



# MO'ASHER

The Official Sales Price Index  
for the Emirate of Dubai

FEBRUARY 2023



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## MO'ASHER THE OFFICIAL SALES PRICE INDEX

### Key Findings

- 9,020 transactions worth AED 26.70 billion in February 2023.
- Year-on-Year increase in sales value by 64.86 percent, and an increase in sales volume by 42.95 percent.
- 50.07 percent of sales transactions were in the secondary/existing market, while off-plan contributed to 49.93 percent of the total volume.

### Mo'asher Results:

- The overall monthly index recorded 1.415 and an index price of AED 1,351,860.
- Apartments' monthly index recorded 1.528 and an index price of AED 1,302,648.
- Villas/Townhouses' monthly index recorded 1.358 and an index price of AED 2,262,204.

"With a total of 9,020 sales transactions, Dubai's real estate market recorded a Year-on-Year increase of 42.95 percent, the off-plan transactions supported the sales transactions performance to create the highest record for the month of February ever in Dubai's market."

### Fouad Bekkar

VP of Data & AI  
Property Finder Group



"For the second month in row, both existing and off-plan sales recorded an outstanding performance for the month of February ever recorded. The off-plan sales drove the total sales transactions to record an increase of 77.81 percent in terms of volume and an outstanding increase of 154.06 percent in terms of transactions' value."

### Latifa Ibrahim Ahmed

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



The total sales transaction in February recorded 9,020 registered transactions worth AED 26.70 billion, to record the highest performance for the month of February ever recorded. The market witnessed a 42.95 percent year-on-year increase in terms of volume and 64.86 percent in terms of value.

For the second month in row, both existing and off-plan sales recorded an outstanding performance for the month of February ever recorded. The off-plan sales drove the sales transaction to record an increase of 77.81 percent in terms of volume and 154.06 percent in terms of value. The off-plan sales in February 2023 recorded 4,504 transactions worth AED 11.06 billion to present 41.41 percent compared to 26.87 percent in February 2022.

The existing sales presented 50.07 percent of the total transactions in terms of volume and 58.58 percent in terms of value by recording 4,516 properties in February 2023 compared to 3,777 in February 2022. The existing transactions witnessed a Year-on-Year increase of 19.57 percent compared to February 2022 in addition to a 32.08 percent increase in terms of value compared to the same period.

Property Finder's data showed that apartment sales represented 73.45 percent of the total sales, whereas villas/townhouses represented 26.55 percent of the total.

### Top Areas by Demand

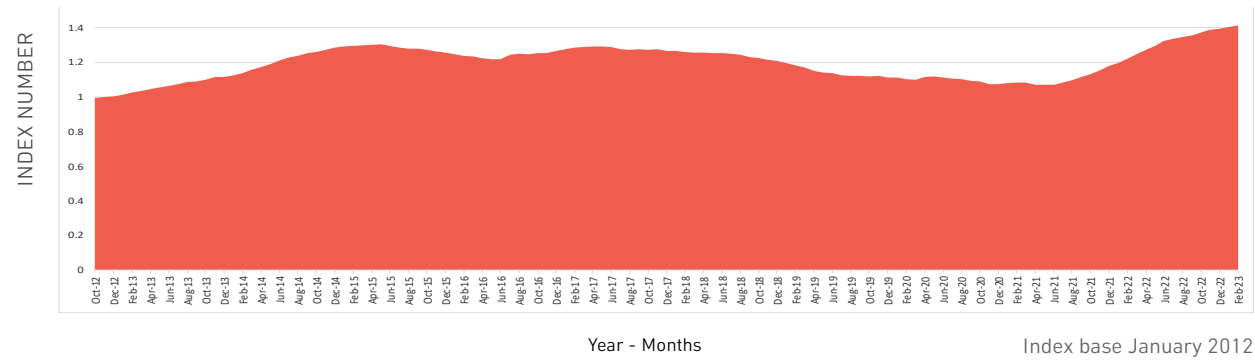
According to Property Finder's proprietary data, the top searched areas for apartments in February 2023 were Dubai Marina, Downtown Dubai, Business Bay, Palm Jumeirah, Jumeirah Village Circle and Jumeirah Lake Towers. Dubai Hills Estate, Palm Jumeirah, Arabian Ranches, DAMAC Hills (Akoya by DAMAC), and Mohammed Bin Rashid City were popular when it came to searches for villas/townhouses.



