



Property Review

Abu Dhabi Real Estate Report

Q2 2024

استيکو
asteco

39
YEARS

Market Overview

Supply*

During Q2 2024, approximately 2,400 residential units were delivered across Abu Dhabi, notably in Noya on Yas Island, Jubail Island, Masdar City, Al Raha Beach and other areas. A significant addition was the Al Mizn Neighborhood Baniyas North, an Emirati Housing development providing 1,365 units.

Key residential launches during this period included:

- Elie Saab Waterfront on Reem Island (174 units)
- Bloom Living Olvera in Zayed City (288 units)
- Bada Al Jubail on Jubail Island (109 units)

In addition, Al Fahid Island announced an updated master plan, revealing plans for approximately 7,000 units.

Several residential and mixed-use projects are currently in the planning stages, with anticipated public launches scheduled throughout 2024, further expanding Abu Dhabi's real estate offerings.

Rental Rates

The Abu Dhabi rental market continued to record strong activity, particularly in upscale apartment and villa locations. Average apartment rents saw modest quarterly and annual increases of 1% and 2%, respectively. However, select developments/areas registered more substantial growth, with quarterly increases nearing 5% and annual growth reaching up to 10%.

Villa rents maintained a steady performance, reflecting a 5% increase over the past 12 months. Prime and high-end residential developments in Abu Dhabi's Investment Areas, particularly waterfront communities such as Al Raha Beach, Saadiyat, Yas and Reem Islands, remained in high demand. Landlords in these areas enjoyed healthy occupancy rates, with some properties even having waiting lists.

Mid-tier properties, especially those in the CBD and Corniche areas, also recorded slight rental increases. Comparable mid-end properties in prime investment areas like Reem and Yas Islands experienced annual growth of over 5%. Properties at the lower end of the market exhibited stability, primarily due to landlords offering attractive lease terms to entice tenants. However, the emphasis on quality remained a driving force, contributing to overall modest rental growth. Older properties lacking modern amenities may face slight downward adjustments in rental rates.

Business confidence in Abu Dhabi surged over the past two years, resulting in a steady influx of private and corporate investments. This fueled demand for high-quality office spaces, leading to significant annual rental growth. Grade A offices in prime locations, including Abu Dhabi Global Market (ADGM) and Masdar City, experienced a substantial (circa 10%) increase compared to the previous year, with robust quarterly growth ranging between 3% and 8%, particularly with regard to new contracts.

The short to medium-term outlook suggests a continued scarcity of premium office spaces in Abu Dhabi, potentially driving prices higher and creating barriers for new office and business establishments. However, upcoming developments nearing completion are expected to alleviate some of these challenges and meet the growing demand for office space.

Sales Prices

In Q2 2024, the Abu Dhabi real estate market recorded 2,135 transactions, with off-plan sales accounting for 57% (1,200 transactions). Apartments dominated both off-plan and ready sales, comprising 85% and 75% of their respective segments, and experienced a 6.8% quarterly increase.

Ready property transactions showed healthy growth at 2.8% quarterly and 33.1% annually, reaching 930 transactions in Q2 2024. Off-plan transactions, however, declined by 23.4% annually due to fewer project launches compared to the previous year.

Apartment sales prices continued their upward trend with average quarterly and annual growth rates of 4% and 5%, respectively. In particular, good to superior quality properties with comprehensive facilities in Al Raha Beach, Saadiyat and Yas Islands saw heightened demand and above-average increases of around 10% annually. Villas and townhouses in prime locations also registered price appreciation.

The construction sector's strong growth, evident in the active off-plan market, is expected to continue if major developers maintain their commitment to high-quality projects. This not only benefits the local market but also attracts sustained interest from global investors.

Abu Dhabi's real estate market demonstrates promising potential for continued growth in 2024, supported by proactive government initiatives and strong economic fundamentals. This positive outlook anticipates the Emirate becoming an increasingly attractive hub for businesses and investments, further bolstering its economic landscape.



* It is important to note that whilst a number of projects may have received completion certificates, Asteco does not consider a project delivered until the handover process has been initiated and the units are available for lease in the open market.

