



# Betterhomes. Shaping Skylines

Dubai Residential Real Estate   FY 2024

Trust Better. Get Better.

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# Introduction



## Louis Harding

Chief Executive Officer

As we reflect on another year of incredible growth and transformation, I am reminded of what makes Dubai's real estate market truly exceptional. It's not just the skyscrapers or record-breaking transaction numbers; it's the vision, ambition and execution of the government to make Dubai the best city for living.

2024 has been another landmark year for Dubai's real estate market, achieving record-breaking milestones. The city registered its highest-ever 168k+ residential sales transactions, valued at AED 423 billion, solidifying its reputation as a global real estate powerhouse. These achievements are complemented by Dubai's dynamic and growing population, which has increased from 3.2 million in 2018 to an estimated 3.8 million in 2024.

The year also saw a surge in property values, with the average sales price per square foot reaching AED 1,493, reflecting a 16.5% YoY increase and setting a new all-time high. This remarkable growth marks a 22% rise over the previous peak in 2014 and underscores the robust demand for real estate across the city. While nearly 25,000 new units were completed in 2024, some anticipated supply has been deferred to 2025, paving the way for a more balanced market in the coming year.

At Betterhomes, these broader trends resonate with our experience. India and the UK remain the leading buyer nationalities, consistently demonstrating their confidence in Dubai's real estate market. Meanwhile, the prime property segment has shown exceptional growth, reflecting the enduring appeal of luxury real estate in the city and another sign of the movement of wealth globally from more traditional hubs.

In leasing, our company recorded a 23% annual increase in tenant leads, illustrating strong demand across a variety of property segments, which, as the firm that takes leasing more seriously than anyone else in our segment, further justifies our decision to invest heavily in leasing specific tech, training and leadership, as well as the creation of new ancillary leasing departments to further compliment our offering.

As we look ahead to 2025, a year that promises further market maturation, our focus remains on you, our clients. At Betterhomes, we are proud to be more than just a real estate agency. We are your partners in this exciting journey, as we have been for almost four decades, working alongside you to navigate an ever-evolving market, achieve your goals, and create lasting value.

Thank you for trusting us to be part of your story. Here's to a future of sustained growth, shared success, and new opportunities.

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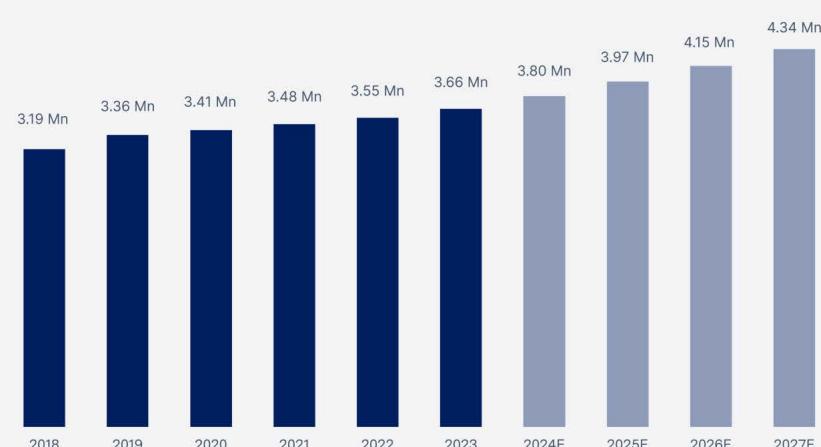
# Macro-economic Round-up

The UAE's economic trajectory exemplifies resilience and adaptability, with growth projected to accelerate to 5.0% in 2025 and 5.5% in 2026. This growth is driven by a balanced focus on oil and non-oil sectors.

The nation's economic landscape is anchored by several key drivers:

- Major infrastructure initiatives, including the Etihad Rail Network, Dubai's Blue Metro Line (a AED 20.5 billion project), and various traffic enhancement projects by the RTA highlight the government's dedication to improving connectivity and fostering urban growth.
- Robust FDI inflows, and policies targeting a GDP of AED 3 trillion by 2031 reinforce the UAE's diversification strategy.
- Tourism remains a pillar of economic growth, bolstered by initiatives to attract global visitors and residents. The sector's vitality directly influences retail, hospitality, and real estate demand.
- Dubai's population has shown consistent growth over the years, increasing from 3.19 million in 2018 to an estimated 3.80 million in 2024. Projections indicate further growth, with the population expected to reach 4.34 million by 2027, marking a remarkable 36% increase over a decade.

## Dubai Population (in Millions)



Source: Dubai Statistics Center

As the UAE's financial and cultural epicenter, Dubai plays a pivotal role in driving national economic growth.

## Dubai's Real Estate Strategy 2033

Dubai's ambitious Real Estate Strategy 2033 aims to transform the emirate into a global leader in real estate by fostering sustainable growth and attracting international investment. This vision is underpinned by several initiatives designed to develop high-quality, sustainable communities, harness technology, and empower local talent. The strategy sets bold targets, including:

- Doubling the sector's GDP contribution to approximately AED 73.5 billion.
- Increasing real estate transaction volumes by 70%, with a market value goal of AED 999 billion.
- Raising homeownership rates and expanding Dubai's real estate portfolio to AED 19.8 billion.

## Dubai's Smart Rental Index

The Smart Rental Index is poised to reshape Dubai's rental real estate market by introducing greater transparency, fairness, and accuracy. Evaluating residential properties on detailed criteria like structural quality, location, and services, ensures a standardised approach to rental pricing. This benefits tenants with fair rental values, while landlords are incentivised to improve property quality to achieve higher ratings.

