



Recovery mirrors trends of previous market cycle as prices continue to gain, with further growth likely into 2022

Median prices in August



Apartments  
AED 1,112,388



Townhouses  
AED 1,850,000



Villas  
AED 3,138,800

After strongly rising 1.6% in August, property prices have now recorded 10 straight months of gains

Since bottoming out in Nov 2020, prices have risen 16.2%

In the recovery period of 2012-14, the comparable 10-month price appreciation was 17.2%

If this trajectory continues and history repeats itself, there is room for an additional 20% increase in property values from current price levels

Strongest August for transactions since 2009, bucking the historical trend of being a slow month for deals

Apartments likely to start catching up with villa and townhouse price trends as the shortage of new listings increases

The Dubai property market's recovery continues to gather steam as prices rose for the tenth month in a row, helped by a record month of transactions. In August, prices climbed 1.6% to stand at AED 956 per sq ft.

The current price recovery is increasingly mirroring the rapid price growth of the previous cycle—during the 10-month period until August 2021, prices rose 16.2% compared to an increase of 17.2% during Oct 2012–Jul 2013.

The previous market recovery lasted over two years from Oct 2012 to Sep 2014 when prices hit a high of AED 1,234 per sq ft. If the current recovery takes a similar trajectory, it would allow for an additional 20% increase from current price levels, going into 2022.

SNAPSHOT

August 2021



+1.6%

Dynamic Price Index  
Monthly Change



AED 956/sq ft

Dynamic Price Index  
Current Property Price



5,797

Number of Monthly  
Transactions



5.93%

Gross Rental Yield



AED 103m

Highest Recorded Sale  
Villa HG-SD.23  
Dubai Hills Grove,  
Dubai Hills Estate



AED 150k

Lowest Recorded Sale  
Sevenam Crown,  
Unit 210 – Studio  
Dubai Silicon Oasis

“ At AED 956 per sq ft currently, we are about halfway through in the journey between the previous market trough of April 2009 and the peak in September 2014. If the current pace and trajectory of the recovery continues in a manner similar to the last market cycle, we likely have headroom for another 20% appreciation in prices.

As quality inventory runs out in villas and townhouses, which were the main drivers of the recovery so far, the apartments segment is set to pick up the baton for the next leg of the recovery.

### ZHANN JOCHINKE

Chief Operating Officer  
Property Monitor

Several factors support our view that a price recovery will likely continue, albeit at a slower pace. So far, the recovery has been uneven between communities with the strongest performance seen in the villas and townhouses segment of traditionally sought-after locations. As quality inventory dries up in this segment, we expect the focus to shift to apartments, which should start to see price upticks.

An additional push for apartments can come from increased sales by developers of their completed and off-plan inventory to visitors of the Expo 2020. This would be an opportunity for visitors and investors to experience Dubai's real estate offerings at multiple price points rather than committing to higher-priced villas and townhouses. By international standards, Dubai looks very affordable compared to other global cities—it was ranked 26<sup>th</sup> in a recent table of the world's most expensive cities with property costing less than a quarter of the equivalent London price.<sup>1</sup>

At 5,797, transactions in August recorded their best performance since December 2013, jumping 30.1% on a monthly basis and a staggering 135.6% from last August. Year-to-date transaction volumes now stand at 37,735, eclipsing the 35,965 transactions recorded throughout all of 2020. With four months remaining, we are on track to equal, or even surpass, transaction volumes last seen in the boom years of 2013 and 2014.

Demand continues to remain robust for properties at the higher end of the market with sales for properties valued over AED 10m registering yet another strong month. A total of 141 transactions were registered for this price tier in August compared to 117 in July, an increase of 20.5%.