Abu Dhabi Supply ↗

	Completed in Q1 2024	Completed in Q2 2024	Projected END OF 2024
 APARTMENTS No. of units	800	950	2,850
 VILLAS No. of units	50	1,450	1,000

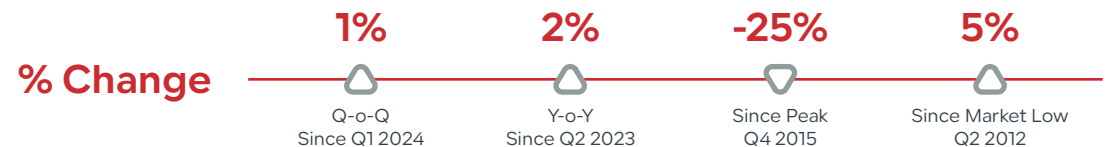


Abu Dhabi

Apartment Rental Rates

(All figures in AED 000's p.a.)

		STUDIO		1 BEDROOM		2 BEDROOMS		3 BEDROOMS		% CHANGE	
		From	To	From	To	From	To	From	To	Q1 2024 - Q2 2024	Q2 2023 - Q2 2024
PRIME PROPERTIES											
ABU DHABI ISLAND		60	65	65	125	107	167	145	216	0%	3%
INVESTMENT AREA*		60	93	85	205	135	290	180	400	1%	9%
HIGH-END PROPERTIES											
ABU DHABI ISLAND	AL KHALIDIYA / AL BATEEN	55	70	60	90	77	145	105	215	0%	3%
	CENTRAL ABU DHABI	40	45	55	65	85	110	110	145	0%	1%
	CORNICHE	45	55	60	75	80	120	120	155	0%	0%
INVESTMENT AREA	AL RAHA BEACH	55	60	65	90	105	140	145	210	2%	4%
	MARINA SQUARE	45	50	55	75	75	120	110	160	2%	3%
	SAADIYAT BEACH RESIDENCES	-	-	70	83	110	135	140	175	0%	0%
	SHAMS ABU DHABI	45	58	50	80	80	125	110	165	1%	3%
	YAS ISLAND	45	55	70	80	105	135	175	195	2%	7%
MID-END PROPERTIES											
ABU DHABI ISLAND		40	55	50	75	60	120	90	165	1%	6%
INVESTMENT AREA	AL RAHA BEACH	42	45	50	65	80	105	140	150	0%	0%
	NAJMAT & TAMOUH	35	45	45	65	70	90	95	135	0%	1%
	SAADIYAT ISLAND	40	47	55	65	80	110	110	140	2%	6%
	SHAMS ABU DHABI	40	45	45	65	65	100	100	135	1%	2%
	YAS ISLAND	43	47	50	60	75	90	115	130	2%	4%
OFF ISLAND	KHALIFA CITY & MBZ CITY	25	40	45	70	60	115	120	135	1%	2%
LOW-END PROPERTIES											
ABU DHABI ISLAND	AL KHALIDIYA / AL BATEEN	25	35	30	45	50	65	65	80	0%	-1%
	CENTRAL ABU DHABI	30	35	40	45	45	60	55	100	0%	2%
	CORNICHE	30	35	40	50	55	60	68	80	0%	0%
INVESTMENT AREA	AL REEF	35	38	45	55	60	70	80	90	2%	2%
OFF ISLAND	KHALIFA CITY & MBZ CITY	22	32	32	42	42	52	60	75	0%	0%