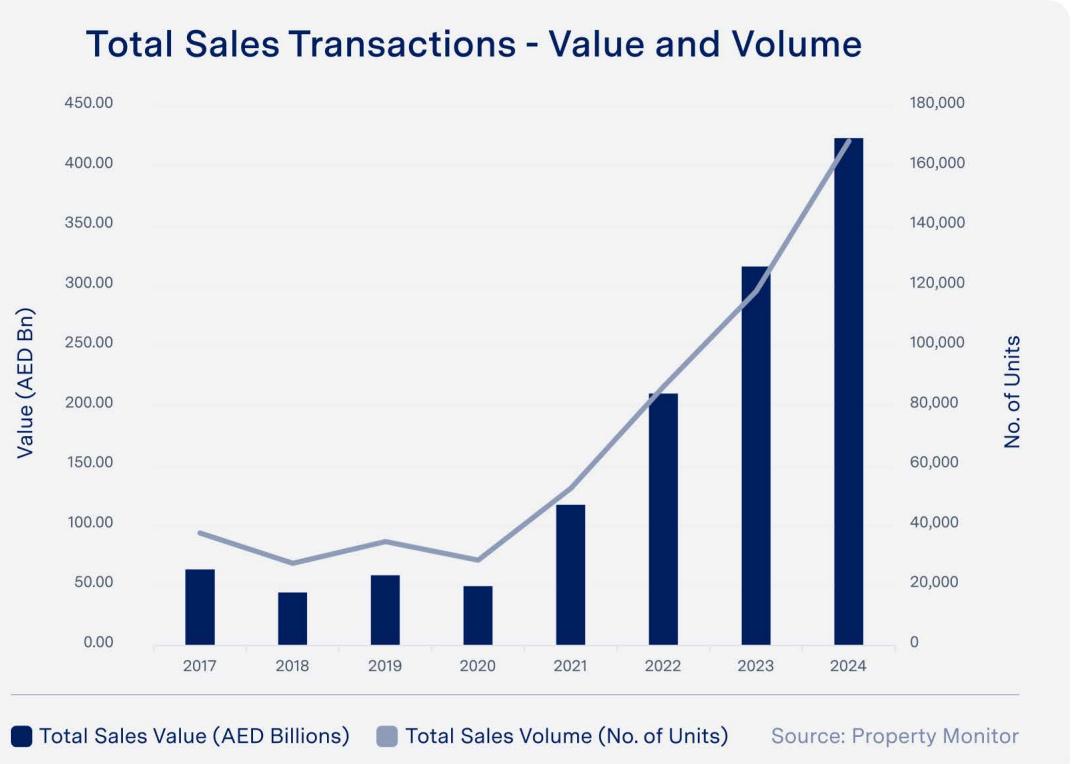
With rent increases tied to market gaps and capped at 20%, the index prevents arbitrary hikes, creating stability in the rental market. Regular updates make it a dynamic tool, reflecting current market trends and ensuring relevance. Additionally, the transparency and trust fostered by this initiative will likely attract increased foreign investment, as it offers clarity on rental income potential. Ultimately, the Smart Rental Index will elevate the overall quality of Dubai's rental market and strengthen its global reputation as a real estate hub.

Difference Between Current Rent and Average Market Rent	Permitted Increase
Less than 10% below the average market rent	No increase
11% to 20% below the average market rent	Up to 5% increase
21% to 30% below the average market rent	Up to 10% increase
31% to 40% below the average market rent	Up to 15% increase
More than 40% below the average market rent	Up to 20% increase

# Total Sales Transactions

## Value and Volume

- 2024 marks another record-breaking year for Dubai's real estate market, with the highest-ever transactions in the city's history.
- By year-end, Dubai registered an unprecedented 168,405 sales transactions, valued at AED 423.36 billion, strengthening its position as a global real estate powerhouse.
- The impressive 30% year-on-year (YoY) growth in transaction value and 40% increase in transaction volume underscore the sector's exceptional performance amid surging investor confidence and robust demand.
- While both metrics grew over the years, volume consistently outpaced the value growth, especially post-2021:



This reflects the increasing participation of mid-market and first-time buyers and indicates a more balanced market where affordability plays a key role alongside luxury demand.

- In 2024, the off-plan segment dominated the market, accounting for 63% of overall sales transactions and emerging as a major growth driver for the year.
- With a total transaction volume of 106,694, the off-plan segment recorded an impressive 66% YoY growth compared to 2023. Buyers seeking modern communities with advanced infrastructure and investors wanting to capitalise on future price appreciation.



**Christopher Cina, Development Sales and Consultancy Director at Betterhomes** says, "In 2024, Dubai's off-plan real estate market reached unprecedented heights, with over 106,000 transactions accounting for 63% of the total sales volume, highlighting the sector's vital role in shaping the city's skyline and investment appeal."

As we look ahead to 2025, stabilisation in property prices, spurred by a record-breaking influx of over 72,000 new residential units, will provide a more balanced market environment. This stabilisation, paired with robust demand from global investors and end-users, reinforces Dubai's standing as a premier global real estate hub and positions it for sustainable growth in the year to come."

