



UAE REAL ESTATE  
MARKET  
OVERVIEW - Q2 2023



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# 1. Macroeconomic Overview of Dubai



The Central Bank of UAE announced in its latest economic review that the GDP of UAE in 2022 grew by 7.9% which is a slight increase from its earlier projection of 7.6%. The Central Bank now projects the GDP for 2023 to grow by 3.3% down from the earlier projection of 3.9% as it projects slower growth in the oil sector due to agreements between OPEC+ members. The Bank maintained its GDP projections for 2024 at 4.3%.

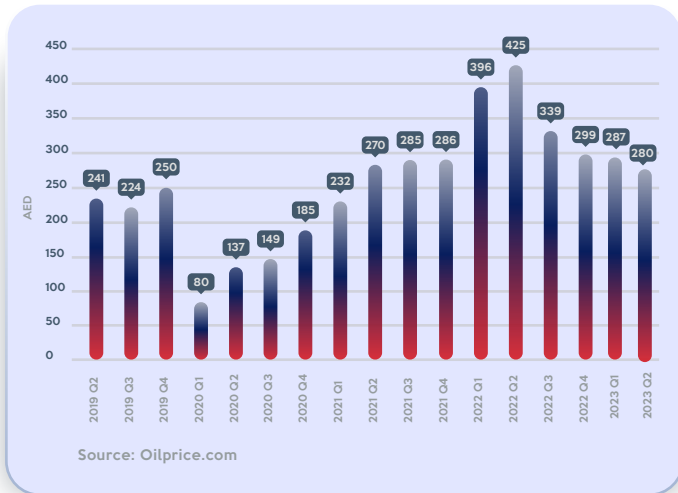
The Central Bank revised its earlier estimate of the non-oil GDP for UAE in 2022 from 6.6% to 7.2%. The Bank now expects non-oil GDP to grow by 4.5% and 4.6% in 2023 and 2024 respectively. As per the review, the oil-GDP of UAE grew by 3.1% year-over-year conforming with the rules agreed by OPEC+. Oil-GDP is expected to grow by 3.5% in 2024 as per the Central Banks projections.

The total visitors in the January to April 2023 period reached over 6 Million which is 18% higher than the same period last year and just about 4% lower than the pre-pandemic era.

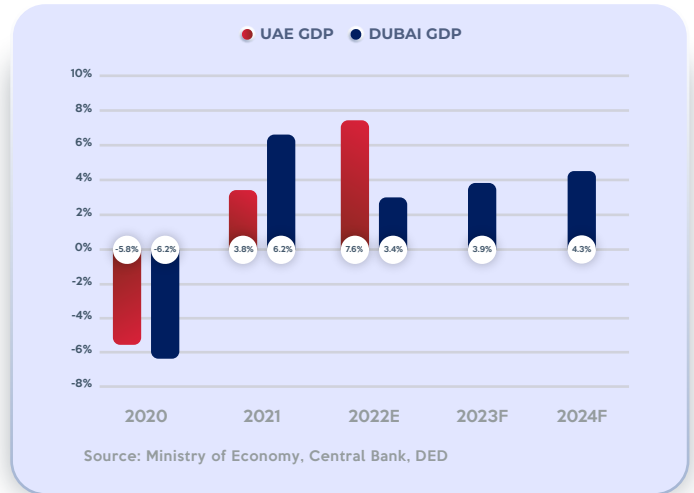
# Macroeconomic Overview of Dubai



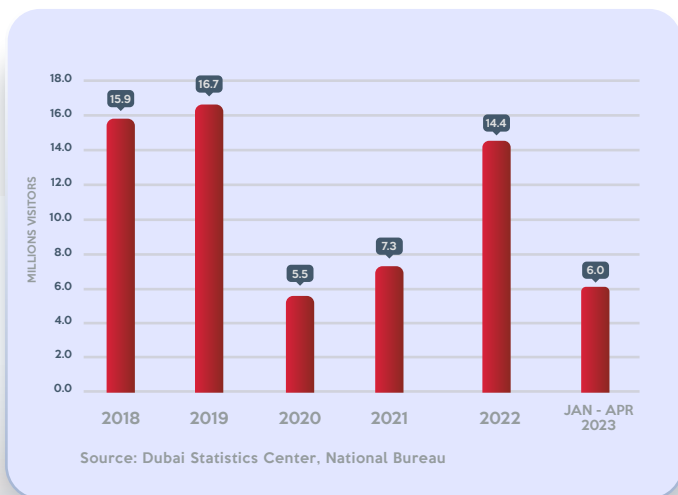
**Brent OPEC Oil Basket Price In UAE (AED)**



