

## LUXHABITAT

Q2 DUBAI PRIME RESIDENTIAL  
MARKET REPORT

DUBAI, 19TH JULY 2016

Despite the global political turmoil caused by Brexit and other geo-political events, Dubai's Prime Residential Market remains stable in the second quarter of the year reflected by a modest 0.03% Growth. Dubai Marina remains top-performing prime community in Q2.



Dubai Marina

While the overall residential real estate market taking **a further slump by 13%** over the last quarter, the prime residential real estate market remained stable with **a slight increase in volume of 0.03%** according to data by REIDIN and analysis by Luxhabitat.

**Prime residential properties** are those properties that lie on the high end spectrum of the Dubai residential market. Luxhabitat recognises 10 key areas that form part of this classification; the areas are Arabian Ranches, Downtown Dubai, DIFC, Dubai Marina, Emirates Hills, Jumeirah, Jumeirah Beach Residence, Jumeirah Islands, Palm Jumeirah, The Lakes, Springs and Meadows, & Victory Heights.

Jason Hayes, Head of New Developments at Luxhabitat said, "I am delighted and not at all surprised to see prime market sales volume up by 0.3%. This figure may not be seen as staggering growth but it clearly demonstrates stability in Dubai's prime market. Q2 has seen some prime new developments released to the market and investor appetite has proven to be robust. Emaar's 52/42 in Dubai Marina has proven to an incredible success with over 90% + of the development sold out. The Dubai Hills Estate Development at Mohammad Bin Rashid City

has gone from strength to strength in Q2 with projects such as Fairways Vistas selling out. These successful launches clearly demonstrate the market demand for quality luxury off plan developments. Downtown projects continue to stall but I envisage an uplift in transactional activity Q3 and Q4 once Dubai's new world class opera house opens and people gain a better understand of the opera district and its cultural offerings."

**Dubai Marina** emerged as **the top performing area**, with over 356 transactions. Prices per square feet (AED/sqft) in the area has declined from the last quarter by 7%. Prices for the Dubai Marina peaked in 2014 and has steadily been declining since then.

Daniel Garofoli, Luxury Sales Specialist of Luxhabitat comments, "Apartment prices per square feet for properties in quality towers, with the best layouts and views is stable. The fall of the price per square feet of the overall market is caused by investment units, 1 beds with low floors and courtyard or no good view. These are selling for any price at the moment. However, buying in a supreme location always gets you the money back and the return on investment per year."

The second highest ranking area in terms of number of transactions is Downtown Dubai with 169 transactions. If you're looking to buy in Downtown, now may be the time with prices trading below 2013 levels at AED 2,142 per square feet.

In terms of the Palm Jumeirah, the area sales remain robust with an increase in price per square feet of 13% from AED 1,905/square feet in Q1 to AED 2,160 per square feet in Q2. The Palm also reported the highest volume of sales at AED 558 million. The villas on the Palm average at AED 2,709 per square foot, whereas the apartments are sold at AED 1,612 per square foot.

#### VILLA AND APARTMENT TRANSACTIONS SUMMARY

The number of prime apartments sold increased by 10%, while prime villa sales increased by 6%.

#### APARTMENTS SOLD IN PRIME RESIDENTIAL AREAS IN Q2 2016

Neighbourhood	Value transacted, AED
Dubai Marina	637,832,824
Palm Jumeirah	384,154,691
Downtown Dubai	383,274,703
Jumeirah Lake Towers	264,473,697
Business Bay	199,310,301
Jumeirah Beach Residence	148,222,690
The Old Town	39,800,000
Grand Total	2,057,068,906

Source: REIDIN/ Land Department, Luxhabitat Analysis, July 2016.

#### VILLAS SOLD IN PRIME RESIDENTIAL AREAS IN Q2 2016

Neighbourhood	Value transacted, AED
Arabian Ranches	322,733,350
The Springs and The Meadows	305,799,464
Emirates Hills	184,773,000
Palm Jumeirah	174,000,588
Jumeirah Park	165,324,100
Jumeirah Islands	85,213,500
The Lakes	46,614,999
Grand Total	1,284,459,001

Source: REIDIN/ Land Department, Luxhabitat Analysis, July 2016.

