AVISON YOUNG

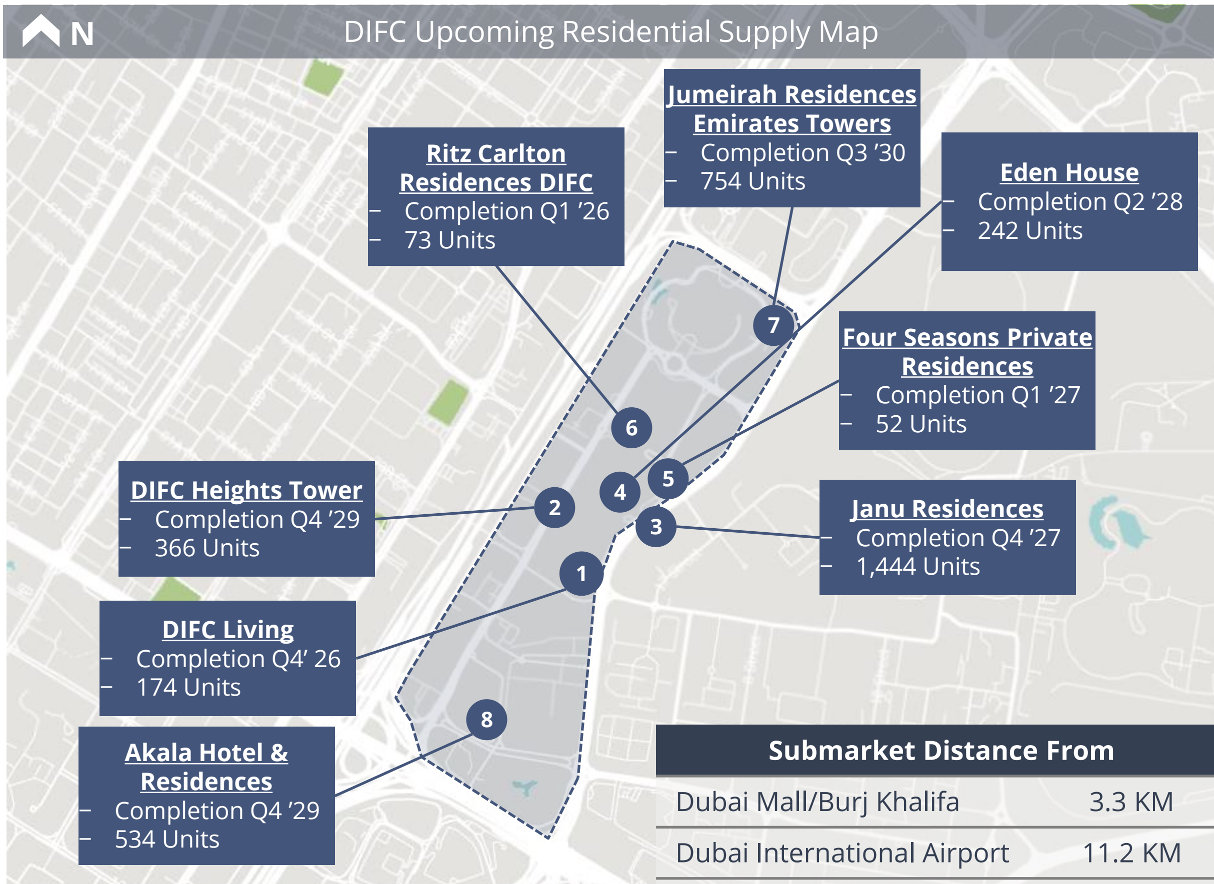
BLACKOAK REAL ESTATE

DIFC, Dubai

Residential Real Estate Sub-Market Snapshot

May 2025

Residential supply profile

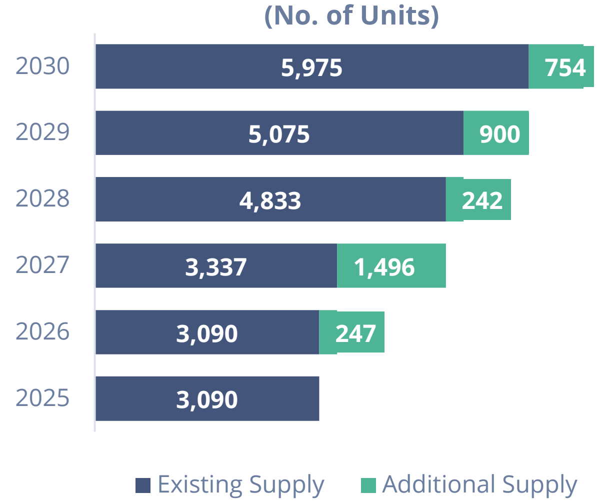


Submarket Distance From	
Dubai Mall/Burj Khalifa	3.3 KM
Dubai International Airport	11.2 KM
Palm Jumeirah	26.8 KM
Dubai Marina	24.5 KM

DIFC - The Pulse of Dubai's Financial Future

- DIFC is Dubai's premier financial district
- Home to over 3,500 companies
- High income resident profile
- Luxury lifestyle, retail and hospitality destinations
- Strategic location

DIFC Residential Supply Growth (No. of Units)



*Commentary herein may only be reflective of market conditions as of the time of writing

Source: Google Maps, REIDIN, Avison Young Research, BlackOak Research

Performance highlights

DIFC Residential market key statistics

6.8% Rental Yield[1]