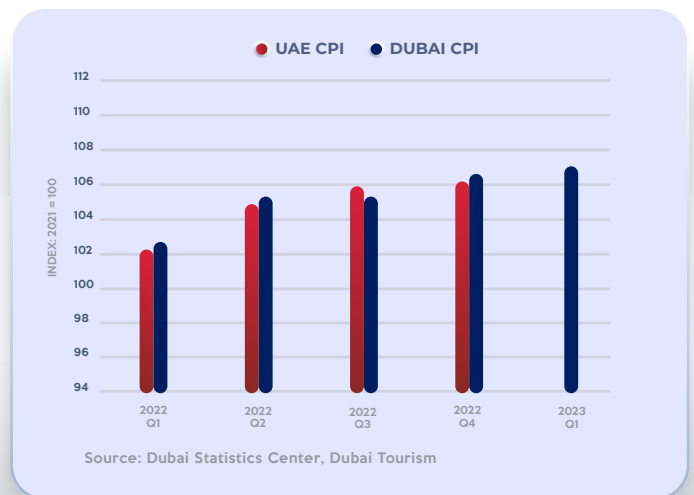
**UAE & Dubai GDP Growth Rates**



**Visitors In Dubai Per Year**



**Consumer Price Index (CPI) UAE & Dubai**

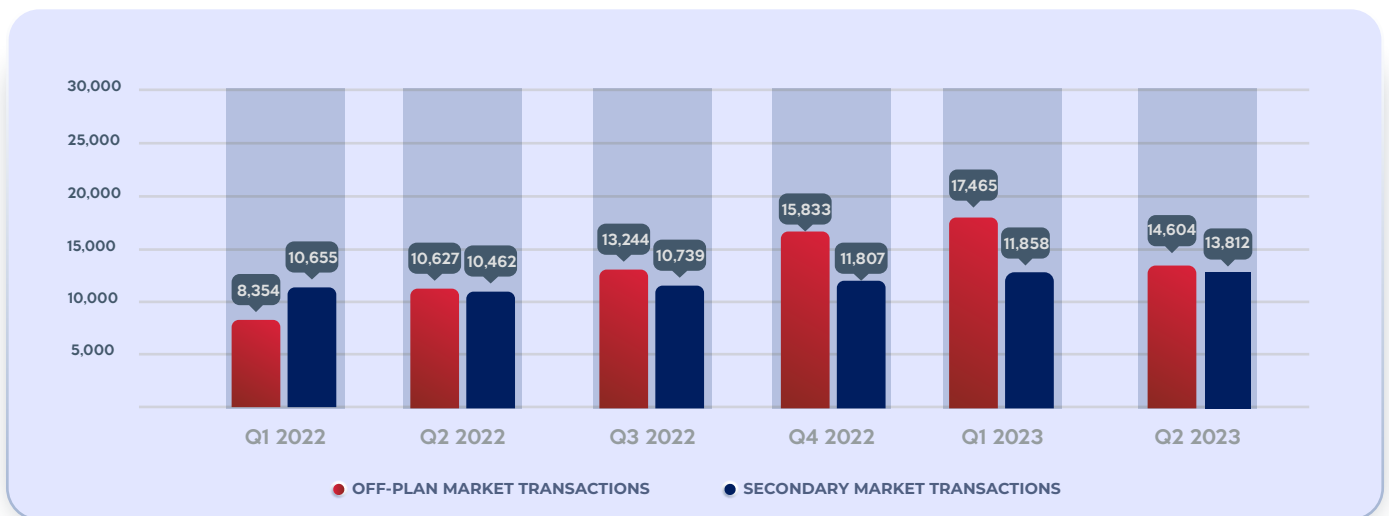


## 2. Dubai Residential Sales Transactions (Volume & Value)

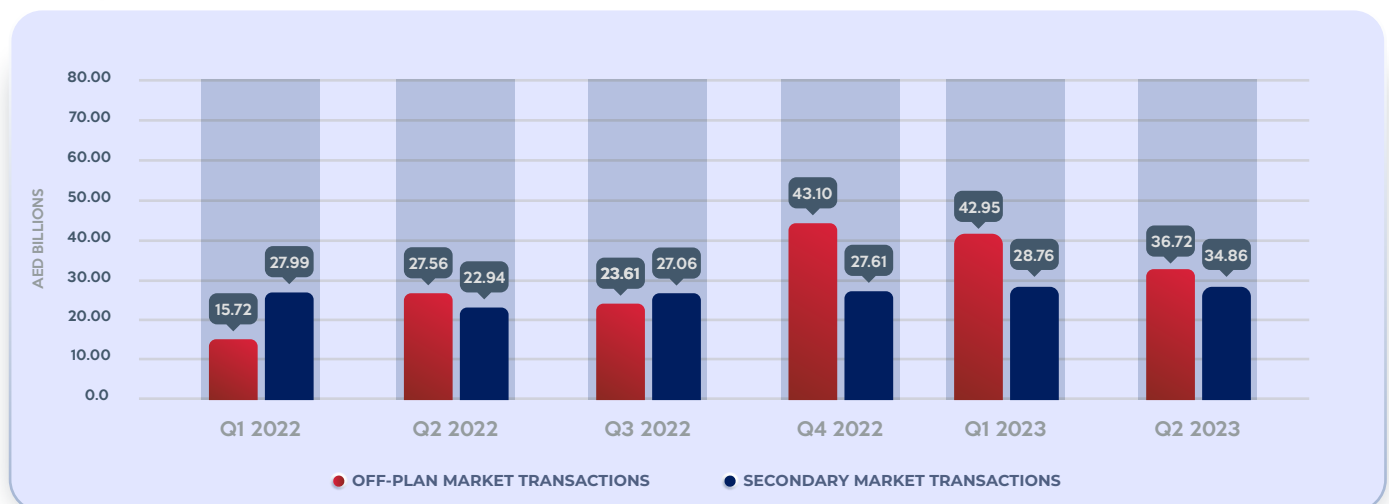
The overall residential transactions volume fell by over 3% in this quarter compared to the previous one. This has been the first dip in the total residential transactions volume for any quarter since recovering from the dip caused by the lockdown in Q2 2020. Transactions volume in Q1 2023 grew slower than the previous quarters which is why a dip was expected in this quarter. Compared the same period last year, the overall transactions volume was around 35% higher. The overall off-plan residential transactions volume fell for the first time since late 2020 and was 16% lower than the previous quarter. Secondary market transactions volume continued to grow in this quarter and was 16% higher than the previous quarter and is at the highest level it has ever been. The overall value of transactions fell by just 0.2% compared to the previous quarter, however compared to the same period last year the total value of residential transactions was 42% higher. The value of off-plan transactions fell by 19% compared to the previous quarter by was 52% higher than the same period last year. The value of secondary market transactions was 28% higher compared to the previous quarter and 33% higher compared to the same period last year.



### Volume of Residential Sales Transactions



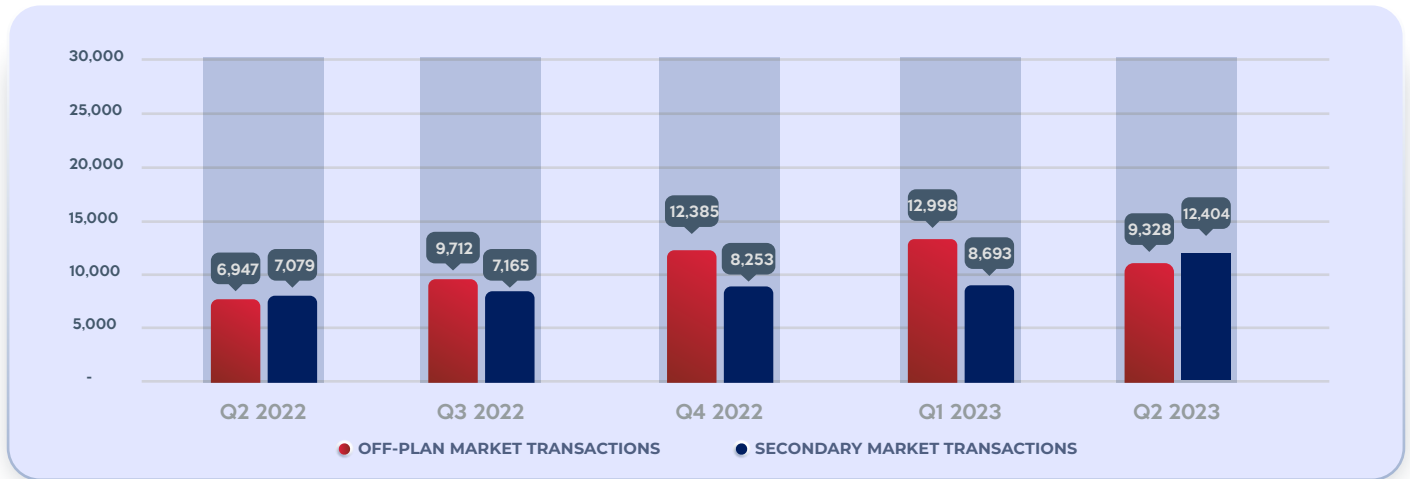
### Value of Residential Sales Transactions



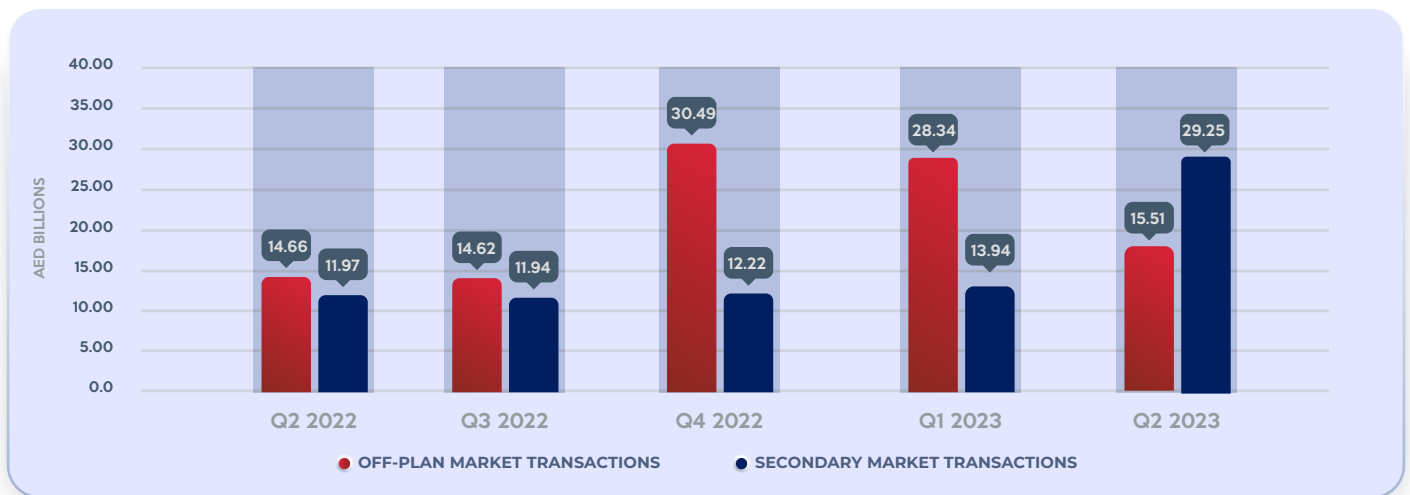
### 3. Dubai Apartment Sales Transactions (Volume & Value)



Volume of Apartment Sales Transactions



Value of Apartment Sales Transactions



Overall apartment transactions volume grew by just 0.2% compared to the previous quarter which has been the slowest growth since Q3 2020. Apartment transactions are still 55% higher compared to the same period last year. Off-plan apartment transactions volume fell by 5% compared to the previous quarter however are still 79% compared to the same period last year. Secondary apartment transactions volume grew by 7% compared to the previous quarter and 32% compared to the same period last year.

The value of apartment transactions volume grew by 6% compared to the previous quarter and was 68% higher than the same period last year. The value of off-plan apartment transactions grew by 3% compared to the previous quarter and doubled compared to the same period last year. Secondary apartment transactions volume grew by 11% quarterly and 30% compared to the same period last year.

