

**Dubai, UAE**

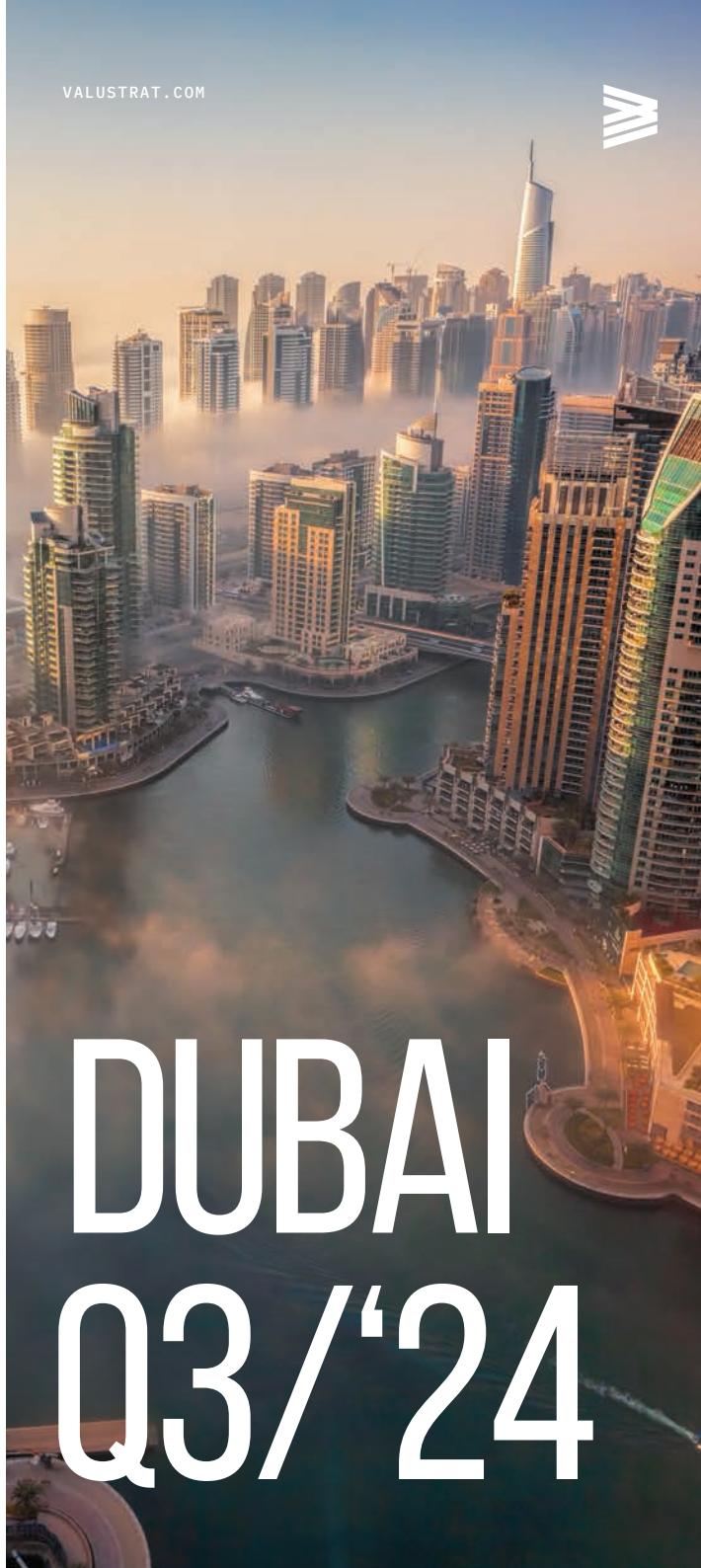
Real Estate Research  
Third Quarter 2024

VALUSTRAT.COM



# DUBAI Q3/‘24

This quarterly report  
contains research on  
Dubai's residential, office,  
retail, hospitality and  
industrial real estate  
markets.



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**Haider Tuaima**

Director & Head of Real Estate Research

Dubai's property market experienced extraordinary progress in Q3 2024, with record population growth and falling interest rates driving the upswing. Home sales and mortgage applications reached all-time highs, while office and warehouse prices also hit record levels. The market continued to shift towards mid-market and affordable apartments, in fact, 2 out of 5 ready home sales were worth less than AED 1 million. The average size of sold homes shrunk to its lowest level and average sales prices per square foot softened for the first time this year.

The ValuStrat Price Index (VPI) showed a 28.9% annual increase in residential values. Freehold villa communities surpassed 10-year price peaks, with 98% of villas doubling in value since 2020. Ready villa and townhouse prices saw a 33.1% annual rise, while apartment values grew by 24.8% this quarter, up from 23.4% in the previous quarter. Apartment rentals increased by 15.4% over the past year, significantly outpacing the 4.9% rise in villa rents.

Demand for office space in Dubai remains robust, though capital values experienced a more moderate quarterly growth of 2.6%, resulting in a 25.8% annual increase, sales up 3.8%, and rents increasing by 20.8% on average.

Logistical warehouses experienced a 14.6% annual increase and a 5.2% rise quarterly. Demand has strengthened, fueled by favorable market conditions, business expansions, and new companies entering the region.

The total number of hotel keys in Dubai surpassed major cities like London, Paris, and New York and is on track to overtake Tokyo and Las Vegas. The rapid growth in tourist numbers has maintained high occupancy levels year-round.

Overall, Dubai's property market set new records in Q3 2024, with villas outperforming apartments and significant growth across the office, hospitality and warehouse sectors.

Regards,  
Haider

# Real Estate Performance

SOURCE: VALUSTRAT



VPI



Residential Capital Values

**190.1**

BASE: JAN 2021 = 100

↑ 6.7%  
Q-o-Q

Office Capital Values

**217.9**

BASE: Q1 2021 = 100

↑ 2.6%  
Q-o-Q

Industrial Capital Values

**143.3**

BASE: Q1 2021 = 100

↑ 5.2%  
Q-o-Q

## Key Indicators

SOURCE: REIDIN, DET, VALUSTRAT

Residential



Sales Ticket Size

**2.45M**

AED

■ 0.7%  
Q-o-Q

Sales Volume

**46,505**

TRANSACTIONS

Asking Rents

**136,487**

(AED / P.A)

↑ 2.0%  
Q-o-Q

Office



Sales Ticket Size

**2.19M**

AED

↑ 17.8%  
Q-o-Q

Sales Volume

**630**

TRANSACTIONS

Asking Rents

**1,625**

(AED / SQ M / P.A)

