



Dubai property prices rise above AED 900 per sq ft after more than 18 months

Median property prices in May



Apartments
AED 880,000



Townhouses
AED 1,600,000



Villas
AED 3,601,000

Property prices climbed 1% in May, increasing for the seventh straight month

Total of 117 transactions over AED 10m+ each recorded in May versus 90 in April, jumping 30% on month

For a year now, resale transactions have outweighed off-plan

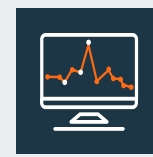
European buyers are a key demographic driving sales

Price recovery continues in the Dubai property market with property prices increasing for the seventh straight month, up 1% in May. They now stand at AED 905, with a similar level last seen in October 2019.

Year-to-date, prices have increased 7.4% but the recovery remains patchy among communities, with some still displaying a weakening of prices contrasted with double-digit gains for others. Going ahead we expect the recovery to continue but switch gears to a more tenable pace across Dubai as a whole.

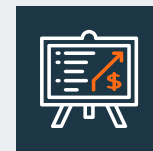
SNAPSHOT

May 2021



+1.05%

Dynamic Price Index
Monthly Change



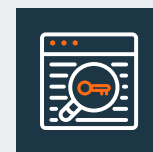
AED 905/sq ft

Dynamic Price Index
Current Property Price



4,447

Number of Monthly
Transactions



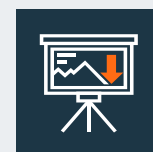
5.83%

Gross Rental Yield



AED 81m

Highest Recorded Sale
*Villa J10 - 4 Bedroom
J Frond,
Palm Jumeirah*



AED 150k

Lowest Recorded Sale
*Building L-11 - Studio
Block L Greece Cluster,
International City*



Year-to-date, prices have increased 7.4% but the recovery remains patchy among communities, with some still displaying a weakening of prices contrasted with double-digit gains for others. Going ahead we expect the recovery to continue but switch gears to a more tenable pace across Dubai as a whole.

European buyers are a key demographic driving sales recently with most making purchases for end-user consumption. Based on conversations with brokers and industry experts, the key motivation here is the relocation of entire families from Europe as opposed to the sole breadwinner living in Dubai.

ZHANN JOCHINKE

*Chief Operating Officer
Property Monitor*

Demand continues to remain robust for the top end of the market with properties valued above AED 10m registering yet another record month. In all, 117 transactions were recorded for this segment in May versus 90 in April. The next tier of AED 5-10m displayed the biggest expansion, with market share growing from 3.1% in April to 4.8% in May.

European buyers are a key demographic driving sales recently with most being end users. Based on our conversations with brokers and industry experts, the key motivation here is the relocation of entire families from Europe as opposed to the sole breadwinner living in Dubai. As a possible sign of this trend, several schools have reported an uptick in enrolments of new residents.

Transaction volumes in May fell slightly on a monthly basis—they stood at 4,447, down 8.9% in May. On a yearly basis they jumped nearly 211% considering the low base figure of May 2020 when movement restrictions were in place. Even when we compare to May 2019 for a more accurate indication of performance, transaction volumes climbed nearly 26% suggesting that confidence in the Dubai residential market remains intact.

A total of 1,688 off-plan transactions were registered in May, down 12.4% on a monthly basis and up 77.7% on year. From May 2019, off-plan transactions were down 16.6%. For a year now, resale continues to outweigh off-plan in popularity with it taking 62% of the market share in May 2021 versus 38% for off-plan. However, resale transactions may give up some gains to off-plan as new project launches gather pace.

