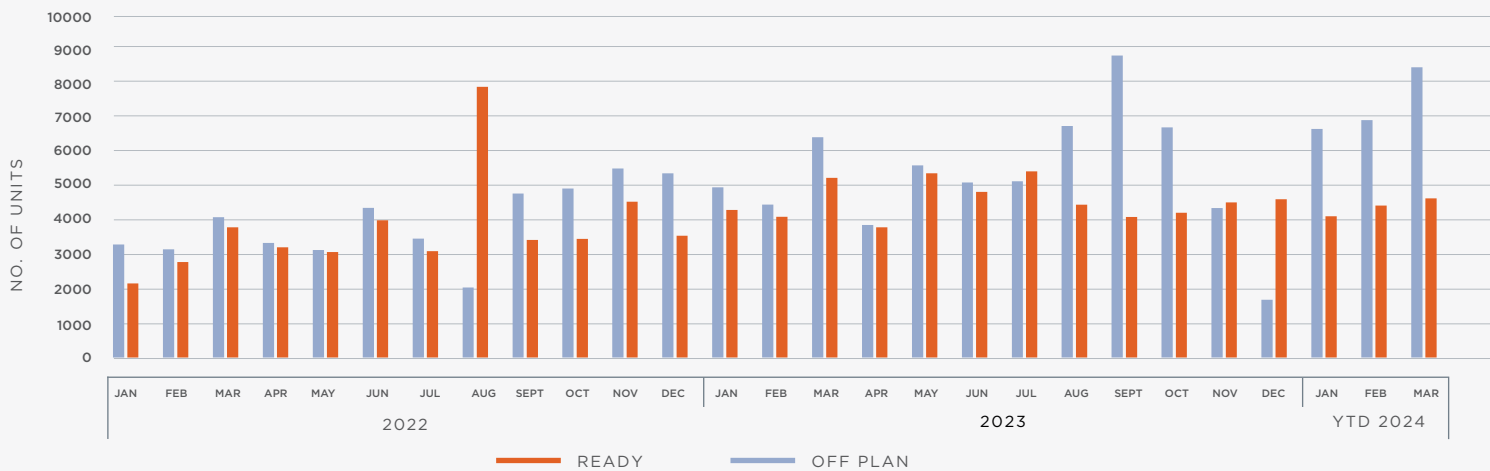


Dubai Residential Market



During the first quarter of 2024, the Dubai residential real estate market demonstrated remarkable resilience and growth. Transaction volumes remained robust, buoyed by sustained demand for both off-plan and ready properties. The quarter witnessed a substantial 35% quarter-on-quarter increase in transaction volumes, reaching an all-time high of 35,100 units. Notably, 63% of these transactions involved properties that are currently under construction. Apartments continued to dominate the market, accounting for the highest transaction volume, while the villa segment also maintained steady activity. Dubai's real estate sector remained dynamic, attracting both investors and end-users. Factors such as population growth, economic resilience, business confidence, and a thriving tourism and hospitality sector contribute to its ongoing appeal.

DUBAI RESIDENTIAL TRANSACTION TREND



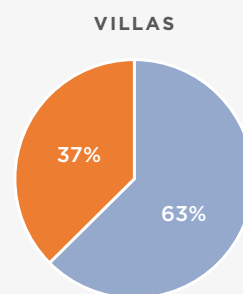
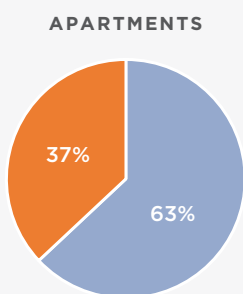
SOURCE REIDIN, SAVILLS RESEARCH

During Q1 2024, off-plan sales surged by 73% compared to the previous quarter and 39% year-on-year. The substantial interest in under-construction units, which constituted 63% of the total transaction volume, can be attributed to the strong demand and rapid sales pace for high-quality assets from reputable developers, along with the attractive incentives offered to buyers during the project launch. Unprecedented transaction levels were observed in the quarter, with a total of 35,100 units sold—the highest on record—surpassing the average quarterly transaction volume of 18,700 units recorded since 2020. Notably, market activity shifted toward the Dubai Southeast submarkets, where nearly 48% of transactions were concentrated. Micro-markets such as Jumeirah Village Circle (JVC), Arjan, Dubai Hills Estate, Meydan One, and Damac Hills 2 emerged as the most sought-after areas within the Dubai Southeast submarket. Across other locations in the city, demand remained strong in Business Bay and Downtown Dubai in Central Dubai, while properties in Dubai Marina and Jumeirah Lake Towers (JLT) dominated transaction activity in Dubai West.

