

## PRESS RELEASE

### *Bayut & dubizzle's Annual Market Report for Dubai Properties for Sale and Rentals in 2021:*

## Property Prices Record Unprecedented Boom

**Dubai, UAE - 17 January 2022:** Dubai's real estate sector has recorded phenomenal growth 2021, with an impressive boom in rental and sales prices across prominent neighbourhoods according to Bayut & dubizzle's Dubai Property Market Report for 2021. Based on the search trends observed on the two property advertising powerhouses of the region, 2021 has proved to be an exceptional year for real estate, with their combined inventory increasing by almost 75% and prices reaching unprecedented highs.

- Bayut & dubizzle's combined data reveals that **properties for sale in Dubai's popular areas have recorded price increases of up to 35%** in 2021.
- In the affordable segment, the most searched for areas by prospective buyers have been **DAMAC Hills 2 and Jumeirah Village Circle** for villas and apartments respectively. High-Net-Worth investors, on the other hand, have preferred integrated communities like **Dubai Marina and Downtown Dubai** for apartments and **Arabian Ranches and Dubai Hills Estate** for villas during 2021.
- The most popular areas of JVC, Al Nahda, Bur Dubai, Dubai Silicon Oasis and Deira have experienced **declines between 1-12% in the average rental cost of affordable apartments** as per Bayut & dubizzle data, with the exception of smaller units in Al Nahda. On the other hand, luxury flats in sought after areas have seen substantial increases in rental costs by up to 26%. The **budget villas in Dubai's popular areas have conversely become more expensive by up to 21%** in 2021, while the **rental rates for luxury houses in highly searched-for areas have observed massive growth of up to 41%**.
- Tenants in search of affordable properties have mainly focussed on the apartments in **Jumeirah Village Circle (JVC)** and **Al Nahda** and the villas in **Mirdif** and **DAMAC Hills 2**. High-income tenants have mostly searched for units in long-time favourites **Dubai Marina** and **Downtown Dubai** for upscale flats, while **Jumeirah** and **Al Barsha** have remained the top choices for expensive villas.
- As per the Dubai Land Department, **19,996 residential transactions worth AED 32.9 billion have taken place during 2021**. This could be attributed to new investors entering the market for attractive property options, following the Expo 2020 led boost to the economy and the burgeoning demand for bigger homes by the residents.
- DLD has also confirmed that a total of 602,714 Ejari contracts were registered in 2021, of which 315,222 were new contracts.

As prices in most popular areas of Dubai appreciate, it is important to acknowledge the emirate's flexible legislations, strategic economic initiatives and effective response to and management of the pandemic that have made it a safe haven for investors.

According to the DLD, there has been a 100% increase in the investment value this year as compared to the figures recorded in 2020. The numbers show that 52,415 investors entered the real estate market in 2021 and contributed to the 72,207 new investments in the sector.

Additionally, 35 real estate projects valued over AED 11B were also completed in 2021, with 319 projects in progress, to meet the rising demand for real estate in Dubai.

## Properties for Sale

### Apartments:

In the luxury segment, apartments for sale in **Dubai Marina** have remained popular with prospective investors and homebuyers.

- The long-standing favourite Dubai Marina, has seen the average **sales price-per-square-foot for luxury apartments appreciate by 11%** to average at AED 1,298 in 2021. The appeal of the waterfront district continues to remain steady especially in the wake of the new Dubai Harbour development nearing completion.
- Bayut & dubizzle's market analyses have also shown that homebuyers are searching for properties in popular upscale neighbourhoods like **Downtown Dubai, Palm Jumeirah and Jumeirah Beach Residence**, where the average **price-per-square-foot for apartments rose by a margin of 13% to 27%**. The suburban **Dubai Hills Estate** has also recorded a **price increase of over 9%** for luxury apartments in Dubai.

**Sale prices for affordable apartments** in Dubai have seen an overall upward trajectory in 2021.

- Sales prices for flats in **Jumeirah Village Circle** have remained stable, with the **sales price-per-square-foot** in 2021 standing relatively unchanged at AED 834.
- **Business Bay, Jumeirah Lake Towers, Dubai Silicon Oasis and Dubai Sports City** have also appealed to buyers in search of reasonably priced flats. These sought-after districts have recorded **increases in the average sales price-per-square-foot of 1% to 11%**.

### Villas:

In 2021, **Arabian Ranches** remained a firm favourite for prospective buyers in search of upscale villas.