↑ 1.6%  
Q-o-Q

Hotel



Occupancy

**76.2%**

YTD AUG 2024

■ 0.7%  
Y-o-Y

ADR

**503**

(AED) YTD AUG 2024

↑ 3.2%  
Y-o-Y

RevPAR

**384**

(AED) YTD AUG 2024

↑ 4.3%  
Y-o-Y

↑ INCREASE

■ NO CHANGE

↓ DECLINE

# Macro Economic Snapshot

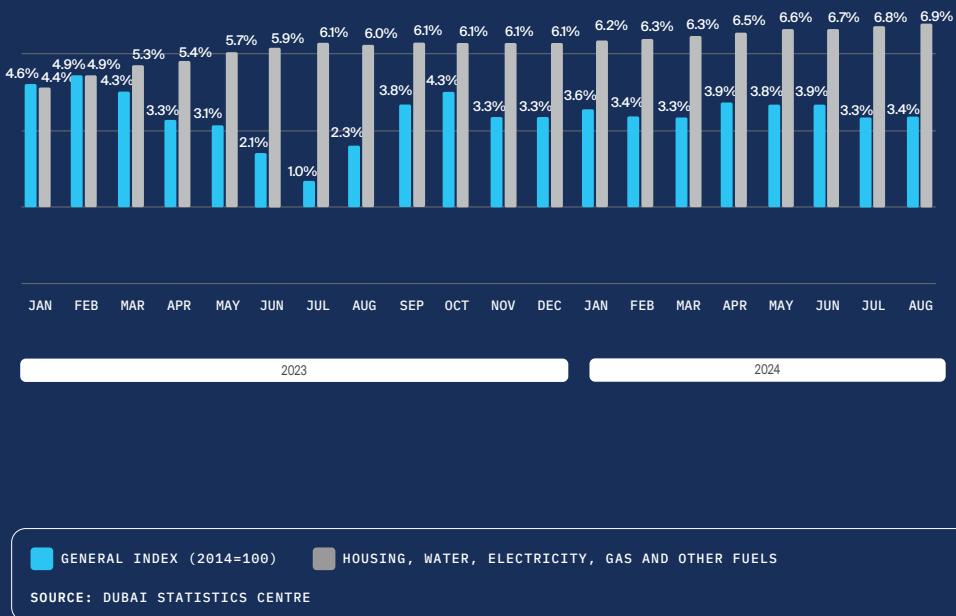
- The Central Bank of the UAE expects GDP to grow by 4% this year, driven by continued expansion in the non-hydrocarbon sector
- The US Federal Reserve Board cut interest rates for the first time in four years, lowering the benchmarking rate by 50 basis points in September
- UAE's non-oil foreign trade hit a record AED 1.4 trillion during the first half of 2024
- Dubai crude oil (Fateh) stood at AED 294.3 (USD 80.09) per barrel, down 7% YoY as of September 2024
- Dubai's population grew by 127,695 people, reaching 3.78 million as of September 2024, a 3.5% increase over the past year with three months still remaining
- Dubai announced the Foreign Direct Investment (FDI) Development Program, allocating AED 25 billion over 10 years to help attract AED 650 billion of investments to Dubai in support of the D33 economic agenda
- The Dubai Chamber of Commerce reported a 5% growth in membership on a yearly basis, with over 34,000 new companies joining during the first half of 2024

## Dubai Population



SOURCE: DUBAI STATISTICS CENTRE

# Consumer Price Index Annual Change



- Dubai's inflation rate rose to 3.4% in August compared to 2.3% last year
- The August CPI for 'Housing and Utilities' expenses accelerated to 6.9% annually, up from 6% during the same period last year
- The S&P Global Purchasing Managers' Index (PMI) rose to 54.2 in August, recovering from a 34-month low of 53.7 in July. The index indicated a solid improvement in the health of the non-oil private sector

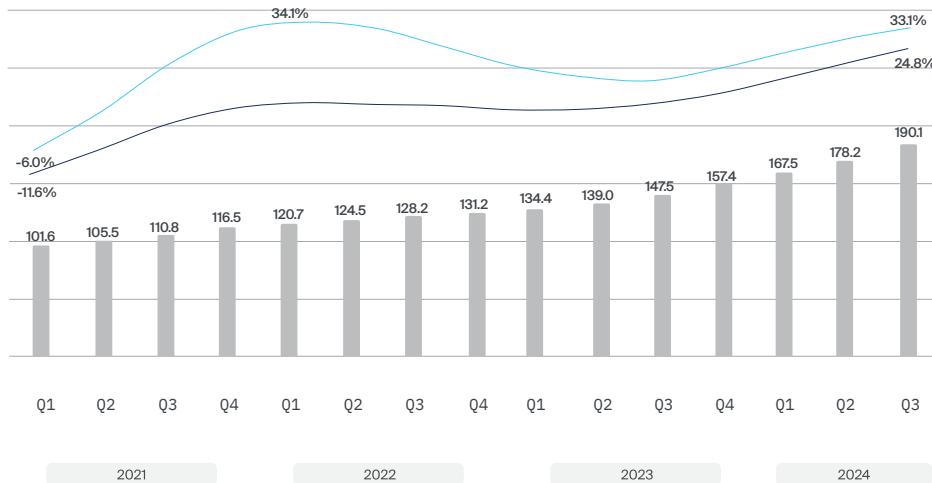
# ValuStrat Price Index

## Residential Capital Values

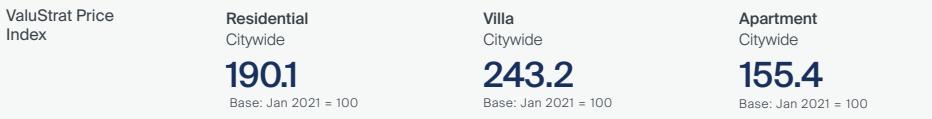


### Annual Growth

[Base: JAN 2021=100]



SOURCE: VALUSTRAT



The ValuStrat Price Index, which tracks residential capital values, rose by 6.7% quarterly and 28.9% annually, reaching 190.1 points. This valuation-based index is benchmarked against a baseline of 100 points established in Q1 2021.

All of Dubai's freehold villa communities have exceeded the price peaks from 10 years ago, with 98% of houses doubling in value since the pandemic in 2020/21. However, apartments, which account for over 80% of Dubai's housing stock, have not yet reached these milestones, except for those on Palm Jumeirah.

The ready villa market maintained strong momentum, with capital values reaching 243.2 VPI points, however, reflecting a slightly slower annual increase of 33.1% and quarterly growth of 7.4%. The top annual performers were Palm Jumeirah (42.8%), Jumeirah Islands (42.3%), and Emirates Hills (33.8%), while the lowest gains were found in Mudon (20.4%) and Jumeirah Village Triangle (20%).

Apartment valuations increased annually from 23.4% last quarter to 24.8% in Q3. Discovery Gardens (33.5%), The Greens (33%), Palm Jumeirah (30.9%), Al Quoz Fourth (29.5%), and Town Square (28.6%) led the yearly growth, while Jumeirah Beach Residence (17.6%), Dubai Sports City (17.8%), and International City (18.1%) showed the slowest gains.