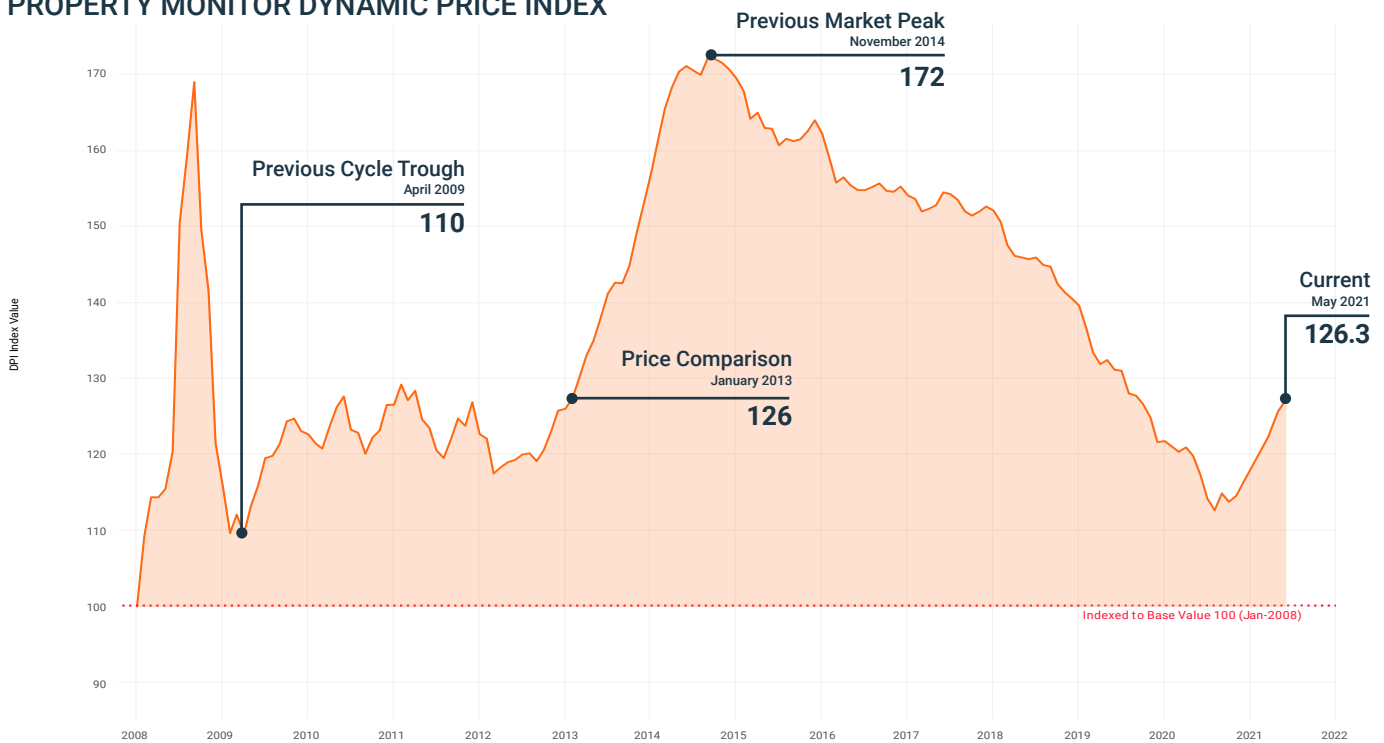
Meanwhile, initial sales transactions—the first sales occurrence of a property from the developer for an off-plan or completed project—stood at 2,514 in May, down 9.5% compared to the previous month. The balance is also shifting between initial sales and resale transactions with initial sales steadily increasing market share over the last few months to now stand at 56.5%.

At 2,357, mortgages for May have registered several records—they have risen 0.4% on month, 335.7% on year and 110% since the same period in 2019. The credit-friendly policies on a global and local level introduced since the onset of the pandemic have boosted offtake of mortgages by buyers who may have previously been on the fence regarding property purchases. Compared to 13,982 mortgages for all of 2019 and 17,069 for all of 2020, on a year-to-date basis, we are already at 12,989 mortgages so far in 2021.

Of all the mortgages recorded in May, 39.6% were bulk mortgage transactions by developers and larger investors spread across several projects, most notably Bloom Towers in Jumeirah Village Circle (360), the commercial assets of Golden Mile Galleria Mall in Palm Jumeirah (163), and Azizi Aura in Downtown Jebel Ali (37).

A further 26.1% were loans taken as initial new purchase money mortgages for properties that were also transferred during May, primarily by end-users, with an average loan amount of AED 1.89m and a loan-to-value (LTV) ratio of 73.7%. The remaining 34.3% represents refinancing or new mortgages taken out in the months post transfer.

After remaining relatively stable in the ~6.5% range through most of 2020, emirate-wide average gross rental yields have weakened this year and now stand 5.8%. Only a monthly basis alone, gross yields declined 1.7% in May and 8.8% year-on-year. This suggests that property prices are increasing in several communities—especially where people are buying for end-use—at a more rapid pace than rental prices, which are still declining.