Apartments continued to dominate the real estate market, accounting for 83% of all transactions during the current review period. Notably, 63% of apartment transactions were primary sales, and intriguingly, under-construction apartments constituted 63% of the demand. Core locations near transportation hubs and office centres, such as Downtown Dubai and Dubai Marina, witnessed secondary transactions surpassing primary ones. Other key areas like Palm Jumeirah, Dubai Creek Harbour, and Dubai Hills Estate, also experienced robust activity. Among the top-performing locations in terms of transaction volume were Jumeirah Village Circle, Business Bay, Dubai Maritime City, and Dubai Marina.

Amidst robust transaction volumes, the demand for villas and townhouses continued to surge. Notable locations for villa transactions included Damac Lagoons, Damac Hills 2, The Valley, and Tilal al Ghaf. Among these, off-plan projects were particularly sought after, constituting 63% of all villa transactions. The popularity of newly launched villas, such as Lillian Townhouses in The Valley, Damac Hills Autograph, and Plagette 32 at Tilal al Ghaf, likely fuelled the momentum in off-plan transactions.

TRANSACTION SPLIT ACROSS APARTMENT AND VILLAS, Q1 2024



READY OFF PLAN

SOURCE: REIDIN, SAVILLS RESEARCH

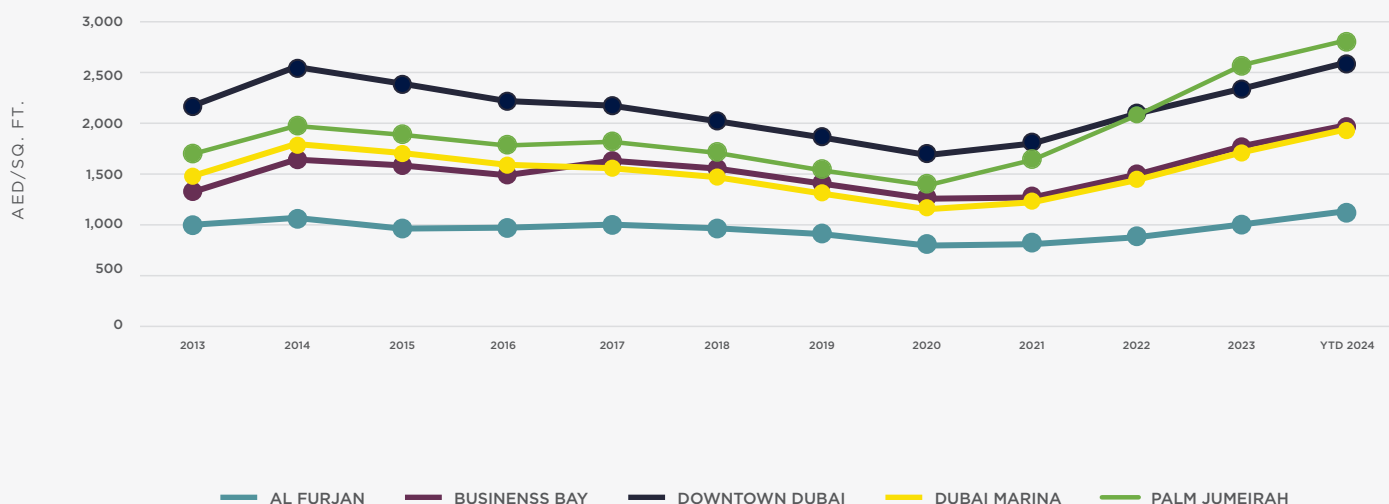
In Q1 2024, approximately 5,000 units were introduced to the market. Notable apartment launches during this period included Eleve by Deyaar Group, Cello Residences by Taraf Properties, The Sapphire by Damac, Mercedes-Benz Places, and Tulip by Binghatti Group. Impressively, 84% of these new launches consisted of apartment units.

High-end luxury properties remain attractive, but the surge in demand for affordable options reflects a pragmatic approach by buyers. In the first quarter of 2024, over 1,000 transactions exceeding AED 10 million were recorded, representing a 41% year-on-year growth. Additionally, the quarter saw a 51% increase in transactions involving apartments priced at AED 10 million or more compared to the previous quarter. Notably, Palm Jumeirah, Business Bay, and Bluewaters Island lead the list of upscale locations in terms of per square feet rate for apartments. Meanwhile, Dubai Hills, Palm Deira, District One, and Tilal Al Ghaf command the highest per square feet rate in villa transactions.