# ValuStrat Price Index

## Prime Residential Capital Values



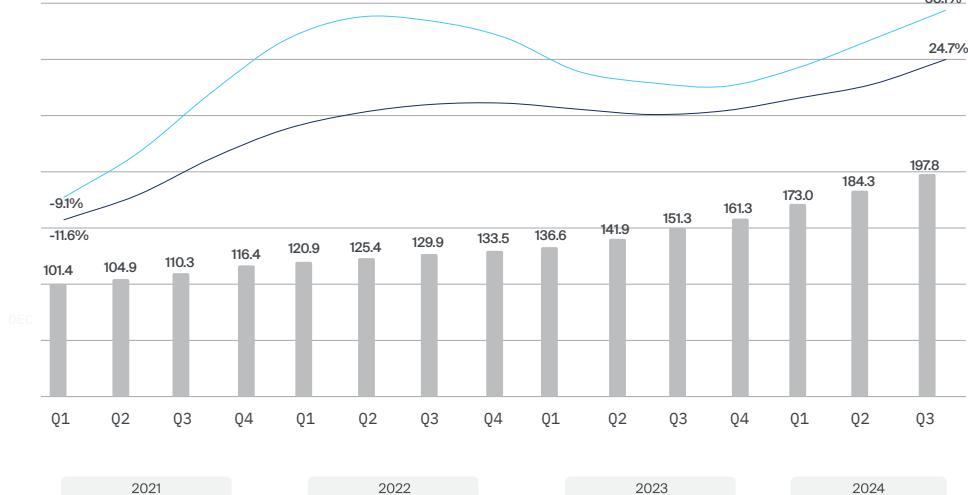
### Annual Growth

[Base: JAN 2021=100]



38.1%

24.7%



2021

2022

2023

2024



SOURCE: VALUSTRAT

ValuStrat Price Index

Residential Prime

**197.8**

Base: Jan 2021 = 100

Villa Prime

**248.8**

Base: Jan 2021 = 100

Apartment Prime

**166.6**

Base: Jan 2021 = 100

Valuations of highly sought-after prime properties, known for their exceptional views, amenities, facilities, and layouts, surged by 30.7% annually and 7.3% quarterly, reaching a record high of 197.8 points. This growth is measured against a baseline of 100 points established in Q1 2021.

The prime villa market reached 248.8 points, with capital gains of 38.1% annually and 8.3% quarterly, as all monitored villa communities surpassed the previous highs of 2014.

Dubai's premium apartments experienced accelerated growth, with capital values increasing by 24.7% YoY and 6.5% since the second quarter, reaching 166.6 points. Palm Jumeirah was the first area where apartment prices surpassed the 2014 peaks.

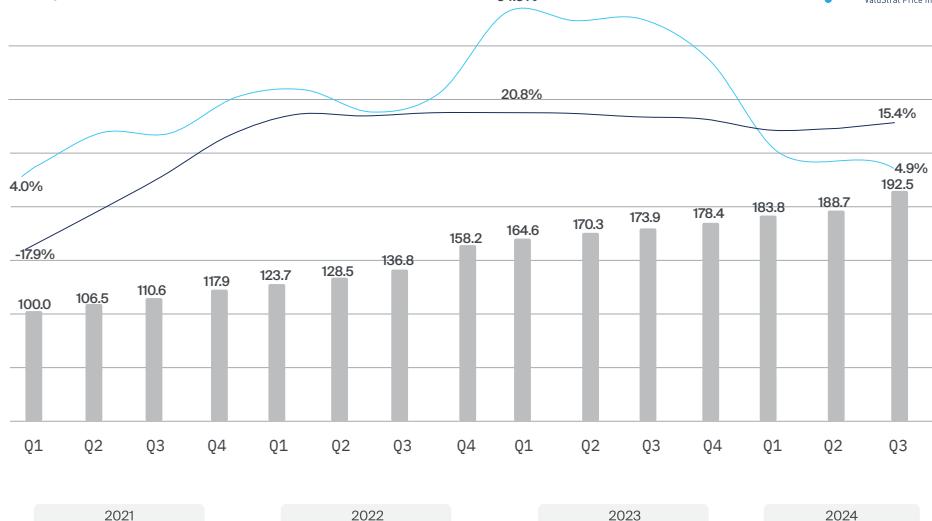
# ValuStrat Price Index

## Residential Rental Values



### Annual Growth

[Base: Q1 2021=100]



2021

2022

2023

2024

VPI

VILLAS (%)

APARTMENTS (%)

SOURCE: VALUSTRAT

### Apartment Asking Rents

↑ 15.4%  
LAST YEAR

↑ 2.3%  
LAST QUARTER

### Villa Asking Rents

↑ 4.9%  
LAST YEAR

↑ 1.6%  
LAST QUARTER

SOURCE: REIDIN,  
VALUSTRAT

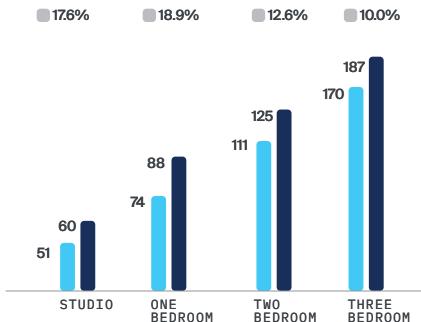
- The ValuStrat Price Index (VPI) for Dubai's residential rental values grew by 2% quarterly and 10.7% annually, reaching 192.5 points
- The VPI for apartments rose to 179.5 points, whilst the VPI for villas climbed to 213.2, more than double the baseline of 100 points set in Q1 2021
- Villa rentals posted relatively modest rises of 1.6% quarterly and 4.9% annually, bringing the average yearly rent to AED 414,800
- Apartment asking rents grew 2.3% QoQ and 15.4% YoY, reaching an average annual rent of AED 91,100
- Residential occupancy in Dubai was estimated at 89.8%

# Residential Rents



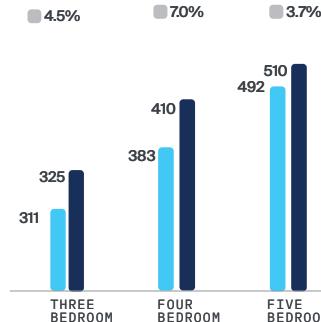
## Apartment Average Asking Rent

'000 AED per annum and Yearly Change (%)



## Villa Average Asking Rent

'000 AED per annum and Yearly Change (%)



Q3 2023    Q3 2024  
AVERAGE YEARLY  
CHANGE (%)

SOURCE: REIDIN,  
VALUSTRAT

Q3 2023    Q3 2024  
AVERAGE YEARLY  
CHANGE (%)

SOURCE: REIDIN,  
VALUSTRAT

- Average asking rents per annum for apartments were studios at AED 60,000, 1-bed at AED 88,000, 2-beds at AED 125,000, and 3-beds were AED 187,000
- Average annual rents for villas stood at 3-beds AED 325,000, 4-beds at AED 410,000 and 5-beds at AED 510,000

