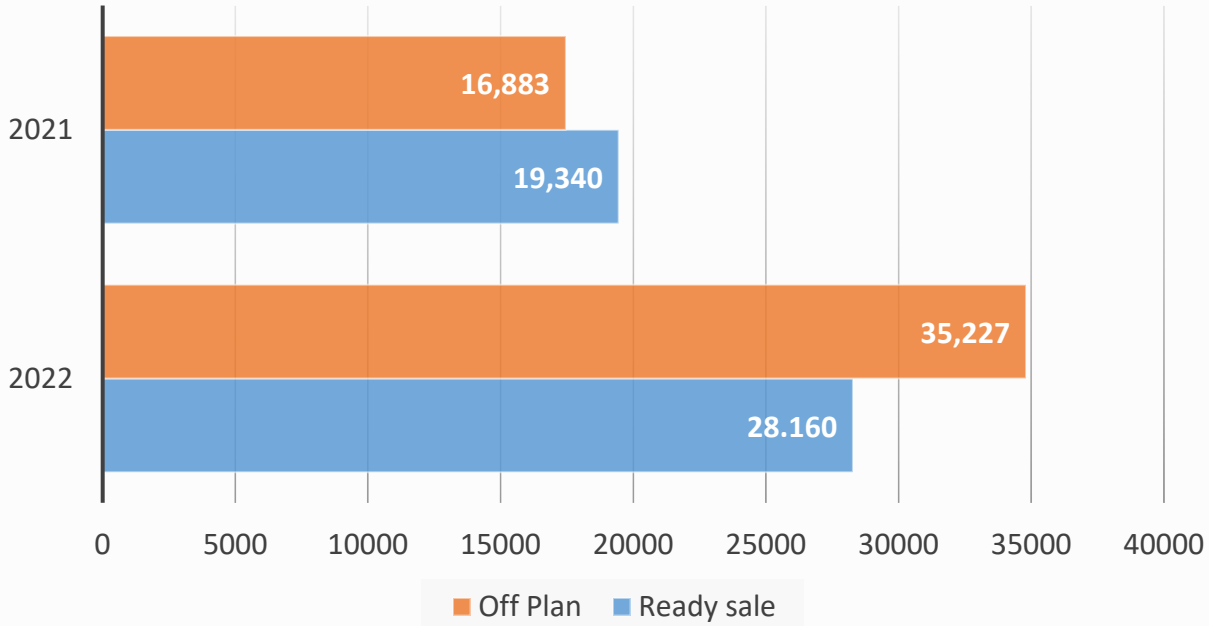


Residential Transactions in \2021

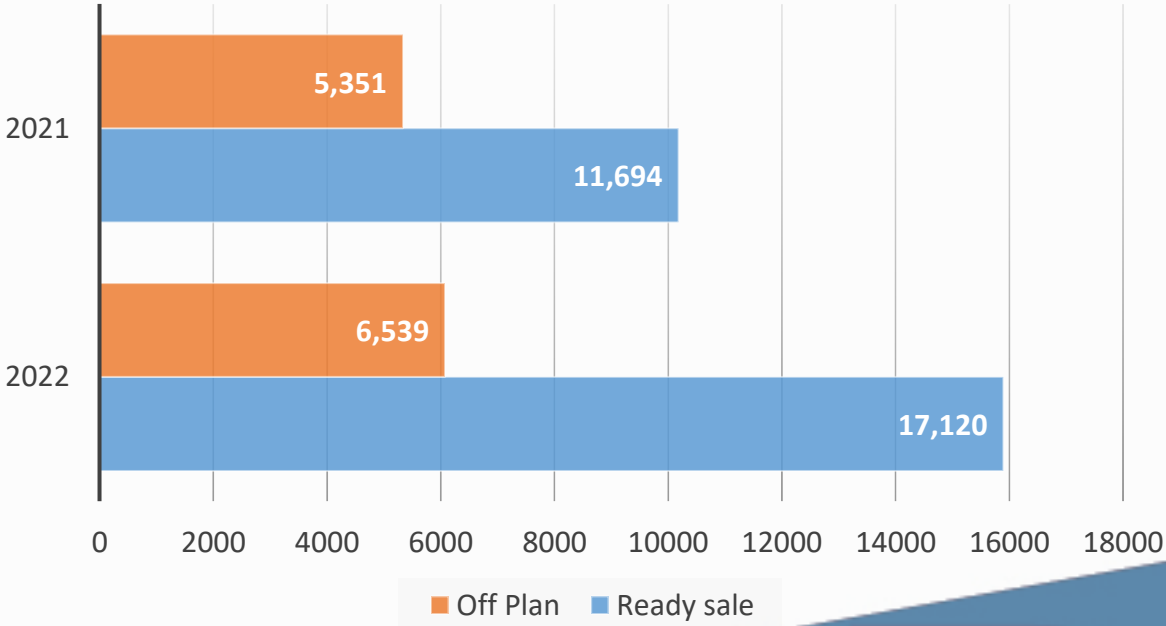


APARTMENT & VILLA TRANSACTIONS - 2022

Apartment Transactions



Villa Transactions



TRANSACTION PRICE OF APARTMENT & VILLA

- During 2022, Downtown Dubai, Palm Jumeirah, and Dubai Creek Harbour recorded the highest rate of transaction prices for apartments in Dubai. The Business Bay, Damac hills, Downtown Dubai, Dubai Creek Harbour, Dubai hills estate, Dubai Marina, JVC, Al Merkadh, and Palm Jumeirah are recognized as areas that offer hot secondary sales apartments.
- Higher transaction volumes were recorded in The Springs, Arabian Ranches, Damac Hills, Dubai Hills Estate, and Jumeirah Park in relation to villa properties. Palm Jumeirah, Emirates Hills, and District One overall recorded higher transaction prices under the villar market in Dubai.

Average Transaction prices of Villa

Location	Average Selling Price Per Sq.ft (AED)
Damac Hill	730-790
Jumeirah Park	1,150-1,270
The Springs	1,180-1,240
Arabian Ranches,	1,200-1,250
Dubai Hills Estate	1,500-1,650
District one	2,170-2,440
Emirates Hills	2,550-3,400
Palm Jumeirah	3,700-4,150

Average Transactions prices of the Apartments

