



Market Overview

In 2024, Abu Dhabi's GDP growth continued its upward trajectory, driven by the stellar performance of the non-oil sector. Notably, Abu Dhabi overtook Oslo as the city with the greatest concentration of sovereign wealth capital in the world, according to research by Global SWF. This, combined with its attractive low-tax environment makes Abu Dhabi attractive to corporate entities, which is driving employment opportunities in the emirate.

Additions to cultural, lifestyle and educational offerings are

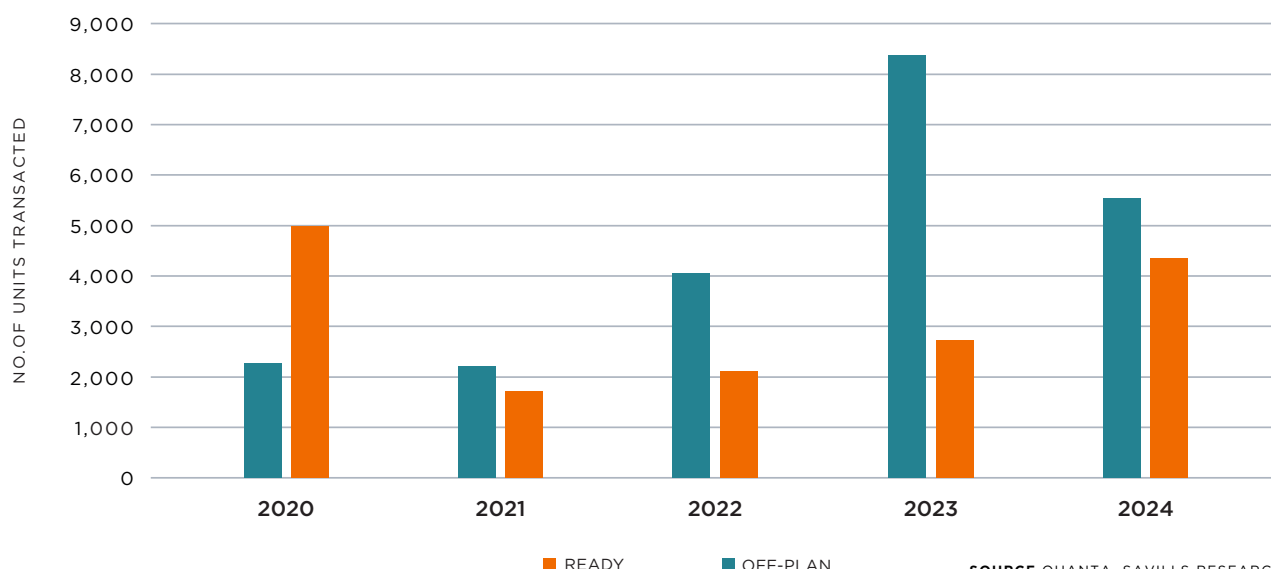
significantly bolstering Abu Dhabi's global appeal as a desirable place to live. The ongoing development of the Saadiyat Cultural District, with the National History Museum Abu Dhabi and the Guggenheim Abu Dhabi anticipated to open in 2025, underscores this commitment. On the educational front, the opening of Gordonstoun Abu Dhabi in September 2026 will further enhance the city's reputation. Additionally, the culinary scene saw notable international additions in 2024, including Brooklyn Chop House and Sushi Samba.

Residential Transactions

Nearly 9,900 residential units were transacted in Abu Dhabi Municipality in 2024, marking a 12% year-on-year (y-o-y) dip in volumes. This is reflective of market availability, with 6,300 units launched to the market in 2024 compared to 11,200 in 2023, and has resulted in limited stock and strong demand for good quality products. The demand was primarily driven by

Ultra High Net Worth Individuals (UHNWIs) and high-level executives setting up family businesses, second homes, or weekend homes. The reduction in new launches and completion of under construction projects resulted in increased activity in the ready market, which accounted for 44% of transactions, up from 25% in 2023.