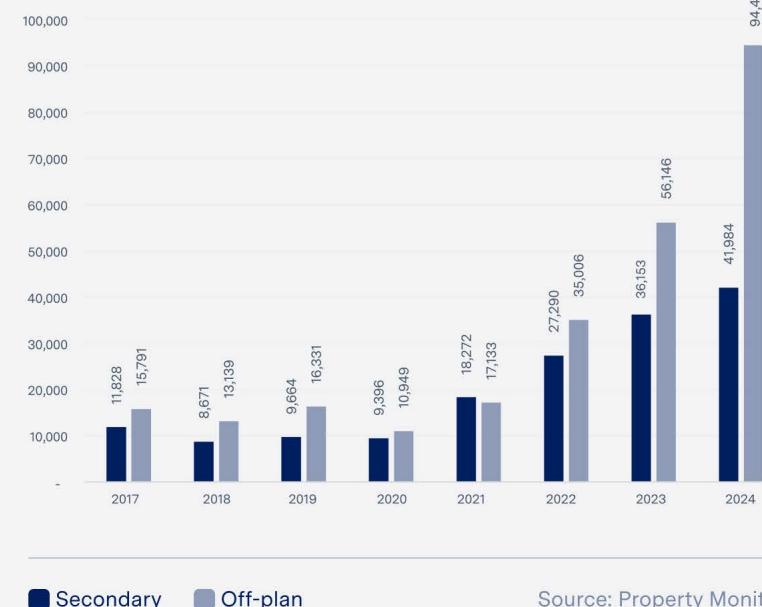
## Looking Ahead: 2025, A Year of Stabilisation

- While 2024 saw rapid growth, 2025 is expected to usher in a phase of stabilisation, particularly in terms of property prices. This is anticipated due to the significant number of property handovers scheduled for 2025, which will ease inventory pressure and normalise supply-demand dynamics.
- Despite this, investor interest and end-user activity are likely to remain strong. With its ability to adapt and innovate, Dubai's real estate market is set to maintain its leading position, offering a balanced outlook of growth and stability in the coming year.

## Apartment Sales

- In 2024, off-plan apartment transactions reached an all-time high of 94,455, growing substantially compared to 56,146 in 2023. The secondary market also saw an increase, rising to 41,984 transactions, up from 36,153 in 2023.
- Apartments have consistently outperformed villas in transaction volumes over the years. The preference for apartments can be attributed to their relatively affordable ticket size, making them more accessible to a larger pool of buyers.
- In 2024, 45% of all apartment transactions were for 1-bedroom units, with an average price of AED 1,703 per sq ft. Over 70% of the apartment sales were for properties priced below AED 2 million, reflecting strong demand for affordable living spaces driven by both end-users and investors.
- Key communities for off-plan apartments in Q4 2024:
  - Jumeirah Village Circle (JVC): 3,046 sales with an average sale price of AED 1,360 per sq ft.
  - Business Bay: 2,049 sales with an average sale price of AED 2,506 per sq ft.
  - Dubai Hills Estate: 1,401 sales with an average price of AED 2,383 per sq ft.

### Total Sales Volume: Apartments

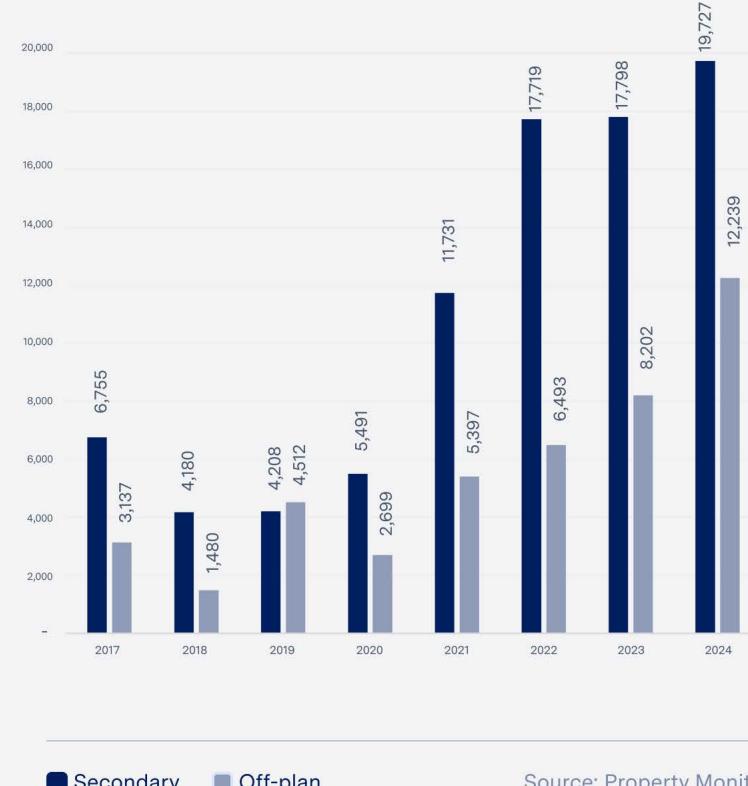


Source: Property Monitor

## Villa / Townhouse Sales

- The data from 2017 to 2024 indicates a significant upward trend in both off-plan and secondary property transactions in Dubai. Total villa & townhouse transactions have risen dramatically from 9,944 in 2017 to 32,125 in 2024. The growth is primarily driven by off-plan properties, which have consistently represented a larger share of the market compared to secondary properties over the last 7 years.
- Off-plan villa transactions experienced a remarkable 47% growth in volume by 2024 compared to 2023. This surge reflects strong demand and heightened investor confidence, driven in part by major master-planned projects and favourable market conditions.
- On the other hand, secondary villa transactions saw a more modest increase of 10% from 2023 to 2024. This steady growth indicates a consistent preference for ready-to-move-in properties, as more buyers are looking for immediate ownership and stability in a thriving market.
- Here are the top off-plan villa projects from Q4 2024:
  - Damac Riverside: 968 sales with an average sale price of AED 1,100 per sq ft for townhouses and AED 1,069 for villas.
  - The Valley by Emaar: 817 sales with an average sale price of AED 1,214 per sq ft for townhouses.
  - Emaar South: 684 sales with an average sale price of AED 1,296 per sq ft for townhouses and 1,213 for villas.