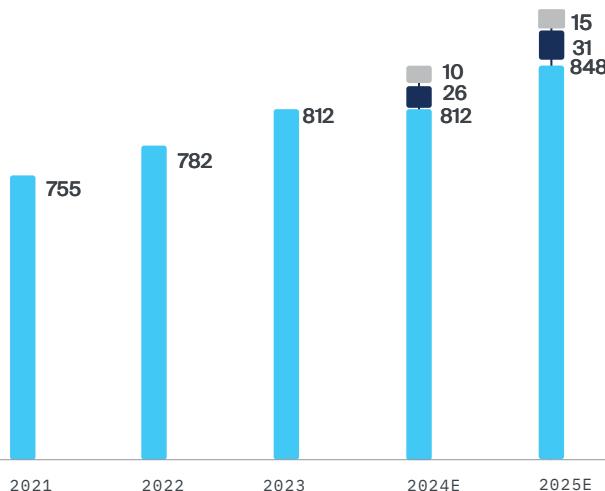
# Residential Supply



2021-2025

'000 Units

\*MAY BE SUBJECT TO SIGNIFICANT DOWNWARD  
ADJUSTMENT



EXISTING URBAN  
VILLAS/APARTMENTS

NEW APARTMENTS\*

NEW VILLAS\*

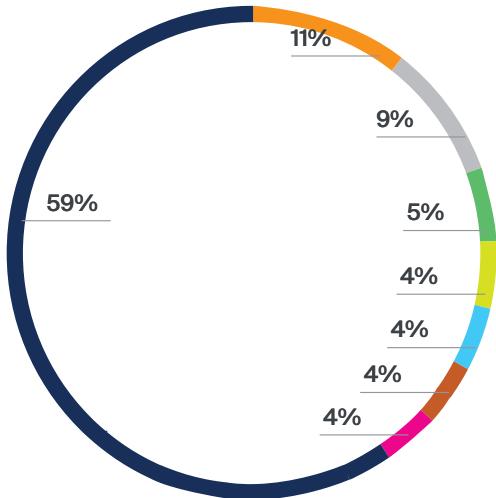
SOURCE: DUBAI STATISTICS  
CENTRE, REIDIN, VALUSTRAT

- The estimated number of new build units to enter the market this year stands at 35,524 homes
- Total estimated completions as of the first nine months stood at 13,217 apartments and 3,751 villas, equivalent to 48% of preliminary estimates for the whole of 2024
- Key apartment completions during the quarter included Avenue Residences 4 with 135 apartments, Azizi Pearl with 217 houses and Bingshatti Emerald with 281 properties
- Notable villa completions included BelAir at the Trump Estates with 216 units and Sevilla (Marbella 2) with 96 villas

# Residential Supply



## Locations with Upcoming Residential Supply



■ JUMEIRAH VILLAGE CIRCLE

■ BUSINESS BAY

■ JUMEIRAH LAKE TOWERS

■ DUBAI CREEK HARBOUR

■ DAMAC LAGOONS

■ ARJAN

■ SOBHA HARTLAND

■ OTHERS

SOURCE: REIDIN, VALUSTRAT

- 98,253 apartments and 30,272 villas are currently under construction with handovers promised by 2028. Of these projects, 11% are located in Jumeirah Village Circle, with another 9% located in Business Bay followed by Jumeirah Lake Towers with 5%
- Key off-plan apartment launches included Verdes by Haven with 660 apartments, The Pier Residence with 274 homes, Binghatti Ghost with 770 units, One Residence with 453 properties and Marriott Residences with 138 luxury homes
- Noteworthy villa and townhouse project launches during the quarter included The Acres by Meraas with 200 properties, Wadi Villas with 30 high-end villas and The Valley: Vindera by Emaar with 344 units
- Additional launches include Binghatti Royale in Jumeirah Village Circle, Fairmont Residences Solara Tower, Mayfair Gardens and Skyhills 2

# Residential Off-Plan Sales Transactions



## Total Volume & Average Price



AVERAGE PRICE (AED / SQ FT)      VOLUME

SOURCE: REIDIN, VALUSTRAT

### Off-plan Sales Volume

↑ **97.0%**  
LAST YEAR

↑ **32.0%**  
LAST QUARTER

SOURCE: REIDIN,  
VALUSTRAT

- The volume of off-plan (Oqood) registrations reached an all-time high, with 32,968 transactions recorded during the quarter, marking an increase of 97% YoY and 32% QoQ, equivalent to investments worth AED 83.2 billion
- The average ticket size of off-plan homes fell 19.8% annually to AED 2.5 million
- The citywide average transacted price for off-plan properties was AED 19,537 per sq m (AED 1,815 per sq ft)
- Top off-plan locations transacted during the quarter included projects located in Jumeirah Village Circle (9.2%), Bu Kadra (6.2%) and Dubai Hills Estate (5.9%)

# Residential Ready Sales Transactions



## Total Volume & Average Price



AVERAGE PRICE (AED /SQ FT)      VOLUME

SOURCE: REIDIN, VALUSTRAT

### Ready Sales Volume

↑ **19.4%**  
LAST YEAR      ↑ **11.9%**  
LAST QUARTER

SOURCE: REIDIN,  
VALUSTRAT

- Q3 saw 12,883 ready secondary home transactions, up 11.9% QoQ and 19.4% YoY, equivalent to investments worth AED 29.8 billion
- The average ticket size of ready properties fell 9.2% quarterly but remained stable annually at AED 2.3 million
- 41% of all ready home sales were priced less than AED 1 million
- There were 53 sales of homes worth over AED 30 million, compared to 62 during the same period last year

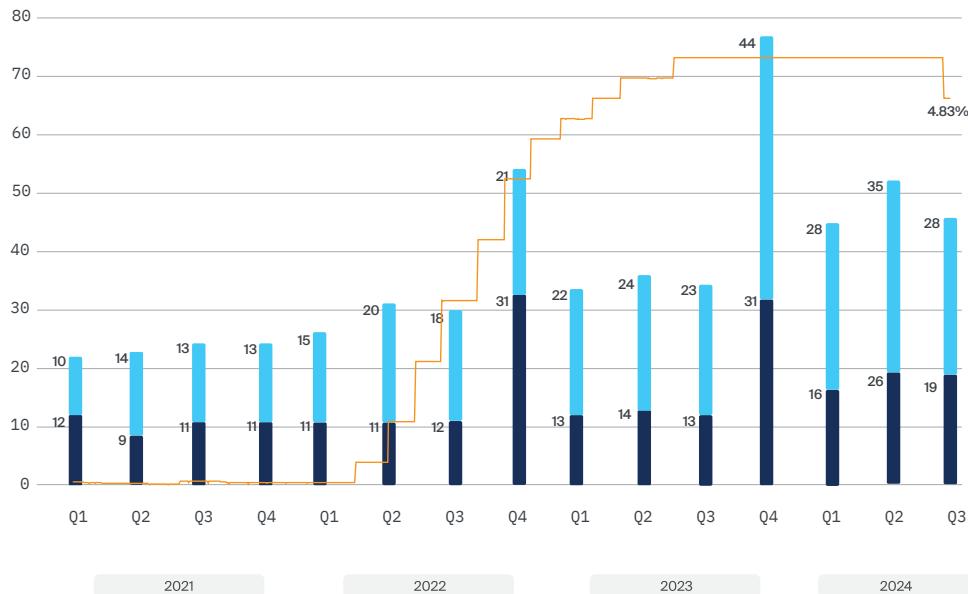
- The citywide average transacted price for ready units during the quarter was AED 15,414 per sq m (AED 1,432 per sq ft) up 7.1% YoY but down 5.5% on a quarterly basis
- The average apartment size transacted in the third quarter was 95.4 sq m (1,027 sq ft), the average villa area was 294.9 sq m (3,174 sq ft)
- Most transacted locations for ready properties were Jumeirah Village Circle (9.1%), Business Bay (5.6%) and Dubai Marina (5.6%)