RESIDENTIAL TRANSACTION TREND, ABU DHABI CITY



SOURCE QUANTA, SAVILLS RESEARCH

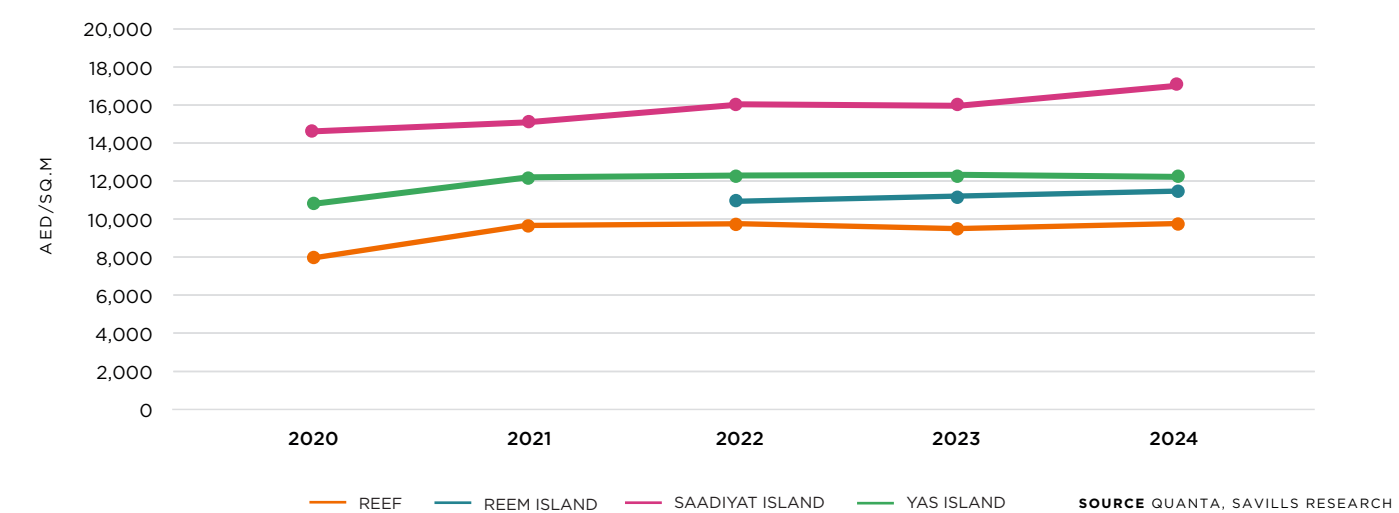
Villas and Townhouses

Interest in villas and townhouses continued to rise, supported by Abu Dhabi’s business-friendly ecosystem, strategic location, and government initiatives to attract global investments bringing families to the emirate. In 2024, 53% of villa transactions were concentrated in Yas Island, Saadiyat Island, and Hudayriyat Island. Jubail Island maintained its position among the top 10 in transaction volumes with Hudayriyat Island and Ghadeer emerging as dominant locations. Off-plan projects made up 66% of villa transactions. Savills has observed high

activity levels in Reem Hills, Saadiyat Lagoons and Hudayriyat Island.

The average capital values for villas remained flat compared to 2023, but ready properties saw a 13% y-o-y increase. Key locations such as Reef and Saadiyat Island, recorded growth in sales prices of 3% and 8%, respectively, while prices in Yas Island and Reem Island were flat.

CAPITAL VALUE TREND ACROSS KEY LOCATIONS - VILLAS



Apartments

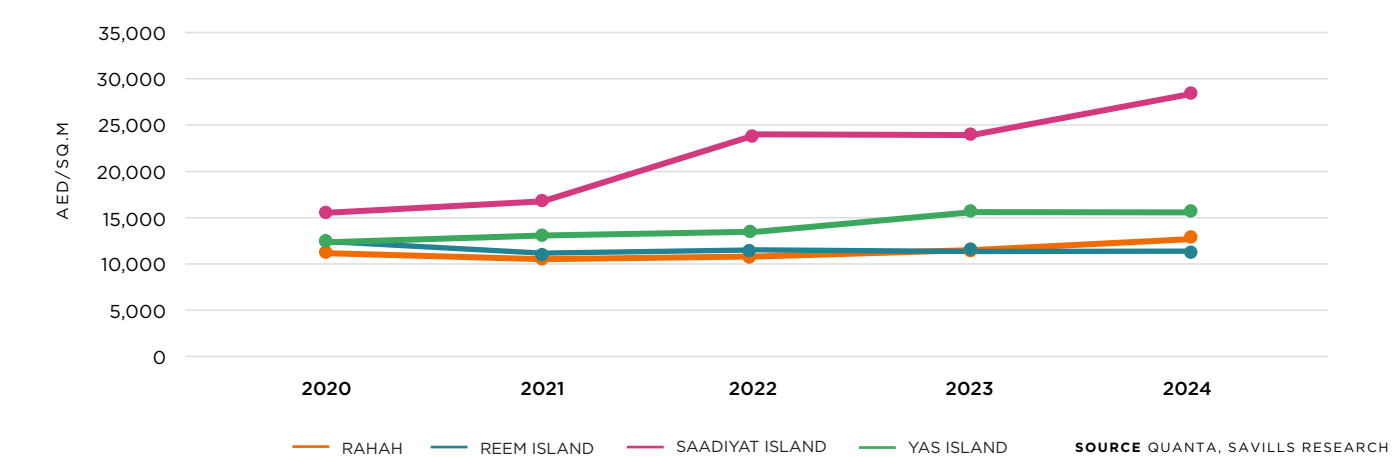
Apartment transactions accounted for 68% of overall transactions in 2024, up from 57% in 2023. Demand was evenly split between ready and off-plan units. Major developers like Aldar, Bloom, and Modon reported high absorption rates for new projects, indicating a growing appetite for residential properties in popular communities. The offering for branded residences has expanded, with prominent brands such as Mandarin Oriental and Nobu arriving in Abu Dhabi.