A total of 2,580 off-plan transactions were registered in August, up 41.8% on a monthly basis. On a yearly basis, transactions jumped over 230% given the low base of 2020 as developers held back on new launches. While they are much lower than 2019 figures which is a more accurate comparison period, the segment has started to gain momentum once again as launches ramp up. Off-plan transactions took a 44.5% market share compared to 55.5% (3,217 transactions) for completed properties, narrowing the gap by the most in six months.

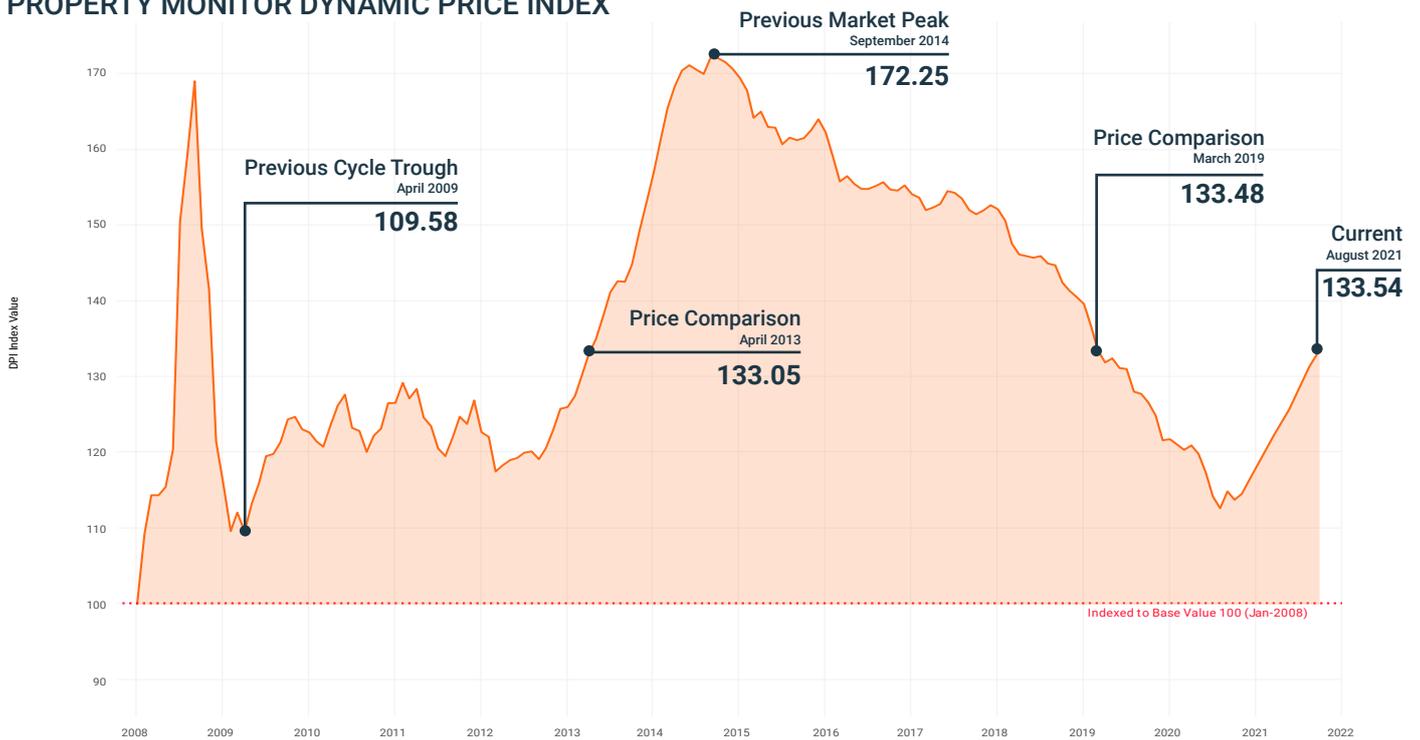
Meanwhile, initial sales transactions—the first sale of a property from the developer for an off-plan or completed project—jumped 51.2% on month to stand at 3,879 in August.