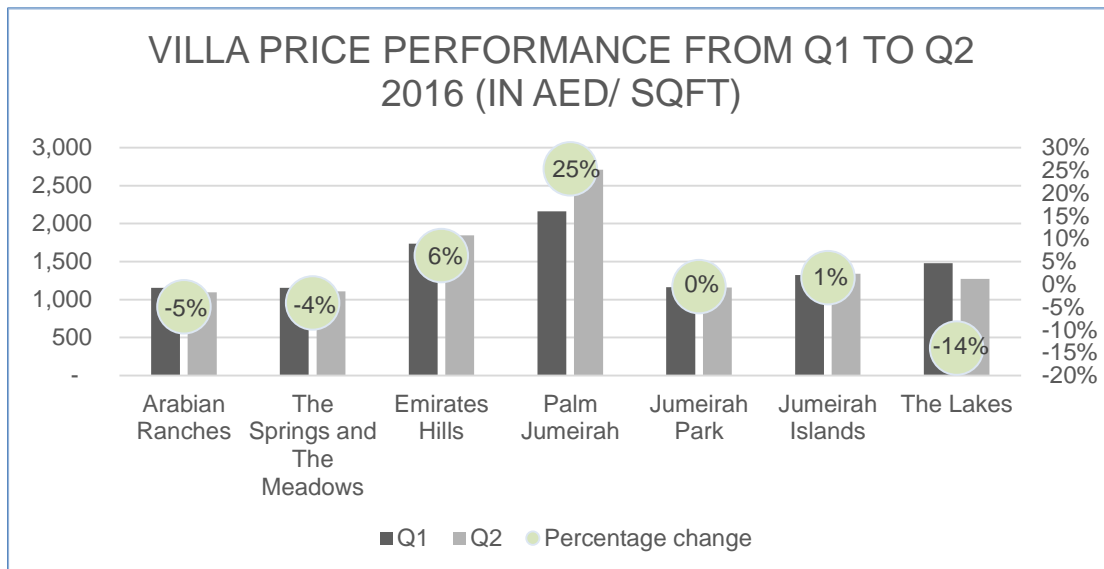
For the Emirates Living areas that encompasses The Springs and the Meadows, The Lakes and Emirates Hills, Luxury Sales Specialist Sally Ann Ghai says that the prices for these properties have bottomed out.

“More confident buyers have already spotted the bargains and made their purchases. While less experienced end users - who are simply buying a home to live in - do behave more cautiously. Recently, people seem to be more convinced that the next few months will be their optimum time to buy, and Q2 market reports appear to support this sentiment.

Not all sellers are prepared to enter the market while prices are low, and as transactions increase, the supply of well priced property in the area will surely reduce. While favourable exchange rates continue to support sellers relocating to Europe, and may help to protract the bottom of the market, I do foresee a fairly solid performance in Emirates Living to the end of the year, and successful buyers should soon feel validated that they made their decision to buy at the right time.

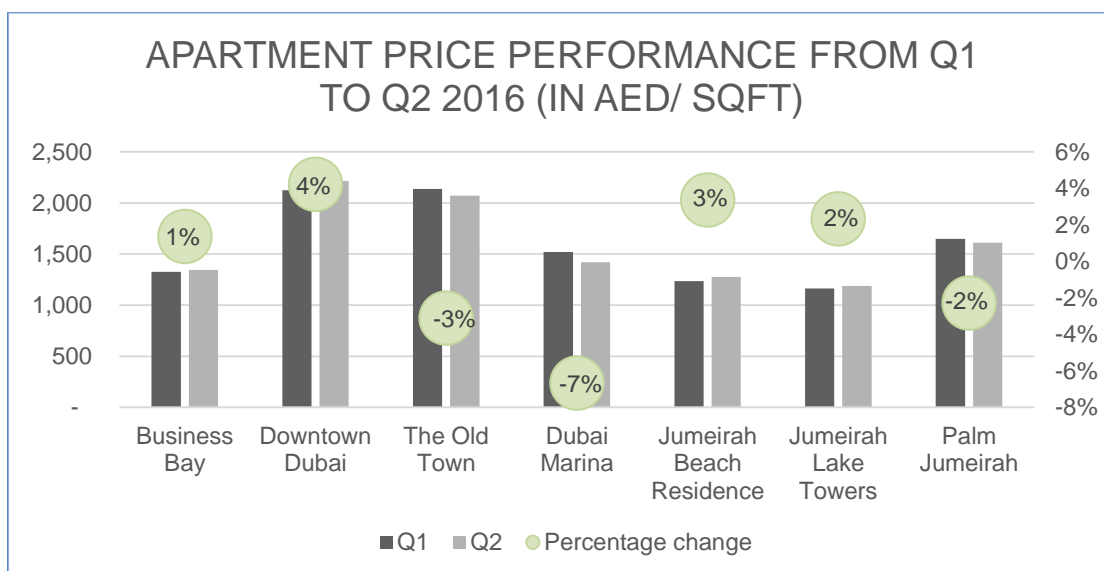
Over the last two years we have seen a high amount of 'window shopping', with buyers delaying to pull the trigger on a purchase, due to uncertainty over the potential for even cheaper buys if they hang on long enough. However, that would strongly suggest that there is an awful lot of pent-up demand which is now, gradually, converting into market activity.” Says Ghai.

PRICE TREND OF PRIME VILLA COMMUNITIES FROM Q1 to Q2



Source: REIDIN/ Land Department, Luxhabitat Analysis, July 2015

### PRICE TREND OF PRIME APARTMENT COMMUNITIES FROM Q1 to Q2



To access the infographic on Dubai's Prime Residential Market, please click [here](#).

#### About LUXHABITAT

LUXHABITAT is Dubai's only high-end real estate company focused on marketing, selling and designing the most important real estate properties in the region. The company is focused on properties above AED5M and in 2014 had an average property transaction of AED14M. The company is focused in sourcing the best quality properties in premium residential areas such as Emirates Hills, Palm Jumeirah, Al Barari, Jumeirah Islands, Jumeirah Golf Estates, Meadows, Lakes and Arabian Ranches; and also, the best apartments and penthouses in upscale buildings such as Le Reve, Index Tower, Six Towers, Burj Khalifa, The Address Hotels, among others. For more information, visit its award-winning website at [www.luxhabitat.ae](http://www.luxhabitat.ae)

[WWW.LUXHABITAT.AE](http://WWW.LUXHABITAT.AE)

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