PROPERTY MONITOR DYNAMIC PRICE INDEX


+1.05%
MoM Change



+5.44%
QoQ Change



+5.41%
YoY Change



AED 905
Average Property
Price Per Sq Ft

DPI MONTHLY OVERVIEW

Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
May 2021	126.32	1.05%	5.44%	5.41%	905
April 2021	125.01	2.51%	6.32%	3.36%	895
Mar 2021	121.94	1.79%	4.86%	1.32%	873
Feb 2021	119.80	1.89%	4.58%	-1.04%	858
Jan 2021	117.57	1.10%	3.34%	-3.45%	842
Dec 2020	116.29	1.52%	1.23%	-4.39%	833
Nov 2020	114.55	0.68%	1.68%	-8.30%	820
Oct 2020	113.77	-0.97%	-0.39%	-10.15%	815
Sep 2020	114.88	1.98%	-2.11%	-10.08%	823
Aug 2020	112.66	-1.36%	-5.99%	-12.02%	807
Jul 2020	114.21	-2.68%	-5.57%	-12.84%	818
Jun 2020	117.36	-2.07%	-2.49%	-10.53%	841
May 2020	119.84	-0.92%	-1.01%	-9.52%	858

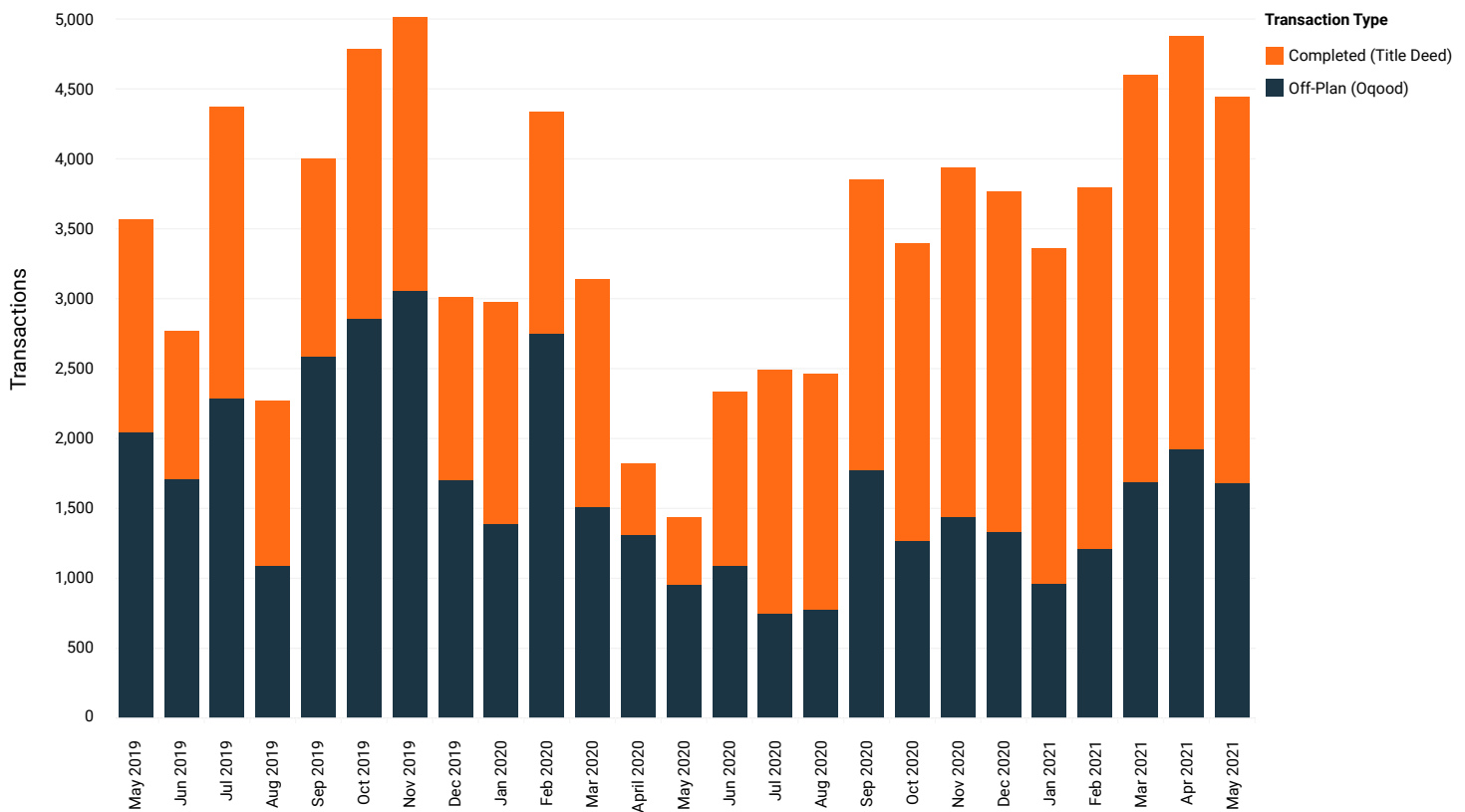
The Property Monitor Dynamic Price Index (DPI) tracks trends of residential property prices throughout 42 key communities in Dubai and is indexed to a base period of January 2008.

