



**DUBAI REAL ESTATE REPORT**  
**2023**

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**DUBAI REAL ESTATE  
REPORT 2023**

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**DESIGN**

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# EDITORIAL

Dear reader,

Springfield Properties' Market Insights Report for Q4 2023, led by CEO Farooq Syed, provides an overview of Dubai's residential real estate market, showcasing its robust growth and potential. This report, vital for investors and market analysts, highlights key trends and developments shaping the sector's future.

The report reveals significant year-over-year growth in property transactions, signalling strong market confidence. The rise in secondary market transactions indicates market vitality and a maturing landscape where investor confidence is steadily growing. This aspect is crucial for stakeholders looking to understand market dynamics and investment security.

The increase in rental prices reflects a healthy demand, which is key for investors focusing on rental yields. Furthermore, the growth in average sales prices mirrors the market's overall confidence and stability.

In terms of global competitiveness, Dubai's real estate market stands out for offering more value per square foot compared to other major global cities. This positions Dubai as a strategic investment location, particularly for high-net-worth individuals and international investors seeking value and luxury.

The report anticipates a sustained demand for luxury and waterfront properties. This projection is crucial for developers and investors planning future projects or portfolio diversification. Understanding these trends is essential for strategic decision-making in a market known for its rapid evolution and growth potential.

In conclusion, the 2023 Market Insights Report by Springfield Properties serves as a key resource for understanding Dubai's real estate market. Its analysis of transaction volumes, market trends, and future projections provides essential insights for informed decision-making in one of the world's most dynamic real estate environments.

We hope you enjoy reading it.

Masroor Syed  
Chairman

Farooq Syed  
CEO

Osman Syed  
Managing Director

Abdullah Syed  
Executive Director



# CEO REVIEW

## Navigating the 2023 Landscape of Dubai's Residential Market



### Message from Farooq Syed, CEO of Springfield Properties

We are excited to unveil Springfield Properties' inaugural Market Insights report for Q4 2023. As one of Dubai's foremost real estate brokerages, our deep understanding of the market informs this comprehensive analysis. This report reflects our commitment to providing insights into Dubai's vibrant real estate sector.

In this report, we have focused on the residential sector, offering detailed analysis of trends. This allows us to deliver targeted insights, crucial for informed decision-making in the dynamic Dubai property market.

Our aim is to offer a valuable resource for local and international investors, real estate professionals, and those interested in the nuances of Dubai's property landscape. By focusing on specific aspects of the residential market, we provide clarity and depth, helping to navigate the complexities of real estate investment and ownership in Dubai.

Springfield Properties prides itself on being at the forefront of the real estate industry by shaping the market through expertise and insight. This report is a testament to our dedication to excellence and leadership in Dubai's real estate sector and will serve as a key reference for your real estate endeavors.

## Market Overview: Observations from the report

### Key Positive Findings from the Dubai Residential Market Overview Q4 2023

- **Market Vitality:** The Dubai residential market remained highly active, with significant year-over-year growth in property transactions.
- **Affordability in Global Context:** Dubai offers greater square footage for the investment compared to other global cities, presenting exceptional value.
- **Secondary Market Strength:** A notable increase in secondary market transactions indicates healthy market dynamics.
- **Accessibility for Buyers:** Compared to other cities, Dubai provides a more attainable path to homeownership, with fewer years of work required to buy centrally located apartments.
- **Rental Market Resilience:** The apartment sector demonstrated robust growth in rental prices.
- **Investment Efficiency:** The rental income to property value ratio in Dubai is competitive, suggesting favorable investment returns.
- **Property Value Growth:** The average sales price of properties increased year-over-year, reflecting strong market confidence.
- **Bubble Index Position:** Dubai is ranked as a fair-valued market in the UBS Global Real Estate Bubble Index, indicating a stable investment environment without overvaluation concerns.



# DUBAI RESIDENTIAL MARKET OVERVIEW

## Total Transactions and Volumes

TOTAL VALUE

AED **314** Billion▲ **41.4% increase**  
when compared to 2022

TOTAL VOLUME

**119,000**▲ **29.3% increase**  
when compared to 2022

The year has seen a steady upsurge in the real estate market, with total sales transactions increasing by 41.4% in value and 29.3% in volume compared to 2022. These trends underscore the robustness and appeal of Dubai's property market to a diverse array of investors and buyers.

The balance between off-plan and secondary market sales during this period reflects a diverse and mature real estate landscape. This balance is indicative of investor confidence and market stability, showcasing a dynamic property sector.