Location	Average Selling Price Per Sq.ft (AED)
Damac Hills	850-1,000
JVC	900-1,050
Business Bay	1,250-1,320
Dubai Marina	1,340-1,400
Dubai hills estate	1,450-1,500
Dubai Creek Harbor	1,520-1,600
Palm Jumeirah	1,700-1,800
Downtown Dubai	1,750-1,850



ANNUAL RENT OF APARTMENT

Higher apartment rental values were recorded in Downtown Dubai and old town areas while the lowest rental value was depicted in the International city area.

The below table indicates the annual average rental rates of apartment units. The given prices are blended however could be changed according to the location and the development.

Apartment Type	Average Rent Per Annum (AED)
0 B/R	25,000-32,000
1 B/R	40,000-50,000
2 B/R	60,000-85,000
3 B/R	130,000-150,000
4 B/R	210,000-250,000
5 B/R	200,000-300,000
PENTHOUSE	150,000-250,000



ANNUAL RENT OF VILLA

Villas which demand a higher rental are mainly located at the Palm Jumeirah area while Deira had recorded the lowest rentals for villas in Dubai.

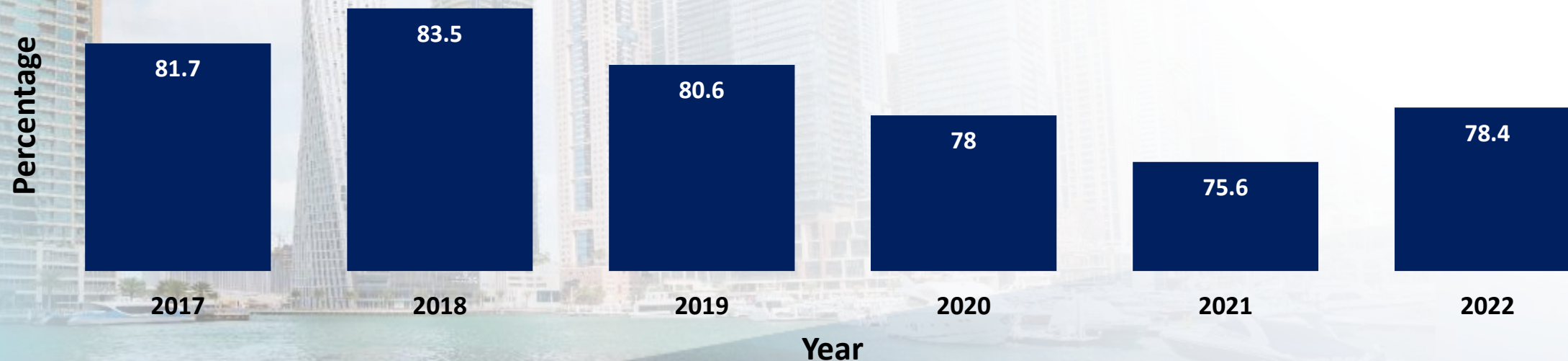
The table below showcases annual average rental rates of villa units. The prices mentioned are blended but could be changed according to the location and development.