At an emirate-wide level, the index value for May 2021 increased by 1.31 index points to 126.32 from 125.01 in April 2021, representing a month-on-month gain of 1.05%.

In May 2021, property prices stood at AED 905 per sq ft, down 26.7% from the market peak in September 2014 and are 15.3% above the market trough of April 2009. Property prices were last above AED 900 per sq ft in October 2019.

On a yearly basis, prices have increased by 5.4% in May 2021. When we compare this to May 2020 when a year-on-year decline of 9.5% was recorded, we can see a promising trend reversal from declines to gains.

HISTORICAL TRANSACTIONS CHART – COMPLETION STATUS



Transaction volumes in May stood at 4,447, down 8.9% on a monthly basis but recorded robust performance compared to same period in 2019 and 2020. On a yearly basis they jumped nearly 211% considering the low base figure of May 2020 when movement restrictions were in place. Compared to May 2019, too, volumes climbed nearly 26%, reflecting continued belief in the Dubai residential market.

Similar to the April's multi-year high transaction figures, this has been the strongest performance in May since 2009.

In May, the split between off-plan and completed property transactions remained in favour of the latter with Title Deed transactions accounting for just over 62% of all transactions—this marks a year of completed properties leading the market. The 12-month rolling average has also now reached an unprecedented level of 60.9% in May. However, completed properties are steadily giving up market share to off-plan each month as new project launches gather pace.

During the month, Emaar Properties made up the bulk of developers' off-plan transactions, taking a market share of 20.7% and holding the top spot for a second month in row. Transactions for Emaar were spread across a myriad of their projects with a higher concentration of sales at Emaar Beachfront, Dubai Harbour—most notably Grand Bleu Towers with 58 transactions, followed by Golf Grove in Dubai Hills Estate, and Ruba in Arabian Ranches III. Seven Tides was next at 14.9% of all Oqood (off-plan) registrations with 96% of transactions occurring in their Golf Views Seven City project in Jumeirah Lakes Towers. This was followed by Binghatti Developers at 12.1%, primarily comprising of sales for their Binghatti Gate project in Jumeirah Village Circle and Binghatti Avenue Project in Al Jaddaf.

Following the trend that emerged in 2020, a significant portion of Title Deed transactions were initial sales registered directly by developers for unsold inventory in completed projects. Out of a total of 2,514 initial developer sales recorded in May, 39.4% were in completed projects. This figure has once again started to move further away from the 2020 average of 33.3% and also remains well above the 2019 average of 20.5%.

TOP 5 COMMUNITIES TABLE – COMPLETED AND OFF-PLAN

Completed / Title Deed

Completed Apartments

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	Studio (Median Price)	1BR (Median Price)	2BR (Median Price)	3BR (Median Price)
1	1	1	Dubai Marina	239	825,000	1,000,000	1,575,000	2,250,000
2	3	7	Business Bay	92	590,000	905,000	1,615,106	1,800,000
3	5	4	Downtown Dubai	86	933,414	1,337,500	2,500,000	2,940,000
4	6	16	Jumeirah Lakes Towers	79	425,000	777,500	1,150,000	1,810,000
5	7	5	Palm Jumeirah	76	-	1,687,500	2,225,000	3,150,000