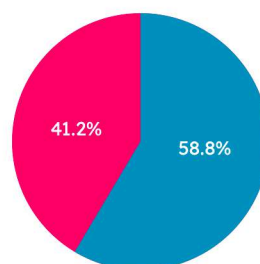
Looking ahead to 2024, the prospects remain bright. The demand for various segments, including luxury and waterfront properties, continues to be strong. This ongoing interest reflects the enduring appeal and resilience of the real estate sector in Dubai.

In conclusion, 2023 has laid a solid groundwork for the future, paving the way for sustained growth and opportunities in one of the world's most dynamic real estate markets.

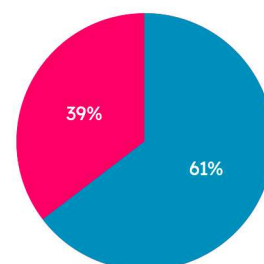
## OFF-PLAN VS SECONDARY

	Volume	Value (AED)
Off-Plan	70,000	AED 202 Bn
Secondary	49,000	AED 111 Bn

VOLUME



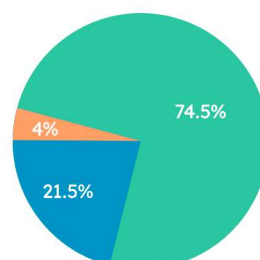
VALUE



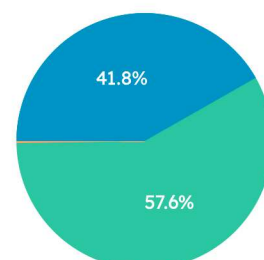
## PROPERTY TYPE BREAKDOWN

	Volume	Value (AED)
Apartment	88,745	AED 175 Bn
Villa/Townhouse	25,322	AED 127 Bn
Other	5,304	AED 1.61 Bn

VOLUME



VALUE



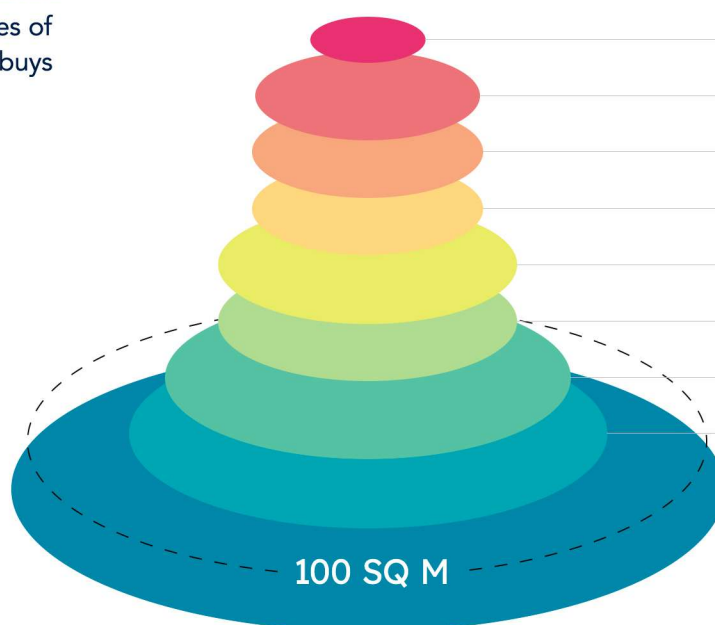


# URBAN REAL ESTATE DYNAMICS

## A 2023 Comparative Analysis of Dubai and Major Global Cities

### RELATIVE VALUES

How many square metres of prime property US\$1m buys in selected cities



Dubai's real estate market has continued its upward trend for the 11th consecutive quarter in Q3 2023. The city's real estate prices are deemed notably affordable when compared to other major global cities, coupled with an anticipated undersupply in the coming years.

Dubai's property prices are better value in comparison to leading global counterparts, which present a lucrative opportunity for investors and end-users. In a comprehensive comparison, it is revealed that \$1 million can secure 105 sqm of prime property in Dubai, making it significantly more spacious than similar investments in Hong Kong, New York, Singapore, London, Paris, Tokyo, Sydney, and other major European and American cities.

