

JANUARY 2025



DUBAI

MARKET REPORT



INTRODUCTION

Dubai's property market began the year with a month-on-month decline of 0.57% in prices, marking the first downturn in price growth since the summer of 2022, when value saw a similar decrease of 0.58% in July. According to the Property Monitor Dynamic Price Index, the current average property price in Dubai stands at AED 1,484 per square foot, reflecting a 20.3% increase from the previous market peak in September 2014.

Dubai's current market cycle has now reached 51 months, exceeding four year of continuous price growth. Over this period, the average monthly appreciation has been 1.19%. However, recent trends indicate a clear slowdown in price increases. Following a peak in August 2024 with a 2.48% rise, monthly gains gradually moderated, declining to 0.48% in November and 0.88% in December, before turning negative in January 2025.

In January, the total number of sales transactions declined by 4.6% to 14,413. Despite this decrease, it remains the highest transaction volume ever recorded for the month of January. Over a broader timeframe, sales activity demonstrated consistent growth throughout 2024, culminating in a record-high of 20,460 transactions in October.

-0.57%

Dynamic Price Index Monthly Change



14,413

Number Of Monthly Transactions



AED 175K

Lowest Recorded Sale
Studio Apartment, Lakeside Tower A,
Dubai Production City



AED 1,484/sq ft

Dynamic Price Index Current Property Price



AED 425M

Highest Recorded Sale
Villa Sector E, Emirates Hills



“Dubai's real estate market, which has experienced four years of continuous growth, is now facing signs of stabilisation. Monthly price increases have slowed, and while the total number of transactions remains strong, affordability constraints & market maturity are beginning to shape the landscape. With sales volumes and mortgage transactions moderating, it appears the market may be transitioning from a phase of rapid growth to a more sustainable & steady trajectory. The future of the market will depend on careful balancing of supply and demand.”

ZHANN JOCHINKE

Chief Operating Officer
Property Monitor





GROWTH & MARKET HIGHLIGHTS

01

Residential transactions, comprising apartments, townhouses, and villas, accounted for more than 91% of total sales, with 13,124 transactions recorded.

02

Vacant land, office spaces, and hotel apartments were the most frequently transacted commercial property types, accounting for 4.2%, 1.9%, and 1.2% of total transactions, respectively.

03

Of the 613 land transactions recorded, nearly 400 were for plots at DAMAC Islands, likely associated with the subdivision of the master community.

04

In January, a total of 7,555 off-plan Oqood transactions were recorded, reflecting a 17.7% decline from the previous month and a reduction in market share to 52.4%.

05

Title Deed sale volumes recorded a significant increase of 15.7%, now representing 47.6% of all sales transactions.

06

Off-plan developments continued to expand, with 53 new project launches introducing over 12,400 units to the market in January, accounting for a market share of 67.6%.

07

Resale transactions, referring to any subsequent sale of a property following its initial purchase from the developer whether for an off-plan or completed project totaled 5,561, representing 38.6% of the market. This marks a 1.7% increase month-on-month.

08

Initial data for January shows the addition of over 12,400 off-plan units to the market for sale, maintaining the strong momentum observed throughout 2024.





MORTGAGE & LOAN MARKET



Mortgage transaction volumes saw a 6.8% increase in January, reaching a total of 41,341 recorded loans.

New purchase money mortgages comprised 41.9% of total borrowing activity, reflecting a 1.9% decline from the previous month. The average loan amount stood at AED 1.97 million, with a loan-to-value ratio of 76.4%.

The share of loans allocated to refinancing and equity release increased by 3.0%, reaching 28.4% of the market.