# 4. Top 10 Areas for Apartment Transactions



## Top 10 Areas for Off-Plan Apartment Transactions



- 24% JUMEIRAH VILLAGE CIRCLE
- 14% DUBAI HARBOUR
- 13% DUBAI HILLS ESTATE
- 10% DUBAI CREEK HARBOUR
- 9% ARJAN
- 9% JUMEIRAH LAKE TOWERS
- 7% BUSINESS BAY
- 6% MEYDAN ONE
- 5% DOWNTOWN DUBAI
- 4% TOWN SQUARE



## Top 10 Areas for Ready Apartment Transactions

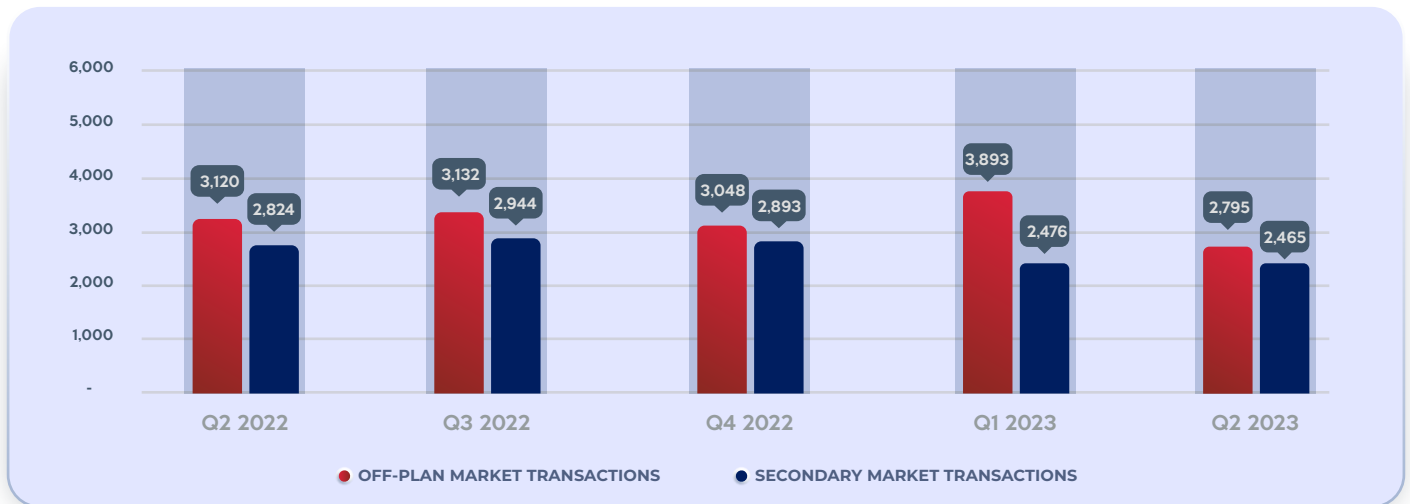


- 17% DUBAI MARINA
- 15% ARABIAN RANCHES PHASE 3
- 14% TOWN SQUARE
- 14% TILAL AL GHAF
- 8% MUDON
- 8% THE VALLEY
- 7% DISTRICT ELEVEN
- 6% VILLANOVA
- 6% THE VILLAGES
- 5% JUMEIRAH GOLF ESTATES

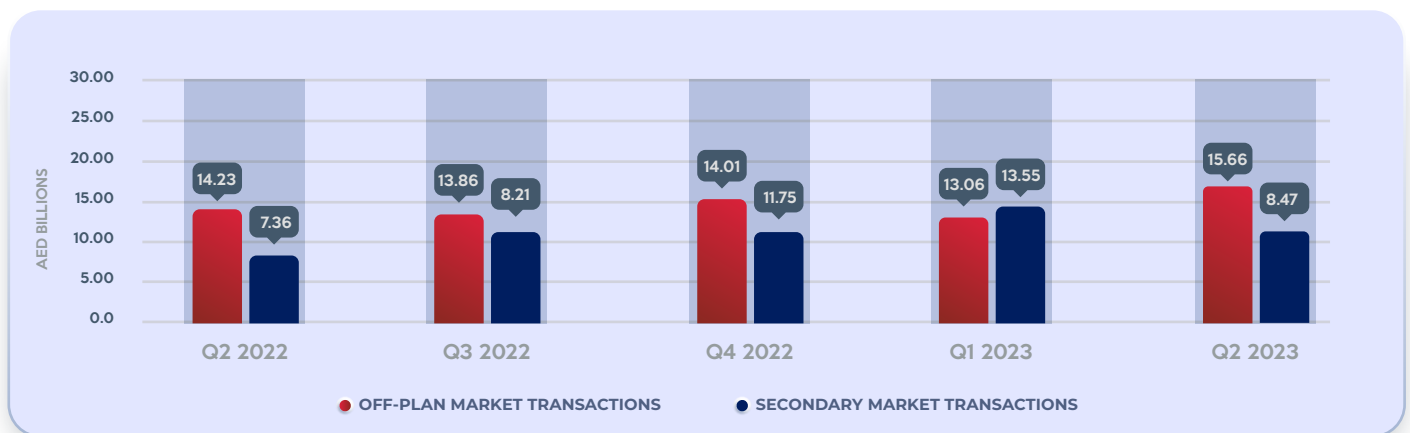
## 5. Dubai Villa Sales Transactions (Volume & Value)



Volume of Villa Sales Transactions



Value of Villa Sales Transactions



The overall value of villa transactions fell massively in this and were over 17% lower than the previous quarter. Compared to the same period last year overall volume of villa transactions declined by about 12% and is the lowest since Q1 2022. Off-plan villa transactions fell by 37% compared to the previous quarter and are 21% lower than the same period last year. Secondary villa transactions volume grew by 13% compared to the same period last year.

The total value of villa transactions fell by over 9% compared to the previous quarter, however remained 12% higher than the same period last year. Off-plan villa transactions value fell by 38% compared to the previous quarter however it was 15% higher compared to the same period last year. Secondary villa transaction value grew by 20% compared to the previous quarter and remained 10% higher than the same period last year.



# 6. Top 10 Areas for Villa Transactions



## Top 10 Areas for Off Plan Villa Transactions



- 29% DAMAC LAGOONS
- 17% ARABIAN RANCHES PHASE 3
- 12% TOWN SQUARE
- 11% TILAL AL GHAF
- 8% MUDON
- 7% THE VALLEY
- 6% DISTRICT ELEVEN
- 4% VILLANOVA
- 3% THE VILLAGES
- 3% JUMEIRAH GOLF ESTATES



## Top 10 Areas for Ready Villa Transactions



- 19% DAMAC HILLS 2
- 15% AL FURJAN
- 13% DAMAC HILLS (AKOYA)
- 10% DISTRICT ELEVEN
- 9% DUBAI HILLS ESTATE
- 8% THE SPRINGS
- 7% ARABIAN RANCHES
- 7% ARABIAN RANCHES PHASE 3
- 7% JUMEIRAH GOLF ESTATES
- 5% REEM

• The DLD records most villa transactions from Damac Lagoons, Tilal Al Ghaf, Dubai Hills and some other communities as ready transactions as these properties are registered as plots in their records. These transactions have been corrected and aggregated under off-plan villas.

# 7. Dubai Residential Sales Transactions (Q-O-Q Changes)



## Residential Sales Changes

QUARTER	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
<b>VOLUME OF TRANSACTION</b>					
OFF-PLAN	↑ 27%	↑ 25%	↑ 20%	↑ 10%	↓ -16%
SECONDARY	↓ -2%	↑ 3%	↑ 10%	↑ 0%	↑ 16%
<b>VALUE OF TRANSACTION</b>					
OFF-PLAN	↑ 46%	↑ 3%	↑ 83%	↓ 0%	↓ -19%
SECONDARY	↓ -2%	↓ -2%	↑ 3%	↑ 3%	↑ 28%



## Apartment Sales Changes

QUARTER	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
<b>VOLUME OF TRANSACTION</b>					
OFF-PLAN	↑ 13%	↑ 40%	↑ 28%	↑ 5%	↓ -5%
SECONDARY	↑ 26%	↑ 1%	↑ 15%	↑ 5%	↑ 7%
<b>VALUE OF TRANSACTION</b>					
OFF-PLAN	↑ 24%	↓ 0%	↑ 109%	↓ -7%	↑ 3%
SECONDARY	↑ 32%	↓ 0%	↑ 2%	↑ 14%	↑ 11%



## Villa Sales Changes

QUARTER	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
<b>VOLUME OF TRANSACTION</b>					
OFF-PLAN	↑ 2%	↑ 0%	↓ -3%	↑ 28%	↓ -37%
SECONDARY	↑ 2%	↑ 4%	↓ -2%	↓ -14%	↑ 13%
<b>VALUE OF TRANSACTION</b>					
OFF-PLAN	↑ 5%	↑ 12%	↑ 42%	↑ 15%	↓ -38%
SECONDARY	↑ 6%	↓ -3%	↑ 1%	↓ -7%	↑ 20%

# 8. Dubai Residential Sales Transactions (Y-O-Y Changes)



## Residential Sales Changes (Y-O-Y Changes)

QUARTER	Q3 2021 - Q3 2022	Q4 2021 - Q4 2022	Q1 2022 - Q1 2023	Q2 2022 - Q2 2023
<b>VOLUME OF TRANSACTION</b>				
OFF-PLAN	↑ 91%	↑ 104%	↑ 109%	↑ 37%
SECONDARY	↑ 35%	↑ 34%	↑ 11%	↑ 32%
<b>VALUE OF TRANSACTION</b>				
OFF-PLAN	↑ 75%	↑ 161%	↑ 173%	↑ 52%
SECONDARY	↑ 31%	↑ 24%	↑ 3%	↑ 33%