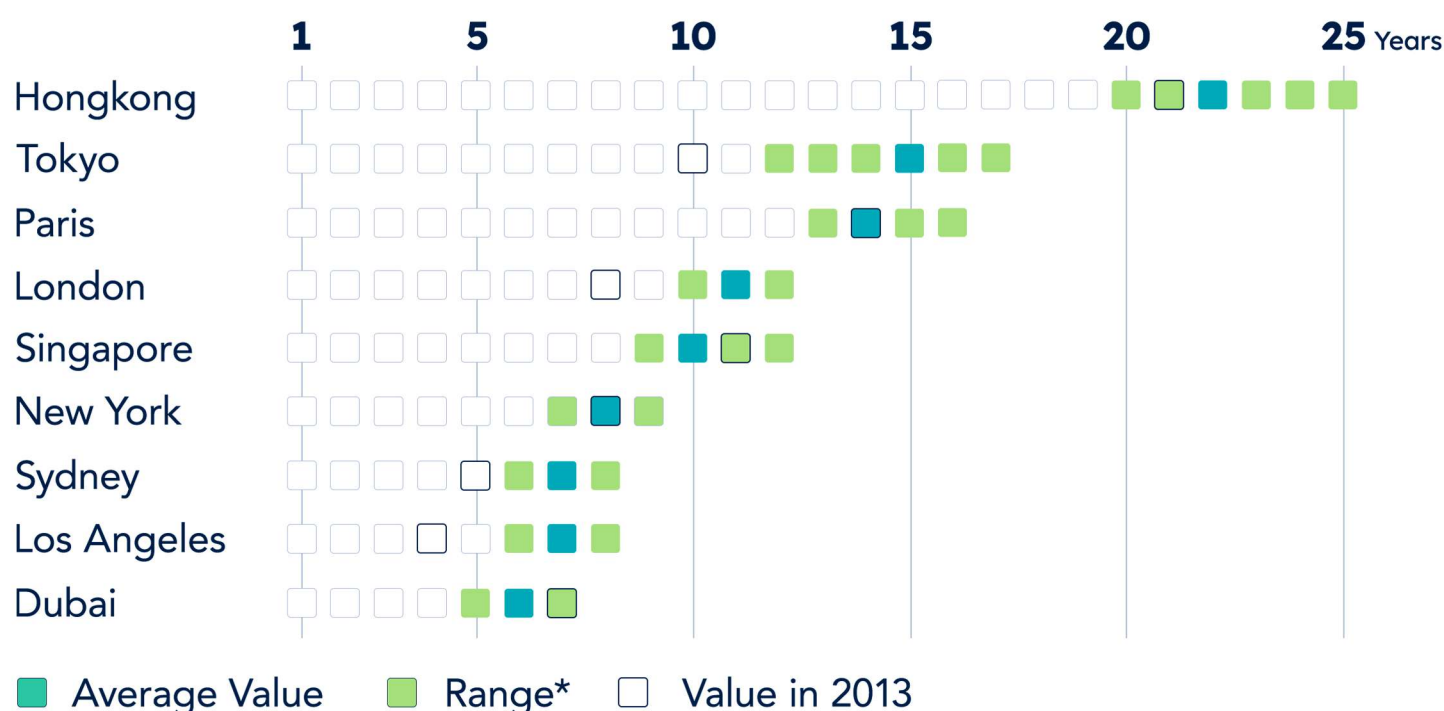
Contrary to the considerable size of prime properties attainable in Dubai, the same investment in Monaco fetches only 17 sqm, New York offers 33 sqm, Singapore and London provide 34 sqm, Sydney and Shanghai afford 44 sqm, Tokyo offers 60 sqm, and Berlin presents 70 sqm. This striking difference of more than 50 per cent positions Dubai as an attractive destination for high-net-worth individuals, investors, and end-users seeking value in the global real estate market.

The real estate growth, coupled with Dubai's competitive property prices and anticipated undersupply, will draw a significant influx of discerning investors and end-users, further solidifying the city's position as a compelling hub for real estate investment on the global stage.

# URBAN REAL ESTATE DYNAMICS

## A 2023 Comparative Analysis of Dubai and Major Global Cities

The number of years a skilled service worker needs to work to be able to buy a 60m<sup>2</sup> (650 sqft) flat near the city center



In Dubai, a skilled service worker would need to work around 6 years to be able to purchase a 60m<sup>2</sup> apartment near the city centre, a figure that is significantly lower than many other cities. This timeframe reflects a robust real estate market in Dubai, where the path to property ownership is markedly more accessible for the working population. Such a statistic underscores the efficiency and appeal of Dubai's property market, positioning it as a favourable choice for investors and residents seeking reasonable investment horizons and sustainable market conditions.