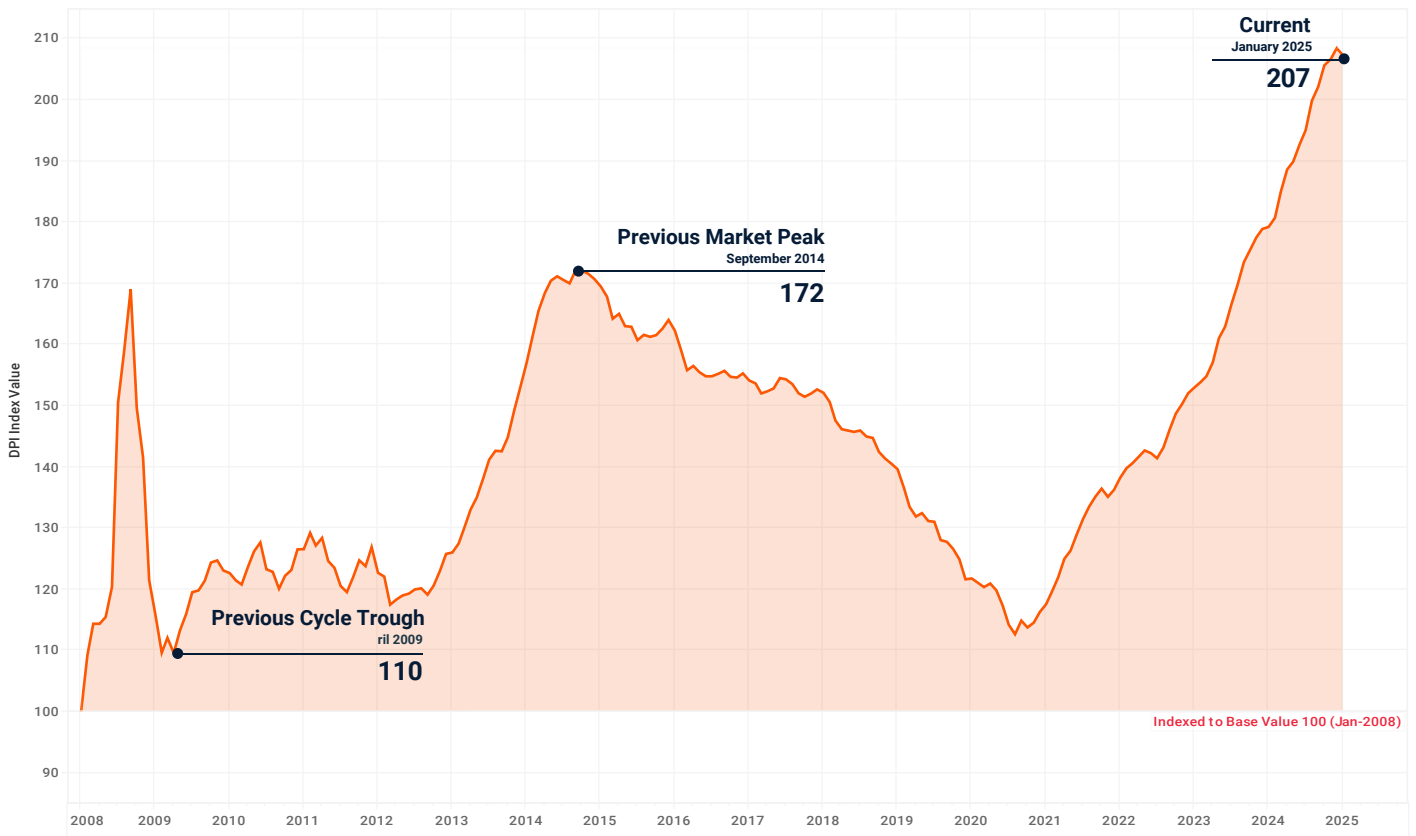
Bulk mortgages, taken by developers & large investors with multiple units, accounted for the remaining 29.7% of transactions, reflecting a 1.1% decline from the previous month.

A total of 1,228 bulk loans were issued during the month, distributed across multiple projects. Notable portfolio mortgage registrations included 217 at Sway Residences in Dubai Hills, 209 at Domus Indigo 1 and 2 in Dubai Production City, and 139 at Blue Wave Tower in Dubai Residence Complex.