### Total Sales Volume: Villas / Townhouses

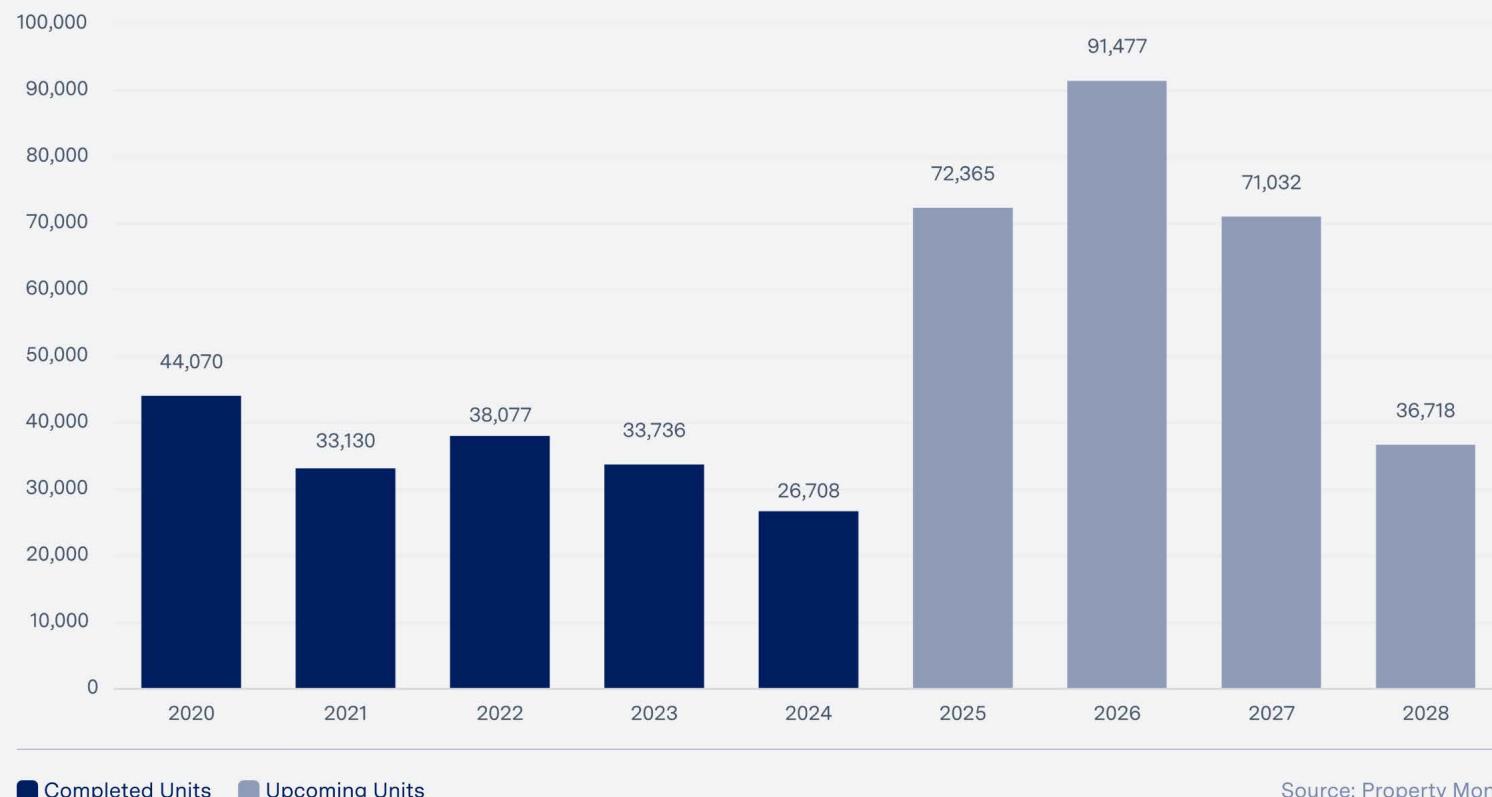


Source: Property Monitor

## Residential Supply

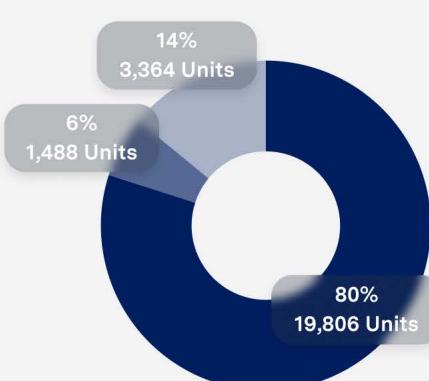
- As anticipated in Q3, a substantial portion of the 2024 completions has been deferred to 2025, leaving the year with a lower-than-expected supply of nearly 27,000 units.
- This delay has driven an unprecedented surge in the projected supply for 2025, now forecasted at 72,365 units – marking a remarkable 171% increase from 2024.
- Notably, over 470 off-plan projects were launched during 2024, averaging more than one project per day, further underscoring the city's relentless pace of development.
- Of the completed supply, 77% were apartments, 17% were townhouses, and 6% were villas, highlighting a strong preference for vertical living to cater to Dubai's growing urban population. A similar mix is expected to dominate the upcoming supply in 2025.
- JVC, Mohammed Bin Rashid City (MBR City), and Business Bay emerged as the top locations for completions in 2024, reinforcing their status as high-demand hubs for investors and end-users.
- In Q1 2025, over 9,000 units will be handed over, with maximum concentration (41%) in Sobha Hartland, Arjan, and JVC.
- The spillover effect has positioned 2025 and 2026 as peak years for residential supply. This surge is driven by continued developer confidence and a robust off-plan sales market.
- However, with the pipeline heavily weighted toward apartments, the market must strategically balance supply with evolving tenant and buyer preferences, particularly in the high-demand villa and townhouse segments.
- Prominent projects handed over in Q4 2024 include:
  - Binghatti Onyx in Jumeirah Village Circle (JVC) District 15, featuring 438 units.
  - Nara at The Valley by Emaar, offering 372 units.
  - MBL Royal Residences in Jumeirah Lakes Towers (JLT) by MAG Group, comprising 330 units.