## Apartment Sales Changes (Y-O-Y Changes)

QUARTER	Q3 2021 - Q3 2022	Q4 2021 - Q4 2022	Q1 2022 - Q1 2023	Q2 2022 - Q2 2023
<b>VOLUME OF TRANSACTION</b>				
OFF-PLAN	↑ 98%	↑ 133%	↑ 111%	↑ 79%
SECONDARY	↑ 49%	↑ 51%	↑ 55%	↑ 32%
<b>VALUE OF TRANSACTION</b>				
OFF-PLAN	↑ 50%	↑ 162%	↑ 139%	↑ 100%
SECONDARY	↑ 72%	↑ 39%	↑ 54%	↑ 30%



## Villa Sales Changes (Y-O-Y Changes)

QUARTER	Q3 2021 - Q3 2022	Q4 2021 - Q4 2022	Q1 2022 - Q1 2023	Q2 2022 - Q2 2023
<b>VOLUME OF TRANSACTION</b>				
OFF-PLAN	↑ 91%	↑ 32%	↑ 32%	↓ -21%
SECONDARY	↑ 2%	↑ 7%	↓ -11%	↓ -1%
<b>VALUE OF TRANSACTION</b>				
OFF-PLAN	↑ 168%	↑ 123%	↑ 93%	↑ 15%
SECONDARY	↑ 5%	↑ 18%	↓ -3%	↑ 10%

## 9. Dubai Residential Supply

The total supply added to the market in this quarter was about 6,950 units of which about 6,480 were apartments and serviced apartments while the remaining were villas.

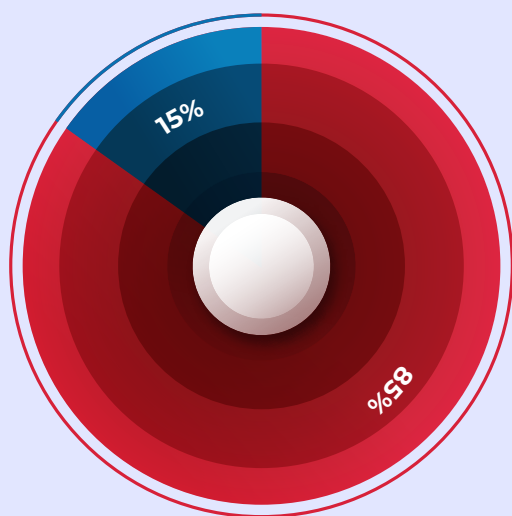
As per developer announcements about 47,000 more units will be added to the market in the remainder of the year and over 134,000 more units in the coming years.



### Dubai Residential Supply



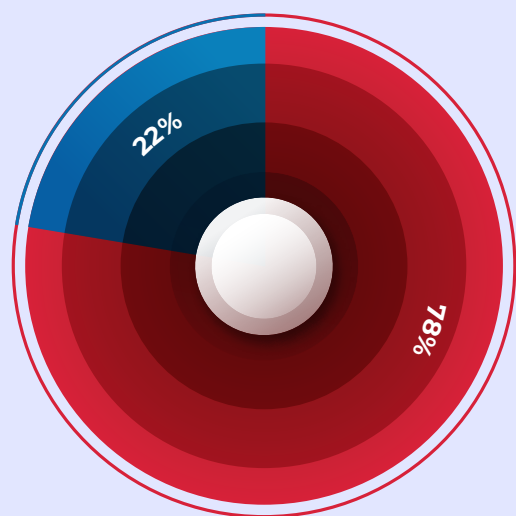
### Dubai Residential Supply by Type [Completed]



● APARTMENTS / SERVICED APARTMENTS ● VILLAS



### Dubai Residential Supply by Type [Under-Construction]

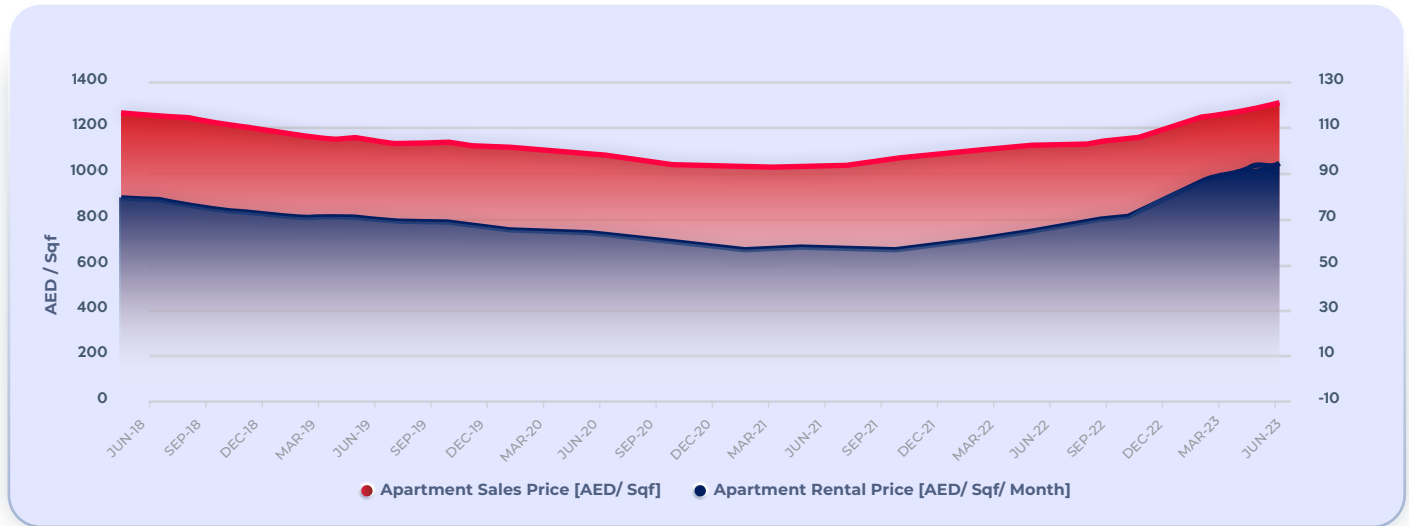


● APARTMENTS / SERVICED APARTMENTS ● VILLAS

# 10. Dubai Apartment Sales & Rental Price Series (Value & Changes)



## Dubai Apartment Price Trends



Apartment sales prices in Dubai grew by 4.8% compared to the previous quarter and 17.2% compared to the same period last year.

Apartment rentals in Dubai grew by 3.6% compared to the previous quarter and 22.7% compared to the same period last year.