PROPERTY MONITOR DYNAMIC PRICE INDEX



-0.57%

MoM Change



+0.79%

QoQ Change



+15.64%

YoY Change



AED 1,484

Average Property Price Per Sq Ft



DPI MONTHLY OVERVIEW

Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
Jan 2025	207.26	-0.57%	0.79%	15.64%	1,484
Dec 2024	208.45	0.88%	3.12%	16.52%	1,493
Nov 2024	206.63	0.48%	3.39%	16.42%	1,480
Oct 2024	205.64	1.73%	5.44%	17.22%	1,473
Sep 2024	202.15	1.14%	4.92%	16.55%	1,448
Aug 2024	199.86	2.48%	5.24%	17.73%	1,431
Jul 2024	195.03	1.22%	3.40%	17.15%	1,397
Jun 2024	192.68	1.46%	4.15%	18.2%	1,380
May 2024	189.91	0.69%	5.09%	17.94%	1,360
Apr 2024	188.61	1.95%	5.23%	20.07%	1,351
Mar 2024	184.99	2.37%	3.41%	19.47%	1,325
Feb 2024	180.72	0.83%	1.82%	17.43%	1,294
Jan 2024	179.24	0.19%	2.17%	17.15%	1,284

- 01

The Property Monitor Dynamic Price Index measures residential property price trends across 42 key communities in Dubai, using January 2008 as its base period.
- 02

At the emirate-wide level, the index value declined by 1.19 points, reaching 207.26 compared to 208.45 in December 2024, reflecting a month-on-month decrease of 0.57%.
- 03

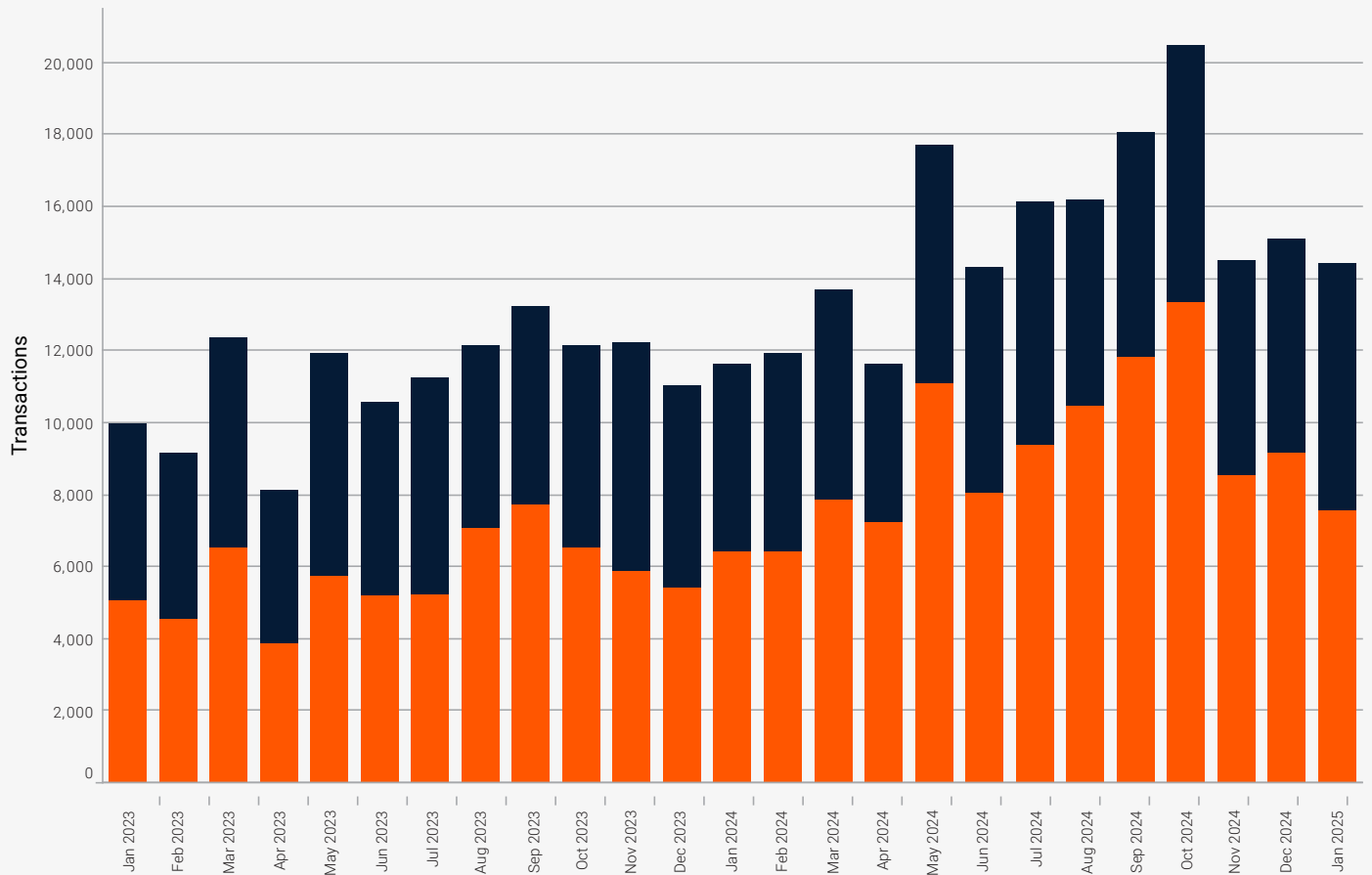
Property prices experienced a slight decline, averaging AED 1,484 per square foot. This represents an 89.14% increase from the market low of April 2009 and stands 20.33% above the peak recorded in September 2014.
- 04

