

Property Review

# Al Ain Real Estate Report

Q4 2024

استيگو  
zsteco

39  
YEARS

# Al Ain Historic Review

## Stabilisation 2015

- Whilst apartment rental rates recorded minor increases in 2015, villa and office rents remained broadly stable until the end of the year when they softened marginally.

## Downturn 2016-2020

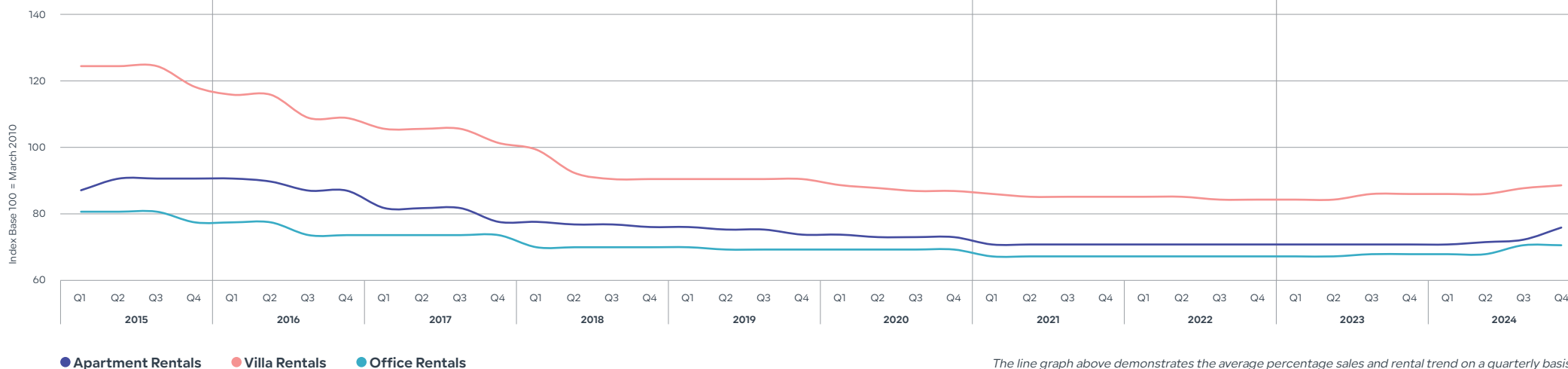
- Whilst the Al Ain real estate market exhibited relatively subdued performance between 2016 and 2020, COVID-19 related economic implications exacerbated the effect on transaction activity/volumes and demand.
- Due to conditions at the time, some tenants downsized or repatriated, leading to adjustments in rental and occupancy rates.
- However, quality residential communities with supporting facilities enjoyed healthy demand levels translating into higher occupancy rates.
- A number of residential and commercial buildings were delivered in different areas across Al Ain, including villas under the Ain Al Faida Development, the Al Jimi Mall extension, as well as the Hazza Bin Zayed Stadium Development, which comprises residential, office and retail components.

## Stabilisation 2021-2022

- The Al Ain market remained relatively stable across all asset classes.
- There was some movement in rental rates within specific developments, with marginal upward or downward adjustments in line with current market ranges.
- Positive activity was recorded as a result of an internal migration with tenants taking advantage of the attractive rental rates.

## Recovery and Growth 2023-2024

- Following a period of sustained price stability, the Al Ain real estate market exhibited signs of a rebound in 2024, featuring an upward trend across all asset classes, with apartment rentals experiencing the most significant increases.
- Whilst good-quality commercial assets have contributed to a gradual rise in office rental rates, Asteco also noted a growing trend of occupiers seeking to relocate and upgrade to larger office spaces.



The line graph above demonstrates the average percentage sales and rental trend on a quarterly basis.