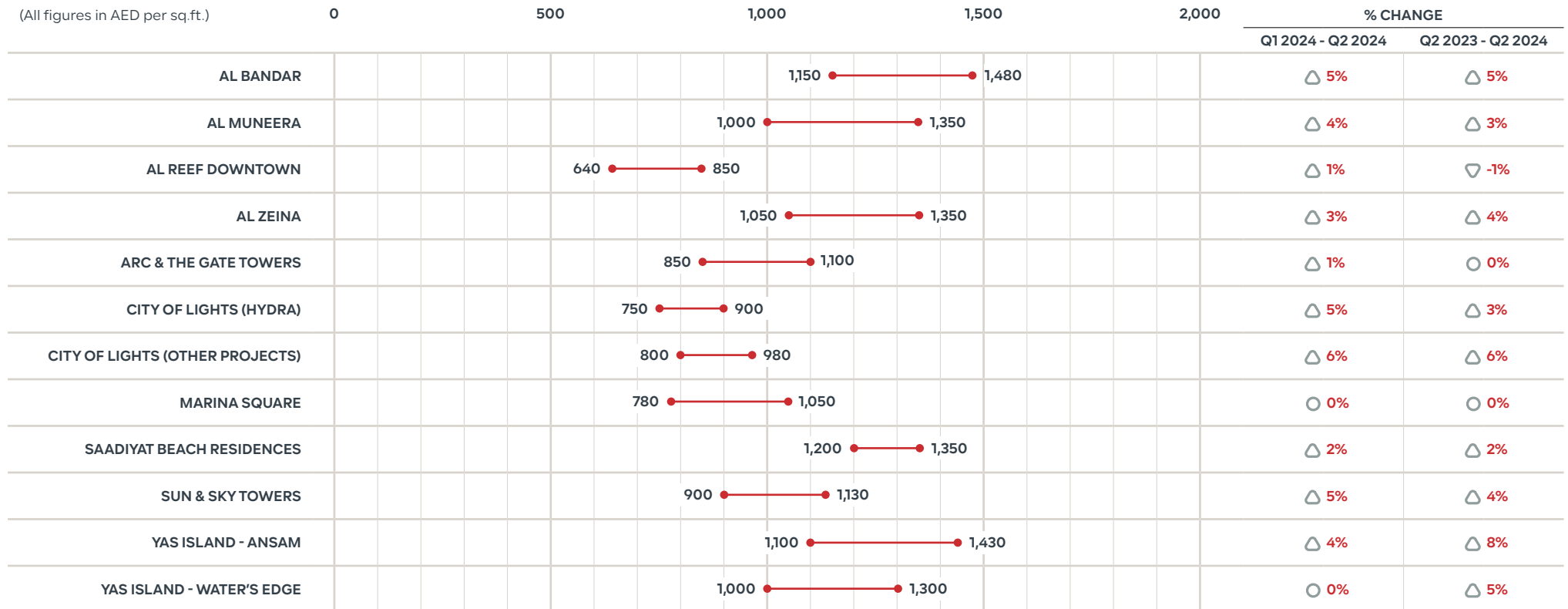
* Includes Mamsha Al Saadiyat Development



Abu Dhabi

Apartment Sales Prices

(All figures in AED per sq.ft.)





Abu Dhabi

Villa Rental Rates

(All figures in AED 000's p.a.)

		2 BEDROOMS		3 BEDROOMS		4 BEDROOMS		5 BEDROOMS		% CHANGE	
		From	To	From	To	From	To	From	To	Q1 2024 - Q2 2024	Q2 2023 - Q2 2024
ABU DHABI ISLAND	AL KHALIDIYA / AL BATEEN	-	-	150	170	155	190	175	250	0%	0%
	AL NAHYAN CAMP / AL MUROOR	-	-	145	160	160	170	170	180	0%	3%
	MUSHRIF / KARAMA / MANASEER	-	-	140	160	150	180	185	230	0%	4%
INVESTMENT AREA	AL RAHA BEACH	-	-	200	220	250	275	290	330	0%	7%
	AL REEF	75	90	95	110	130	145	150	160	3%	3%
	HIDD AL SAADIYAT	-	-	-	-	400	520	450	725	0%	4%
	HYDRA VILLAGE	55	60	65	70	-	-	-	-	6%	6%
	LULUAT AL RAHA	-	-	-	-	290	310	350	370	0%	1%
	SAADIYAT BEACH VILLAS	-	-	300	330	370	430	450	690	1%	1%
	WESTYAS	-	-	-	-	260	300	300	350	0%	3%
	YAS ACRES	180	200	200	260	265	340	320	410	0%	3%
OFF ISLAND	AL RAHA GARDENS	-	-	140	165	150	195	205	240	1%	1%
	GOLF GARDENS	-	-	190	210	220	270	270	380	3%	3%
	KHALIFA CITY	-	-	110	120	125	155	130	190	2%	10%
	MBZ CITY	-	-	105	115	110	130	125	160	1%	1%