Property prices saw a year-on-year increase of 15.64% in January, extending the trend of annual growth to 47 consecutive months. However, on a year-to-date basis, prices declined by 0.57%, compared to a 0.19% increase recorded in January 2024.



HISTORICAL TRANSACTION-COMPLETION STATUS

Transaction Type ■ Title Deed ■ Oqood



» Sales transaction volumes totaled 14,413, reflecting a 4.6% decline compared to December 2024.

» Throughout the month, Oqood registrations accounted for 52.4% of all property transactions, reflecting an 8.3% month-on-month decline. This resulted in a higher proportion of transactions being recorded under Oqood compared to Title Deed registrations.

» Emaar Properties led the off-plan market, securing a 16.5% share of developers' off-plan registrations. The company recorded 1,263 transactions across various projects, with Terra Heights in Expo City accounting for the highest volume at 480 sales. This was followed by Farm Grove 1 in The Valley with 153 sales, and Marina Place 1 and Marina Place 2 in Mina Rashid Yachts and Marina, which recorded 80 and 75 sales, respectively.

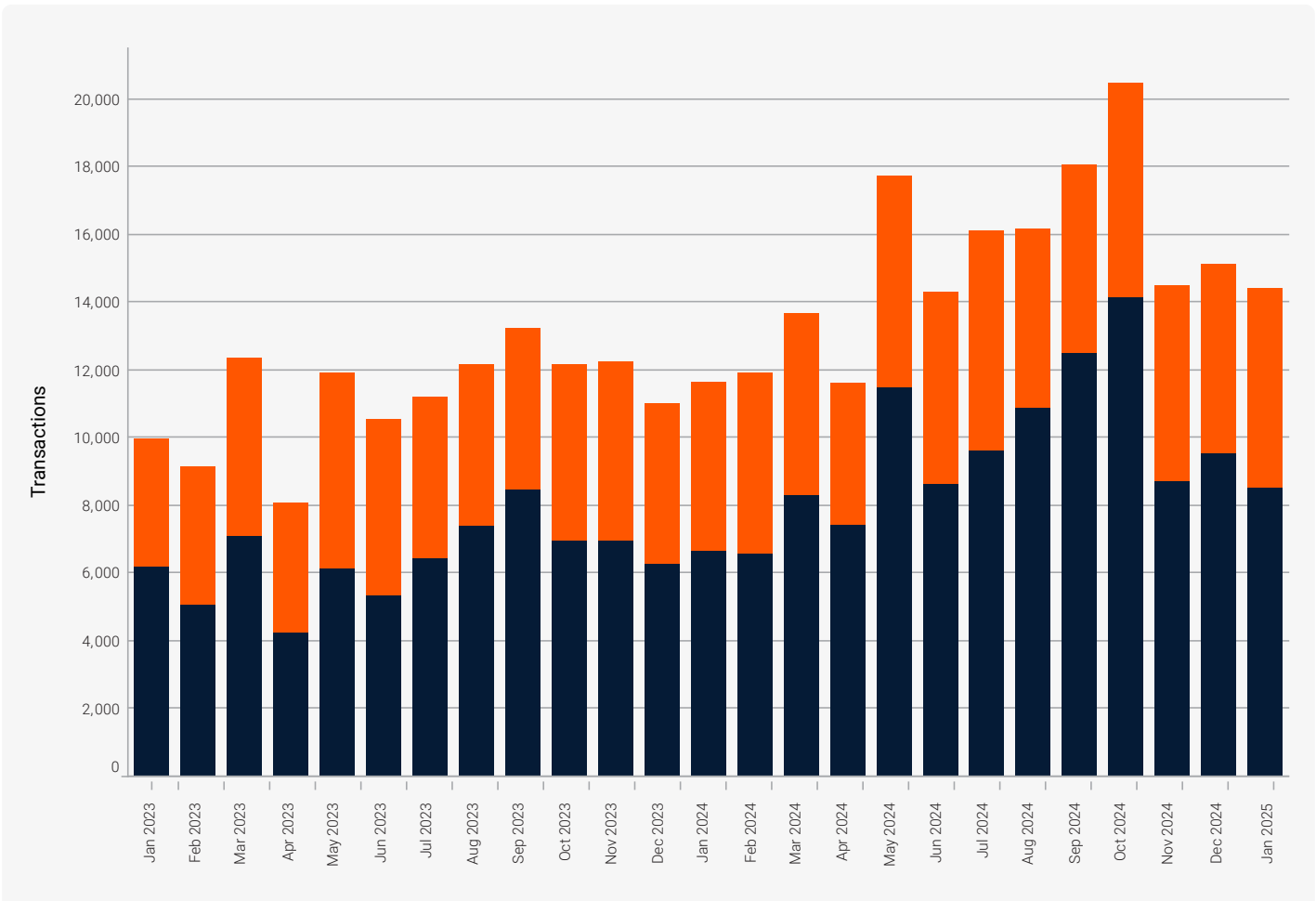
» DAMAC Properties ranked second in the off-plan market, accounting for 15.8% of all transactions. The Maldives development in DAMAC Islands led its sales performance with 284 transactions, followed by Violet 3 and Violet 4 in DAMAC Hills 2, which recorded 252 and 172 sales, respectively. DAMAC Sun City also contributed with 132 transactions.