### Total Residential Supply in Dubai



### Completed Supply, 2024

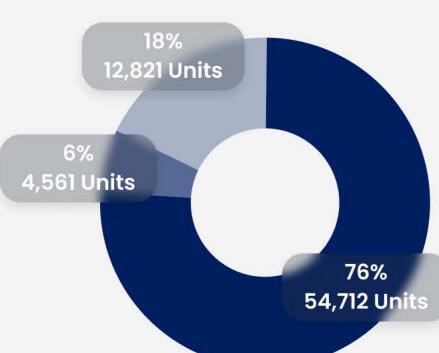
■ Apartments ■ Villas ■ Townhouses



Source: Property Monitor

### Upcoming Supply, 2025

■ Apartments ■ Villas ■ Townhouses



Source: Property Monitor

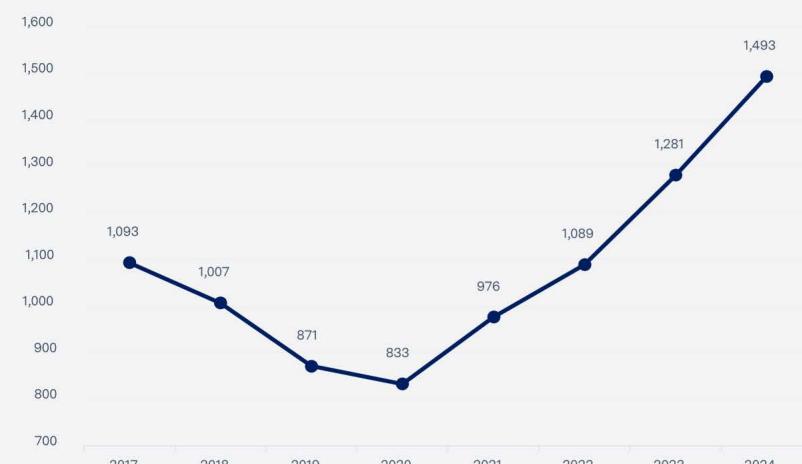
## Concentration of Upcoming Supply in Q1 2025



## Average Sales Prices (AED per sq ft)

- By the end of 2024, Dubai's residential market showcased remarkable growth in average sales prices per square foot. Prices reached AED 1,493 per sq ft, reflecting a 16.5% YoY increase from 2023.
- This milestone represents an all-time high and a 22% rise over the previous peak in 2014, underscoring strong demand and a robust market recovery.
- Apartment communities experienced varied YoY price changes, ranging from a modest decline of -1% to an impressive growth of 24%, while villa communities led the market with YoY increases between 8% and 38%.
- Looking ahead, prices are expected to continue rising, albeit at a more moderate pace, as the market enters a period of stabilisation following this phase of rapid appreciation.

## City-level Average Sales Price Per Sq Ft (AED)

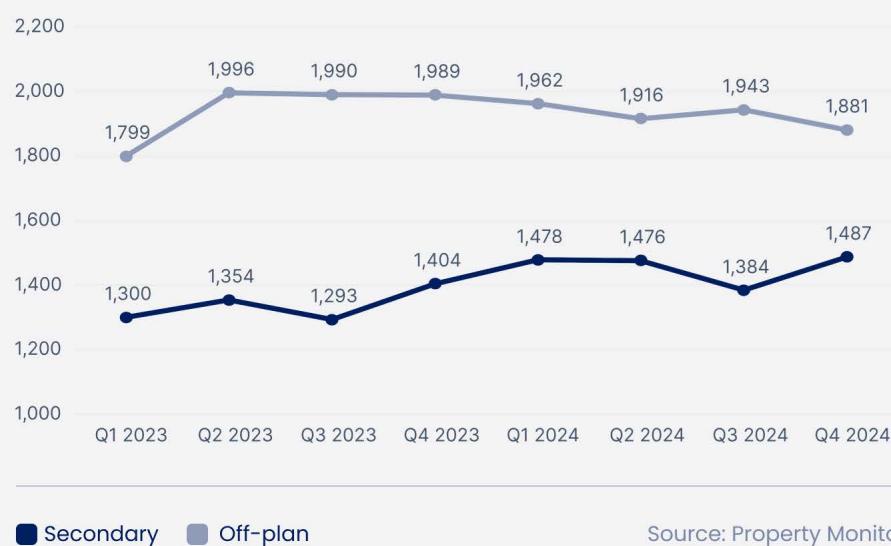


Source: Property Monitor

## Apartments Price Trends

- Throughout 2024, off-plan apartment prices averaged 30% higher than secondary market prices, driven by demand for luxury projects and rising construction and land costs.
- However, the narrowing price gap in late 2024 highlights growing buyer price sensitivity and increased market supply.
- As new projects are delivered, off-plan prices are expected to stabilise, benefiting buyers, while the secondary market continues to offer value in ready-to-move-in properties.