At 2,762, the volume of mortgages increased in August by 49.7% over the previous month. Part of this increase is the result of a spike in mortgages for hotel apartments where there were 533 transactions recorded. Mortgages for townhouses and villas increased 31.8% and 22.7% respectively, highlighting the preference of buyers to upgrade their homes while interest rates are low.

Breaking down the mortgage market further shows that bulk transactions (mortgages taken by developers and larger investors for multiple units) grew once again. They comprised 44.2% of all loans issued and were spread across several projects, most notably FIVE Jumeirah Village in JVC (249), Barcelo Residences in Dubai Marina (232), Emerald Palace Kempinski Hotel, Palm Jumeirah (209), Oai Residence, Motor City (129), and Serenia Residences A, Palm Jumeirah (89). Another 26.3% of loans taken were new purchase money mortgages for residential properties that were also transferred during August, primarily by end-users with the average amount borrowed being AED 1.77m. The remaining 29.5% represents refinancing or new mortgages taken out in the months post transfer.

After momentarily recovering to 6.2% in July, yields again fell to 5.9% in August, registering a monthly decline of 3.9%. After remaining relatively stable around 6.5% through much of 2020, emirate-wide average gross rental yields have now weakened. 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.

<sup>1</sup> <https://www.globalpropertyguide.com/most-expensive-cities>

**PROPERTY MONITOR DYNAMIC PRICE INDEX**


**+1.6%**  
MoM Change



**+5.72%**  
QoQ Change



**+18.54%**  
YoY Change



**AED 956**  
Average Property Price Per Sq Ft

**DPI MONTHLY OVERVIEW**

Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
Aug 2021	133.54	1.60%	5.72%	18.54%	956
Jul 2021	131.45	1.89%	5.15%	15.09%	941
Jun 2021	129.01	2.13%	5.79%	9.92%	924
May 2021	126.32	1.05%	5.44%	5.41%	905
Apr 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