# Mortgage Transactions



## Mortgage/Cash Sales vs Interest Rates\*

Transaction Value (AED Bn)



MORTGAGE - READY

CASH - READY

FEDERAL FUNDS RATE

SOURCE: REIDIN,  
MACROTRENDS,  
VALUSTRAT

\*ALL READY ASSET CLASSES,  
EXCLUDING OFF-PLAN TRANSACTIONS

- In the third quarter of 2024, the Dubai real estate market witnessed 10,118 mortgage transactions across all asset classes compared to 14,977 cash transactions of ready properties
- The total sales value attributed to mortgage transactions stood at AED 19 billion, with cash transactions totalling AED 28 billion
- The US Federal Open Market Committee opted to lower interest rates by 50 basis points with the current target range at 5.4% to 4.9% as of September 2024

# ValuStrat Price Index

## Office Capital Values



### Annual Growth

[Base: Q1 2021=100]



2021

2022

2023

2024



OFFICE (%)

SOURCE: VALUSTRAT

ValuStrat Price Index

Office

**217.9**

Base: Q1 2021 = 100

Grade A

**239.1**

Base: Q1 2021 = 100

Grade B

**187.1**

Base: Q1 2021 = 100

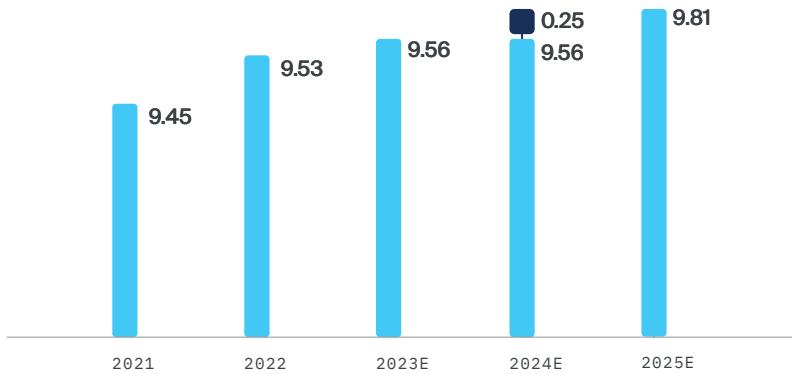
Demand for office space in Dubai remains strong, though capital values saw slower quarterly growth of 2.6%, translating to a 25.8% annual increase. The ValuStrat Price Index (VPI) for office capital values hit a record 217.9 points, more than doubling the Q1 2021 base of 100 points. The average valuation for office space stood at AED 17,900 per sq m (AED 1,663 per sq ft).

Four of Dubai's five key business districts recorded significant annual capital gains: DIFC (43.9%), Barsha Heights (35%), Business Bay (26.9%), and Jumeirah Lake Towers (25.7%). Downtown Dubai saw the lowest growth at 9.9%, with a 2.2% quarterly increase and an average valuation of AED 41,441 per sq m (AED 3,850 per sq ft). Prices for Grade A fitted office space increased 26.2% annually, reaching 239.1 VPI points, while Grade B fitted spaces grew by 21%, recording 187.1 points.

# Office Supply



Million Sq M GLA



EXISTING STOCK

EXPECTED SUPPLY

SOURCE: MEED PROJECTS, VALUSTRAT

- As of Q3 2024, Dubai's total office stock is estimated at 9.56 million sq m (102 million sq ft), with no notable completions this quarter
- Based on developer estimates, 253,630 sq m (2.7 million sq ft) of GLA is scheduled for completion by end of this year
- Aldar announced a new Grade A office tower on Sheikh Zayed Road, near Dubai International Financial Center (DIFC), with 88,000 sq m (947,223 sq ft) of net leasable area. The project is scheduled for completion by Q4 2027
- TECOM Group commenced the development of six Grade-A office buildings within the second phase of Dubai Design District at an investment of AED 825 million
- The Dubai International Financial Centre broke ground on DIFC Square set to add 55,742 sq m (600,000 sq ft) to the office stock

# Office Sales Transactions



## Total Volume & Average Price



AVERAGE PRICE (AED / SQ FT)      VOLUME

SOURCE: REIDIN, VALUSTRAT

### Sales Volume

↑ **3.8%**  
LAST YEAR

■ **-0.6%**  
LAST QUARTER

### Transacted Prices

↑ **23.3%**  
LAST YEAR

↑ **9.0%**  
LAST QUARTER

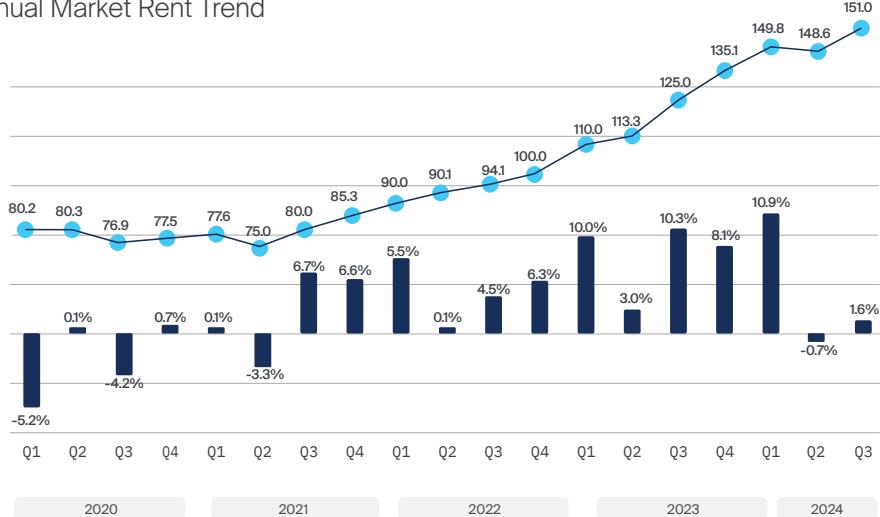
SOURCE: REIDIN,  
VALUSTRAT

- During the third quarter, office sales grew 3.8% annually but were stable on a quarterly basis, reaching 630 transactions
- The average transacted price increased to a record high of AED 16,006 per sq m (AED 1,487 per sq ft), up 23.3% YoY and 9% QoQ
- Business Bay retained its position as the most popular choice for office sales with a share of 46%, followed by Jumeirah Lake Towers with 38% of transactions this quarter
- The average size of offices sold in Business Bay was 112 sq m (1,205 sq ft) and 133 sq m (1,430 sq m) in Jumeirah Lake Towers
- 81,191 sq m (873,936 sq ft) of total GLA was transacted during the quarter, amounting to an investment value of more than AED 1.38 billion

# Office Asking Rents



## Annual Market Rent Trend



MEDIAN OFFICE RENT (AED / SQ FT / P.A.)