Villa Type	Average Rent Per Annum (AED)
1 B/R	80,000-90,000
2 B/R	95,000-110,000
3 B/R	100,000-120,000
4 B/R	170,000-200,000
5 B/R	150,000-250,000



COMMERCIAL – MARKET HIGHLIGHTS

- Compared to 2021, average office rental rates have increased by 10% during 2022. High occupancy rates had been recorded in areas such as Al Kifaf, Dubai International Academic City (DIAC), Jebel Ali Free Zone, Dubai Studio City, and Jebel Ali Industrial Second.
- Occupancy rates of the office segment around the Dubai city area gradually decreased during the years 2019, 2020, and 2021.
- However, 2022 saw a change of course as occupancies started to improve gradually, with an average increment of around 3% being recorded compared to 2021. The below table indicates occupancy rates under the office segment in Dubai, which had changed during the last 6 years.



TRANSACTION PRICE & ANNUAL RENTAL OF OFFICE & RETAIL

➤ The below tables indicate average transaction prices and rental rate ranges recorded under the commercial sector. These transaction prices refer to ready-for-sale properties listed under the secondary market.

Office Market

Location	Average Selling Price Per Sq.ft. (AED)
Arjan	520-610
Barsha Heights	700-750
Business Bay	950-1,020
The Greens	1,250-1,450
Trade Center	1,250-1,650

Location	Average Rent Per Annum Per Sq.ft. (AED)
Arjan	50-60
Barsha Heights	130-155
Business Bay	115-130
The Greens	140-190
Trade Center	140-160

Retail Market

Location	Average Selling Price Per Sq.ft. (AED)
Arjan	840-1,125
Dubai Marina	950-1,700
Business Bay	1,050-1,550

Location	Average Rent Per Annum Per Sq.ft. (AED)
Arjan	95-110
Dubai Marina	195-280
Business Bay	150-190



MARKET OUTLOOK

- Dubai is increasing its demand for luxury residential properties, appealing to the world's wealthy. Residential transaction activity in Dubai boomed in 2022.
- Global geo-political implications increased demand of non-residential buyers in 2022. Russians were the top non-resident buyers in 2022 while other nationalities featured were Indians, Italians, French, Pakistan, Lebanon, China, the United States, and Canada.
- Abu Dhabi's Economic Policy Priorities have paved way in building a Sustainable Economy and Ensuring a Balanced Social and Regional Economic Development approach by 2030.
- The Dubai government is expected to double the size of its economy during the next decade and hopes to consolidate its position as a top three global city.
- According to government reports, Dubai's GDP reached 307.5 billion dirhams during the first six months of 2022, an increase of 4.6 percent when compared to 2021.



Meet Our Team



Founder & Managing Partner

- A Construction Professional with +15 years experience in the Real Estate development and construction industry. He is based in Dubai for the last 10 years working throughout the Middle East region in a wide range of Real Estate, Construction and Management roles.
- Having successfully led and managed large teams in different roles in the Real Estate industry, he co-founded Realpoint in FY 2008.
- He is the founder of multiple start-up businesses and is always on the lookout for new ideas.



Valuation Surveyor

- A professional valuation surveyor with +9 years of experience in Property Valuation, Tangible Asset Valuation, Property transactions, and Property consultant services in Sri Lanka, Maldives, and the Middle East.
- Having a variety of experience in property and asset valuation assignments under categories of residential, commercial, hotel, Islands, Industrial, agriculture, Plant & machinery, office equipment, electrical & telecommunication assets, motor vehicles, vessels, bots, etc.
- Also experienced in carrying out detailed real estate feasibility reports for investors and property owners to determine the highest and best use of the properties for indecision-making Purposes

About Us

Realpoint is a leading property valuation and real estate advisory services provider accredited by the **Royal Institution of Chartered Surveyors (RICS)** and **Dubai Land Department (RERA)**.

Our Services

Realpoint's **valuation** services include residential, commercial, and industrial valuations. The **strategic consulting and advisory services** include development appraisals, market rental assessment studies, demand & supply analysis, and market research.

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