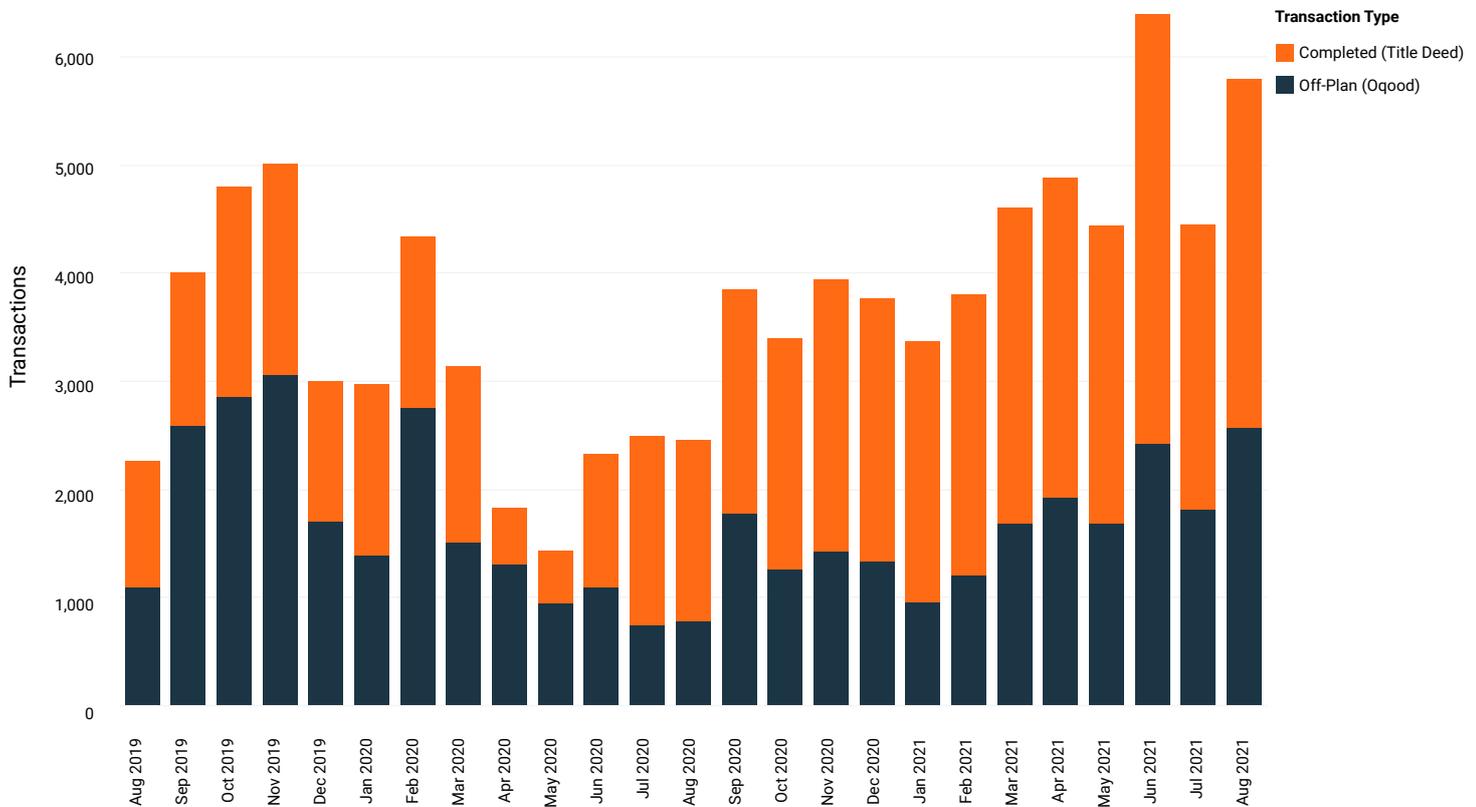
The Property Monitor Dynamic Price Index (DPI) tracks trends of residential property prices throughout 42 key communities in Dubai and is indexed to a base period of January 2008.

At an emirate-wide level, the index value for August 2021 increased by 2.1 index points to 133.54 from 131.45 in July 2021, representing a month-on-month gain of 1.6%.

In August 2021, property prices stood at AED 956 per sq ft, down 22.5% from the market peak in September 2014 and are 21.9% above the market trough of April 2009.

On a yearly basis, prices have increased by 18.5% in August 2021. When we compare this to August 2020 when a year-on-year decline of 12% was recorded, we can see a clear trend reversal from declines to gains.

## HISTORICAL TRANSACTIONS CHART – COMPLETION STATUS



Transaction volumes in August stood at 5,797, significantly higher by 30.1% on a monthly basis. This strong performance is quite contrary to the long-term seasonality trend of August which is one of the slowest trading months of the year—activity is generally tepid in August and picks up after the vacation period and commencement of the school year.

Similar to the last four months' transaction figures, this has also been the strongest performance in August since 2009.

During the month, Title Deed registrations accounted for 55.5% of all transactions. Completed properties have led the market for 15 months now, however, have begun to weaken and declined ~7% over the past two months. The 12-month rolling average remains strong at 62.3% in August for completed properties.

Emaar Properties dominated the off-plan market in August and comprised the bulk of developers' Oqood (off-plan) registrations. It took a market share of 23.9%, nearly double that of any other developer for the month. Transactions for Emaar were spread across a myriad of their projects with a higher concentration of sales at Emaar Beachfront, Dubai Harbour—most notably Palace Beach Residence with 92 transactions and Grande Bleu Towers with 83 transactions, followed by Arabian Ranches III with 163 transactions, with the Bliss and Ruba sub-communities recording 90 and 49 transactions, respectively.

