

Dubai Residential Market Review



Summer 2024

A quarterly review of key trends and the performance of Dubai's residential market

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WHAT YOU NEED TO KNOW

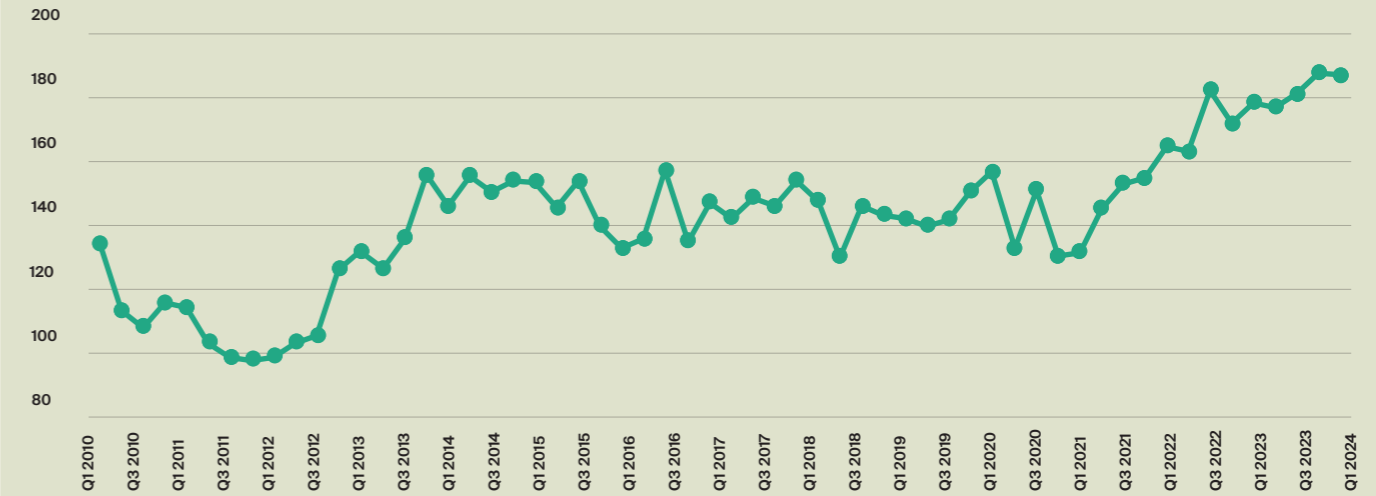
- Residential values across Dubai rose by 21.3% during the last 12 months, and by 5.3% over the last three months. Average prices are now 6.4% above the 2014 peak.
- Apartment prices increased by 6% during Q2, and are now 20.7% higher than they were at this time last year. Despite rising by 44% since Q1 2020, apartments prices are only 3.2% above the 2014 peak.
- Villas continue to outperform, with average values growing by 6.7% in Q2 2024 to AED 1,896 psf, equating to 24.3% growth since Q2 2023. This now places villa prices 28% above the 2014 peak.
- Launched and under-construction supply has also increased 18% over the last three months. 308,099 units are currently due to be completed by 2029. Apartments will account for 80% of this total.

- In our experience, 30-40% of the expected supply in any given year is likely to be delayed. By our calculation, the city needs 73,000 homes per year until 2040 to accommodate the government's population growth target of 7.8 million by 2040. At present, it appears that we are likely to fall short of this.
- Prime residential values, which encompass the neighbourhoods of Palm Jumeirah, Emirates Hills, Jumeirah Bay Island, and Jumeirah Islands rose by 7% in H1 2024, with average prime transacted prices standing at AED 3,706 psf.
- The total number of homes available for sale across Dubai's prime markets fell by 47% during H1 2024, reflecting the increasing 'buy-to-stay' and 'buy-to-hold' mentality amongst purchasers.
- During H1, 190 homes priced at over US\$ 10 million were sold positioning Dubai as the most active luxury homes market globally ahead of New York (130) and Miami (102).

Knight Frank mainstream residential index

100=Q3 2011

This index includes Al Barari, Al Furjan, Business Bay, Damac Hills, Damac Lagoons, Discovery Gardens, Downtown Dubai, Dubai Creek Harbour, Dubai Hills Estate, Dubai Marina, Dubai Silicon Oasis, Dubai South, Emirates Hills, Golf Estates, Jumeirah Islands, Jumeirah Lake Towers, Jumeirah Village Circle, Palm Jumeirah, Tilal Al Gaf.