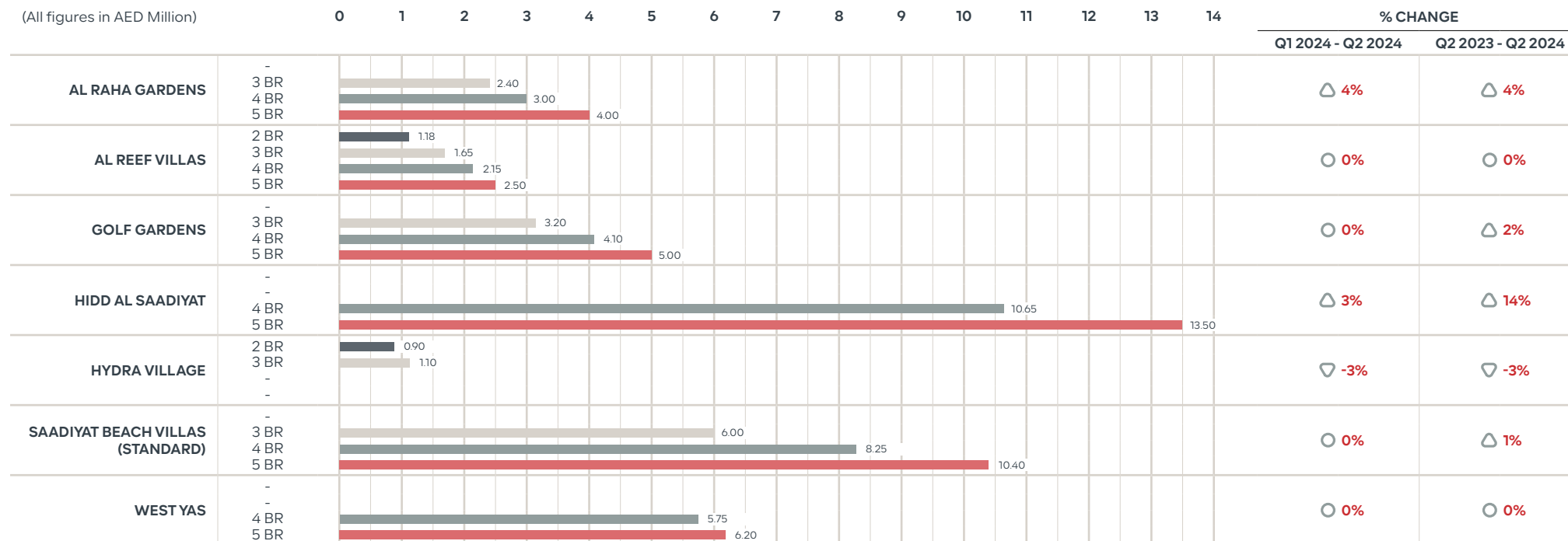




Abu Dhabi

Villa Sales Prices

(All figures in AED Million)



% Change

0%

3%

5%*

27%*

Q-o-Q
Since Q1 2024

Y-o-Y
Since Q2 2023

Since Peak
Q4 2015

Since Market Low
Q4 2012

* Includes Al Raha Gardens, Golf Gardens & Al Reef Villas only. Later averages are reflective of an increase in new developments of higher quality.

Abu Dhabi **Office Rental Rates**

(All figures in AED per sq.m. p.a.)

	AVERAGE RENTAL RATES		% CHANGE	
	From	To	Q1 2024 - Q2 2024	Q2 2023 - Q2 2024
PRIME STOCK				
FITTED*	1,550	2,800	6%	10%
QUALITY STOCK				
FITTED	975	1,300	3%	8%
SHELL AND CORE	800	950	3%	8%
OLDER STOCK				
GOOD	675	850	4%	8%
TYPICAL BUILDING	550	650	0%	2%
LOW QUALITY BUILDING	425	500	0%	5%



* Includes developments such as Al Maryah Island, Aldar HQ, International Tower, Nation Towers, Ittihad Towers, etc.

Abu Dhabi

Property Map

- 1 Al Bandar - Al Raha Beach
- 2 Al Bateen Wharf
- 3 Al Gurm
- 4 Al Maqtaa
- 5 Al Muneera - Al Raha Beach
- 6 Al Nahyan Camp
- 7 Al Raha Gardens
- 8 Al Rayyana
- 9 Al Reef
- 10 Al Zeina - Al Raha Beach
- 11 Baniyas
- 12 Al Bateen Airport Area
- 13 Al Bateen Area
- 14 Bawabat Al Sharq
- 15 Capital District (ADNEC)
- 16 Central Business District (CBD) / Tourist Club Area
- 17 Corniche
- 18 Danet Abu Dhabi
- 19 Eastern Mangroves
- 20 Golf Gardens
- 21 Hydra Village
- 22 Khalidiyah/ Al Hosn/ Al Manhal
- 23 Khalifa City A
- 24 Khalifa City B
- 25 Al Maryah Island
- 26 Mohamed Bin Zayed City (MBZ)
- 27 Al Mina
- 28 Al Mushrif/ Al Karamah/ Al Manaseer/ Al Muroor
- 29 Abu Dhabi Gate City
- 30 Rawdhat Abu Dhabi
- 31 Al Reem Island - Marina Square
- 32 Al Reem Island - Najmat Abu Dhabi
- 33 Al Reem Island - Rest of Shams Abu Dhabi
- 34 Al Reem Island - City of Lights
- 35 Al Reem Island - The Gate District
- 36 Saadiyat Beach District