Dubai Properties was next at 12.2% of all Oqood registrations with the most notable activity in Villanova where 144 transactions were recorded across the La Rosa and Amaranta sub-communities. Asayel at Madinat Jumeirah Living also secured 91 registrations. This was followed by Seven Tides taking 8.6% market share with all of their transactions occurring across just two projects, Golf Views Seven City (135) in Jumeirah Lakes Towers and Seven Palm (74) in Palm Jumeirah.

In the ongoing 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 3,839 initial developer sales recorded in August, 36.8% were in completed projects. At a year-to-date average of 39%, this figure continues to move further away from the 2020 average of 33.6% and also remains well above the 2019 average of 20.5%.

## TOP 5 COMMUNITIES TABLE – OFF-PLAN AND COMPLETED

### 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	2	8	Dubai Harbour	261	-	1,783,888	3,479,888	5,302,888
2	4	1	Jumeirah Village Circle	201	480,051	530,376	965,000	-
3	5	9	Business Bay	199	682,500	1,083,200	1,836,549	2,769,000
4	1	2	Mohammed Bin Rashid City	197	524,000	975,000	1,415,538	2,449,983
5	3	10	Jumeirah Lakes Towers	137	438,407	780,057	1,074,028	1,590,157

#### Off-Plan Villas

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	3BR (Median Price)	4BR (Median Price)
1	-	-	Dubai South	38	1,200,000	1,320,000
2	-	-	Rukan	14	1,388,000	-
3	-	-	Dubai Investments Park	6	1,492,569	-
4	-	-	Dubai Sports City	6	-	1,960,000
5	1	3	Dubai Hills Estate	4	3,450,000	3,933,888

#### 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	3	4	Arabian Ranches 3	185	-	1,864,888	2,389,888
2	2	3	Villanova	159	1,360,000	1,319,000	1,699,000
3	1	10	Tilal Al Ghaf	80	-	1,530,000	2,702,180
4	4	2	Dubai South	20	1,022,925	1,067,888	1,564,944
5	5	-	Mohammed Bin Rashid City	17	1,318,670	1,785,000	-

### 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	3	7	Jumeirah Village Circle	185	415,000	695,800	1,068,273	1,380,000
2	1	10	Business Bay	184	695,951	1,145,825	1,772,082	2,772,322
3	2	2	Dubai Marina	166	715,000	1,432,500	1,900,000	2,375,000
4	6	5	Downtown Dubai	105	748,500	1,177,500	2,076,098	2,850,000
5	23	23	Motor City	90	390,000	553,000	1,471,375	2,026,385