QOQ

SOURCE: REIDIN, VALUSTRAT

### Office Median Asking Rents

↑ 60.4%  
LAST 2 YEARS

↑ 20.8%  
LAST YEAR

0.8%  
LAST 6 MONTHS

↑ 1.6%  
LAST QUARTER

SOURCE: REIDIN,  
VALUSTRAT

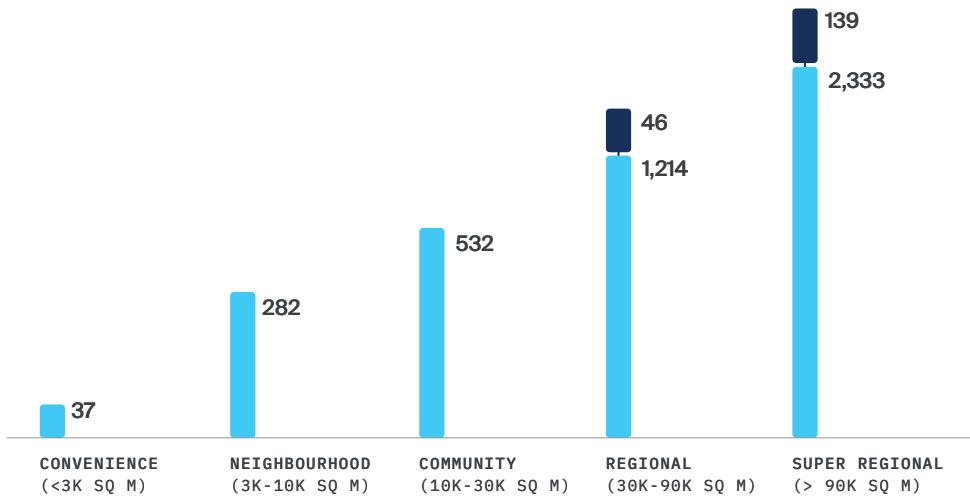
- Office asking rents grew 1.6% quarterly, following record highs in the previous quarter. This has led to a median annual rent of AED 1,625 per sq m (AED 151 per sq ft) which is 20.8% higher than last year
- According to available listings, for smaller office areas of less than 93 sq m (1,000 sq ft), average asking rents were highest in DIFC at AED 2,583 per sq m (AED 240 per sq ft). Business Bay followed with average rents of AED 2,099 per sq m (AED 195 per sq ft), while Dubai Media City had average rents of AED 1,529 per sq m (AED 142 per sq ft)
- For units sized between 93 – 186 sq m (1,000 – 2,000 sq ft), the highest average asking rents, according to available listings, were in DIFC at AED 2,809 per sq m (AED 261 per sq ft), Dubai Marina at AED 2,357 per sq m (AED 219 per sq ft), and Business Bay at AED 1,841 per sq m (AED 171 per sq ft)
- Office occupancy in Dubai was estimated at 87.3%

# Retail Supply



## Malls & Shopping Centers

('000 SQ M GLA)



█ RETAIL COMPLETED

█ RETAIL UNDER CONSTRUCTION

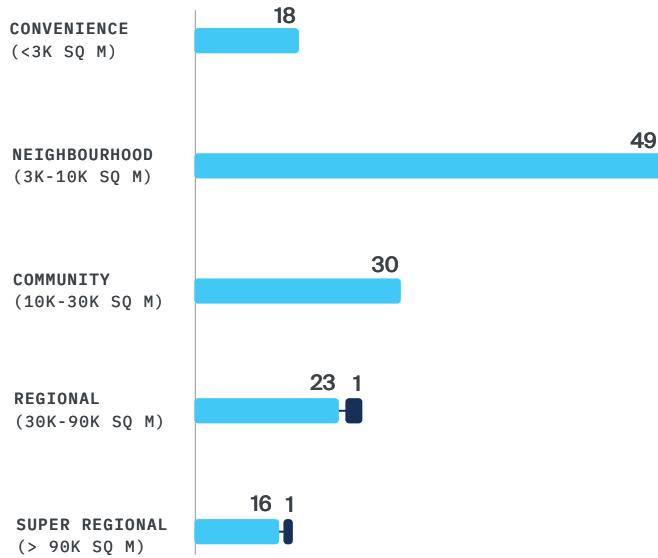
SOURCE: REIDIN, VALUSTRAT

- Union Coop has begun construction within a new community mall in Al Khawaneej Second, set to complete in Q2 2025. Approximately 70% of the retail space has already been leased, the mall will span 6,570 sq m (70,700 sq ft)
- Emirates REIT has announced the sale of Trident Grand Mall, a two-storey retail component of Trident Grand Residence in Jumeirah Beach Residences for AED 73.5 million
- Sobha Realty started work on the Dubai Hartland Mall project, which is set to add 10,655 sq m (115,000 sq ft) GLA to the city's mall stock
- McLaren Construction has been contracted by Shamal Holding to build the Nad Al Sheba Gardens Mall, the two-storey retail and F&B space will cover around a plot area of around 12,600 sq m (135,625 sq ft)