# URBAN REAL ESTATE DYNAMICS

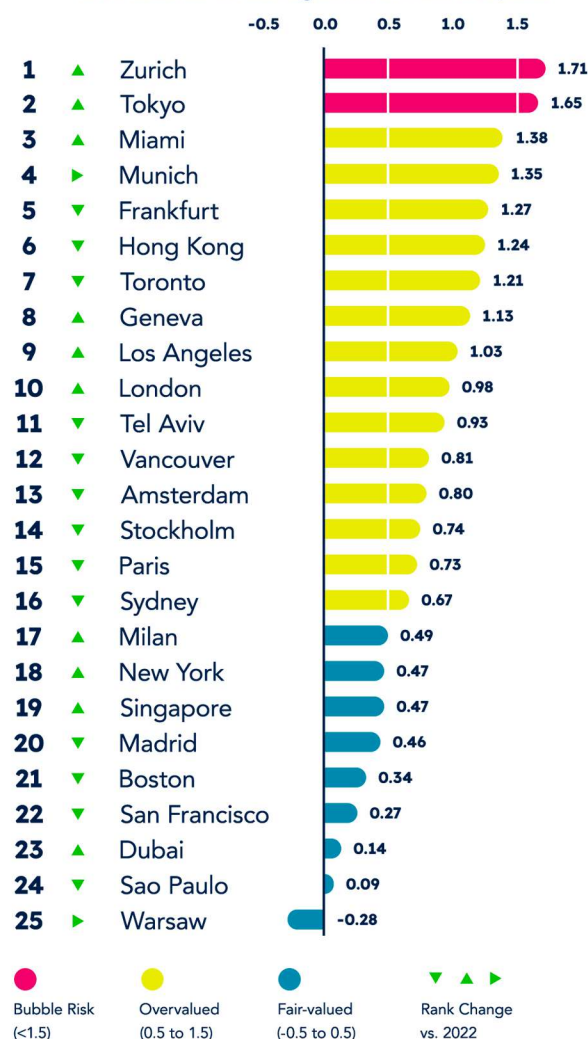
## A 2023 Comparative Analysis of Dubai and Major Global Cities

Dubai is positioned as a fair-valued market in the UBS Global Real Estate Bubble Index, with a score of 0.14. This places it well below the bubble risk threshold and indicates a stable real estate environment compared to other major cities. The index suggests that Dubai's property market is reasonably priced, and with its score, it is not subject to the same overvaluation concerns as cities with higher index scores. Moreover, Dubai's ranking shows a positive change from the previous year, reflecting a trend towards more favorable valuations and potentially increased investor confidence.