Completed Villas

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	3BR (Median Price)	4BR (Median Price)	5BR (Median Price)
1	1	9	DAMAC Hills	98	2,625,000	2,474,000	3,150,000
2	5	14	Dubai Hills Estate	88	3,825,000	4,700,000	5,387,444
3	8	-	Tilal Al Ghaf	81	-	3,608,000	4,460,000
4	2	1	Emirates Living	73	2,425,000	4,600,000	4,850,000
5	3	7	Nad Al Sheba	46	-	2,648,000	-

Completed Townhouses

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	3BR (Median Price)	4BR (Median Price)	5BR (Median Price)
1	2	1	Town Square	48	1,550,000	1,850,000	-
2	3	4	Akoya Oxygen	47	1,041,000	1,350,000	-
3	1	9	Dubai Hills Estate	35	2,280,000	2,772,444	3,185,000
4	4	3	Reem	29	1,650,000	2,087,500	-
5	6	2	Mudon	22	1,780,000	2,330,000	-

Off-Plan / Oqood

Off-Plan Apartments

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	Studio (Median Price)	1BR (Median Price)	2BR (Median Price)	3BR (Median Price)
1	3	3	Jumeirah Lakes Towers	218	412,833	765,358	985,800	1,510,080
2	6	2	Jumeirah Village Circle	189	481,359	543,283	720,454	1,050,000
3	1	13	Dubai Harbour	127	-	2,085,879	3,242,888	4,820,888
4	2	1	Mohammed Bin Rashid City	106	479,230	1,260,103	1,827,000	3,508,110
5	4	9	Arjan	94	356,768	570,164	1,113,500	-