# Retail Performance



## Number of Malls and Shopping Centres



RETAIL COMPLETED

RETAIL UNDER CONSTRUCTION

SOURCE: DUBAI LAND DEPARTMENT (EJARI), VALUSTRAT

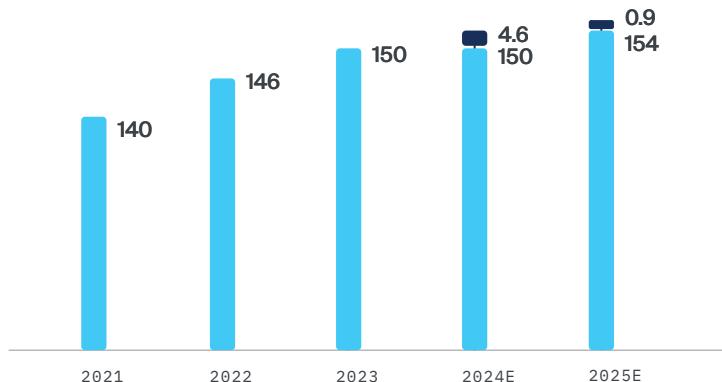
- In H1 2024, Emaar's revenue from its mall operations reached AED 2.8 billion
- Emaar Properties saw their prime mall assets achieve 99% occupancy during the first half of 2024
- Dubai Mall recorded a footfall of 57 million during the first half of the year, in comparison to 52 million during the same period in 2023
- Dubai Festival City mall reported a 95% gross leasing area (GLA) occupancy across over 332,000 sq ft and 400 stores, with a footfall of 23 million visitors last year. The mall also intends to add more than 30 new stores in 2024, with 24 of these being first-to-market brands
- Majid Al Futtaim saw its retail assets achieve 96% occupancy
- MAF Retail experienced a growth of 8% YoY from shopping malls, despite a 2% decline in visitor footfall
- UAE e-commerce market is expected to exceed AED 48.5 billion by 2028

# Hospitality Supply



## Hotel Room Supply

2021-2025 | '000 Keys



■ HOTEL AND SERVICED APT ROOMS

■ NEW SUPPLY

SOURCE: DET, MEED PROJECTS, VALUSTRAT

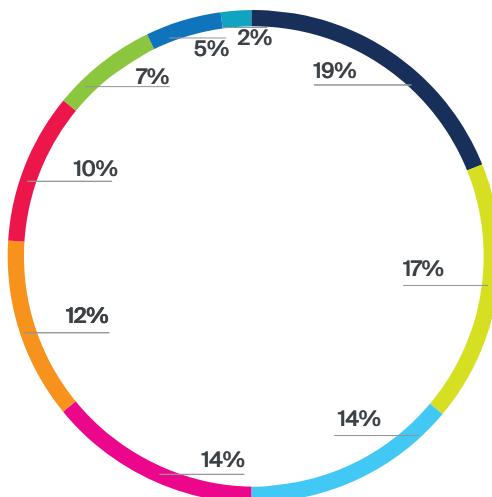
- As of August 2024, Dubai had a total of 125,241 hotel rooms and 26,147 hotel apartments per the Department of Economy and Tourism
- Notable openings included Park Regis by Price and The Biltmore Hotel Villas
- Upcoming hotels include Crowne Plaza in Business Bay, Delano Dubai located in Bluewaters, and Kempinski Floating Palace
- There are 11 hotel projects under construction with 4,248 total keys to be added by 2025
- Kleindienst Group's Marabella Resort Hotel launched its first phase of 150 keys on The World Islands. The project valued at AED 1 billion

# Hospitality Performance



## Source of Dubai Visitors by Region

YTD AUG 2024



WESTERN EUROPE	GCC	AMERICAS
SOUTH ASIA	MENA	AFRICA
CIS & EASTERN EUROPE	NORTH ASIA & SOUTH EAST ASIA	AUSTRALIA

SOURCE: DET

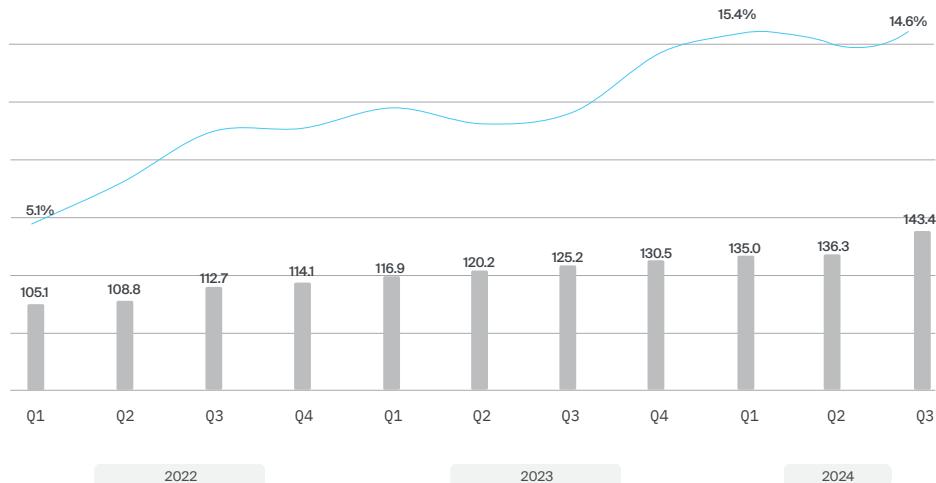
- Total international guests stood at 11.93 million as of YTD August 2024, up 7.4% compared to the same period last year
- Hotel occupancy reached 76.2%, rising by 0.7% YoY
- The Average Daily Rate (ADR) was AED 503, up 3.2% annually, whilst Revenue per Available Room (RevPAR) grew by 4.3% YoY to AED 384
- Dubai's top three tourist source markets were Western Europe contributing 19%, countries in South Asia adding 17%, and the GCC sharing 14%
- Average occupancy for holiday homes during the quarter stood at 55%
- Dubai airport passenger traffic set to reach record 93 million by end of 2024, surpassing the previous estimate of 91.8 million

# ValuStrat Price Index

## Industrial Logistics Capital Values



Annual Growth



VPI



INDUSTRIAL (%)

SOURCE: VALUSTRAT

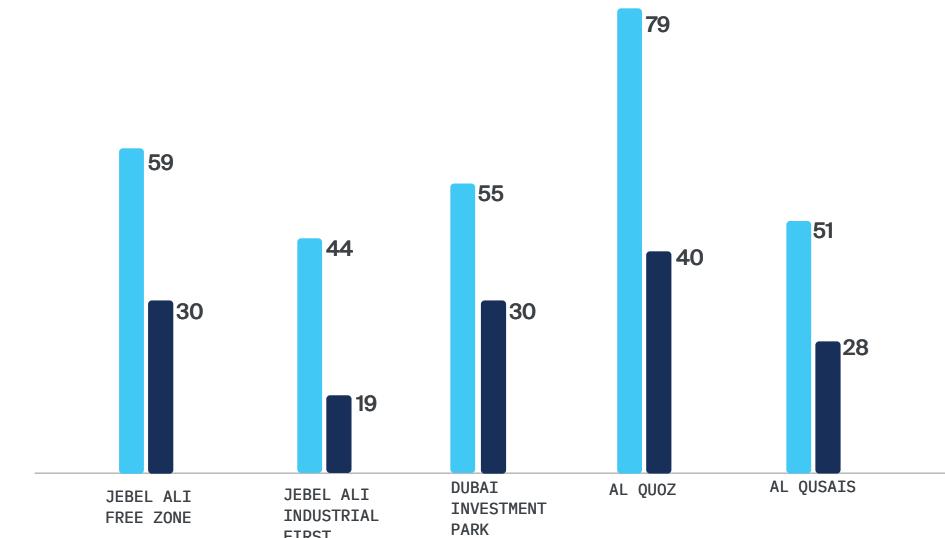
- The ValuStrat Price Index - Dubai Industrial Capital Values reached 143.4 points, as compared to 100 base points as of Q1 2021
- The logistical warehouses VPI recorded 14.6% annual and 5.2% quarterly capital gains
- The valuation of a typical logistics warehouse as of Q3 2024 was AED 3,009 per sq m (AED 279 per sq ft)
- Best performing locations in terms of annual price increases were Al Quoz (22.5%), Dubai Investment Park (18%), and JAFZA South (17.2%)
- Warehouse asking rents averaged AED 205 per sq m (AED 19 per sq ft) to AED 850 per sq m (AED 79 per sq ft). Whilst there was no change at the lower end, rents for warehouse with higher specifications increased by up to 3% during the quarter
- Demand has continued to improve, driven by positive market conditions, the expansion of existing businesses, and the arrival of new companies to the region
- There are ongoing challenges in the supply of high-quality stock due to the market's self-developed nature and limited speculative construction by developers, despite recent expansion announcements
- Demand is likely to outpace supply, and potential interest rate cuts could further boost demand, leading to continued price growth