Al Ain

Highlights and Outlook

	2024 Highlights	2025 Outlook
Supply*	<ul style="list-style-type: none"><li>• Whilst no major projects were completed in Al Ain during the year, several individual residential buildings were delivered in Kubaisi, Al Jimi, Town Center, Manaseer and Al Mutarid. Additionally, a number of villas were handed over in Falaj Hazza, Zakher and Al Tiwayya.</li><li>• The Senaya area recorded the completion of several G+1 buildings, featuring retail space on the ground and office units on the first floor.</li><li>• Furthermore, a new residential development, Arabian Hills Estate, was launched in the Al Faqaa' area, north of Al Ain City, near the Dubai border. This expansive project is planned to cover an estimated total area of 23 million sq.m.</li></ul>	<ul style="list-style-type: none"><li>• New residential supply in Al Ain, primarily fuelled by local demand, will be limited to a few projects in 2025.</li><li>• However, two retail assets are scheduled for completion this year.<ul style="list-style-type: none"><li>- The first is the expansion of Al Jimi Mall, due in H2 2025, which will increase the total leasable area by 20% to 88,000 sq.m. Gross Floor Area (GFA).</li><li>- The second, Al Mutarid Lifestyle Centre, with a Gross Floor Area (GFA) of approximately 12,000 sq.m., is expected to be completed by the end of 2025.</li></ul></li></ul>
Rental Rates	<ul style="list-style-type: none"><li>• Apartment rental rates increased by up to 10% annually, whilst the villa sector experienced a more modest annual growth rate of 4%.</li><li>• The office market remained buoyant, fuelled by steady demand, with growth rates in select business and office districts ranging from 1% to 5%.</li><li>• Whilst organised retail centres, including well-maintained community centres and shopping malls, experienced a slight increase in leasing rates year-on-year, prominent street retail locations saw more significant growth, with rental rates rising by as much as 3% annually.</li></ul>	<ul style="list-style-type: none"><li>• Sustained demand for quality real estate in both the residential and commercial sectors, combined with constraints on supply, are projected to maintain a positive trajectory for the overall market.</li><li>• The short- to medium-term outlook for Al Ain is favourable, underpinned by positive economic sentiment. This optimistic climate is projected to stimulate demand across diverse asset classes, underscoring the city's resilience and appeal to a broad spectrum of stakeholders.</li></ul>

\* It is important to note that whilst a number of projects may have received completion certificates, Asteco does not consider a project delivered until the handover process has been initiated, or the units are available for lease in the open market.





Al Ain

# Apartment Rental Rates ↗

(All figures in AED 000's p.a.)

	1 BEDROOM									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
MATURE BUILDINGS	33	31	27	25	22	22	24	24	24	28
NEW BUILDINGS	38	36	31	31	27	27	28	28	28	30
PRIME COMPOUNDS	43	42	38	36	36	36	33	33	33	33
AL AIN AVERAGE	38	36	32	31	28	28	28	28	28	30
ANNUAL % CHANGE	0%	-4%	-12%	-4%	-8%	0%	0%	0%	0%	5%
% CHANGE SINCE PEAK (2008)	-46%									
% CHANGE SINCE MARKET LOW (2012)	17%									
% CHANGE SINCE 2ND PEAK (2015)	-21%									

	2 BEDROOMS									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
MATURE BUILDINGS	45	43	36	35	31	31	33	33	33	36
NEW BUILDINGS	52	45	41	38	36	34	35	35	35	39
PRIME COMPOUNDS	60	58	51	48	48	48	43	43	45	45
AL AIN AVERAGE	52	49	43	40	38	38	37	37	38	40
ANNUAL % CHANGE	4%	-7%	-12%	-5%	-5%	-2%	-2%	0%	2%	6%
% CHANGE SINCE PEAK (2008)	-45%									
% CHANGE SINCE MARKET LOW (2012)	0%									
% CHANGE SINCE 2ND PEAK (2015)	-24%									

	3 BEDROOMS									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
MATURE BUILDINGS	56	54	48	48	43	43	45	45	45	48
NEW BUILDINGS	68	67	61	58	54	54	57	57	57	58
PRIME COMPOUNDS	78	78	77	74	74	74	70	70	70	70
AL AIN AVERAGE	67	66	62	60	57	57	57.3	57.3	57.3	59
ANNUAL % CHANGE	3%	-1%	-7%	-3%	-5%	0%	1%	0%	0%	2%
% CHANGE SINCE PEAK (2008)	-37%									
% CHANGE SINCE MARKET LOW (2012)	11%									
% CHANGE SINCE 2ND PEAK (2015)	-13%									





# Al Ain Villa Rental Rates

(All figures in AED 000's p.a.)