## Apartments Average Prices Per Sq Ft

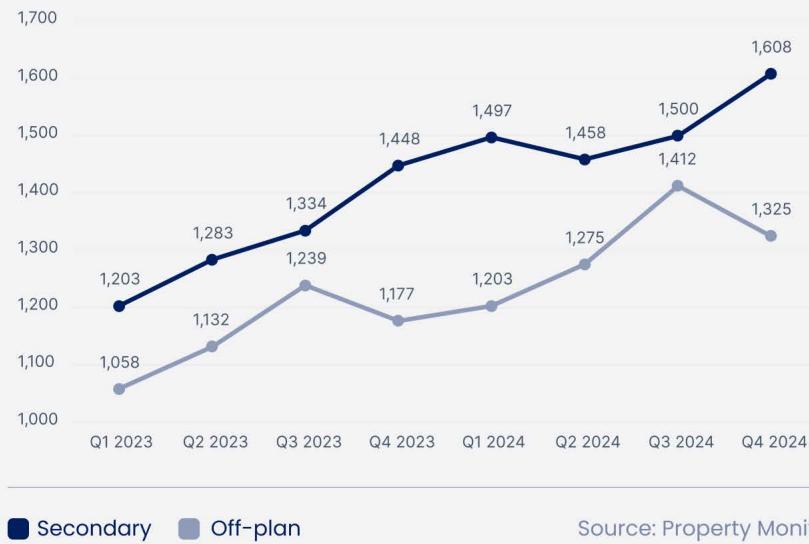


Source: Property Monitor

## Villas/ Townhouses Price Trends

- In 2024, off-plan villa and townhouse prices averaged 20% lower than secondary market prices, reflecting the premium for ready-to-use properties.
- The price gap narrowed in Q3 2024 as off-plan prices peaked at AED 1,412 per sq ft, nearing secondary prices at AED 1,500 per sq ft.
- However, it widened again in Q4, with secondary prices rising to AED 1,608 per sq ft, while off-plan prices fell to AED 1,325 per sq ft.

## Villas / Townhouses Average Prices Per Sq Ft



Source: Property Monitor

## Average Sales Prices (AED per sq ft):

Source: Property Monitor



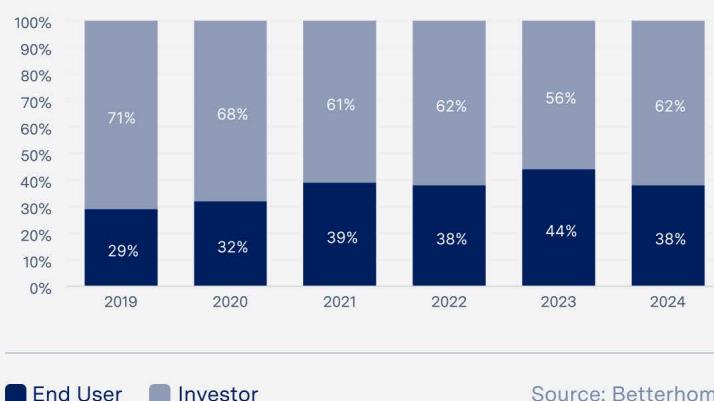
## Buyer Profile at Betterhomes

- The 2024 uptick in investor activity within Betterhomes aligns with the recovery in global markets, the launch of high-demand off-plan projects, and the growing perception of Dubai as a stable investment hub.
- Betterhomes' internal data shows that investors have consistently represented the majority of buyers from 2019 to 2024.
- However, their share has fluctuated over the years, starting at a high of 71% in 2019 and gradually declining to 56% in 2023 before rebounding to 62% in 2024.
- This resurgence in investor activity highlights the growing interest in Dubai's real estate market as a lucrative investment avenue.

## Cash vs Mortgage Buyers

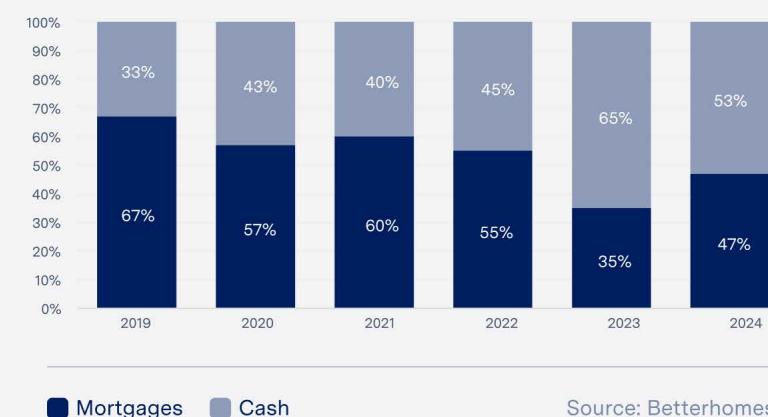
- Mortgage buyers have traditionally dominated Betterhomes transactions, but over the past two years, cash buyers have emerged as the majority because interest rates have gone up.
- This shift has been driven by an increasing influx of high-net-worth individuals and global investors who favour cash purchases to expedite transactions and eliminate financing costs.
- In 2023, the disparity was particularly striking, with mortgage buyers accounting for only 35% of transactions compared to 65% for cash buyers.
- However, this gap has narrowed significantly in 2024, resulting in an almost equal split between the two groups.

**BH Buyer Profile**



Source: Betterhomes

**BH Cash vs Mortgage**



Source: Betterhomes

## Top Buyer Nationality at Betterhomes

- India and the UK have consistently dominated the Betterhomes buyer charts, maintaining their positions as the top two nationalities purchasing properties.
- Their sustained interest highlights the enduring appeal of Dubai's real estate market for these demographics.
- However, notable shifts have occurred in other rankings. Russian buyers, who secured the third spot in 2023, have fallen to the ninth position in 2024, reflecting a potential shift in investment patterns.
- Meanwhile, Poland has made its debut in the top 10, replacing Turkey in the tenth spot. This change underscores Dubai's growing allure among diverse European markets.