Reem Island, Yas Island, and Saadiyat Island were the most transacted locations for apartments, accounting for 73% of transactions. Prominent launches in 2024 included Sama Yas, Yas Riva, Mamsha Gardens, The Arthouse, Perla 3, and Bloom

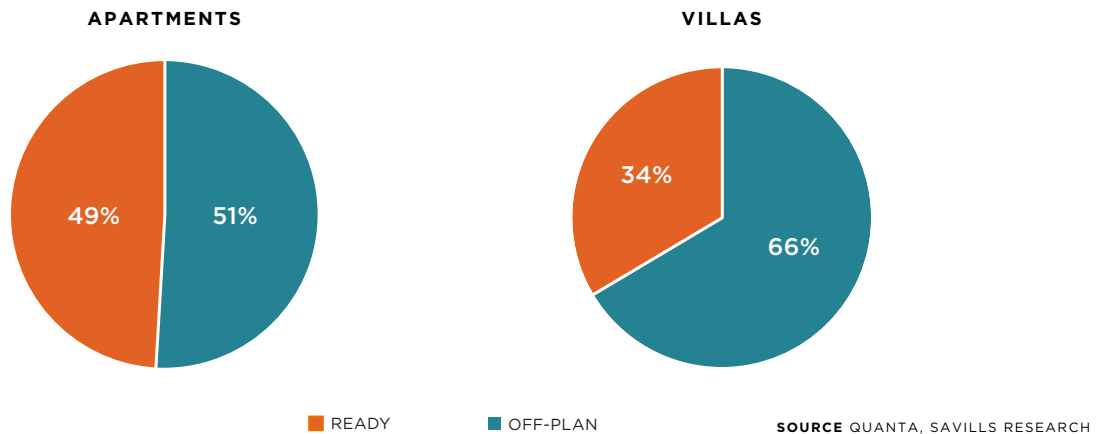
Living Seville. Over 3,200 apartment units were launched, marking a significant dip from 6,400 units in 2023, impacting the overall transaction volumes in the year.

While the capital values for apartments maintained a status quo, the values of under-construction units spiked by 6% y-o-y. The average capital value for apartments across the city stands at 14,700 AED/sqm. However, locations such as Raha, Saadiyat Island, and Reef have experienced growth in sales prices by 12%, 18%, and 21%, respectively. This trend reflects the strong demand for both affordable options and premium products available in these areas.

CAPITAL VALUE TREND ACROSS KEY LOCATIONS - APARTMENTS



TRANSACTION SPLIT - APARTMENTS AND VILLAS, 2024



SOURCE QUANTA, SAVILLS RESEARCH

Summary & Outlook

Abu Dhabi's residential real estate market demonstrated pockets of robust growth in 2024, driven by its increasing appeal, diversified product offering, and favorable business environment. The popularity of master-planned communities and the increasing interest in branded residences highlight the evolving preferences of buyers in the emirate and continuing demand growth for high-quality residential products.

We anticipate a continuing shift in mindset from long-term renting to buying among the expat population. International developers are entering the Abu Dhabi market, mirroring the influx of expatriates and strength of the Abu Dhabi economy. We also expect further growth in the branded residences market servicing the luxury sector.



savills

Working alongside investors, developers, operators and owners, we inject market insight and provide evidence-based advice at every stage of an asset's lifecycle. We have unrivalled reach across the Middle East with extensive market experience in UAE, Bahrain, Oman, Egypt and KSA.

ALI ISHAQ

Head of Residential Agency - Abu Dhabi
ali.ishaq@savills.me

RACHAEL KENNERLEY

Director Research
rachael.kennerley@savills.me

CLADIA JOSE

Research Analyst
cladia.jose@savills.me

Savills Real Estate LLC, 1201, Blue Sky Tower, Khaleej Al Arabi Street, PO Box 95246, Abu Dhabi, UAE | +971 2 441 1225 | www.savills.me

Savills plc: Savills plc is a global real estate services provider listed on the London Stock Exchange. We have an international network of more than 700 offices and associates throughout the Americas, the UK, continental Europe, Asia Pacific, Africa and the Middle East, offering a broad range of specialist advisory, management and transactional services to clients all over the world. This report is for general informative purposes only. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent. While every effort has been made to ensure its accuracy, Savills accepts no liability whatsoever for any direct or consequential loss arising from its use. The content is strictly copyright and reproduction of the whole or part of it in any form is prohibited without written permission from Savills Research.