# DUBAI SALES PRICE INDEX MONTHLY

## DUBAI OVERALL INDEX

INDEX VALUE  
February 2023  
1.415



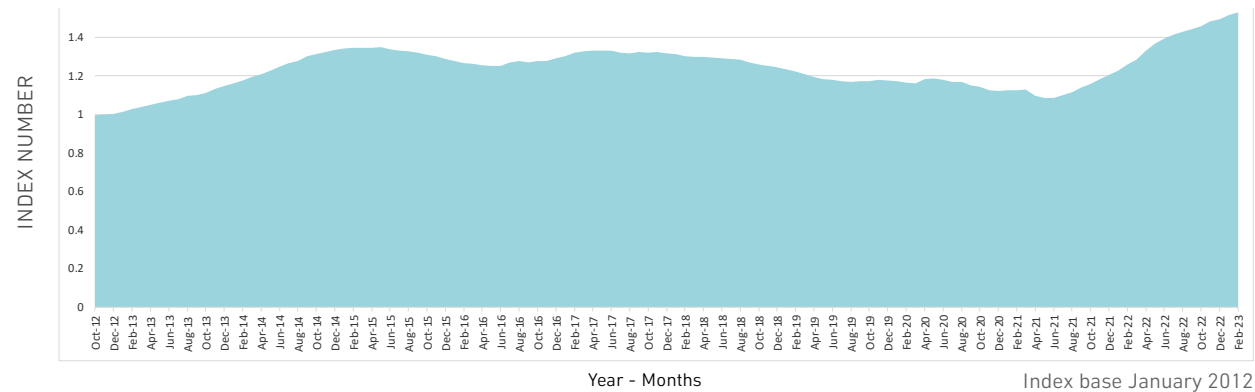
## DUBAI OVERALL MONTHLY INDEX

In February 2023, the Overall monthly Index recorded 1.415 and an index price of AED 1,351,860.

Month-on-Month	+ 0.71%
3 Month Change	+ 2.02%
6 Month Change	+ 4.97%

## DUBAI APARTMENTS INDEX

INDEX VALUE  
February 2023  
1.528



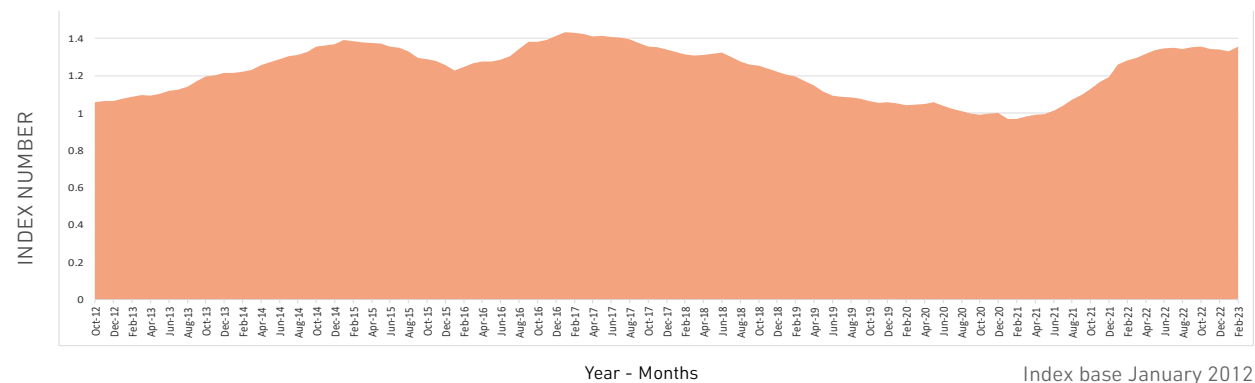
## DUBAI APARTMENTS MONTHLY INDEX

In February 2023, the Apartments monthly Index recorded 1.528 and an index price of AED 1,302,648.

Month-on-Month	+ 0.92%
3 Month Change	+ 3.10%
6 Month Change	+ 7.00%

## DUBAI VILLAS/TOWNHOUSES INDEX

INDEX VALUE  
February 2023  
1.358



## DUBAI VILLAS/TOWNHOUSES MONTHLY INDEX

In February 2023, the Villas/Townhouses monthly Index recorded 1.358 and an index price of AED 2,262,204.

Month-on-Month	+ 1.95%
3 Month Change	+ 1.12%
6 Month Change	+ 1.12%



## 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.



### LASPEYRES

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 Laspeyres method, assuming that the log-linear hedonic model holds true for all t periods, the quality-adjusted price in period t is defined as:

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

### 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:

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

### 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:

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

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](http://www.datafinder.ae)

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