Gross **residential rental yield** in April-25.

AED 161/SF Rental Rate
Average **rental rate** in May-25

AED 1,977/SF Sale Rate
Average **ready units** sale rate in May-25

AED 3,307-7,096/SF Sale Rate
Average **off-plan units** sale rates, Mar-May-25
(*DIFC Living, Jumeirah Residences, Akala, Four Seasons)*

85-90% Occupancy
Average **residential occupancy rate**

169 Residential Sales
Total **sales transactions** YTD May-25
**Registered at the time of writing per REIDIN*

2) Average rate of change across like for like developments. Where transaction data is not sufficiently recorded, listing data has been used

Changes in Key Metrics[2]

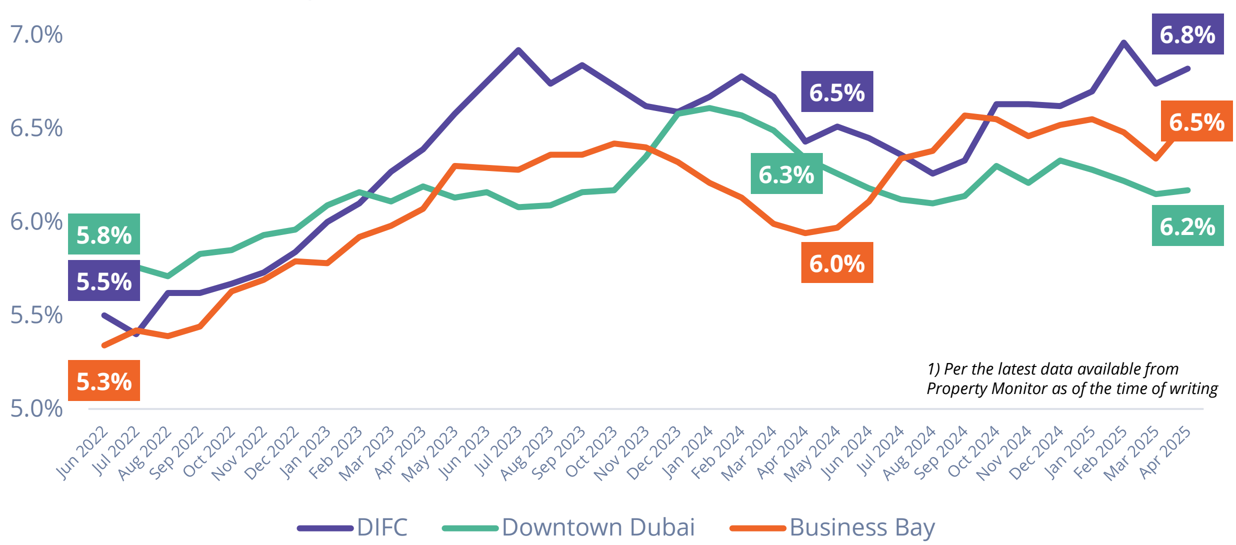
Avg. Rental Rates (AED/SF)	Avg. Ready Sale Rates (AED/SF)
▲ +6.0% Over 1-Month	▲ +3.7% Over 1-Month
▲ +8.9% Over 3-Months	▲ +11.0% Over 3-Months
▲ +9.3% Over 6-Months	▲ +12.4% Over 6-Months