» Danube Properties ranked third in the off-plan market, capturing a 5.3% share. The highest sales volume was recorded at Diamondz in JLT Embankment with 102 transactions, followed by Bayz 102 in Business Bay with 99 sales. Oasiz 2 and Oasiz 1 in Dubai Silicon Oasis recorded 69 and 63 transactions, respectively.



HISTORICAL TRANSACTIONS- SALES RECURRENCE

Sales Recurrence ■ Resale ■ Initial Sale



» The market share of initial developer sales declined by 1.7%, reaching 61.4% in comparison to resale transactions.

» The 12-month rolling average currently reflects 63.6% for initial sales and 36.4% for resales.

» After peaking at 51.8% in April 2021, the share of resale transactions has gradually declined, moving closer to the levels observed in 2019 and 2020, which stood at 33.2% and 33.8%, respectively.

» Dubai Land Residence Complex emerged as the leading master development for initial sales, accounting for 7.9% of all transactions, with a total of 653 sales recorded.

» Samana Ibiza recorded the highest number of registrations for the month, totaling 90.

» DAMAC Hills 2 secured the second position with 614 sales, representing a 7.5% market share.

» Coming in third was Expo City claiming 6.4% market share with a total of 509 sales.

» Jumeirah Village Circle led residential resale transactions, accounting for 8.3% of total activity across various projects.