		3 BEDROOMS									
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
MATURE VILLAS	Al Jimi, Town Center Zaker, Others*	78	68	62	56	54	49	46	46	46	47
	Al Towayya	80	73	70	67	67	67	65	65	65	65
	Prime Compounds	93	93	92	88	88	83	78	78	83	88
RECENT BUILD	Al Jimi, Town Center Zaker, Others*	83	78	70	66	65	62	60	60	60	59
	Al Towayya	93	93	88	78	77	77	74	74	75	75
	Prime Compounds	104	103	102	98	98	93	88	88	90	90
AL AIN AVERAGE		81	79	73	68	67	64	60	60	61	61
ANNUAL % CHANGE		-4%	-3%	-7%	-7%	-2%	-5%	-5%	0%	1%	1%
% CHANGE SINCE PEAK (2008)		-33%									
% CHANGE SINCE MARKET LOW (2012)		10%									
% CHANGE SINCE 2ND PEAK (2015)		-25%									

		4 BEDROOMS									
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
		90	83	78	71	71	68	68	68	68	68
		93	93	93	87	87	87	88	88	88	88
		113	104	102	101	101	99	97	97	99	99
		105	98	91	80	80	78	77	77	77	74
		105	98	98	94	94	88	88	88	95	95
		133	120	114	110	110	105	108	108	128	128
		96	93	90	83	83	80	80	80	82	81
		-4%	-2%	-3%	-8%	0%	-3%	-1%	0%	3%	-1%
		-21%									
		11%									
		-15%									

		5 BEDROOMS									
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
		122	113	102	90	90	87	87	87	87	90
		115	110	105	99	98	93	93	93	95	95
		134	129	126	123	123	118	118	118	118	118
		145	135	125	103	102	100	100	100	100	110
		150	150	137	110	110	108	108	108	115	115
		168	160	151	145	145	133	133	133	135	135
		130	127	119	104	104	100	100	100	101	105
		-4%	-2%	-6%	-13%	0%	-4%	0%	0%	1%	4%
		-10%									
		13%									
		-19%									

