



MO'ASHER

The Official Sales Price Index
for the Emirate of Dubai

NOVEMBER 2021



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MO'ASHER DUBAI HOUSE PRICE INDEX

Key Findings For November 2021

- To date in 2021, there has been 58.79 percent more sales transactions and the value has been 88.37 percent more when compared to the entire year of 2020
- Off-plan real estate sales volume increased by 50.82 percent and value increased by 55.41 percent, month-on-month.
- In November 2021, 54 percent of sales transactions were in the secondary/ready market and 46 percent were off-plan

November 2021 Mo'asher Results

- Overall monthly Index recorded 1.156 and an index price of AED 1,115,937
- Apartments monthly Index recorded 1.182 and an index price of AED 1,000,253
- Villas/Townhouses monthly Index recorded 1.167 and an index price of AED 1,990,496

"The sales trends continue to thrive month-on-month and it's interesting to note that November 2021 had the highest amount of sales transactions since

Lynnette Sacchetto
Director, Research and Data
Property Finder Group



"Comparing overall performance for the month compared to November 2020, November 2021 had 80.1 percent more transactions that have been 138.7 percent more in value."

Latifa Ibrahim Ahmed
Senior Director of Real Estate
Studies & Research Dept
Dubai Land Department



It has been 67 days since Expo2020 started and the greatest show in the world may have had ripple effects on the Dubai real estate market as November 2021 showed the highest monthly sales figures in 8 years.

November 2021 had 6,989 sales transactions worth AED 17.95 billion, making it the best November on record since Jan 2014. the government started publishing data publicly.

Including November 2021, the year to date total of sales transactions reached 55,640 worth AED 135.4 billion. In just 11 months, the value of real estate sales transactions is 88.37 percent more than 2020 as a whole and is already the highest yearly sales figure since 2014.

In November 2021, 54 percent of all transactions were for secondary/ready properties and 46 percent were for off-plan properties. When we look at the volume of transactions, the off-plan market transacted

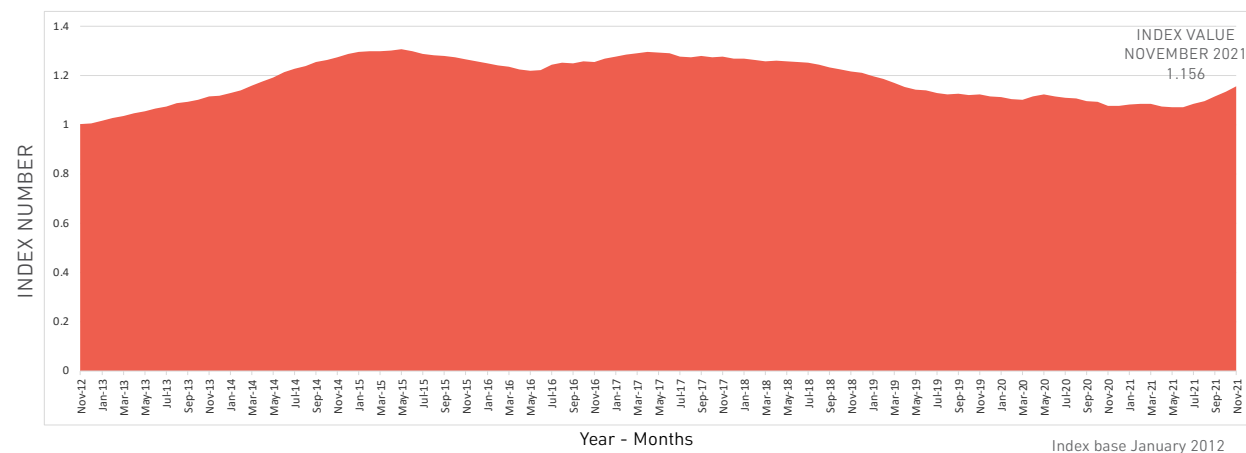
3,217 properties worth a total of AED 6.84 billion. The ready market transacted 3,772 transactions worth AED 11.11 billion.

Comparing November 2021 month-on-month to October 2021, off-plan value and volume increased by more than 50 percent and secondary volume increased by more than 17 percent and value increased by 27.43 percent. Looking at overall transactions, total transaction value increased by 36.82 percent and volume increased by 30.59 percent compared to October.