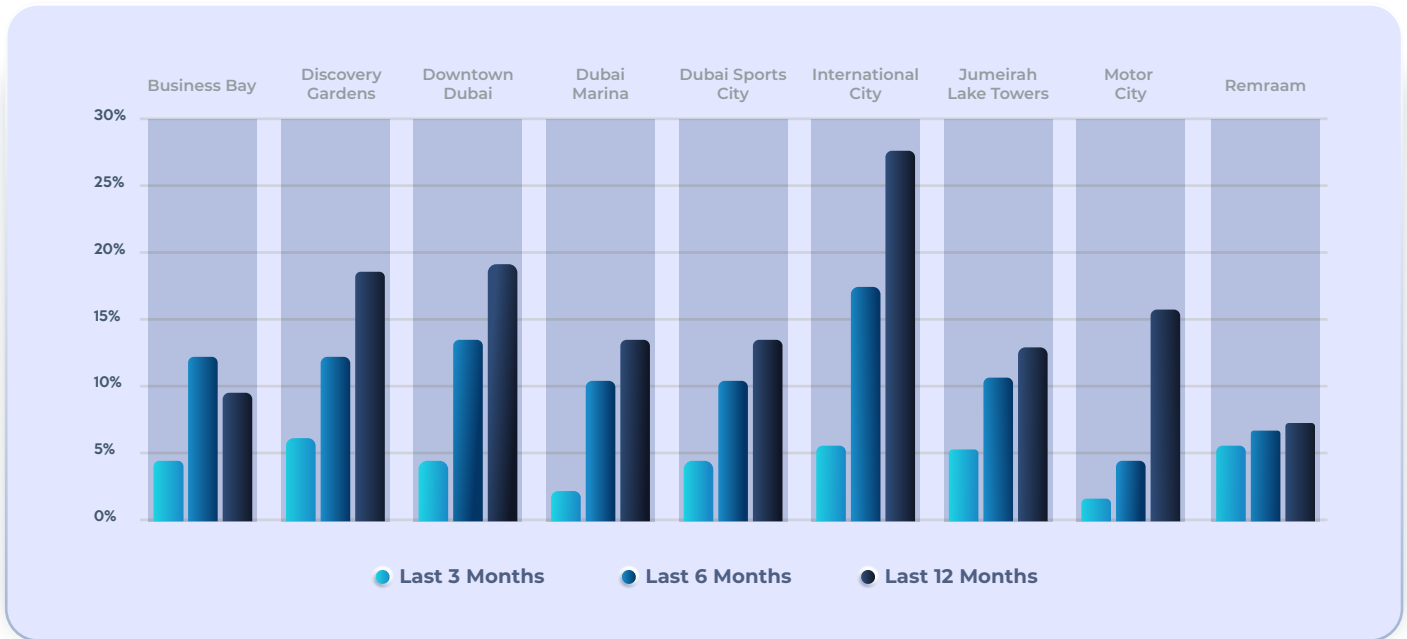


## Dubai Apartment Price Movements





## Price Changes in the Apartment Communities



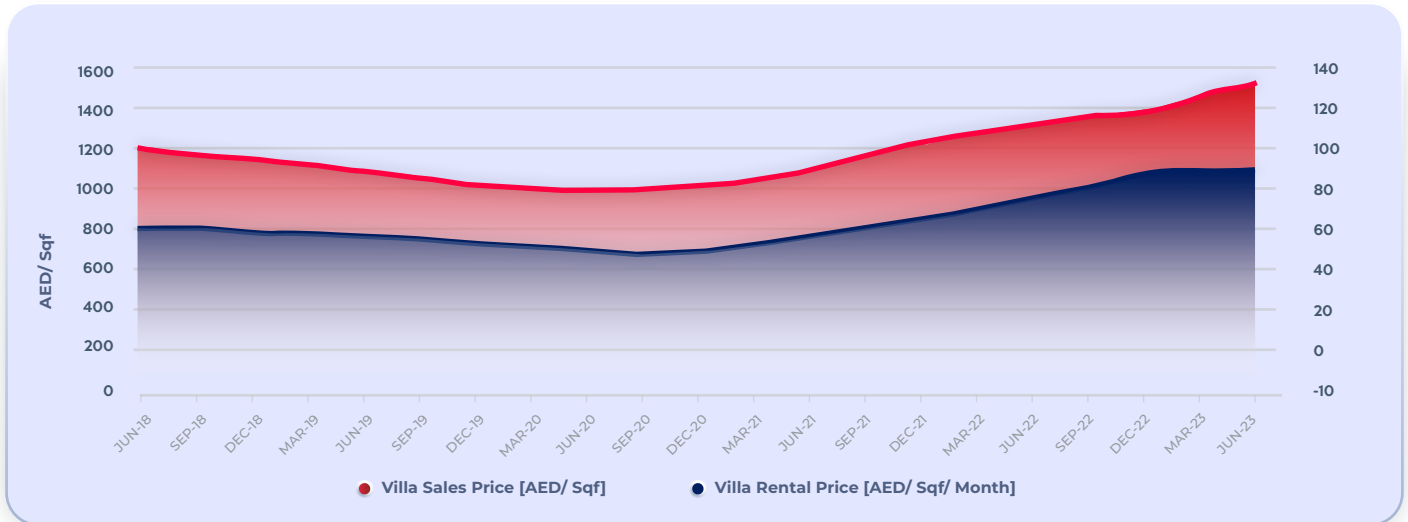
## Apartment Sales Prices (AED/ Sqf)



# 11. Dubai Villa Sales & Rental Price Series (Value & Changes)



## Dubai Villa Price Trends



Apartment sales prices at their fastest pace since Q3 2021 with an increase of 3% over the previous quarter. Apartment rentals grew by 5.76% compared to the previous quarter.

Compared to the same period last year, apartment sales prices are 9% higher and rentals have increased by 27%.