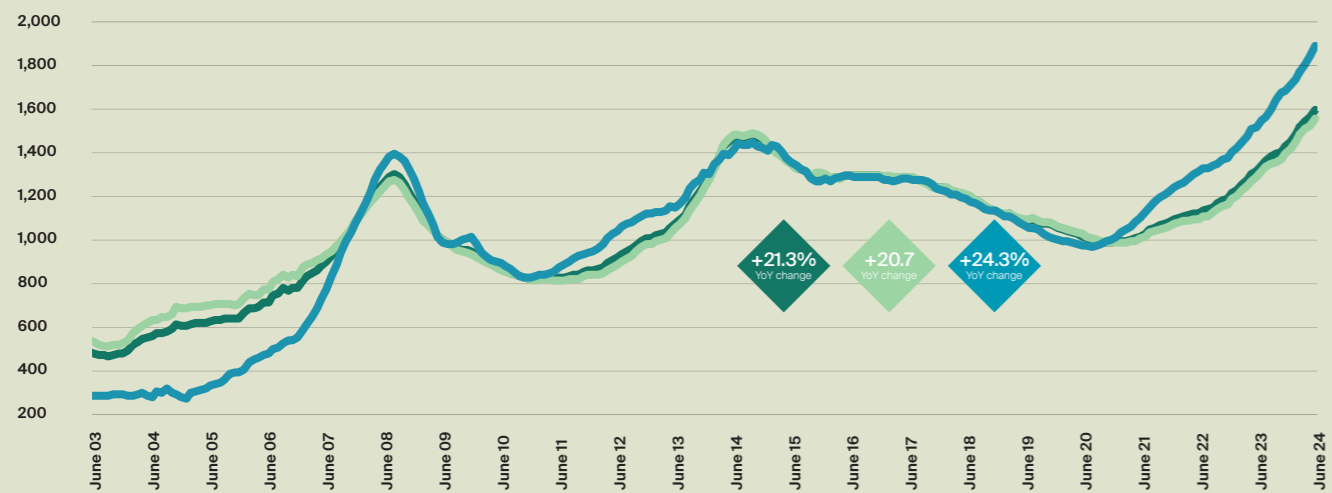


Source: Knight Frank, REIDIN

Average value of residential transactions (by property type)