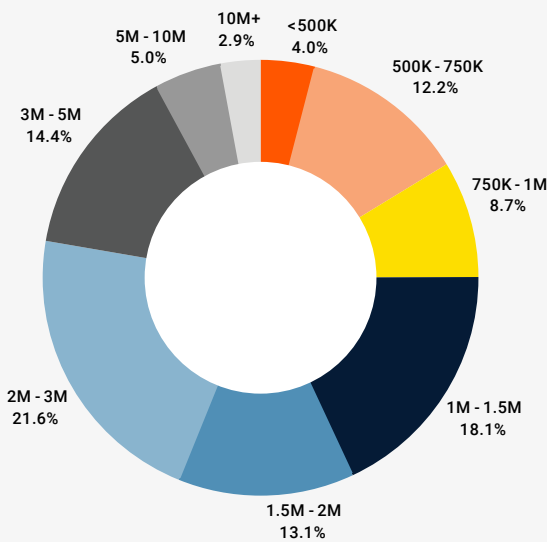
» Business Bay ranked second, holding a 6.2% market share, with Peninsula Three recording the highest number of transactions at 13.

» Dubai Marina secured the third position among master developments for resale transactions, accounting for 5.1% of the market.

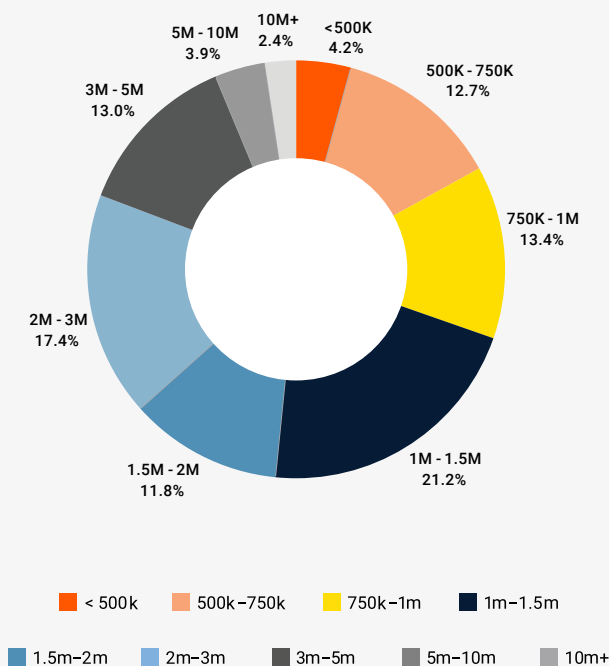


PRICE TIERS MONTHLY COMPARISON

PRICE TIERS (AED) – January 2025



PRICE TIERS (AED) – December 2024



PRICE TIERS (AED) MONTHLY COMPARISON

	December 2024	January 2025	MoM Change
<500k	4.2%	4.0%	-0.20%
500k-750k	12.7%	12.2%	-0.50%
750k-1m	13.4%	8.7%	-4.70%
1m-1.5m	21.2%	18.1%	-3.10%
1.5m-2m	11.8%	13.1%	1.30%
2m-3m	17.4%	21.6%	4.20%
3m-5m	13.0%	14.4%	1.40%
5m-10m	3.9%	5.0%	1.10%
10m+	2.4%	2.9%	0.50%

The AED 2M-3M price tier experienced the fastest growth in market share, rising by 4.2% in January to reach 21.6%. This marks the highest recorded market share for this price segment.

The growth of this price tier was driven by the successful launch of Upper-Mid townhouses at DAMAC Sun City (AED 1,222 per sq. ft.) and Mid-category apartments at Cilia and Serra in Ghar Woods (AED 1,780 and AED 1,699 per sq. ft., respectively).

The AED 750K-1M price tier saw the largest decline in market share, dropping by 4.7% to 8.7%.

- » When consolidated into three main groups, the mid-tier segment (AED 1M-3M) continued to hold the largest market share at 52.8%, reflecting a 2.4% increase.
- » Properties under AED 1M now make up 24.9% of the market, down 5.4%, while those over AED 3M have risen to 22.3%, up 3.0% month-on-month.





**For More Queries
Connect With Us.**

Dubai Head Office

1602 Ubra Office Tower,
Marasi Drive, Business Bay,
Dubai

info@oneinvestments.com

+971 (0) 4 568 1856