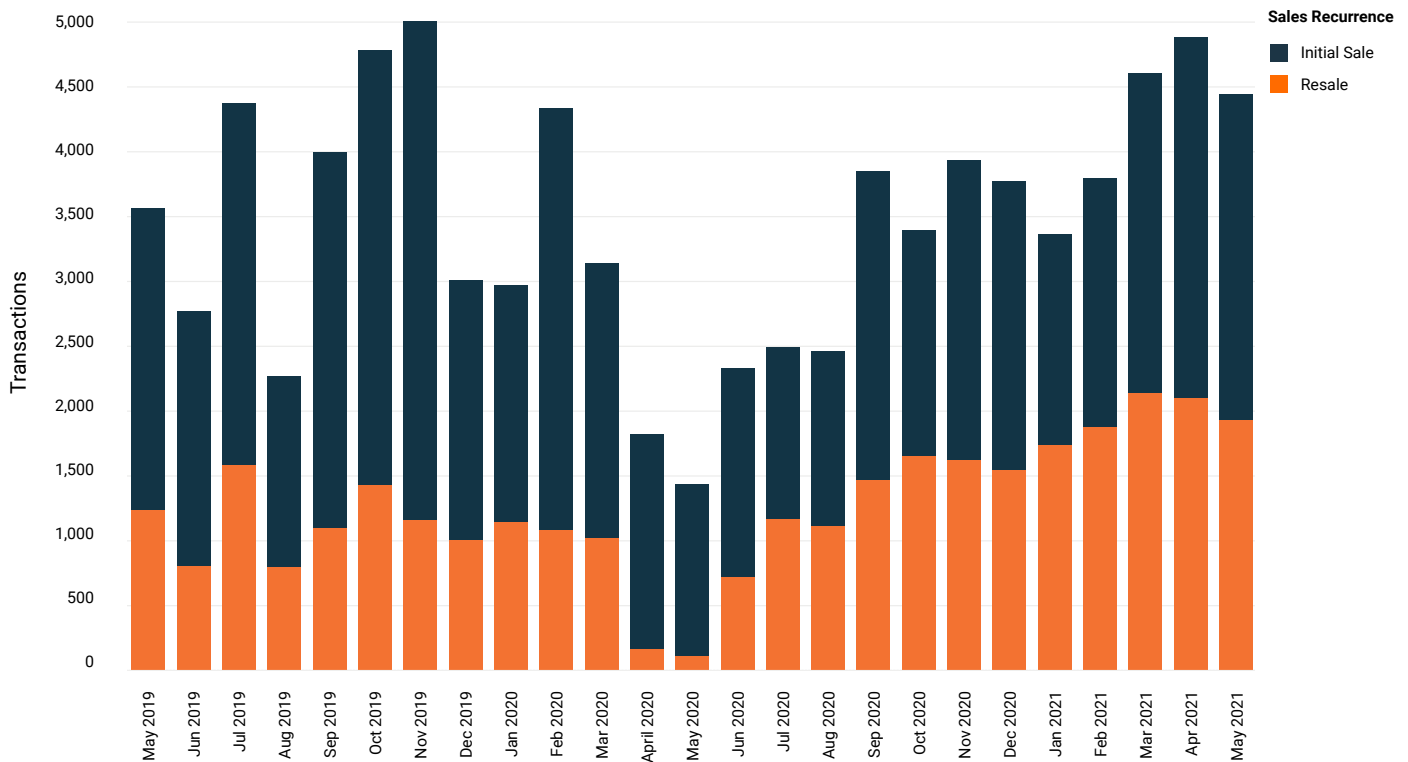
Off-Plan Villas

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	3BR (Median Price)	4BR (Median Price)
1	2	-	Dubai Hills Estate	7	3,389,944	3,725,000
2	1	-	Rukan	4	1,600,000	-
3	3	-	Jumeirah Bay Island	1	8,400,000	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

Off-Plan Townhouses

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	2BR (Median Price)	3BR (Median Price)	4BR (Median Price)
1	1	-	Mohammed Bin Rashid City	67	1,323,000	1,535,000	2,875,000
2	3	2	Arabian Ranches 3	58	-	1,400,000	1,963,194
3	2	3	Villanova	52	1,160,000	1,325,000	1,673,180
4	5	-	Arabian Ranches 2	16	-	1,600,000	1,982,500
5	8	1	Dubai South	8	-	1,008,050	1,502,388

HISTORICAL TRANSACTIONS CHART – SALES RECURRENCE



In May 2021, resale transactions accounted for 43.5% of the market share, up slightly from the previous month's 43.1%. Meanwhile, initial sales transactions stood at 2,514 in May, down 9.5% month-on-month by transaction volume, taking a pause after three straight months of increases.

Jumeirah Village Circle was the most popular master development for initial sales where 13.1% of all such transactions occurred, up from 7.6% last month. Binghatti Gate was the most sought-after project registering 91 sales, followed by the O2 Tower with 56, and The Square Tower with 41 transactions for the month.

Taking second place was Jumeirah Lakes Towers, where initial sales took 10.2% market share. Golf Views Seven City dominated the proportion of sales recorded in the community with 218 transactions, representing 85% of all initial sales transactions in the community.

The third highest market share for May was claimed by Mohammed Bin Rashid City at 8.2%, down from 13.3% last month. Two projects accounted for the lion's share of initial sales in the community: townhouses in MAG City in District 7 with 66 transactions, and The Residences at District One with 55.

The top master developments for resale transactions were Dubai Marina with 8.5% of such transactions across multiple projects—the highest level of sales occurred at The Torch (14) and Elite Residence (7), followed by Downtown Dubai with 5.5% and the highest level of transactions at Burj Khalifa (14), and lastly Emirates Living with 5.3% with Springs subcommunities being the most popular (37 sales).

TOP 5 COMMUNITIES TABLE – INITIAL SALE AND RESALE

Resale

Resale Apartments

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	Studio (Median Price)	1BR (Median Price)	2BR (Median Price)	3BR (Median Price)
1	1	2	Dubai Marina	161	620,000	855,000	1,317,500	2,000,000
2	2	8	Downtown Dubai	81	800,000	1,280,000	2,142,888	2,940,000
3	3	4	Palm Jumeirah	68	-	1,650,000	1,900,000	3,350,000
4	9	11	Jumeirah Beach Residence	66	800,000	1,200,000	1,411,111	2,349,468
5	22	21	Motor City	65	345,000	801,695	1,101,901	1,727,428

Resale Villas

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	3BR (Median Price)	4BR (Median Price)	5BR (Median Price)
1	1	2	Emirates Living	73	2,425,000	4,600,000	4,850,000
2	4	-	Dubai Hills Estate	41	3,775,000	4,550,000	5,400,000
3	3	1	Arabian Ranches	38	3,337,500	4,100,000	4,575,000
4	2	-	Nad Al Sheba	31	-	2,638,000	-
5	7	11	Jumeirah Golf Estates	24	4,000,000	4,950,000	9,400,000