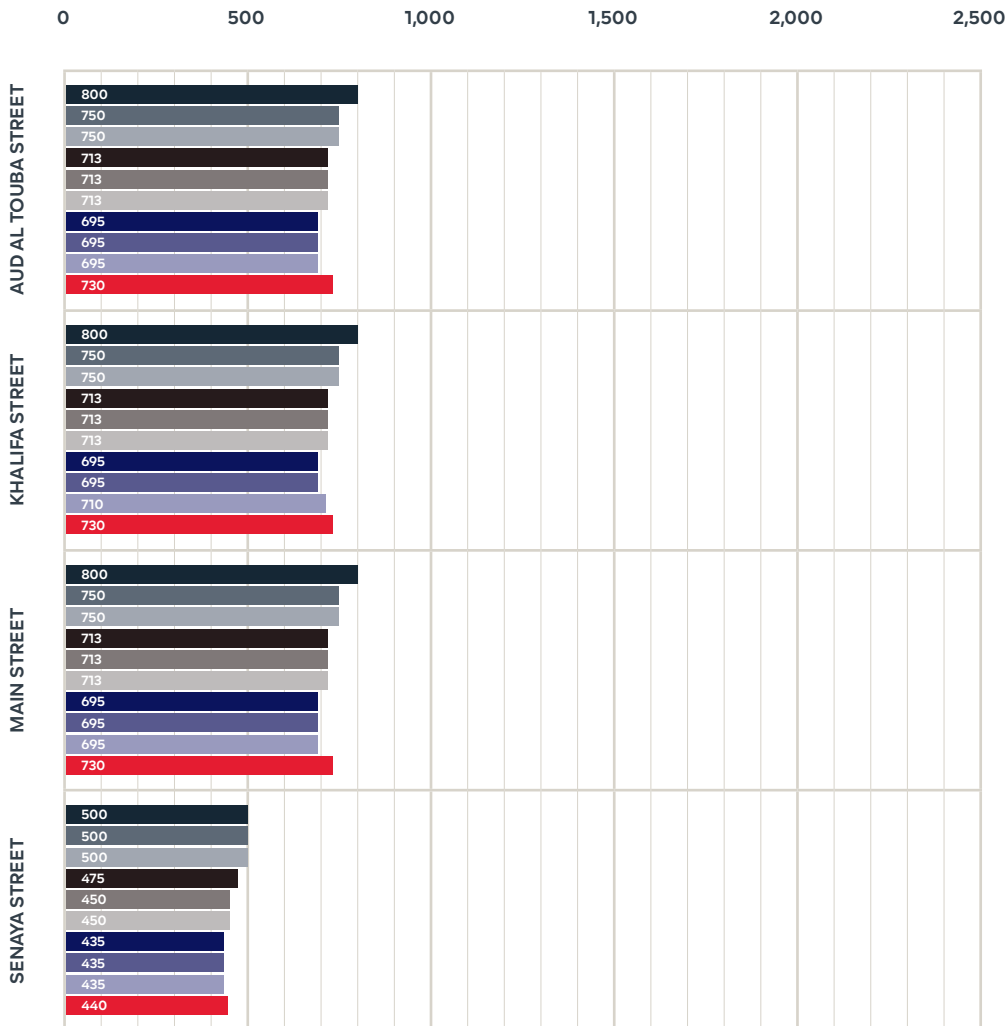




Al Ain

# Office Rental Rates

AED per sq.m.



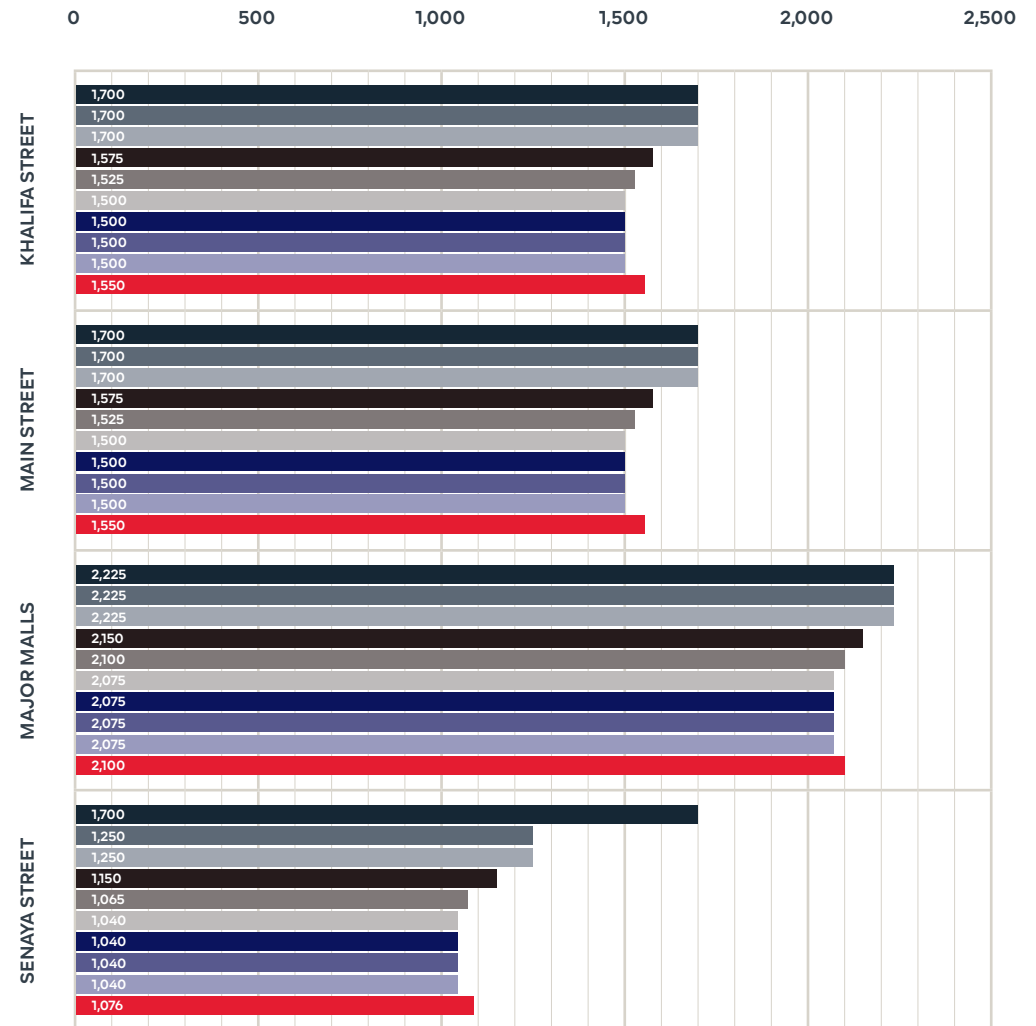
● 2015 ● 2016 ● 2017 ● 2018 ● 2019 ● 2020 ● 2021 ● 2022 ● 2023 ● 2024