Comparing overall performance for the month compared to November 2020, November 2021 had 80.1 percent more transactions that have been 138.7 percent more in value. For a more realistic comparison when we compare it to November 2019, November 2021 had 45.2 percent more transactions which were 104.1 percent more in value.

DUBAI SALES PRICE INDEX MONTHLY

DUBAI OVERALL INDEX

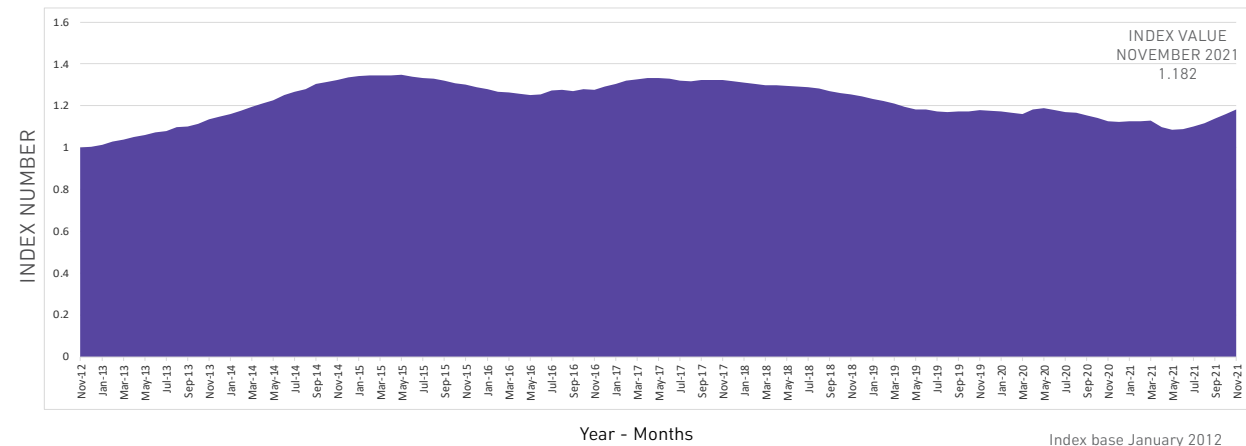


DUBAI OVERALL MONTHLY INDEX

In November 2021 the overall monthly Index recorded 1.156 and an index price of AED 1,115,937.

Month-on-Month	+ 2.12%
3 Month Change	+ 5.47%
6 Month Change	+ 7.94%

DUBAI APARTMENTS INDEX

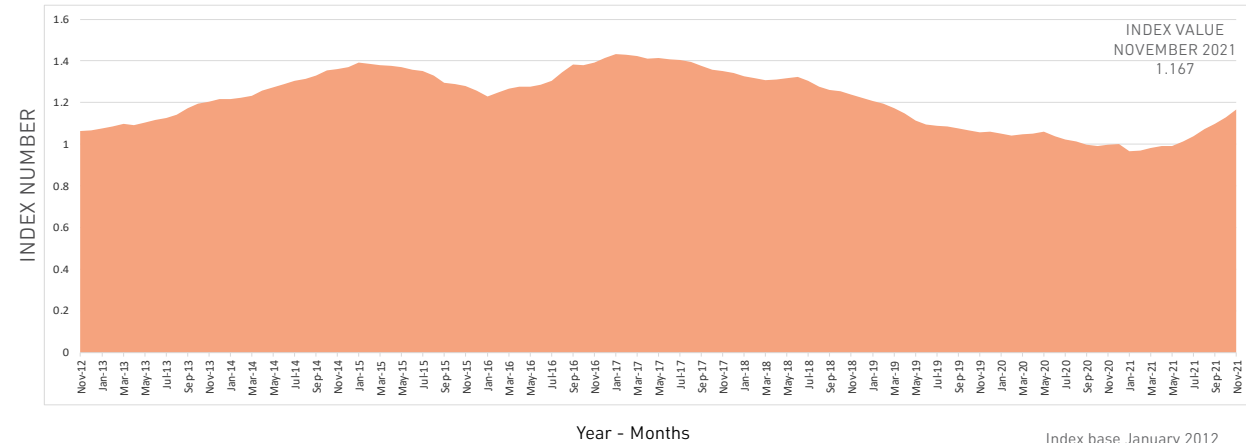


DUBAI APARTMENTS MONTHLY INDEX

In November 2021 the Apartments monthly Index recorded 1.182 and an index price of AED 1,000,253.