AED psf

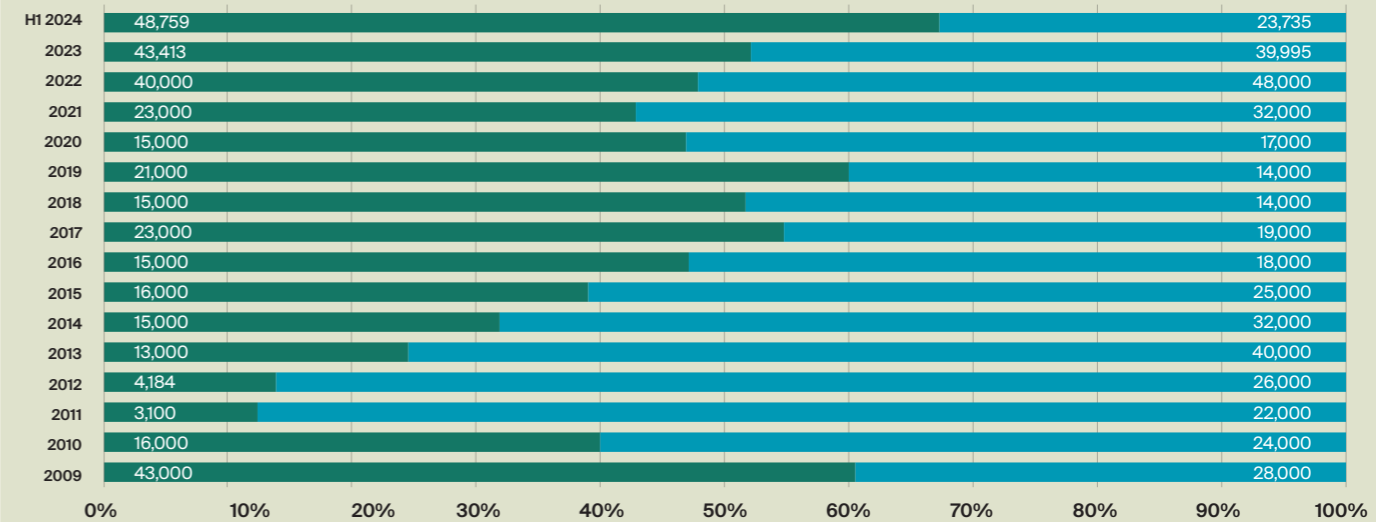
■ All residential ■ Apartments ■ Villas



Source: Knight Frank, REIDIN

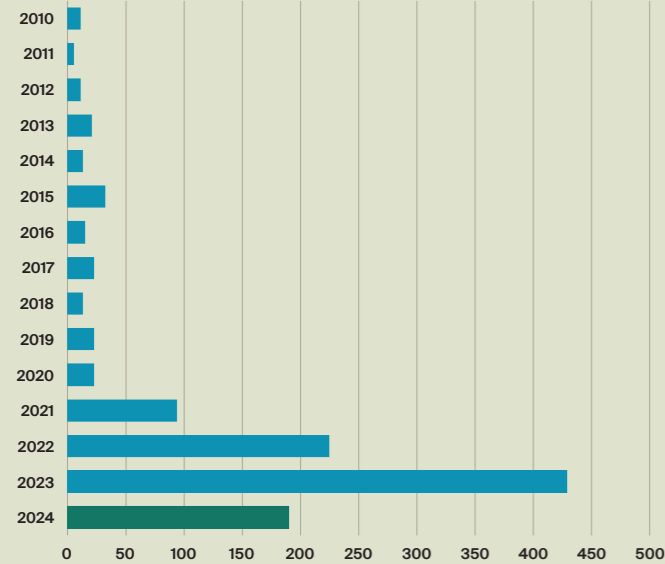
Dubai residential off-plan sales vs. secondary sales (total transactions)

■ Off-plan transactions ■ Secondary transactions



Source: Knight Frank, REIDIN

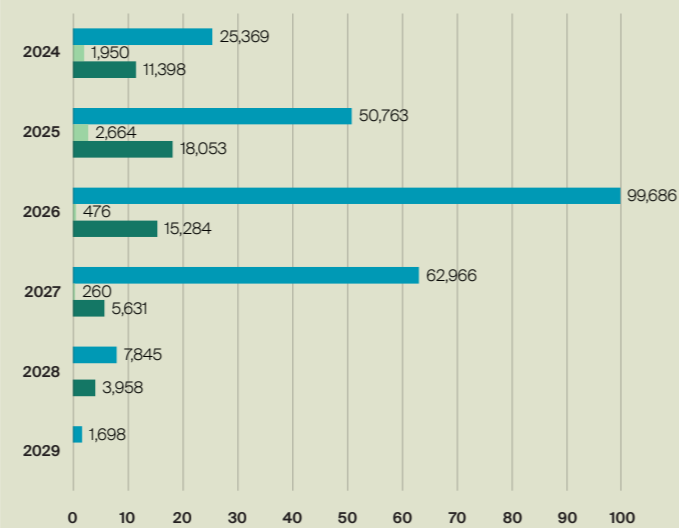
Number of US \$10 million+ transactions in Dubai



Source: Knight Frank, REIDIN

Dubai residential supply forecast (2024-2029)

■ Apartments ■ Branded residences ■ Villas

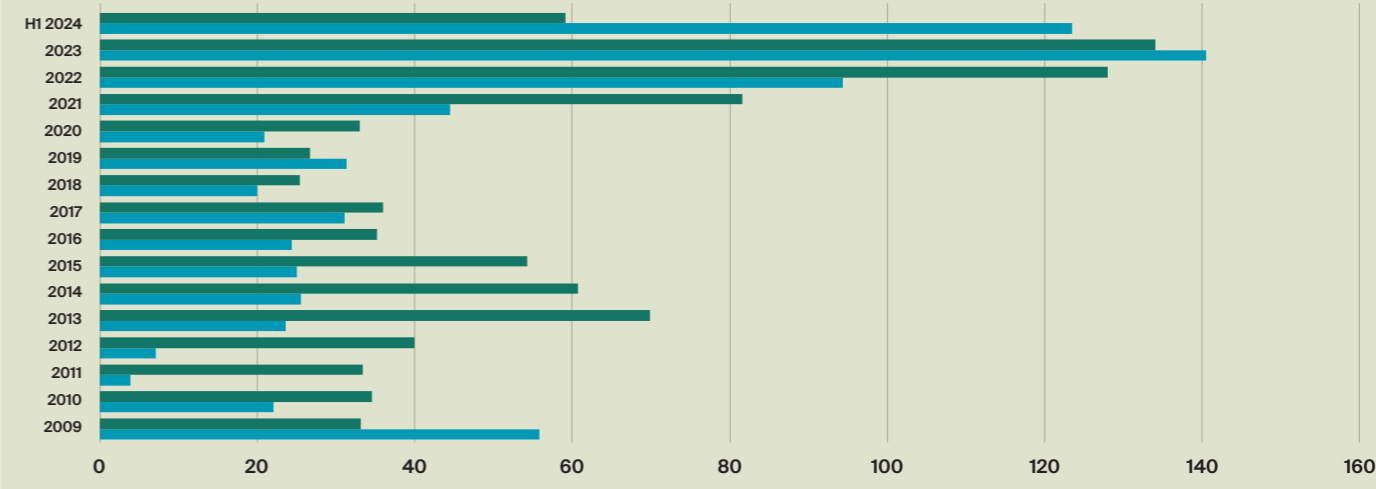


(Thousands) Source: Knight Frank, MEED, REIDIN

Dubai residential off-plan vs. secondary sales (by value)