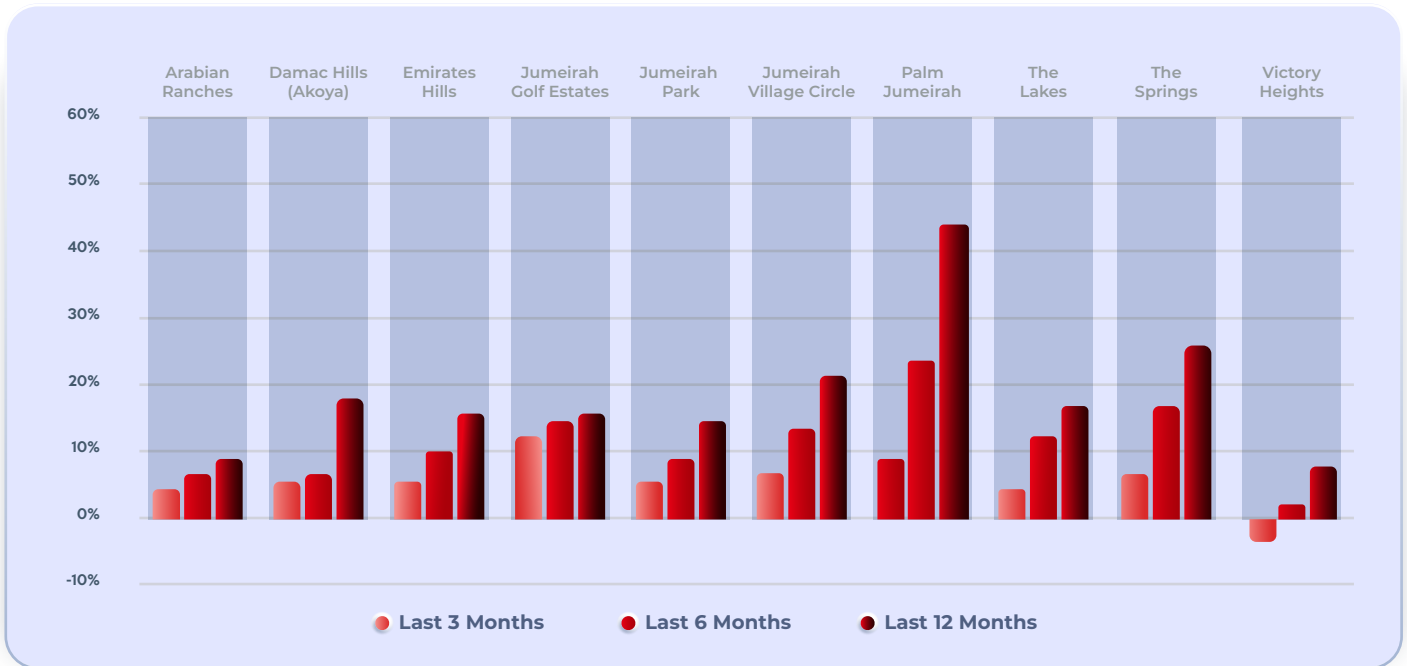


## Dubai Villa Price Movements





### Price Changes in the Villa Communities



### Villa Sales Prices (AED/ Sqf)





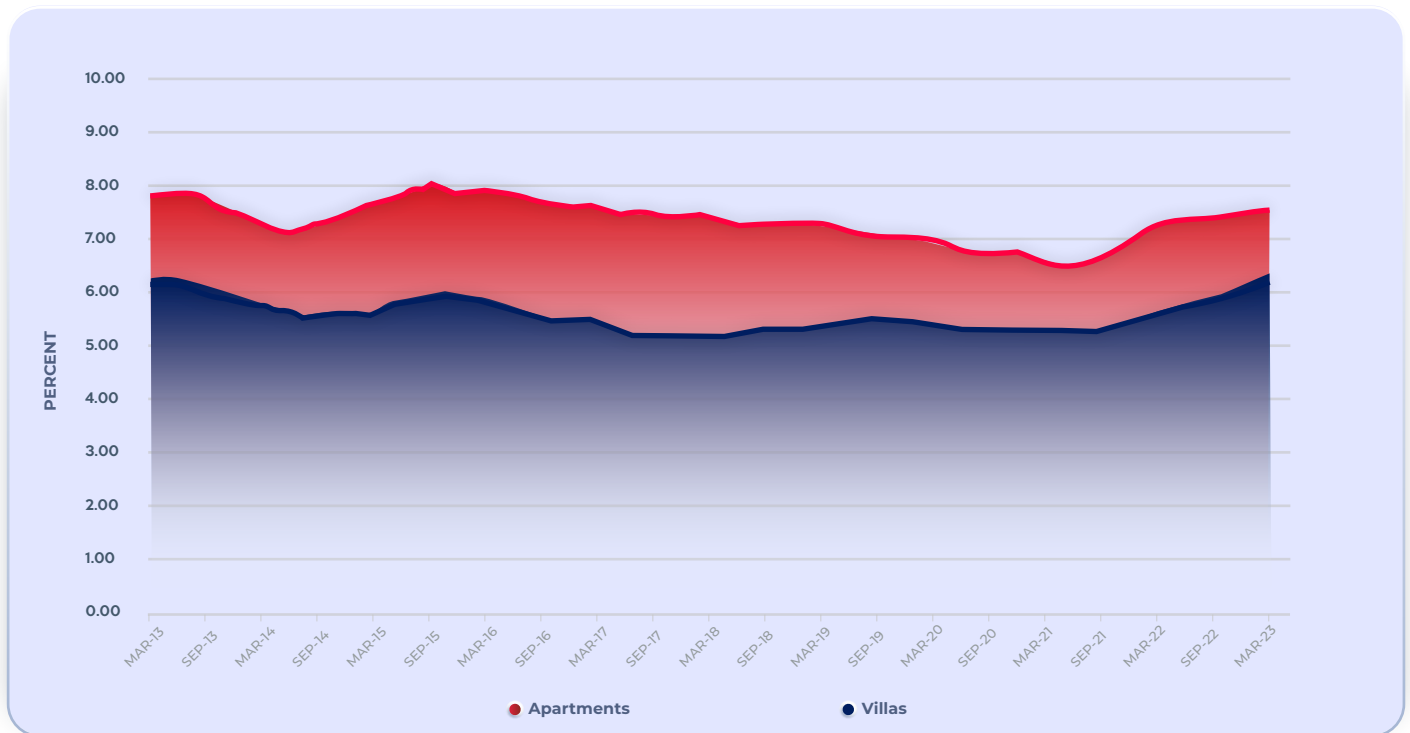
## 12. Dubai Gross Rental Yield

Apartment rental yields fell for the first time since Q3 2021 due to rentals growing slower than sales prices. Apartment rental yields in Dubai now stand at 7.49% compared to 7.58% in the previous quarter. There was a slight decline in villa gross rental yield as well and it now stands at exactly 6%.

Rental yields fell in Abu Dhabi as well due to sales prices growing faster than rentals. Apartment and villa rental yields now stand at 6.57% and 5.41% respectively.



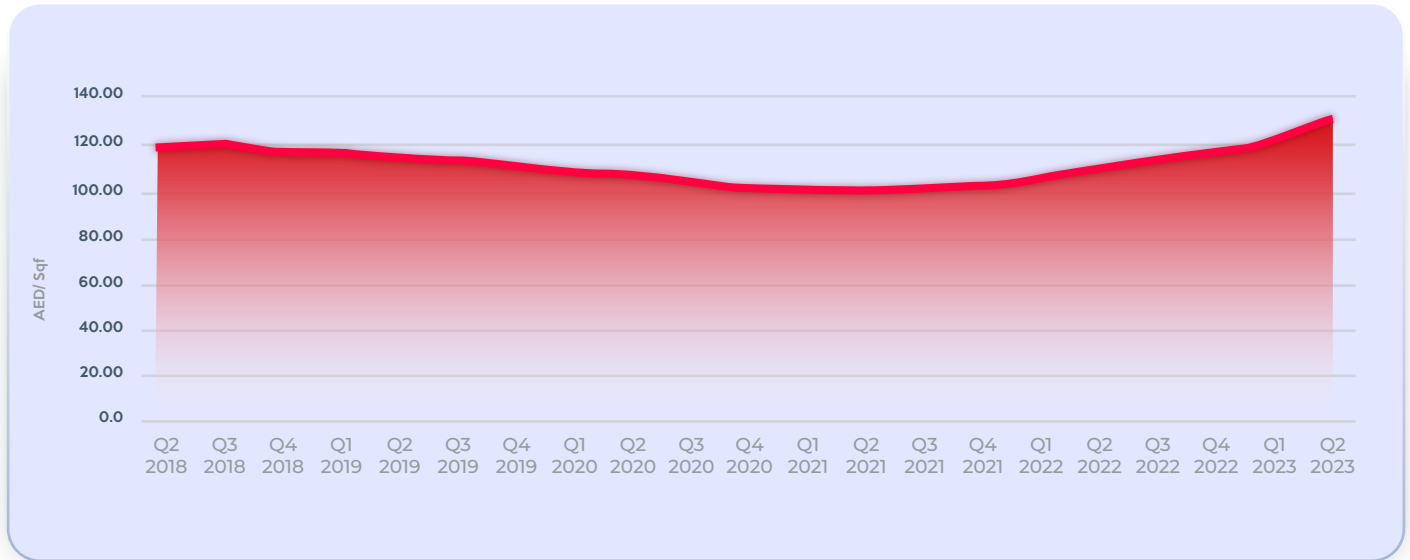
Gross Rental Yields - Dubai



### 13. Dubai Office Rental Yield (Value & Changes)



Office Rental Price [AED/ Sqf/ Year]



Office rental prices grew by 4% compared to the previous quarter and are 17% higher than the same period last year.