Month-on-Month	+ 1.90%
3 Month Change	+ 5.91%
6 Month Change	+ 8.94%

DUBAI VILLAS/TOWNHOUSES INDEX



DUBAI VILLAS/TOWNHOUSES MONTHLY INDEX

In November 2021 the villas/townhouses monthly Index recorded 1.167 and an index price of AED 1,990,496.

Month-on-Month	+ 3.27%
3 Month Change	+ 8.86%
6 Month Change	+ 17.52%

METHODOLOGY

House price indices serve as important guides that consumers, financial institutions, governments and investors look to in order to understand the market movements of a particular city or country's housing market. An index will allow one to show the value of an asset over time by tracking its performance. An index is created by selecting a base year in a data set and then indexing that number as 100, which is the natural base for what all other price points will be measured against. When an index is updated monthly it will produce an updated average house price as well as the % changes in price for a given time period such as the last three months, six months or twelve months.

Mo'asher will be created using a hedonic regression model, which is a model that is based on attributes such as view, property size, number of bedrooms and other important features in a property that have an impact on its value. These methods utilize information on the relevant property characteristics to estimate quality-adjusted price indices using regression techniques, though it may prove difficult to sufficient control for location. One of the challenges of building a property price index is to isolate the effect of the properties price change over time. Nevertheless, this is challenging because the quality mix in the real estate market is diverse. The characteristics of every property is unique, and it is hard to keep track of individual property features because they continue to be upgraded or modified without informing the authorities.

HEDONIC IMPUTATION INDEX

Hedonic imputation indices use predicted prices, evaluated at fixed characteristics, based on the hedonic regressions for all time periods. In doing so, it is possible to evaluate the period t prices of properties sold in period 0. There are multiple imputation techniques, but three common ones are: Laspeyres, Paasche and Fisher.

$$P_{laspeyres}^{0t} = \frac{\beta_0^t + \sum_{k=1}^K \beta_k^t z_{nk}^0}{\beta_0^0 + \sum_{k=1}^K \beta_k^0 z_{nk}^0}$$



LASPEREYES

The Laspeyres method imputes period t prices for the properties belonging to the base period sample S(0), evaluated at base period characteristics to control for quality changes. It is also known as a base period weighted index, and it provides a meaningful comparison over time. It helps answer the following question: what would be the relative price today of a real estate unit that was typically offered for sale in the base month?

The hedonic imputation Laspeyres index is an example of a single imputation index in which the observed prices are left unchanged. Using the Laspeyre method, assuming that the log-linear hedonic model holds true for all t periods, the quality-adjusted price in period t is defined as:

$$P_{paasche}^{0t} = \frac{\beta_0^t + \sum_{k=1}^K \beta_k^t z_{nk}^t}{\beta_0^0 + \sum_{k=1}^K \beta_k^0 z_{nk}^t}$$

PAASCHE

The Paasche method imputes base period prices for the properties belonging to the period t sample S(t), evaluated at period t characteristics. It is also known as a current period weighted index, and reflects current trends. It helps answer the following question: what is the price of a typical real estate unit today relative to the price of the same unit in the base month?

The hedonic imputation Paasche index is an example of a single imputation index in which the observed prices are left unchanged. Assuming that the log-linear hedonic model holds true for all t periods, the quality-adjusted price Paasche index is defined as:

$$P_{fisher}^{0t} = \sqrt{[P_{laspeyres}^{0t} \cdot P_{paasche}^{0t}]}$$

FISHER

The hedonic double imputation Fisher index is found by taking the geometric mean of the Laspeyres Price Index and the Paasche Price Index. It is deemed the ideal index as it corrects the positive price bias in the Laspeyres Price Index and the negative price bias in the Paasche Price Index.

Assuming that the log-linear hedonic model holds true for all t periods, the Fisher Price Index is defined as:

The Dubai House Price Indices are calculated using the hedonic double imputation Fisher index.



Disclaimer

At present, we do not provide any accuracy metrics, and although all due care and statistical rigour is taken with the index generation, we do not claim any forecast accuracy. Property Finder and the Dubai Land Department reserve the right to adjust methodologies at any given time, and these changes will be published with appropriate user notes. Users seeking financial guidance from the DHPI do so at their own risk and should note that some external macroeconomic features will not be captured in the model.

The DHPI should not be used for any commercial purposes, including pricing and investment decision making or performance measurement.

You can download a copy of the index from www.datafinder.ae

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