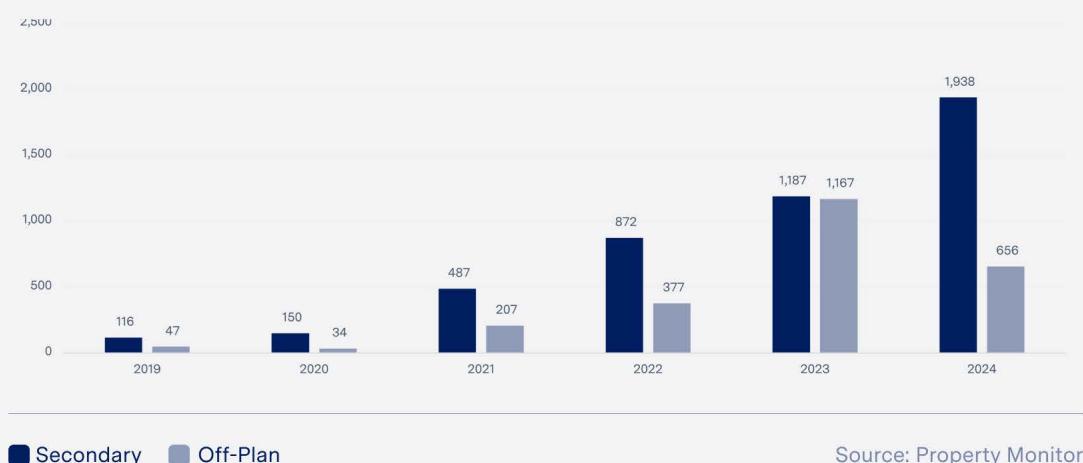
Source: Betterhomes

# Luxury Market

## Total Sales Transactions (AED 15 mn+)

- The Dubai prime property market, characterized by transactions exceeding AED 15 million, has demonstrated exceptional growth over the past five years, showcasing the resilience and appeal of the high-end real estate segment.
- The secondary market has exhibited consistent YoY growth, reaching an all-time high of 1,938 transactions in 2024, a significant jump from just 116 transactions in 2019.
- This remarkable expansion highlights the strong demand from end-users and international investors, particularly in premium communities such as Palm Jumeirah, MBR City, and Dubai Hills Estate.
- Off-plan sales, while trailing behind secondary market transactions, have seen substantial growth over the years, peaking at 1,167 transactions in 2023 before a slight decline to 656 transactions in 2024.
- By 2024, the secondary market continued its upward trajectory, growing by 63% YoY, driven by heightened interest in ready-to-move-in properties and resale opportunities in established communities.
- On the other hand, off-plan transactions experienced a 43.8% YoY decline, suggesting a shift in buyer preferences towards immediate ownership and completed luxury offerings.

### Prime Properties (AED 15m & above), DLD



Category	2023	2024	YoY Change
Secondary	1,187	1,938	63%
Off-plan	1,167	656	44%
Total	2,354	2,594	10%

### Top Luxury Communities by Sales Transactions in Dubai, 2024

Secondary Communities	Value (AED Bn)	Volume
Palm Jumeirah	8.93 Bn	243
Palm Jebel Ali	5.35 Bn	209
The Oasis	5.19 Bn	230
MBR City	5.12 Bn	182
Dubai Hills Estate	4.05 Bn	124

Off-plan Communities	Value (AED Bn)	Volume
Palm Jumeirah	4.94 Bn	112
Downtown Dubai	2.40 Bn	95
Dubai Water Canal	2.27 Bn	68
Business Bay	2.05 Bn	74
MBR City	1.62 Bn	74

Source: Property Monitor

### Key Insights into the Luxury Sales Market:

40 ultra-luxury transactions were recorded in 2024, with property values exceeding AED 100 million.

The most expensive resale apartment of 2024 was sold for AED 275 million, located at The One at Palm Jumeirah.

The most expensive resale villa was sold for AED 240.5 million on Jumeirah Bay Island.

The most expensive initial sale villa was transacted for AED 203 million at EOME in Palm Jumeirah.

**PRIME**  
by Betterhomes

Recognising the need for a bespoke resource for ultra-premium homes and residences, the launch of PRIME by Betterhomes has redefined the way we market and sell Dubai's most unique and sought-after properties. PRIME by Betterhomes is dedicated to luxury residences that offer the rare, the exclusive and the extraordinary.

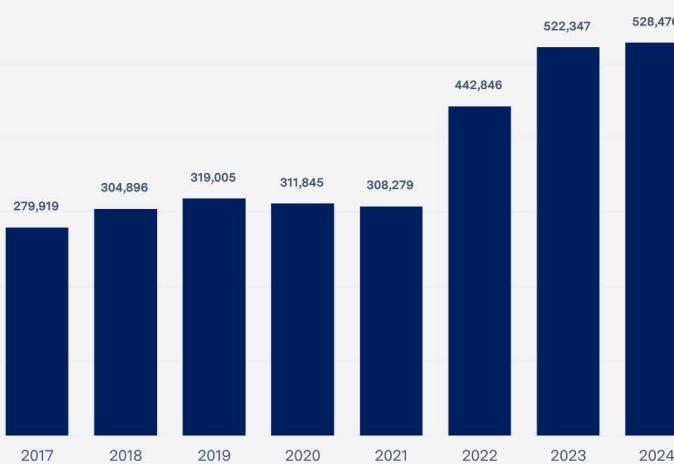
# Total Rental Transactions

## Volume and Contract Type

- In 2024, Dubai recorded a remarkable 528,476 total rental transactions, valued at AED 44.23 billion, underscoring the city's thriving residential rental market.
- This milestone reflects a balanced and maturing market, with both tenants and landlords showing a strong preference for stability and long-term planning.
- In 2024, renewal contracts accounted for 60% of all rental agreements, maintaining the upward trend observed in recent years.

