



DUBAI'S REAL ESTATE MARKET CONTINUES TO GROW IN 2022

Dubai's property market statistics for 2021

Property transactions in 2021 totaled 84,772 and were worth 300 billion AED. A total of 52,415 investors acquired 72,207 new properties in the emirate. According to the annual transaction report issued by Dubai Land Department (DLD), the emirate saw a 65% increase in the number of property transactions and a 71% increase in value last year compared to 2020.

Property market development factors

Dubai property market demonstrated remarkable resilience in the face of the pandemic. According to a [report](#) from Berkshire Hathaway HomeServices, more than 68% of professionals based in Dubai said that they had experienced growth over the previous twelve months against 22% who reported they had seen the market slow down.

79% percent of real estate professionals believe immigration will have an effect on how the market develops over the next three to five years. A further positive factor is the global talent flow, which 71% of respondents expect to impact Dubai's real estate market. Additionally, the report stated that detached homes grew by 57% and apartments and flats grew by 58%. In terms of types of houses in demand, 55% of property professionals cited an increase in demand for starter homes as a result of the pandemic outbreak. The market is now predicted to grow further by 77% in the next year.

What to expect in 2022?

S&P Global Ratings predicts that rents and property prices in Dubai's residential market will keep on rising in 2022, following the trend set in 2021, due to the nation's "strong economy." In the GCC region, high oil prices will continue to boost investor sentiment, and geopolitical tensions will enhance Dubai's reputation as a haven and boost demand.



STROHAL LEGAL GROUP

Experts say that the main reasons for the Real Estate growth in Dubai lie in a combination of three factors:

- a limited number of proposals (especially in prestigious areas),
- low mortgage rates,
- and interest from foreign investors.

Due to the government's various initiatives to support the real estate sector, a large number of professionals from all over the world are looking to invest in Dubai real estate, either for work or as long-term residences. Amendments to golden residency visas for real estate investors have been announced recently, making it easier for them to obtain the visa. The golden residence visa is now available to real estate investors if they purchase a property for no less than AED 2 million, as opposed to AED 5 million previously. Investors are also entitled to obtain such a visa when purchasing a property with a loan from specific local banks. In addition, investors can earn Golden Residence after purchasing one or more off-plan properties of not less than AED2 million from an approved local real estate company.

With regards to the luxury home market, Zoom Property Insights stated that Dubai's luxury home market will also continue to see high demand in 2022, supported by rising interest from international investors. The remarkable growth of the market is driven by visa reforms, expat-friendly policies, and high profit-earning potential, making Dubai one of the most advantageous real estate markets in the world.

Strohal Legal Group is an international business law firm focusing on the Gulf region (GCC) and Southeast Asia (ASEAN) advising clients on local and cross-border M&A transactions and corporate, business, and labour law matters, company establishments, energy & climate law as well as tax law matters. Through our country desks and partner firms in Austria, the Ukraine, and Russia, the firm is also well connected in Europe.