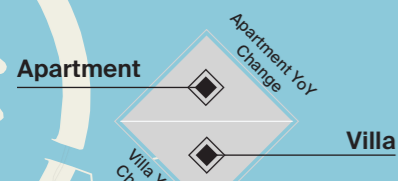
AED billions

■ Secondary sales ■ Off-plan sales

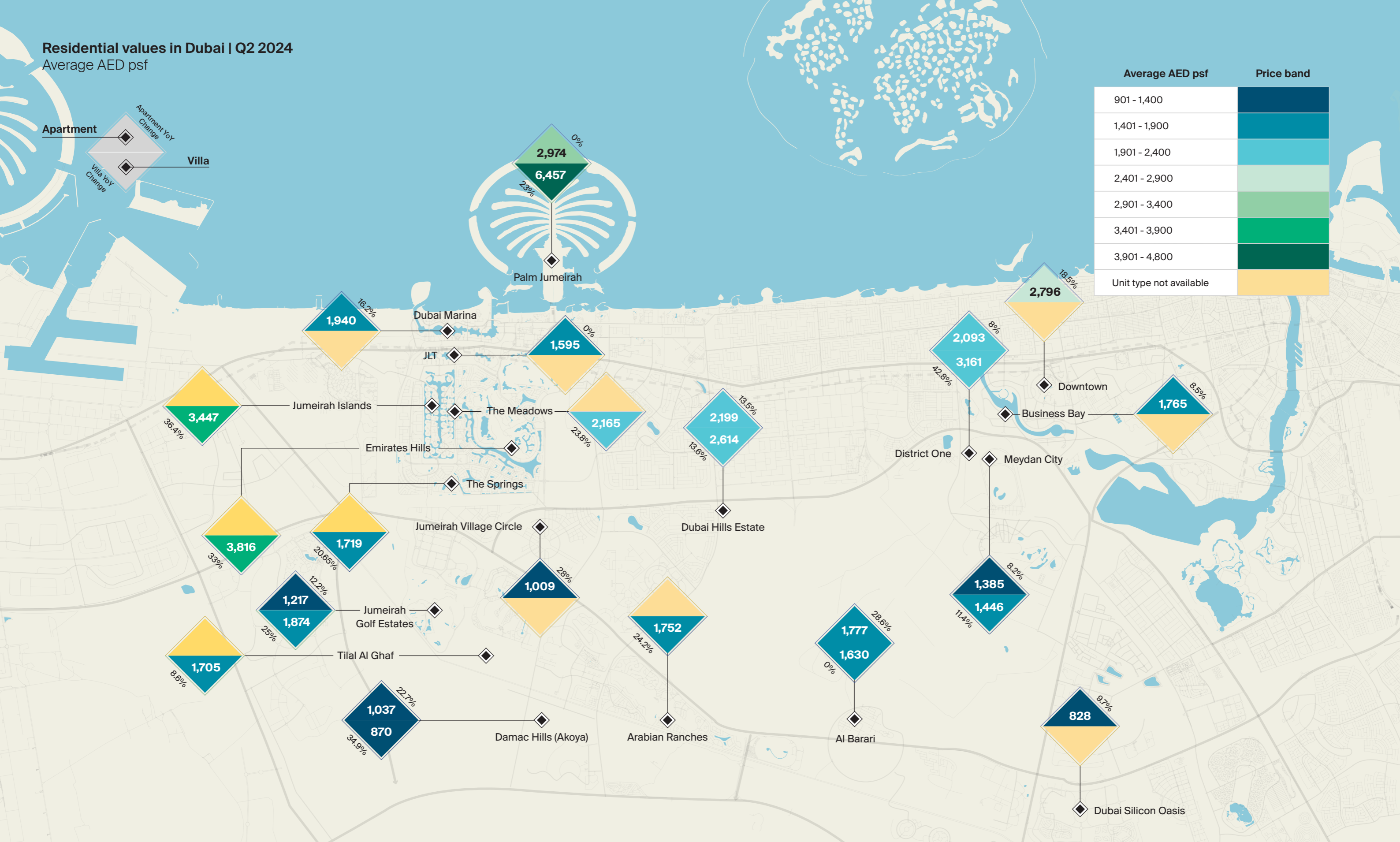


Source: Knight Frank, REIDIN

Residential values in Dubai | Q2 2024
Average AED psf



Average AED psf	Price band
901 - 1,400	Dark Blue
1,401 - 1,900	Blue
1,901 - 2,400	Light Blue
2,401 - 2,900	Light Green
2,901 - 3,400	Green
3,401 - 3,900	Dark Green
3,901 - 4,800	Very Dark Green
Unit type not available	Yellow



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