### UBS Global Real Estate Bubble Index

Index scores for the housing market of select cities, 2023

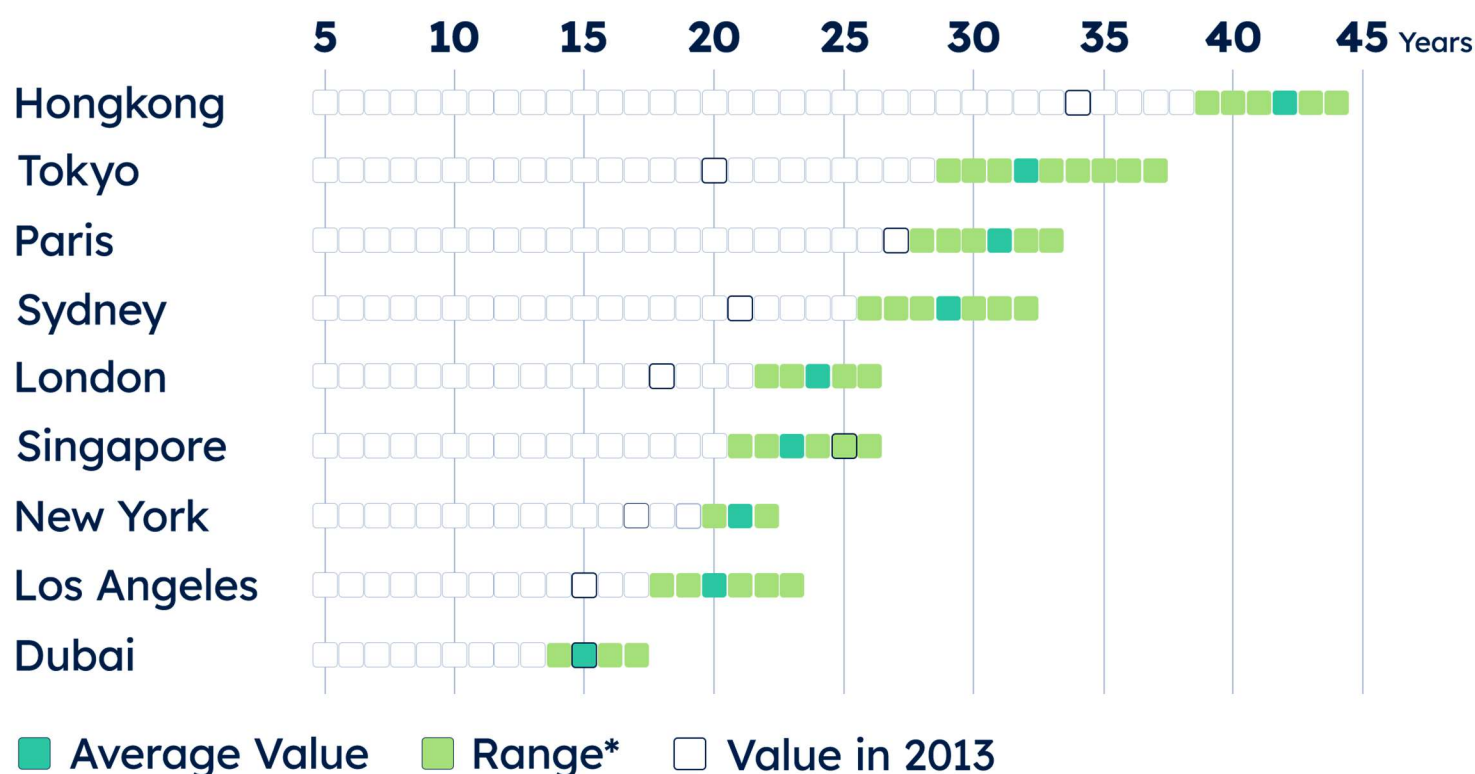




# URBAN REAL ESTATE DYNAMICS

## A 2023 Comparative Analysis of Dubai and Major Global Cities

The number of years a property of the same size needs to be rented out to pay for the flat



Dubai's real estate market exhibits an efficient ratio of rental income to property value. For a property in Dubai, it would take approximately 12 years of rental income to cover its purchase price, presenting a more favourable scenario for property investors when compared to many other major cities. This reflects a relatively balanced market, where the time required for an investment to generate returns through renting is moderate, and in comparison, with the values from 2013, the market dynamics appear stable. This efficiency in the rental market enhances Dubai's attractiveness as a location for real estate investment and residential consideration.



# 2023'S HOTSPOTS

## Key Areas of Off-Plan Property Launches in Dubai

### Dubai's 2023 Villa Master Communities

The luxury property market in Dubai appears poised for robust growth, bolstered by a consistent track record of double-digit growth. This thriving sector has consistently outperformed the broader real estate market in the emirate, cementing Dubai's reputation as a hub for luxury real estate.

#### **Palm Jebel Ali** ([Click here for more](#))

Palm Jebel Ali in Dubai is poised to transform waterfront living with its emphasis on smart city technology and sustainable design. This development will include over 80 hotels and resorts, a variety of retail and dining venues, and abundant green spaces. Key features are the Coral and Beach Villas on four island fronds, meeting the high demand for luxury properties. The first properties are set for handover in 2027, aligning with Dubai's luxury living growth.

#### **The Oasis by Emaar** ([Click here for more](#))

Emaar's The Oasis, valued at \$20 billion, is a prestigious waterfront development on Dubai's periphery. It offers 7,000 residential units, including mansions and villas, with views of canals, lakes, and parklands. Spanning 1.5 million square feet, the project includes a vast retail space and diverse dining options.

#### **District One West** ([Click here for more](#))

District One West by Meydan Group is ushering in a new era of luxury in Dubai, featuring an exclusive collection of 4-7 bedroom Garden Villas, Mansions, and Island Mansions. Set in a prestigious island setting, these contemporary-designed villas offer unmatched comfort, security, and luxury amenities, including a school and kindergarten, for a comprehensive upscale living experience in Dubai's heart.

#### **The Acres by Meraas** ([Click here for more](#))

The Acres by Meraas is characterized by its contemporary architecture and green spaces. It's a community that combines urban living with nature, making it ideal for those who seek a balanced lifestyle.

#### **Haven by Al Dar** ([Click here for more](#))

Haven by Al Dar, introduced by Abu Dhabi's renowned Aldar Properties, has made a significant impact on Dubai's residential market, with the first two phases selling out and generating over Dh3.1 billion. Comprising 786 villas and townhouses, it's attracted 77% overseas and expatriate buyers, underscoring Dubai's global property appeal. The final phase launching in early 2024 will add more diverse properties, marking this development as part of a strategic Aldar-Dubai Holding venture, the first of three new communities in Dubai.

#### **The Valley by Emaar** ([Click here for more](#))

Known for its family-friendly atmosphere, The Valley by Emaar offers villas with various layouts, surrounded by community parks and recreational facilities, making it a popular choice for families.