- 37 Hills Abu Dhabi
- 38 West Yas
- 39 Yas Acres
- 40 Ansam
- 41 Al Raha Beach
- 42 Mamsha Al Saadiyat
- 43 Hidd Al Saadiyat
- 44 Masdar City
- 45 Al Jubail Island
- 46 Musaffah
- 47 Al Hudayriyat Island
- 48 Water's Edge



About Asteco



Asteco is a major regional and international award-winning full-service real estate services company that was formed in 1985 and has gained enormous respect for consistently delivering high quality, professional, value-added real estate services in a transparent manner. The company is also widely recognised for its involvement with many of the projects that have defined the landscape and physical infrastructure of the United Arab Emirates.

The world-class company has a distinguished and important combination of local knowledge and international expertise and has been renowned for its application of the latest technological tools and innovations, its commitment to transparency, winning strategies, and human expertise.

Undisputed Real Estate experts with a regional presence to serve its customers, Asteco proudly represents a significant number of the region's top property Owners, Developers, and Investors.

Asteco offers a wide range of services and solutions to its clients from Valuation Advisory and Building Consultancy, Property Management, Sales & Leasing as well as Franchising services. The company applies innovative solutions and cutting-edge technology to add tangible value for its Clients at every stage of the property lifecycle and to continuously elevate customer experiences.

VALUATION & ADVISORY

Our professional advisory services are conducted by suitably qualified personnel all of whom have had extensive Real Estate experience within the Middle East and internationally.

Our valuations are carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) and International Valuation Standards (IVS) and are undertaken by appropriately qualified valuers with extensive local experience.

The Professional Services Asteco conducts throughout the region include:

- Consultancy & advisory services
- Market research
- Valuation services

SALES

Asteco has a large property Sales division with multi-lingual representatives based all over the UAE. Our Sales teams have extensive experience in the negotiation and sale of a variety of assets.

LEASING

Asteco has been instrumental in the Leasing of many high-profile developments across the GCC.

PROPERTY MANAGEMENT

Asteco provides comprehensive Property Management services to all property Owners, whether a single unit (IPM) or a regional mixed-use portfolio. Our focus is on maximising value for our Clients.

BUILDING CONSULTANCY

The Building Consultancy Team at Asteco have a wealth of experience supporting their Clients throughout all stages of the built asset lifecycle. Each of the team's highly trained surveyors have an in-depth knowledge of construction technology, building pathology and effective project management methods which enable us to provide our Clients with a comprehensive building consultancy service.

John Allen
BSc, MRICS

Chief Executive Officer -
Valuation & Advisory
+971 4 403 7777
JohnA@Asteco.com

James Joughin
BSc (Hons), MRICS

Executive Director -
Valuation & Advisory
+971 4 403 7777
JamesJ@Asteco.com

Ghada Amhaz
MSc, MRICS

Associate Director -
Research & Advisory, Abu Dhabi
+971 2 626 2660
GhadaA@asteco.com

Tamer Ibrahim Chaaban
BE

Associate Director /
General Manager - Al Ain
+971 3 766 6097
TamerI@asteco.com

Jenny Weidling
BA (Hons)

Associate Director -
Research & Advisory
+971 4 403 7777
JennyW@Asteco.com



DISCLAIMER: The information contained in this report has been obtained from and is based upon sources that Asteco Property Management believes to be reliable; however, no warranty or representation, expressed or implied, is made to the accuracy or completeness of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions imposed by our principals. Asteco Property Management will not be held responsible for any third-party contributions. All opinions and estimates included in this report constitute Asteco Property Management's judgment, as of the date of this report and are subject to change without notice. Figures contained in this report are derived from a basket of locations highlighted in this report and therefore represent a snapshot of the UAE market. Averages, however, represent a wider range of areas. Particularly exclusive or unique projects have been excluded from the data to avoid distorting averages. Due care and attention has been used in the preparation of forecast information. However, actual results may vary from forecasts and any variation may be materially positive or negative. Forecasts, by their very nature, involve risk and uncertainty because they relate to future events and circumstances which are beyond Asteco Property Management's control. For a full in-depth study of the market, please contact Asteco Property Management's Research team. Asteco Property Management LLC. Commercial License No. 218551. Paid-up Capital AED 4,000,000. | ORN 180.

Note: It should be noted that the number of developments/areas has changed over the years in line with the delivery of new stock. As such, the average in the earlier years is derived from a lower number of projects. Whilst representing the apartment/villa/office average at the time, it is not a like for like comparison.