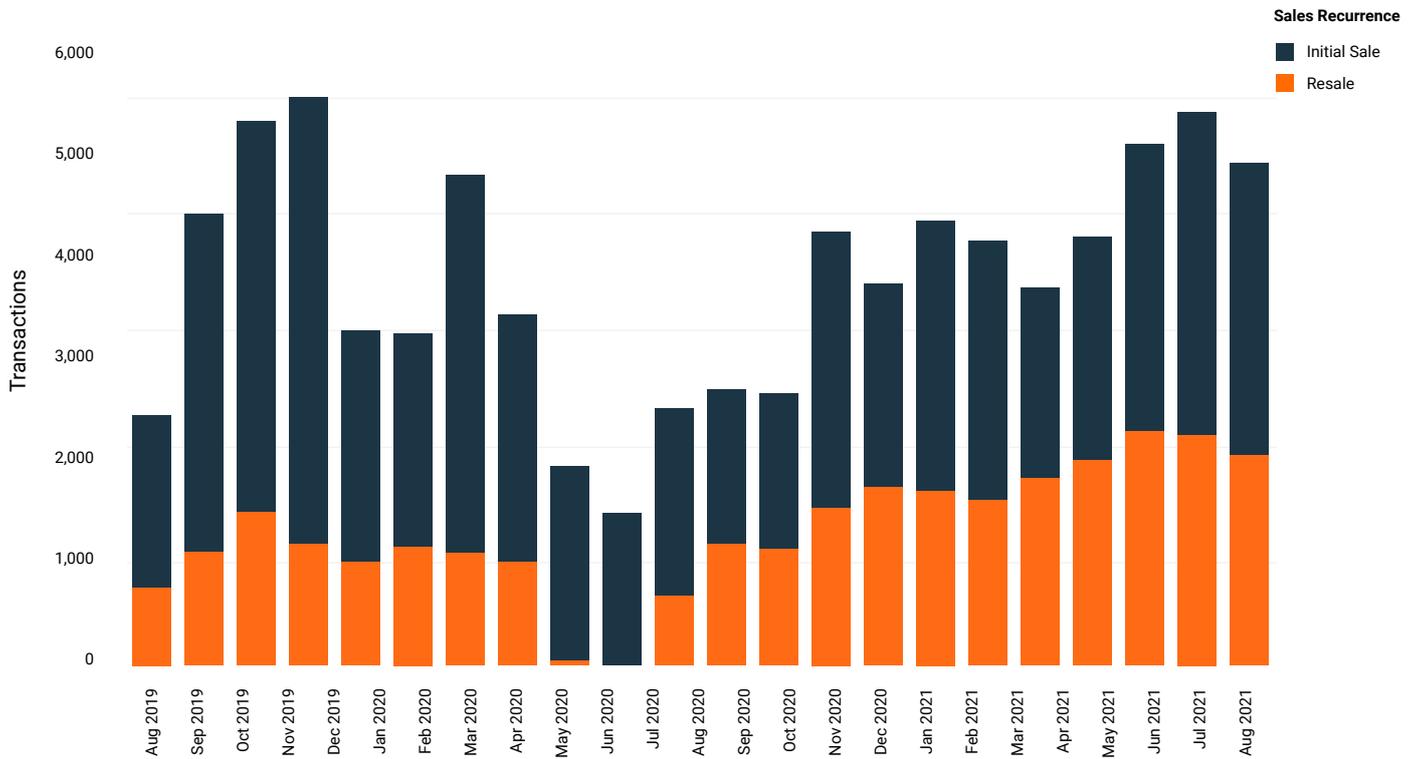
#### Completed Villas

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	3BR (Median Price)	4BR (Median Price)	5BR (Median Price)
1	8	4	Al Furjan	239	2,448,000	3,939,400	-
2	1	5	Dubai Hills Estate	74	4,025,000	10,047,888	7,429,616
3	7	1	Nad Al Sheba	70	-	2,888,000	3,173,000
4	2	-	DAMAC Hills 2	70	1,200,000	1,364,500	1,833,000
5	4	7	DAMAC Hills	67	2,557,000	3,731,590	3,804,340

#### Completed Townhouses

Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	3BR (Median Price)	4BR (Median Price)	5BR (Median Price)
1	11	-	Arabian Ranches 3	34	-	-	-
2	4	1	Town Square	25	1,600,000	1,875,000	-
3	5	3	Reem	23	1,900,000	2,250,000	-
4	2	5	Dubai Hills Estate	21	2,362,500	2,925,000	3,300,000
5	10	10	Meydan City	17	3,000,000	3,500,000	-

## HISTORICAL TRANSACTIONS CHART – SALES RECURRENCE



In August 2021, the market share balance between initial and resale transactions turned nearly 6.5% in favour of initial developer sales with it reaching 66.2%—the highest level since June 2020 after which resale gained popularity. However, the 12-month rolling average has continued to grow for resale, now reaching 44.7% which indicates that the market has matured to become less reliant on new project releases and developer-led initial sales.

Business Bay was the most popular master development for initial sales where 9.4% of all such transactions occurred, 15 Northside had the highest demand in the master development with a total of 109 initial sales.

Taking second place was Mohammed Bin Rashid City, where initial sales took 7.2% market share. Sobha Hartland was the most sought-after sub-community in the master development with a total of 190 initial sales spread across several projects.