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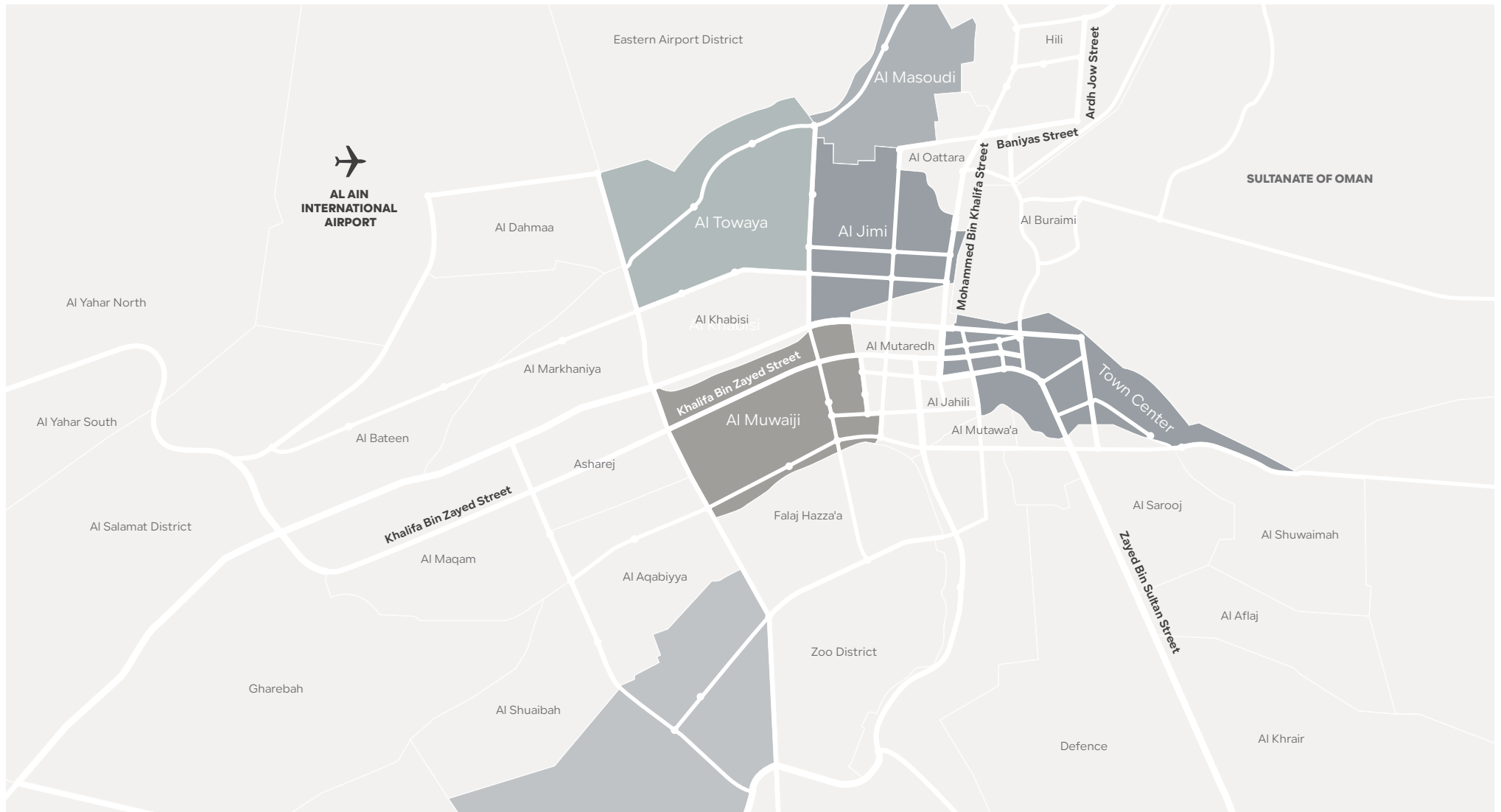
# Retail Rental Rates