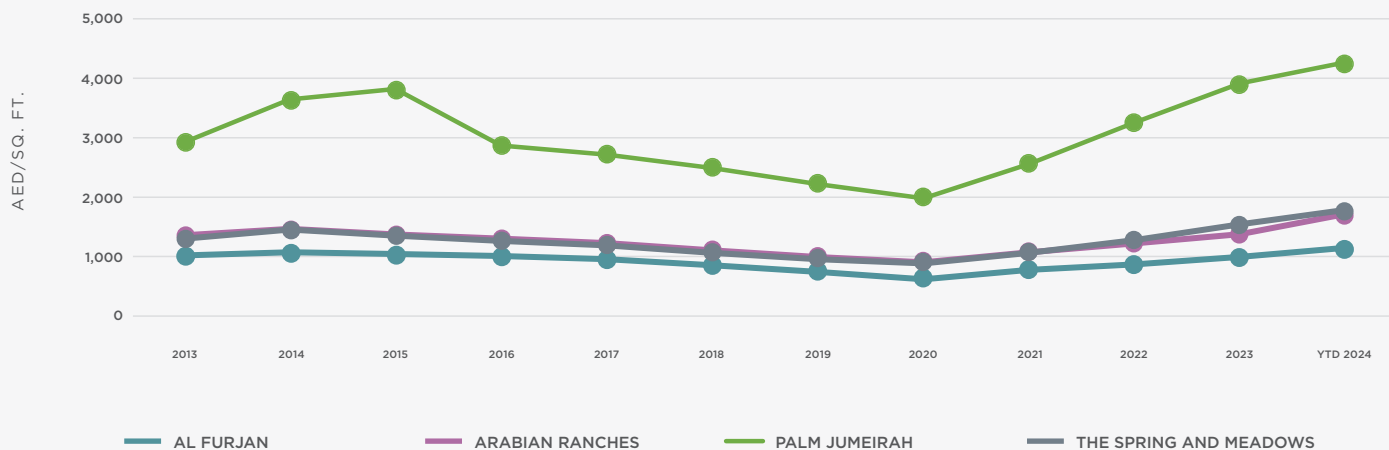
The Dubai real estate market has maintained an upward trajectory in capital value growth. According to the Savills World Cities Prime Residential Index, which tracks property prices across 30 global cities, Dubai led the way in 2023 with an impressive 17.4% growth in capital values. On average, property values increased by 20% year-on-year for apartments and 21% year-on-year for villas and townhouses. However, certain well-established locations and segments command a premium due to their superior accessibility and amenities.

Rental rates in Dubai saw an average increase of 7% across the city. Apartments experienced an 8% rise, while villas grew by 6% quarter-on-quarter. The recently revised rental index may lead to higher rents in specific areas, potentially ranging from 10% to 20%. As a result, tenants might consider relocating, downsizing, or even exploring property ownership. Given the upward trend in both rentals and capital appreciation, the Dubai residential real estate market is expected to perform well in the near future.

CAPITAL VALUE TREND - APARTMENTS



CAPITAL VALUE TREND - VILLAS



SOURCE REIDIN, SAVILLS RESEARCH

Note: Price trend for select residential communities only.

SELECT VILLA TRANSACTIONS

YEAR	QTR	AREA	BUILDING NAME	PROPERTY SUB TYPE	ROOM NUMBER ESTIMATED	SIZE SQ. FT	TYPE	PRICE AED	AED/ SQ. FT	TRANSACTION TYPE
2024	Q1	PALM JUMEIRAH	SIGNATURE VILLAS- AL FARDH	VILLA	5 BEDS	7,000	READY	55,000,000	7,860	SECONDARY
2024	Q1	THE SPRINGS	THE SPRINGS 2	VILLA	3 BEDS	2,748	READY	5,450,000	1,970	SECONDARY
2024	Q1	ARABIAN RANCHES 3	POLO HOMES	VILLA	3 BEDS	7,724	READY	14,000,000	1,810	SECONDARY
2024	Q1	AL FURJAN	AL FURJAN VILLAS PHASE 2	VILLA	5 BEDS	6,435	READY	8,500,000	1,320	SECONDARY

SELECT APARTMENT TRANSACTIONS

YEAR	QTR	AREA	BUILDING NAME	PROPERTY SUB TYPE	ROOM NUMBER ESTIMATED	SIZE SQ. FT	TYPE	PRICE AED	AED/ SQ. FT	TRANSACTION TYPE
2024	Q1	BUSINESS BAY	THE VELA DORCHESTER COLLECTION	APARTMENT	4 BEDS	8,462	OFF PLAN	61,700,000	7,290	PRIMARY
2024	Q1	PALM JUMEIRAH	COMO RESIDENCES	APARTMENT	5 BEDS	16,192	OFF PLAN	95,560,000	5,900	PRIMARY
2024	Q1	DUBAI MARINA	JUMEIRAH LIVING MARINA GATE	APARTMENT	4 BEDS	3,962	READY	15,500,000	3,910	SECONDARY
2024	Q1	AL FURJAN	PG ONE	APARTMENT	3 BEDS	2,889	OFF PLAN	2,900,000	1,000	PRIMARY

*Note:

1. Secondary Transaction indicates resale while primary transactions are units sold by the developer
2. AED/Sq.Ft rates are rounded to the nearest tens.



SOURCE REIDIN, SAVILLS RESEARCH

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