Avg. Off-Plan Sale Rates (AED/SF)[3]

▲ +4.7%
Over 3-Months

3) Due to gaps in recorded off-plan transactions, a blended average sales rate was derived across off-plan projects including listing data for new launches as of May-25

Avg. Gross Annual Residential Rental Yields[1]



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**SF: square feet*
Source: REIDIN, Property Monitor, Avison Young Research, BlackOak Research

Outlook summary

The DIFC submarket is expected to witness a **substantial expansion in terms of its residential stock** over the coming three-year period. **Given elevated sales rates in off-plan stock**, **ready residential assets may offer a relative value proposition**, particularly **compared to other CBD submarkets** such as Business Bay and Downtown Dubai.

Relative Value Indicators

Yield Basis
On a rental yield basis, DIFC is trading at a discount relative to its historical spreads to Business Bay and Downtown Dubai, deemed alternative CBD submarkets in Dubai.

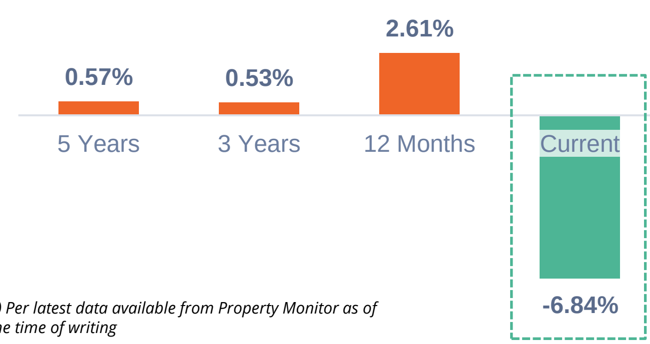
Value Basis
On a median sale rate (AED/SF) basis, residential units in DIFC are currently trading slightly lower than historical spreads to Business Bay and Downtown Dubai.

DIFC to Business Bay and Downtown Avg. Yield Spread[4]

4) Per latest data available from Property Monitor as of the time of writing

In the last five years, DIFC has exhibited gross residential rental yields 0.24%-0.39% higher than the average of Business Bay and Downtown Dubai. YTD April rental yields in DIFC were 0.47% higher than Business Bay and Downtown, indicating DIFC is priced attractively on a yield basis.

DIFC to Business Bay and Downtown Median Sale Rate Avg. Spread[4]



4) Per latest data available from Property Monitor as of the time of writing

Should the overall elevated real estate market conditions in Dubai continue to persist, ready residential assets in DIFC may be expected to perform robustly given current discounts to Business Bay and Downtown Dubai on a rental yield and sale rate basis.

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**SF: square feet*
Source: REIDIN, Property Monitor, Avison Young Research, BlackOak Research

Key Insights

"DIFC occupies a strategic location within a high-demand corridor, bordered by Dubai's core financial district, the World Trade Centre, and major tourism and exhibition hubs. This prime positioning ensures exceptional accessibility and connectivity.

Key demand drivers, such as population growth, appear to be outpacing earlier forecasts, which may help sustain ongoing demand in the area. Given this trajectory, **residential projects priced between AED 3,000 and AED 4,500 per square foot present a compelling investment opportunity**, subject to individual investor preferences and asset strategies."*

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