#### **Damac Lagoons** ([Click here for more](#))

Damac Lagoons, with its Mediterranean-inspired architecture, offers a unique lifestyle experience. The villas are designed to provide a resort-like feel, ideal for those seeking a tranquil yet luxurious living environment.



# 2023'S HOTSPOTS

## Key Apartment Community Launches in Dubai in 2023

### **Sobha Hartland 2** [\(Click here for more\)](#)

A continuation of the prestigious Sobha Hartland development, this community offers luxury apartments set amidst lush landscapes, providing a blend of natural beauty and modern living.

### **Dubai Maritime City** [\(Click here for more\)](#)

A unique development catering to maritime enthusiasts, Dubai Maritime City's new apartment offerings provide stunning sea views and modern amenities, set in an innovative and strategically located maritime hub.

### **Dubai Hills by Emaar** [\(Click here for more\)](#)

Part of the larger Dubai Hills Estate, this development features stylish apartments overlooking lush landscapes and golf courses, offering a serene and upscale living experience.

### **Rashid Yachts & Marina by Emaar** [\(Click here for more\)](#)

A luxurious development by Emaar, Rashid Yachts & Marina offers upscale apartments with views of the marina and access to world-class yachting facilities, embodying waterfront elegance.

### **Business Bay** [\(Click here for more\)](#)

A vibrant and dynamic district, Business Bay has introduced new apartment complexes that epitomize urban living, offering contemporary designs and amenities in the heart of Dubai's business hub.

### **Palm Jumeirah** [\(Click here for more\)](#)

Expanding on its iconic status, Palm Jumeirah has launched new apartment developments that combine beachfront luxury with exceptional amenities, offering residents a unique island living experience.

### **JVC (Jumeirah Village Circle)** [\(Click here for more\)](#)

Known for its family-friendly environment, JVC has added new apartment complexes that offer comfortable living with access to parks, schools, and shopping centers, ideal for family living.

### **Arjan** [\(Click here for more\)](#)

A rising community in Dubai, Arjan has introduced new apartment projects that focus on affordable luxury, offering a mix of modern living spaces and community amenities.

## DUBAI'S COMMERCIAL REAL ESTATE FACES SUPPLY-DEMAND GAP AMIDST SOARING DEMAND AND LIMITED AVAILABILITY

Dubai's commercial real estate sector grapples with a significant supply-demand gap, with demand surging by 30% this year, according to Arabian Business. Prime areas witness rental spikes of up to 300%, driven by sustained economic growth and increased business interest in the city. Challenges include prolonged construction timelines and regulatory delays. To address the gap, strategies include streamlined construction processes, collaboration with authorities, and offering flexible office solutions. Meanwhile, rising prices in prime real estate pose hurdles for new projects, prompting developers to explore alternatives in suburbs for cost efficiency and untapped potential.