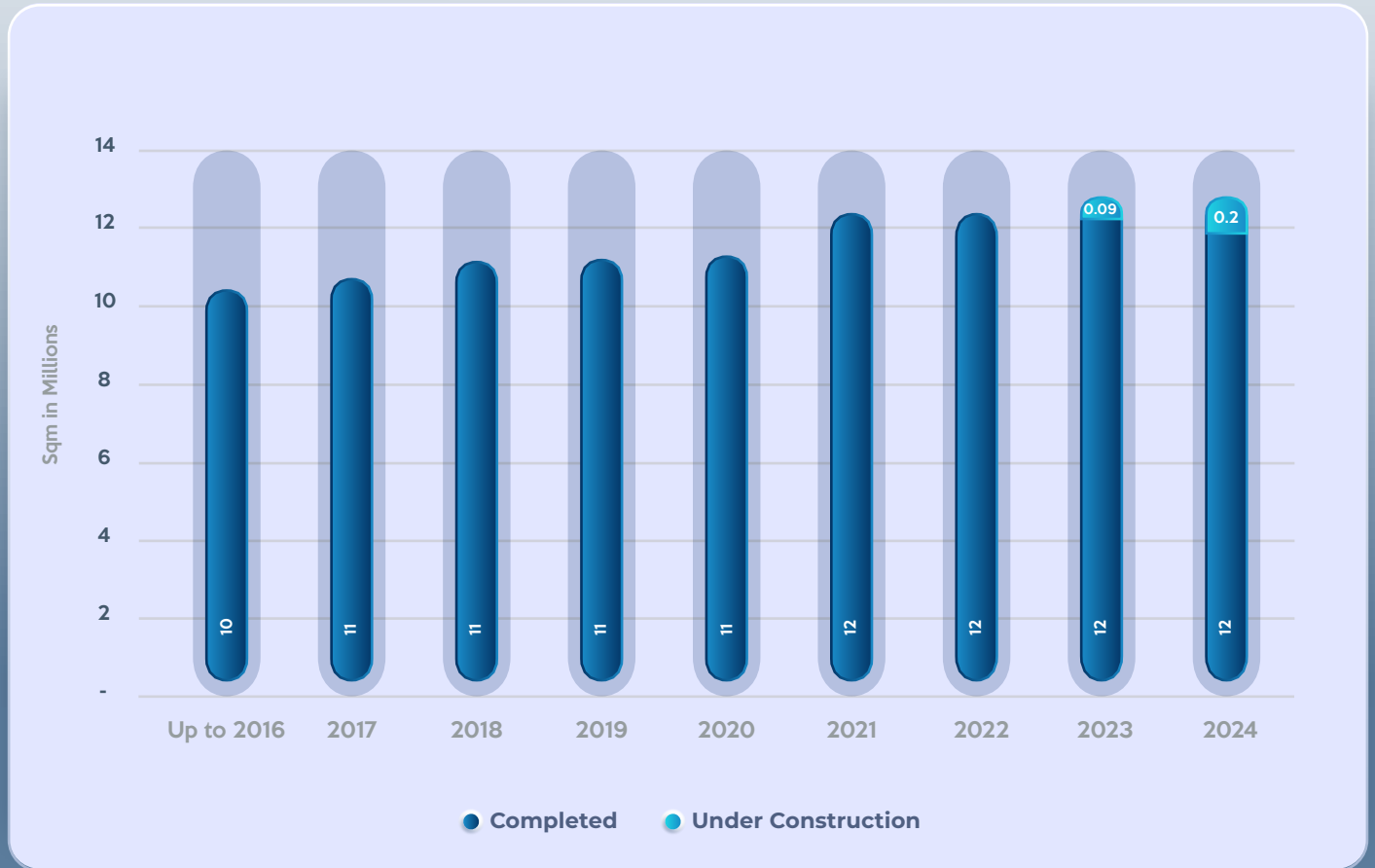
Dubai Office Price Movements



# 14. Dubai Office Supply



## Office Supply Dubai



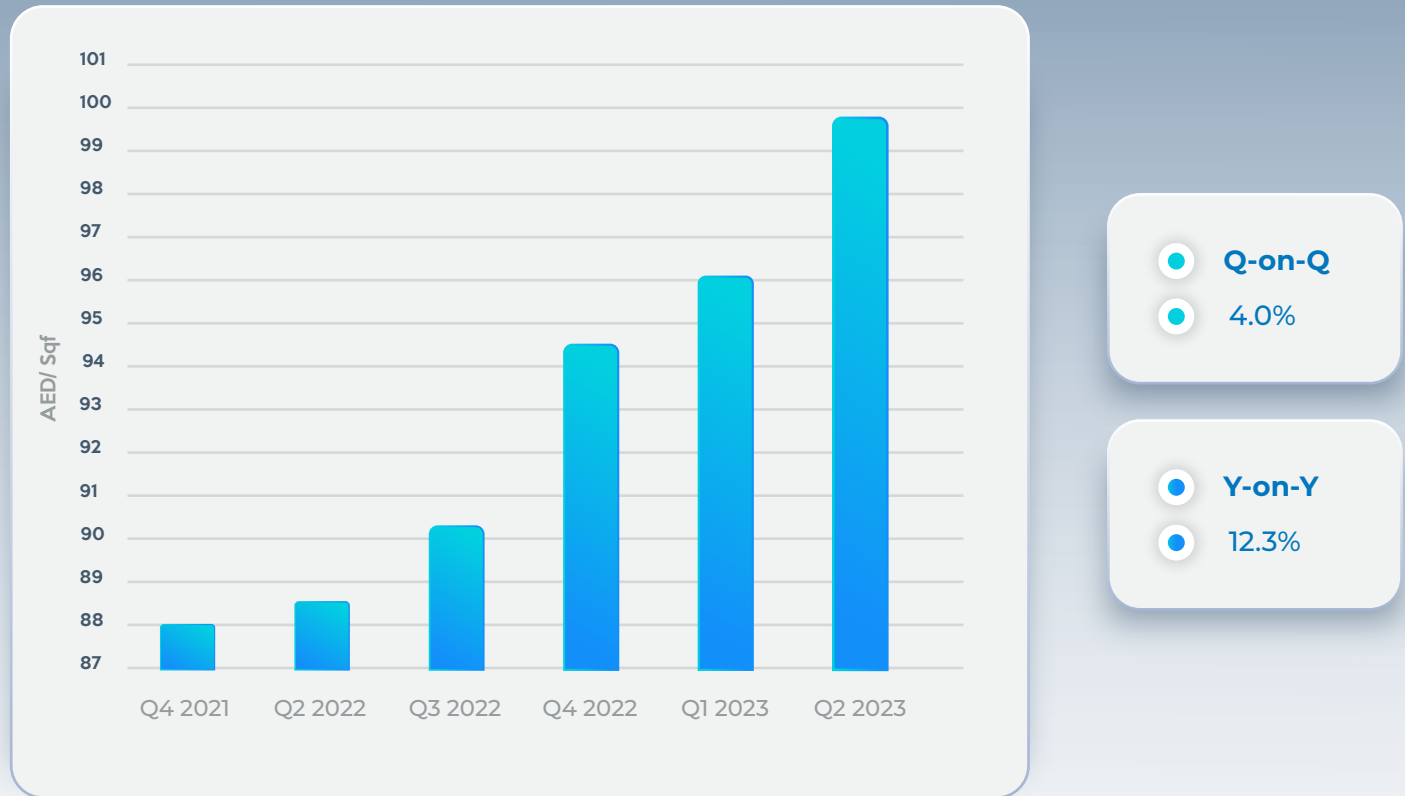
No office projects were delivered in this quarter as some projects were moved forward to the next quarters.

Around 100,000 sqm of office space is announced for delivery in the second half of this year and over 228,000 sqm of more office space in the following years.

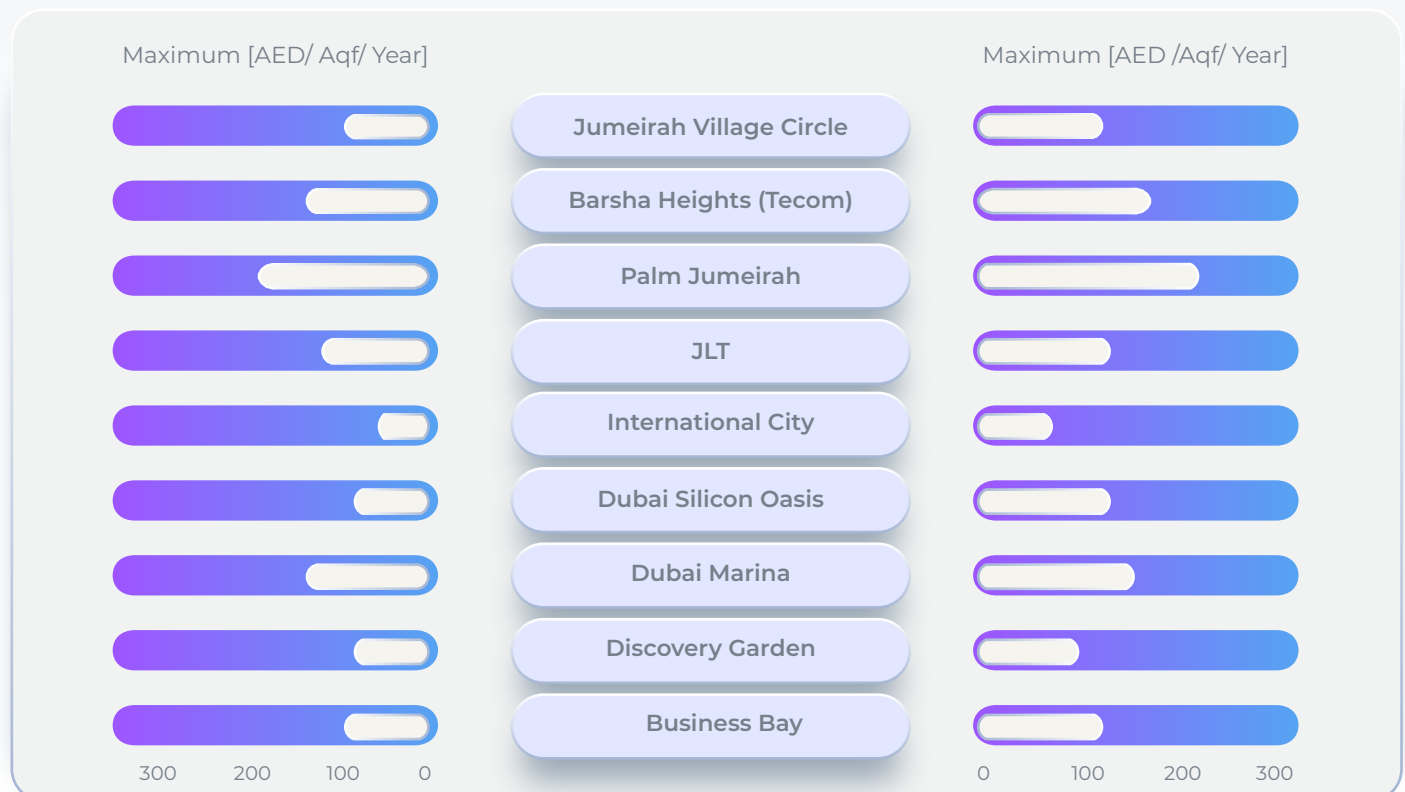
## 15. Dubai Retail Prices & Changes



### Dubai Average Retail Rental Prices



## 16. Dubai Area-wise Retail Prices



# 17. Dubai Retail Supply



## Retail Supply Dubai



Two major retail projects were pushed forward for delivery in the second half of 2023 hence the total retail supply added in this quarter was just around 7,600 sqm (~ 81,000 sqf) which were delivered as part of residential projects. The total retail supply expected for the second half of 2023 is a little over 210,000 sqm.

Over 1 Million sqm of retail supply is announced for delivery in the following years.