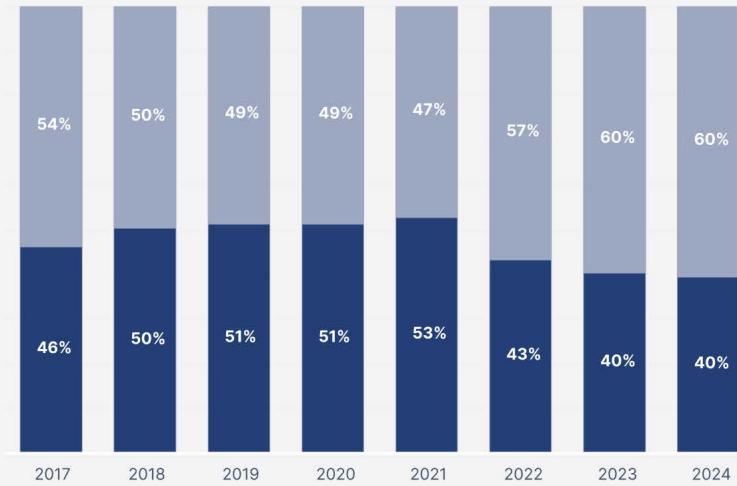
- This highlights tenants' increasing inclination to lock in favourable rental terms and avoid the inconvenience of frequent relocations.
- For landlords, these renewals provide the advantage of reduced void periods, ensuring steady income streams in a gradually stabilising rental market.

### Total Rental Contracts



Source: Property Monitor

### New vs Renewed Contracts



Source: Property Monitor

## Betterhomes Secures Dubai's Largest Leasing Deal

In September 2024, Dubai's super-prime real estate market has reached a new milestone with Betterhomes successfully closing the largest leasing deal in the city's history. A stunning waterfront mansion on Jumeirah Bay Island was leased for a record-breaking AED 15.5 million per year. Brokered by Toni Abou Jaoude, Sales and Leasing Manager at Prime by Betterhomes, the property boasts breathtaking views of the ocean and the Bvlgari Resort & Residences.



## Average Annual Rental Price (AED)

- In 2024, Dubai South emerged as the standout performer in terms of YoY growth, offering an impressive 29.5% annual growth.
- This was followed by JVT, which saw a solid 21.1% growth, and JVC with a 19.8% growth in apartment rentals.
- In the villas and townhouse rental segment, Palm Jumeirah led the way with a remarkable 52.2% growth, highlighting its continued status as one of Dubai's most desirable locations.

- JVC again showed notable performance with a 38.9% growth, followed by MBR City, which recorded a steady 15% growth. These figures indicate a clear shift towards higher-end properties, as well as ongoing interest in established and developing communities across the city.

## Average Rental Prices (AED):

Source: Property Monitor



## Tenant leads at Betterhomes

- In 2024, Betterhomes experienced a remarkable 23% YoY increase in tenant leads, showcasing a strong demand for rental properties across various segments.
- The apartments segment saw a solid 21% YoY growth, with key areas like Dubai Marina, Jumeirah Lakes Towers (JLT), and Downtown Dubai emerging as the top leasing communities.
- For the villas segment, Betterhomes recorded an impressive 30% YoY increase, reflecting a growing preference for larger living spaces in well-established communities.
- The top leasing areas for villas were Arabian Ranches 3, DAMAC Hills 2, and DAMAC Hills, which continue to attract tenants due to their spacious layouts, family-friendly environments, and increasing community developments.
- Furthermore, the townhouses segment also experienced significant interest, with a 29% YoY increase in tenant leads, further indicating a broader trend toward suburban living in Dubai's evolving real estate landscape.

 Apartments      YoY  **21%**

 Villas      YoY  **30%**

 Townhouses      YoY  **29%**

Source: Betterhomes

## Average Leasing Price at Betterhomes

 Apartments      **AED 134,885**      YoY  **15%**

 Villas      **AED 418,971**      YoY  **15%**

 Townhouses      **AED 211,184**      YoY  **12%**

Source: Betterhomes

## Top Communities at Betterhomes

### Apartments

- 1st - Dubai Marina
- 2nd - Jumeirah Lake Towers (JLT)
- 3rd - Downtown Dubai

### Villas & townhouses

- 1st - Arabian Ranches
- 2nd - Damac Hills 2
- 3rd - Damac Hills

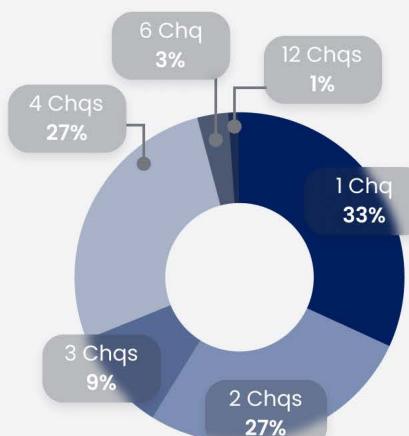
Source: Betterhomes



## Outlook for 2025

- Looking ahead to 2025, with the introduction of the Smart Rental Index and the expected influx of abundant supply into the market, rental prices are anticipated to slow down and stabilise.
- The Smart Rental Index, aimed at offering transparent and data-driven pricing mechanisms, will likely provide more accurate market insights, helping tenants and landlords make informed decisions.
- As new properties come online and more options become available, the increased supply is expected to temper the rapid price growth seen in recent years. This, combined with the ongoing market stabilisation, will contribute to a more balanced and sustainable rental environment in the coming year.

## No. of Rental Cheques, 2024



Source: Betterhomes



**Rupert Simmonds, Director of Leasing at Betterhomes** says, "In 2024, rent increases slowed compared to prior years suggesting that rents are stabilising. Notably, in the second half of the year, new rental transactions at Betterhomes saw a 42% increase compared to the first half and transactions in the final 3 months of the year were at the highest since 2021 across all three months, driven by Betterhomes focus on the rental sector and leasing specific initiatives and offerings. With the large number of handovers due in the coming year, we expect to see an increase in new transactions and a trend of stabilising rents."



# Betterhomes.

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