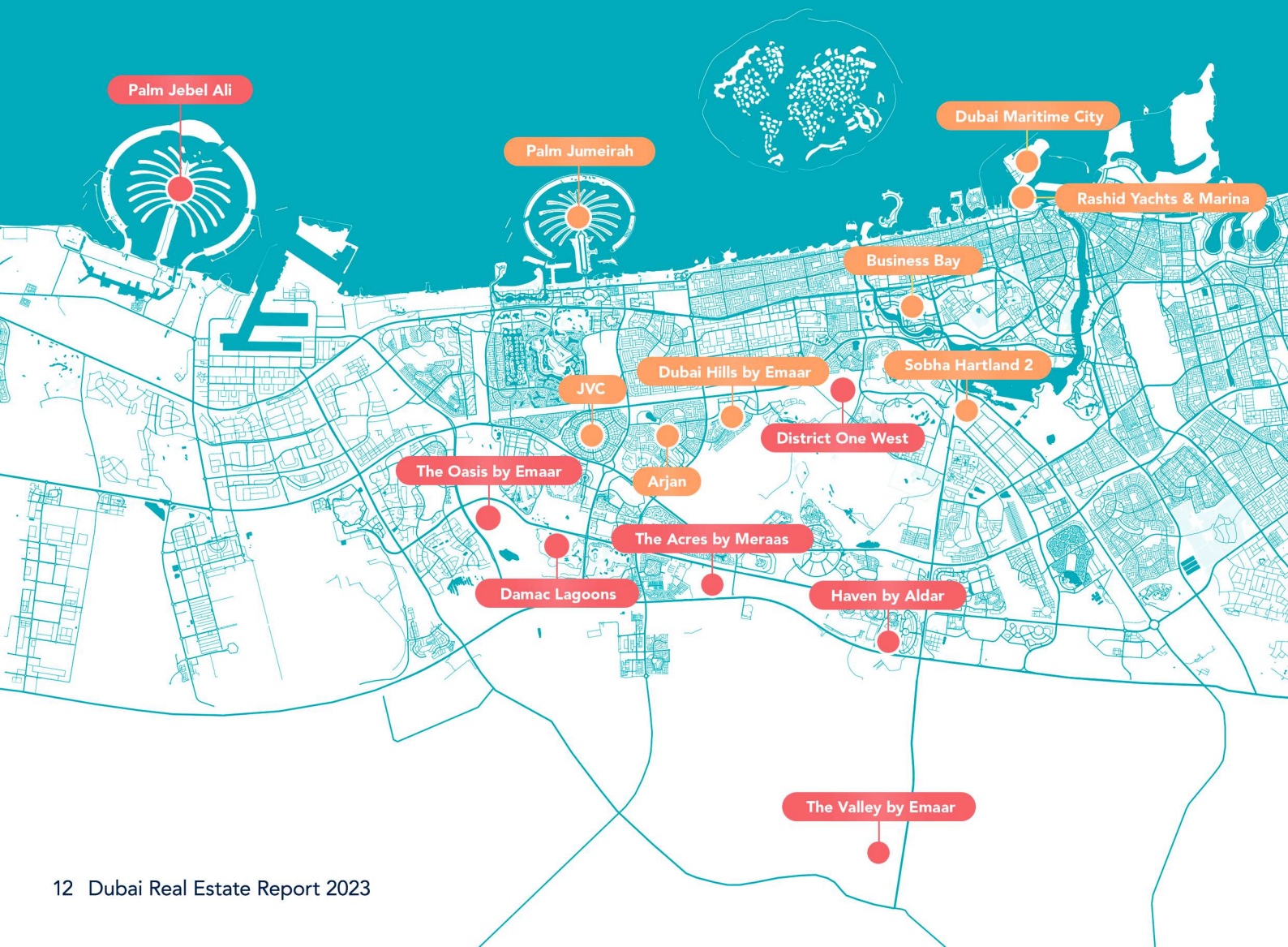
[\(Click here for more\)](#)



# 2023'S HOTSPOTS

## Key Launches Location in Dubai in 2023

- Key Areas of Off-Plan Property Launches
- Key Apartment Community Launches





# DYNAMIC RENTAL YIELDS

## Dubai's 2023 Real Estate Rental Performance Analysis

Dubai's rental market is experiencing robust growth, as evidenced by the latest figures from the Dubai Land Department for 2023. The market is seeing a healthy surge in both new contracts and renewals, indicative of a dynamic and thriving sector. New leases are commanding higher rates, reflecting the increased demand for quality rentals in the city's prime locations. With a 20.55% year-on-year growth in citywide residential rentals and a 25.82% increase in apartment rents, the market demonstrates strong performance and vitality. This trend is further bolstered by a 15.27% rise in villa rents, showcasing the broad appeal of Dubai's residential spaces. The vitality of Dubai's rental market is a positive indicator of the city's overall economic health and its appeal as a place to live and work.

### Total Rental Transactions Year-On-Year Comparison

	2023	2022	% (+/-)
Total Contracts	579,000	540,900	+7.04%
Total Value	AED 46.9 Bn	AED 35.9 Bn	+30.64%
New Contracts	225,700	256,000	-11.84%
New Contracts Value	AED 19.24 Bn	AED 17.32 Bn	+11.09%
Renewed Contracts	354,200	284,900	+24.32%
Renewed Contracts Value	AED 27.66 Bn	AED 18.58 Bn	+48.87%

### Price Changes in Rentals (2022 to 2023)

	Apartments	Villas
All Rentals	+25.82%	+15.27%
New Rentals	+21.66%	+23.17%
Renewed Rentals	+30.6%	+6.2%





# STRATEGIC OUTLOOK

## Projecting Continued Growth in Dubai's Real Estate Sector

### Sustained Growth: Dubai's Path Forward

Dubai's real estate market is poised for continued growth, driven by sustainable practices, technological advancements, affordability initiatives, luxury offerings, and the evolving nature of work.