# 18. Dubai Hospitality Market

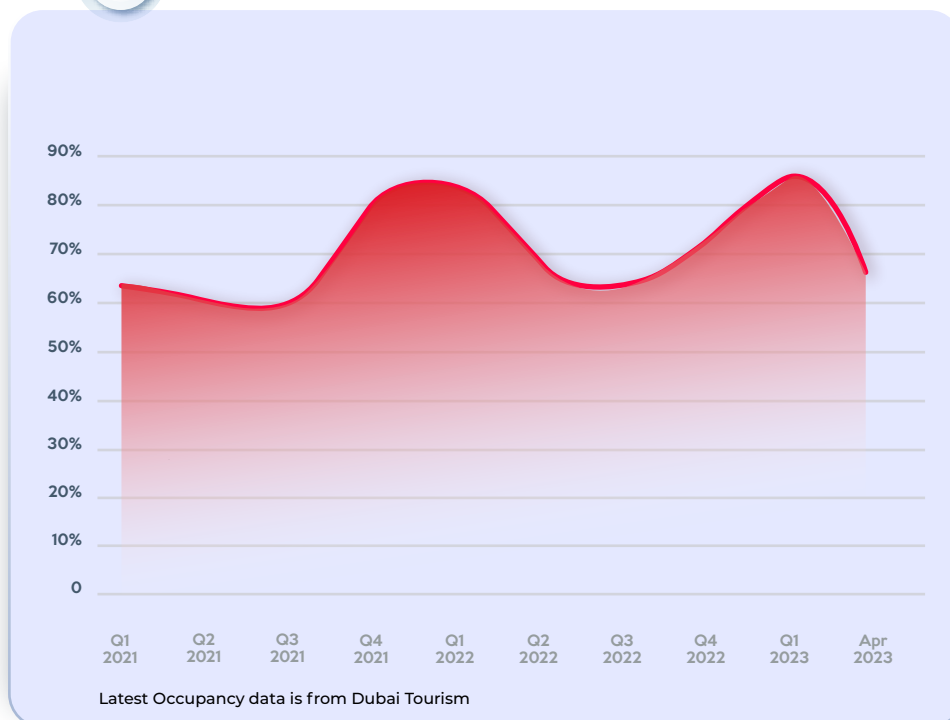
Hotel occupancy fell to 69% in April 2023 compared to the 83% average occupancy of Q1 2023. Average Daily Rate of hotel rooms in April 2023 reached AED 575, down from the average of AED 607 of the first quarter. These are seasonal changes which are expected in the summer season. Compared to April 2022, prices were 6.2% lower in April 2023. RevPAR declined by over 14% in April 2023 compared to April 2022. Tourism in Dubai had increased in Q1 2022 due to the EXPO event last year and the residual gains had remained in the following months which is why hotel KPIs are comparatively low this year. Normality in numbers are expected in the following months.



## Hotel & Hotel Apartments Room Supply



## Hotel Room Occupancy Rates



### Average Daily Rates (ADR)

**Jan to Apr 2022**  
[AED] 640

**Jan to Apr 2023**  
[AED] 599

**Y-on-Y**  
-6.41%

# 19. Dubai Industrial Market

 Average Warehouse Rental Rates [AED/ Sqf/ Year]

	MINIMUM	MAXIMUM	AVERAGE	QOQ	YOY
Dubai Investment Park	23	47	29.3	2.6%	20.5%
Al Quoz	30	56	41.6	3.1%	12.8%
Jebel Ali	20	37	26.6	1.3%	10.9%
Ras Al Khor	24	53	35.9	2.0%	13.7%

 Average Labour Camp Rental Rates [AED/ Sqf/ Year]

	MINIMUM	MAXIMUM	AVERAGE	QOQ	YOY
Al Quoz	130	175	132	-1.2%	3.2%
Dubai Investment Park	96	160	106	1.4%	-1.2%
Jebel Ali	123	171	128	-1.3%	-8.0%
Sonapur / Muhaisnah	113	172	139	1.5%	4.2%



# ABOUT US

## OUR FEATURES

With a history that goes back to 4 decades, Reliant is known for delivering excellence. We have over 2,000+ satisfied clients and successfully completed over 5,500 assignments across commercial and residential sectors. Reliant is living up to its name and has become synonymous to reliability & trustworthiness in the asset valuation industry. We are a company driven by passion and hold dear our values i.e. integrity, honesty, transparency, quality, and professionalism. With a client-centric approach, we remain committed to deliver excellence and perfection in everything we do. Our sheer commitment, dedication, passion and devotion towards work have enabled us to grow exponentially in the Middle East and India – with plans to set foot in the UK market very soon. Reliant as a company takes pride in its heritage, people and culture and offers its clients a comprehensive range of customized reports leveraging its dedicated, skilled, and multi-disciplinary team, which includes RERA approved valuers, RICS professionals, Chartered Engineers, and CEIV.

# THE MANAGEMENT



**Naresh Sharma**  
Chairman



**Abhinav Sharma**  
Partner



**Vivek Seth**  
Partner



**Amrita Chandhok**  
Partner



**Zoheb Naqvi**  
Vice President



**Divyansh Gupta**  
Director - India





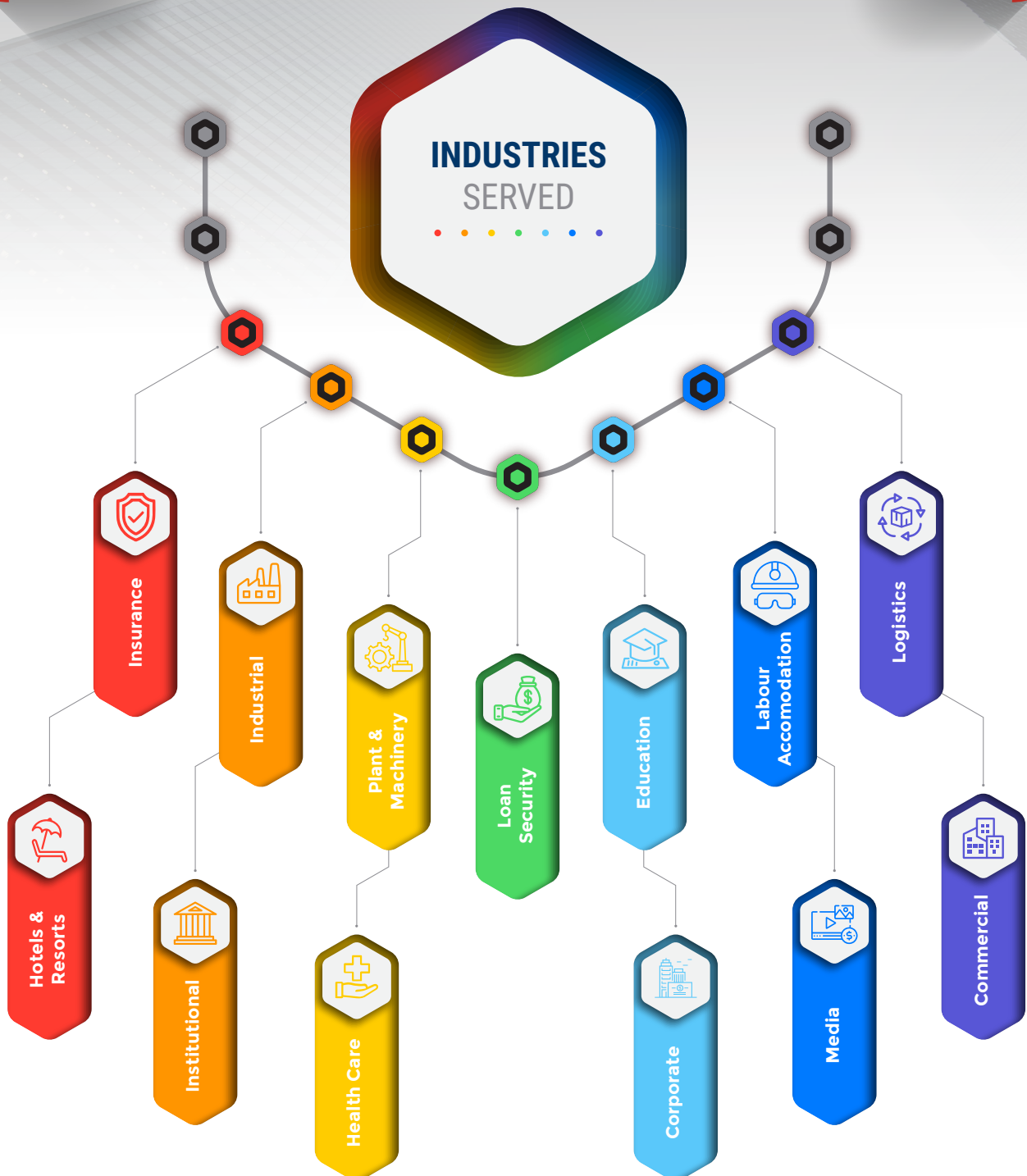
# Area of Expertise



**Valuation Advisory**  
Property Valuation  
Plant & Machinery Valuation  
Business Valuation  
Insurance Valuation



**Consultancy**  
Reserve Fund Study  
Risk Management





## Head Office - Dubai



806, Capital Golden Tower,  
Business Bay Dubai, UAE.



info@reliantsurveyors.com



+971 4 267 5572



## Abu Dhabi Office



Office C102C , 1st Floor, Level 1,  
Al Bateen Tower C6 Bainunah  
ADIB Building, Street 34, UAE.



mail@reliantsurveyors.com



+971 2 207 6680



## India Office



Plot No - 742, 3rd Floor, Phase V, Udyog Vihar,  
Sector 19, Gurugram, Haryana 122016, India



adminindia4@reliantsurveyors.com



+91-7494999369

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