# Industrial Investment/Supply



## Industrial Rental Rates

AED / SQ FT / P.A



RENT HIGH

RENT LOW

SOURCE: VALUSTRAT

- Recently released preliminary estimates for Q1 2024, by the Federal competitiveness and Statistics Centre (FCSC), indicated that non-oil economic activities made a significant contribution to the GDP. Trade activities led with a 16.1% share, followed by manufacturing at 14.6%, and financial and insurance services at 13.4%
- Aldar Properties and DP World entered a strategic partnership to develop a 144,000 sq m (1.55 million sq ft) Grade A logistics park at the National Industries Park (NIP) in Jebel Ali
- Dubai Municipality and DP World have signed an agreement to establish the world's largest logistics centre for food trade, doubling the size of the fruit and vegetable market
- OZON Pharmaceuticals has signed an agreement to build a 14,000 sq m (150,700 sq ft) manufacturing plant in Dubai Industrial City, with an investment of over AED 293 million. The facility is set to be fully operational by next year
- Jebel Ali Free Zone (JAFZA) and Eaton have partnered to build a 46,452 sq m (500,000 sq ft) sustainable campus in Dubai. Set for completion in 2026, it will include an R&D centre focused on sustainable manufacturing, power management, and artificial intelligence
- Oscar Middle East initiated work on an AED 150 million liquid bulk terminal at JAFZA. The two-phase project will see the first phase operational in 16 months, followed by additional storage in phase two

# ValuStrat in the Media

**Khalej Times**

13 SEP 2024

**Dubai: Most villa community prices more than double in four years**

ValuStrat data shows that 85% of Dubai's freehold villa communities have more than doubled in value over the last four years. Villas in Palm Jumeirah have nearly doubled since 2014, surpassing the previous decade's peaks. The ValuStrat Price Index (VPI) rose by 2.2% monthly, reaching 186.1 points, a 28.8% annual increase. Villas hit 237.7 points, and apartments 152.5, against a January 2021 baseline of 100. Dubai's property market remains strong, with capital gains in popular villa areas like Palm Jumeirah (42.9%) and Jumeirah Islands (42.4%) leading the surge, while off-plan homes dominate sales.

**Arabian Business**

17 AUG 2024

**Dubai real estate: Property market continues strong growth in July 2024**

Dubai's residential property market saw strong growth in July 2024, with the ValuStrat Price Index (VPI) rising 2.2% monthly to 178.2 points, marking a 28.5% annual increase. Villas outperformed apartments, with a sub-index of 232.1 points for villas compared to 149.6 for apartments, based on a 2021 baseline of 100. Three-quarters of freehold villa communities have more than doubled in value over four years, while Palm Jumeirah was the only apartment area to see similar gains. Off-plan sales surged, accounting for 68.5% of all transactions, with Oqood registrations up 59.6% annually. Emaar Properties led the market with a 20.3% share.

**ZAWYA**

25 JUL 2024

**Dubai's real estate market has shown impressive growth and resilience in recent months**

ValuStrat's Q2 2024 report highlights strong growth in Dubai's real estate market across residential, commercial, and hospitality sectors. Residential capital values increased by 6.4% quarterly and 28.2% annually, with prime properties seeing a 29.9% annual rise. Despite April's severe flooding, swift action from developers maintained market resilience. Palm Jumeirah apartments surpassed 2014 price peaks, and off-plan Oqood registrations jumped 61.4% annually. However, off-plan home prices dropped by 10.5%. Office valuations grew 3.1% annually, driven by high demand and limited supply. Dubai's market remains robust, with rising values and rents, but declining transaction volumes signal evolving dynamics.

**The National**

27 JUL 2024

**Dubai set to record handover of 38,174 new homes this year**

Dubai is expected to see 38,174 new homes handed over in 2024, with 6,939 apartments and 2,145 villas completed in the first half, according to ValuStrat. Notable Q2 completions include Creek Views 1 and 2 apartments, and villas in Murj Al Furjan West and Silver Springs 3. Currently, 91,718 apartments and 28,385 villas are under construction, with 10% located in Jumeirah Village Circle and Business Bay. Villa capital values rose 33.4% annually, led by Palm Jumeirah and Dubai Hills Estate, while apartment values increased by 23.4%, with Discovery Gardens and The Greens as top performers. Dubai rents also surged, with apartment rents up 16.9% and villa rents rising 3.5% annually. Strong demand and rising values continue to boost Dubai's real estate market.



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## Premium Subscription

ValuStrat offers premium subscription reports for clients granting them access to in-depth, statistical analysis of what is happening in residential real estate; allowing for more informed decision making and forward planning. The full in-depth 100+ page Dubai report includes citywide analysis of freehold districts, including the ValuStrat Price Index, transaction volumes, service charges, Price to Rent Ratios and Net Yields.

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## About VPI

The ValuStrat Price Index or the VPI, is a valuation-based price index constructed to represent periodic change in capital values and rental values experienced by typical residential and commercial properties.

The VPI for Dubai's residential capital values is updated on a monthly basis. The VPI for Dubai's residential rental values is updated on a quarterly basis. The VPI for Dubai's office capital values is updated on a quarterly basis. The VPI for Dubai's industrial logistics capital values is updated on a quarterly basis.

The VPI applies weighted averages using data samples representing up to 95% of the market across the city and is built by our expert RICS Registered Valuers.

### Research Methodology

Every effort has been made to ensure the accuracy of this document. New supply data covers 50 defined areas in Dubai including non-freehold areas. Only completed and under construction projects are included. The new supply data does not include announced projects, and projects in design phase. The new supply database does not take into account most private building projects. Prices are calculated from actual transactions. Rental data is derived from a carefully cleansed database of listings that don't include duplicates, potential errors and outliers.

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# Strategy determines outcome. No matter what industry you're in, we're here to help you win.



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