Resale Townhouses

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	2BR (Median Price)	3BR (Median Price)	4BR (Median Price)	5BR (Median Price)
1	3	-	Town Square	49	-	1,532,500	1,880,000	-
2	2	2	Villanova	35	1,180,000	1,362,500	1,650,000	-
3	6	-	Arabian Ranches 3	28	-	1,365,000	1,510,000	-
4	1	4	Dubai Hills Estate	26	-	2,280,000	2,700,000	3,120,000
5	5	-	Reem	24	-	1,600,000	2,100,000	-

Initial Sale

Initial Sale Apartments

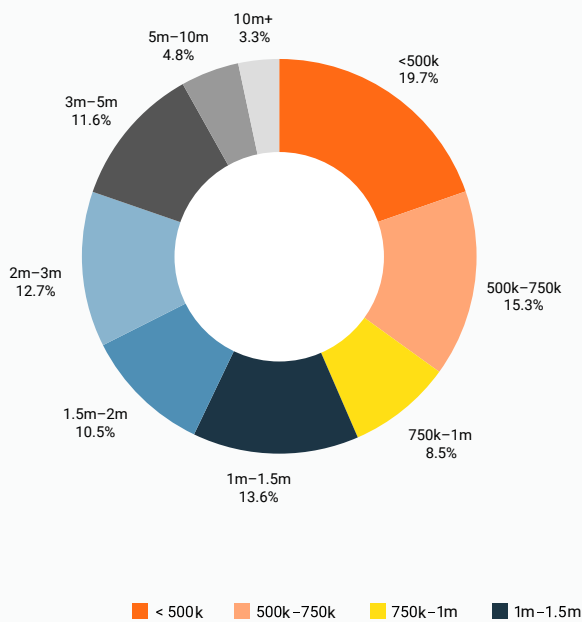
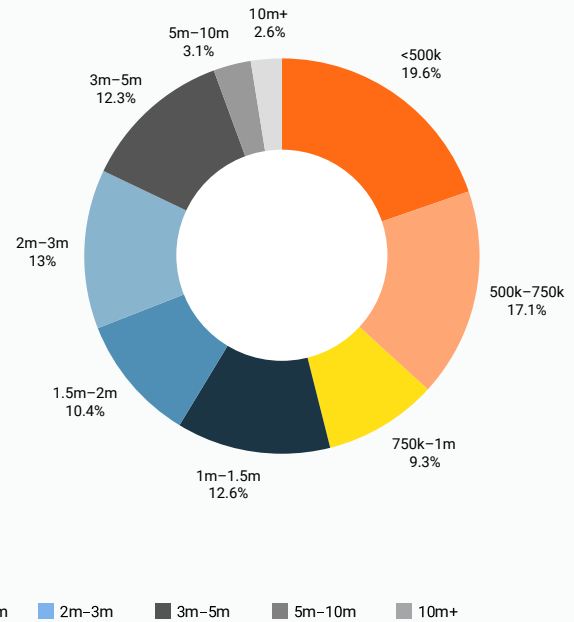
Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	Studio (Median Price)	1BR (Median Price)	2BR (Median Price)	3BR (Median Price)
1	1	3	Jumeirah Lakes Towers	248	412,833	792,406	994,365	1,480,327
2	3	2	Jumeirah Village Circle	226	460,000	559,756	728,819	1,050,000
3	2	1	Mohammed Bin Rashid City	124	512,445	1,263,399	1,854,940	3,517,695
4	4	11	Arjan	118	359,664	572,383	1,000,000	-
5	5	21	Dubai Harbour	111	-	2,092,379	3,402,888	5,014,388

Initial Sale Villas

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	3BR (Median Price)	4BR (Median Price)	5BR (Median Price)
1	1	7	DAMAC Hills	86	2,944,500	1,948,000	-
2	4	-	Tilal Al Ghaf	81	-	3,608,000	4,460,000
3	3	10	Dubai Hills Estate	54	3,500,888	6,782,888	5,374,888
4	5	6	Nad Al Sheba	15	-	2,788,000	-
5	8	18	Jumeirah Golf Estates	8	-	4,082,888	-

Initial Sale Townhouses

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	2BR (Median Price)	3BR (Median Price)	4BR (Median Price)
1	1	-	Mohammed Bin Rashid City	70	1,323,000	1,535,000	2,964,050
2	2	3	Villanova	38	-	1,319,000	1,704,000
3	4	2	Arabian Ranches 3	30	-	1,763,310	2,243,888
4	7	8	Akoya Oxygen	26	-	1,117,000	1,339,500
5	5	6	Mudon	17	-	1,825,000	2,500,000