- The average sale **price-per-square-foot of villa properties in Arabian Ranches has averaged at AED 1,133 in 2021**, following an almost 24% increase from the prices observed in 2020. The rise in demand for private villas and the limited inventory available has resulted in this rise in price for the well-established gated community.
- **Villas in Dubai Hills Estate** have also appealed to investors and buyers, where the average price-per-square-foot recorded a 21% increase to average at AED 1,257.
- Other residential developments have attracted investor interest for expensive villas in Dubai include **Palm Jumeirah, The Villa and Arabian Ranches 2**, where **sale prices increased between 14% and 35%**. The most significant increase has been observed for Palm Jumeirah, where the average price-per-square-foot now stands at AED 2,881.

According to the trends observed on Bayut & dubizzle, **sale prices in the affordable villa communities have increased** across the board in 2021.

- **DAMAC Hills 2 (Akoya Oxygen) has reported an uptick of over 3% in the price-per-square-foot for sale of villas**, averaging at AED 586 in 2021.
- The **price-per-square-foot for villas** in popular suburbs like **Dubailand and Jumeirah Village Circle have also appreciated by 11% to 13%**.
- Integrated family-friendly developments such as The Springs and DAMAC Hills have also garnered interest in 2021 for budget villa sales. **Both communities have experienced sales price upticks between 11% and 25%**, with the highest increase recorded for properties in The Springs, where the price-per-square-foot now averages at AED 1,073.

### Rental Yields in Dubai

- For affordable apartments in the most-searched for areas in Dubai, **Dubai Sport City has generated the most healthy return-on-investment of 7.18%**.
- **Dubai Marina with a projected ROI of 5.64% has continued to offer healthy rental yields** in 2021 on buy-to-let apartments in the luxury segment.
- Budget villas in **Jumeirah Village Circle have generated good rental yields averaging at 5.9%** in 2021.
- **The luxury homes in Arabian Ranches 2 with a projected ROI of 5.28%** have also appealed to property seekers looking for healthy returns on their investments.

### Off-plan Projects in Dubai

- In the affordable segment, **Binghatti Mirage** in Jumeirah Village Circle has been the most searched-for project for off-plan apartments, while buyers interested in reasonably-priced off-plan villas have preferred **Rukan** in Dubailand.
- Based on the combined data released by Bayut & dubizzle, **Sobha Hartland** in Mohammed Bin Rashid city has been the most-searched for option for luxury off-plan apartments, whereas **District One has been the most searched for option when it comes to upscale off-plan villas**.

### Properties for Rent

#### Apartments:

**Tenants looking for affordable properties have continued to mainly search for reasonably-priced apartments in Jumeirah Village Circle (JVC) in 2021.**

- The **asking rents for flats in JVC have remained largely stable**. The average rents for studio flats and 1-bed units have remained unchanged at AED 28k and AED 43k respectively. Rental costs for 2-bed apartments in JVC have decreased by 1% to average at AED 63k.
- Other areas that appealed to tenants in search of budget flats include **Al Nahda, Bur Dubai, Dubai Silicon Oasis and Deira**. The **average rents in these areas have decreased** across the board, recording declines of 3% to 21%. The highest price fall has been recorded for studio flats in Al Nahda that are now priced at AED 21k.

Based on Bayut & dubizzle's combined analysis, **Dubai Marina has retained its popularity for luxury apartment rentals in 2021.**

- **The average rents in Dubai Marina have recorded upticks of 1% to 7% in 2021.** The rental costs for 1-bed flats have averaged AED 64k in 2021. The 2 and 3-bedroom apartments for rent are now priced at AED 98k and AED 146k on average, respectively.
- **Downtown Dubai has also recorded an appreciation in average prices by up to 26%.** The highest increase was recorded for 3-bed apartments following the handover of luxury properties in upscale projects like The Address The BLVD and Vida Residence Downtown.
- Based on the trends observed on Bayut & dubizzle, **tenants have continued to prefer luxury waterfront apartments** in 2021. Property prices in **Palm Jumeirah** and **Jumeirah Beach Residence (JBR)** have seen upticks between 10% and 24% in 2021, with the most prominent increments visible in 2 and 3-bed units in JBR. City Walk on the other hand, recorded declines of up to 11% in average rents.

### Villas:

When it comes to affordable villa rentals in Dubai, **Mirdif has continued to be most sought-after by prospective tenants** during 2021.