In 2023, Dubai's remarkable business growth and innovation have firmly established it as a leading global hub for new enterprises and talent attraction, setting a confident trajectory for continued expansion in 2024. The Dubai International Financial Centre (DIFC) played a pivotal role, adding 661 new companies and creating a record 3,057 jobs, boosting the total number of companies to 4,949 — a 23% increase in the first half of 2023 alone. This growth was particularly pronounced in the FinTech and Innovation sectors, where the number of firms surged by 35%. Alongside this, the ambitious Dubai Programme for Gaming 2033 is set to transform the city into one of the top ten global gaming hubs, aiming to generate 30,000 jobs in this sector and double MENA region gaming revenue to \$6 billion by 2027. These developments, combined with Dubai's strategic investments in emerging technologies like VR and AI, underscore the city's commitment to fostering a dynamic, innovation-driven economy, poised for robust growth in the coming year.

### Dubai's Population Boom and Flourishing Business Landscape Signal Unprecedented Growth

According to the Dubai Statistics Centre, the population of the emirate increased by almost 90,000 between July 2022 and July 2023. Not surprisingly, over the past year, Dubai has experienced an unprecedented surge in business activities, solidifying its status as a global hub for both residents and entrepreneurs. The city's tourism industry has seen remarkable growth, welcoming 8.55 million visitors in the first half of 2023. Simultaneously, Dubai has become an increasingly attractive destination for permanent relocation, leading to a significant rise in its population. This

population boom has fuelled a parallel expansion in real estate, reflecting the city's evolving skyline and the establishment of new businesses. The entrepreneurial landscape in Dubai has flourished, with an influx of startups and enterprises, translating into job creation and contributing to the overall dynamism of this thriving metropolis. The convergence of population growth, a booming real estate sector, and a surge in new businesses marks Dubai's undeniable ascent as a city of unparalleled vitality and opportunity.

### Unified GCC Tourist Visa to Fuel Short-Term Rental Boom in Dubai Real Estate

The unified GCC tourist visa is poised to reshape Dubai's real estate landscape, especially in the short-term rental sector. Anticipating a surge in tourist arrivals, we foresee increased demand for short-term rentals. While specific figures are challenging due to market dynamics, the visa's convenience is expected to attract property owners to platforms like Airbnb, seeking to capitalise on rising international tourism. With the UAE targeting 128.7 million visitors by 2030, the short-term rental market is set to thrive, offering diverse accommodation options to meet the growing demand from a global influx of tourists.

### Dubai Economic Agenda D33

A key goal of the Dubai Economic Agenda (D33) is to double the size of Dubai's economy over the next decade and to consolidate its position among the top three global cities. Dubai Economic Agenda D33 includes 100 transformational projects including doubling the size of Dubai's Foreign trade and adding 400 cities to Dubai's foreign trade map. The plan aims to increase the foreign trade from AED 14.2 trillion in the past decade to AED 25.6 trillion for goods and services in the next decade by various initiatives. The growth in the economy will have a direct relation to the growth in the demand for housing & further fuel the real estate market.



# STRATEGIC OUTLOOK

## Projecting Continued Growth in Dubai's Real Estate Sector

### The Green Evolution: Pioneering Sustainable Practices in Real Estate

Amidst growing environmental awareness, property investors are shifting their focus to sustainable real estate, a trend further accelerated by the recent COP28 discussions in the region. Green buildings, characterised by energy efficiency and reduced environmental impact, are gaining prominence as investors recognise their long-term value.

The demand for green spaces in residential and commercial sectors is witnessing a remarkable upswing. Home seekers and investors alike are prioritising eco-friendly homes, emphasising features like energy-efficient appliances, sustainable materials, and renewable energy sources.



Investors are not only considering financial returns but also the long-term viability of their assets. As COP28 brings environmental concerns to the forefront, the real estate sector is poised for a green revolution, with sustainability becoming a key criterion for investors and home seekers alike.



Companies aligning sustainability with their agenda are gaining favour among investors. As the corporate world increasingly acknowledges the significance of environmental responsibility, businesses that prioritise eco-friendly practices are deemed more attractive to property investors.

This shift towards sustainable real estate is not merely a trend but reflects a broader societal commitment to environmental consciousness. Home seekers, recognising the importance of reducing their carbon footprint, actively seek residences incorporating eco-friendly design principles.





# FORWARD VISION

## Emerging Trends and Future Hotspots

Dubai's allure as a top real estate investment hub is set to continue in 2024, underpinned by its cutting-edge infrastructure and a secure, stable environment that prioritizes investor needs. The city's commitment to sustainable development, modernity, and growth reassures investors of its forward-looking agenda. New initiatives by the Real Estate Regulatory Agency (RERA) aim to enhance market transparency and accountability, while expansions to the Dubai Metro and road networks signify improved connectivity. These, alongside the legacy of Expo 2020 and investor-friendly regulations, bolster Dubai's position as a dynamic, growth-oriented market, ready to welcome new opportunities and investments.







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