PRICE TIERS (AED) – MAY 2021

PRICE TIERS (AED) – APRIL 2021

PRICE TIERS (AED) MONTHLY COMPARISON

	May 2021	Apr 2021	MoM Change
<500K	19.7%	19.6%	0.07%
500K-750K	15.3%	17.1%	-1.81%
750K-1M	8.5%	9.3%	-0.76%
1M-1.5M	13.6%	12.6%	1.01%
1.5M-2M	10.5%	10.4%	0.08%
2M-3M	12.7%	13%	-0.28%
3M-5M	11.6%	12.3%	-0.71%
5M-10M	4.8%	3.1%	1.68%
10M+	3.3%	2.6%	0.73%

For the third straight month, the AED 10m+ price tier reached a historic high, growing from 2.6% in April to 3.3% in May. There were 117 transactions in this segment in May, representing month-on-month growth of 30% with 90 transactions in April. Sales on the iconic Palm Jumeirah once again led sales activity in this tier, accounting for over 34% (40) of all sales. Dubai Hills Estate closely followed this month where 26.5% (31) high-end sales were recorded. Villas are driving this growth—compared to 286 transactions above AED 10m in all of 2020, we are already at 279 year-to-date, and have further eclipsed 2019 when a mere 197 transactions were recorded.

The largest shift in market share for May was also in the higher-end of the market—the AED 5m-10m price tier. For the first time since November 2019, the tier expanded beyond 4%, jumping from 3.1% in April to 4.8% in May. Villas again drove this growth, accounting for over 73% of transactions.

In May, properties under AED 1m still account for the largest share of the market at 43.5% versus 46% last month. The mid-tier of AED 1m-3m now represents 36.8% of the market, up with a marginal gain from 36%. The high-price tiers with property values greater than AED 3m account for 19.7% of total residential market transactions, reaching yet another record high.

METHODOLOGY AND METRICS

Dynamic Price Index

The Property Monitor Dynamic Price Index family (DPI) are calculated using a moving average algorithm of median prices and the Dutot price index formula with cleansing of extreme values and outliers. The indices are published at the end of each calendar month and are subject to backward revision should any new datapoint or datasets become available. This is a unique feature of the Property Monitor DPI as it always uses the fullest data set available and takes into account data which was not available at the point of original index compilation. Detailed index methodology and notes are available at propertymonitor.com/pmddpi.html

Completed Transaction

Consists of transactions that are recorded on the Dubai Land Department's official Title Deed register for all sales of completed property which has been issued a building completion certificate (BCC) and is available to purchase and occupy. Typically, it refers to the subsequent resale(s) of a property and transfer of ownership which takes place between two or more private parties, however, it may also include any initial first-time transfers between developers and buyers whereby a BCC has been issued and the developer had not previously sold the property.

Gross Rental Yield

Is the annual rent as a percentage of the purchase price or value of a property and is presented in this report as a value that represents the blended average rental yield of properties in Dubai across all communities.

Highest Recorded Sale

The single transaction of an apartment or villa that achieved the highest recorded transferred sales price during the month either in the off-plan or completed segment. Excludes plot/raw land only sales.

Initial Sale

The first sale of a property, usually directly from the developer or project sponsor to a buyer. Typically, an initial sale would occur during the construction phase of a project and get registered as an off-plan transaction with an Oqood. However, should the developer hold unsold units after the project is completed, an initial sale would be recorded with a Title Deed. An initial sale only occurs once and every subsequent sale thereafter is a 'resale'.

Lowest Recorded Sale

The single transaction of an apartment or villa that achieved the lowest recorded transferred sales price during the month either in the off-plan or completed segment.

ABOUT PROPERTY MONITOR

Property Monitor is the region's leading real estate intelligence platform and the only data source powered by RICS-accredited professionals, bringing unprecedented transparency and accuracy to local property markets. Through Property Monitor, market stakeholders can directly access real-time, transparent and accurate intelligence, unmatched anywhere else in the region. The platform empowers investors, property specialists and banking professionals with authoritative data, analytics and insights that closely correlate with market movements, empowering confident and informed property-related decisions.

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