In a tie for the second space, Jumeriah Village Circle also claimed 7.2% market share for August with 277 sales spread across a myriad of projects, most notably Park View Tower (51), Pantheon Elysee II (36), and Binghatti Mirage (35).

The top master developments for resale transactions were Jumeriah Village Circle with 8.1% of such transactions across multiple projects—the highest level of sales occurred at Bloom Towers (71). This was followed by Dubai Marina with 6.7% share and the highest number of transactions throughout Emaar 6 Towers (12), and lastly Business Bay with 6.2% with DAMAC Towers by Paramount (12), Executive Towers (11), Clover Bay (9) and Silver Tower (9) being the most popular.

## TOP 5 COMMUNITIES TABLE – INITIAL SALE AND RESALE

### 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	3	9	Business Bay	340	686,000	1,123,151	1,870,094	2,773,232
2	5	2	Jumeirah Village Circle	262	470,328	650,000	965,000	1,245,000
3	2	14	Dubai Harbour	242	-	1,804,888	3,518,888	5,328,888
4	1	5	Mohammed Bin Rashid City	202	524,000	975,000	1,496,352	2,449,983
5	4	11	Jumeirah Lakes Towers	165	439,657	782,193	1,084,976	1,050,000

#### 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	5	3	Al Furjan	231	2,398,000	4,068,800	1,100,000
2	1	2	Dubai Hills Estate	59	4,766,417	10,122,888	7,429,616
3	2	4	DAMAC Hills	55	2,855,785	3,731,590	3,804,340
4	8	-	Dubai South	51	1,242,000	1,320,000	4,306,505
5	4	1	Nad Al Sheba	39	-	2,963,000	3,608,000

#### 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	2	6	Arabian Ranches 3	208	-	1,867,888	2,393,888
2	4	5	Villanova	147	1,360,000	1,319,000	1,697,500
3	1	15	Tilal Al Ghaf	71	-	-	2,712,180
4	6	-	Mohammed Bin Rashid City	17	1,318,670	1,785,000	5,337,947
5	13	4	Dubai South	15	1,072,663	1,196,000	1,799,888

### Resale

#### Resale Apartments

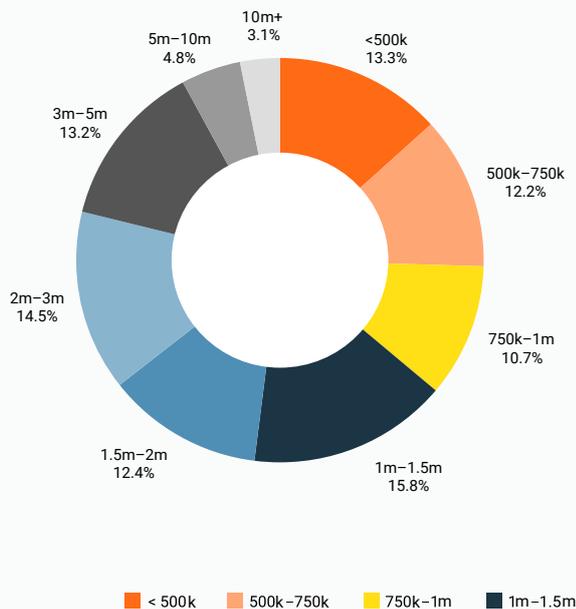
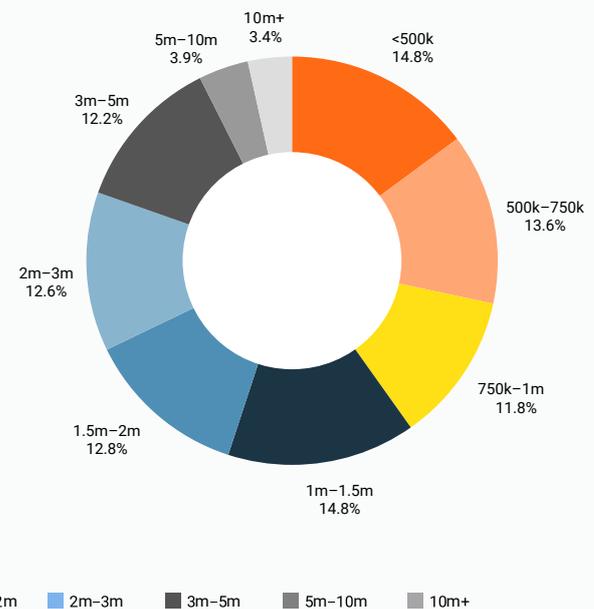
Rank (this month)	Rank (last month)	Rank (last year)	Community	Total # Transactions	Studio (Median Price)	1BR (Median Price)	2BR (Median Price)	3BR (Median Price)
1	3	9	Jumeirah Village Circle	124	396,135	705,000	1,069,438	1,380,000
2	1	1	Dubai Marina	116	535,000	962,500	1,400,000	2,225,000
3	20	17	Motor City	90	390,000	553,000	1,471,375	2,026,385
4	2	3	Downtown Dubai	84	748,500	1,180,000	2,300,000	3,725,000
5	7	2	International City	78	210,000	311,000	610,000	-