AED per sq.m.



Al Ain

# Property Map



# About Asteco



Asteco is a major regional and international award-winning full-service real estate services company that was formed in 1985 and has gained enormous respect for consistently delivering high quality, professional, value-added real estate services in a transparent manner. The company is also widely recognised for its involvement with many of the projects that have defined the landscape and physical infrastructure of the United Arab Emirates.

The world-class company has a distinguished and important combination of local knowledge and international expertise and has been renowned for its application of the latest technological tools and innovations, its commitment to transparency, winning strategies, and human expertise.

Undisputed Real Estate experts with a regional presence to serve its customers, Asteco proudly represents a significant number of the region's top property Owners, Developers, and Investors.

Asteco offers a wide range of services and solutions to its clients from Valuation Advisory and Building Consultancy to Property Management and Sales & Leasing. The company applies innovative solutions and cutting-edge technology to add tangible value for its Clients at every stage of the property lifecycle and to continuously elevate customer experiences.

## VALUATION & ADVISORY

Our professional advisory services are conducted by suitably qualified personnel all of whom have had extensive Real Estate experience within the Middle East and internationally.

Our valuations are carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) and International Valuation Standards (IVS) and are undertaken by appropriately qualified valuers with extensive local experience.

The Professional Services Asteco conducts throughout the region include:

- Consultancy & advisory services
- Market research
- Valuation services

## SALES

Asteco has a large property Sales division with multi-lingual representatives based all over the UAE. Our Sales teams have extensive experience in the negotiation and sale of a variety of assets.

## LEASING

Asteco has been instrumental in the Leasing of many high-profile developments across the GCC.

## PROPERTY MANAGEMENT

Asteco provides comprehensive Property Management services to all property Owners, whether a single unit (IPM) or a regional mixed-use portfolio. Our focus is on maximising value for our Clients.

## BUILDING CONSULTANCY

The Building Consultancy Team at Asteco have a wealth of experience supporting their Clients throughout all stages of the built asset lifecycle. Each of the team's highly trained surveyors have an in-depth knowledge of construction technology, building pathology and effective project management methods which enable us to provide our Clients with a comprehensive building consultancy service.

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**Note:** It should be noted that the number of developments/areas has changed over the years in line with the delivery of new stock. As such, the average in the earlier years is derived from a lower number of projects. Whilst representing the apartment/villa/office average at the time, it is not a like for like comparison.