- The average rents for villas in **Mirdif have seen moderate declines of up to 5%.** Rental cost for 3-bed houses has decreased by 5% to stand at AED 84k. The 4-bed villas have averaged at AED 107k and the 5-bed villas have been let for 115k per annum.
- **Prospective tenants looking for reasonably-priced villas have also focussed on suburban districts** such as **DAMAC Hills 2 (Akoya Oxygen), Dubai South, Jumeirah Village Circle** and **The Springs**, where rents have experienced upward price shifts of 1% to 21%. The 5-bed houses in DAMAC Hills 2 have recorded the most significant uptick in prices, increasing from AED 77k to AED 93k in 2021.

In 2021, **luxury villa communities have seen a general uptrend in rental costs**, based on the Bayut & dubizzle's combined market report.

- **Jumeirah has remained a firm favourite for luxury villa rental** in 2021. The **average rental costs for villas in Jumeirah have experienced upticks of up to 26%**, with average rents now standing at AED 178k for 4-bed and AED 235k for 5-bed villas. The average rent for 6-bed villas increased by almost 26% to average at AED 370k per annum.
- **The independent, upscale villas in Al Barsha and Umm Suqeim** have also seen rental prices appreciate in 2021 by 2% to 39%, consistent with the price shifts fueled by increasing demand for bigger homes. The 6-bed rental villas in Al Barsha recorded the highest uptick in rental costs, subsequent to the handover of new units in the Bayti sub-community.
- High-income tenants have also considered upscale gated communities like **Dubai Hills Estate and Arabian Ranches**, where the **average rents for homes have gone up by 9% to 41%**, with the influx of newly handed over inventory. The highest price increases have been recorded for 4 and 5-bed villas in Arabian Ranches.

Commenting on the trends, **Haider Ali Khan, the CEO of Bayut & dubizzle and the Head of EMPG MENA** said: "It has been an interesting year for the economy of the country, and the contribution of the real estate sector towards this growth is stronger than ever. There have been some record-breaking sales and rental transactions in the emirate last year and our own inventory

has increased substantially to meet the rising demand. If we look at data from DLD, the city's real estate sector also attracted over 38,000 foreign investors from outside the GCC region in the last year alone, which is indicative of the growing demand for investment in Dubai from international investors. Thanks to the many initiatives launched by the government to safeguard the public and create a viable environment for investment, we can expect the demand to stay steady for Dubai real estate in the coming months too."

## ENDS

**Note to Editor:** For an accurate representation of price changes, this report compares the average price-per-square-foot in an area to analyse sales trends for villas and apartments in Q3 2021 to those observed in Q2 2021. These prices are however subject to change, based on the building, amenities, developer and other deciding factors. For the rental properties, the report compares the average cost for individual unit types between the two periods, in popular Dubai neighbourhoods.

**Disclaimer:** The above report is based on prices advertised by real estate agencies on behalf of their clients on Bayut.com and dubizzle.com, and not representative of actual real estate transactions conducted in Dubai except for instances where the DLD has been quoted.

### **About Bayut**

[Bayut](#) is the UAE's most trusted property website for buying, selling and renting homes. Bayut provides detailed insights, extensive content resources and updated statistics allowing end-users to make the best decision when searching for properties in the UAE.

Since Bayut was established in 2008, the company has seen accelerated growth, increasing not only the number of real estate partners it works with, but also obtaining substantial traffic growth over the past few years. Haider Ali Khan joined Bayut in 2014 as the CEO and the company has continued to showcase very high growth over the past five years including closing multiple rounds of funding from top Venture Capital firms such as Naspers, KCK, Exor, and other notable names. To further expand their reach in this region, Bayut also launched [Bayut.sa](#) in 2019, with its headquarters in Riyadh.

Bayut is a part of the Emerging Markets Property Group (EMPG) which also operates the largest property classified sites in Pakistan, Bangladesh and Morocco. In April 2020, the group merged with the Netherlands-based OLX group in certain key markets, and was valued at \$1 Billion, giving it the coveted unicorn status. The group now also owns and operates [dubizzle](#) in the UAE, [OLX Pakistan](#), [OLX Egypt](#) and [OLX Lebanon](#), in addition to several other OLX platforms in the broader Middle East region including Bahrain, Oman, Kuwait and Qatar.

### **About dubizzle:**

dubizzle is the leading classifieds platform for users in the United Arab Emirates. Since its launch in 2005, dubizzle has become the number one platform for users to buy, sell, or find anything in their community. A community where underused goods are redistributed to fill a new need, and become wanted again, where non-product assets such as space, skills, and money are exchanged and traded in new ways that don't always require centralized institutions or 'middlemen'.

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