#### 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	1	Emirates Living	61	3,000,000	4,600,000	10,475,000
2	4	2	Arabian Ranches	44	3,500,000	3,445,000	5,400,000
3	18	5	Nad Al Sheba	31	-	2,718,000	2,738,000
4	3	-	DAMAC Hills 2	31	1,100,000	1,225,000	-
5	24	23	Mirdif	25	2,735,000	5,675,230	8,000,000

#### 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	2	17	Villanova	27	1,500,000	1,429,000	1,730,000	-
2	4	4	Town Square	24	-	1,600,000	1,875,000	-
3	5	2	Reem	23	-	1,900,000	2,250,000	-
4	9	3	Serena	16	1,225,000	1,887,500	-	-
5	3	1	Dubai Hills Estate	15	-	2,362,500	2,925,000	3,300,000

**PRICE TIERS (AED) – AUGUST 2021**

**PRICE TIERS (AED) – JULY 2021**

**PRICE TIERS (AED) MONTHLY COMPARISON**

	August 2021	July 2021	MoM Change
<500K	13.3%	14.8%	-1.51%
500K-750K	12.2%	13.6%	-1.36%
750K-1M	10.7%	11.8%	-1.14%
1M-1.5M	15.8%	14.8%	0.99%
1.5M-2M	12.4%	12.8%	-0.40%
2M-3M	14.5%	12.6%	1.90%
3M-5M	13.2%	12.2%	1.01%
5M-10M	4.8%	3.9%	0.86%
10M+	3.1%	3.4%	-0.34%

The AED 10m+ price tier continued its stellar performance in August, registering 141 transactions compared to 117 in July. However, in terms of market share, the tier contracted slightly to 3.1% in August compared to 3.4% in July.

While most transactions in this tier earlier belonged to Palm Jumeirah, inventory in the archipelago seems to be drying up. The focus now seems to have shifted to Dubai Hills Estate which recorded 36.3% of all AED 10m+ sales in August with Golf Place (34) and Palm Hills (10) being the most popular. Palm Jumeirah, though not the top community for these sales in August, is still displaying encouraging numbers. There were 16 villa sales and 23 apartment sales in the Palm with apartments increasingly finding favour among buyers.

Overall, the high price tiers of AED 3m+ (comprising AED 3-5m, AED 5-10m and AED 10m+ properties) displayed solid growth in August, breaching the 20% mark to record 21.1% market share. Year-to-date transactions in this tier stood at 5,128, nearly double the 2,905 in 2020 and significantly higher than 3,452 in 2019.

## 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](http://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.

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