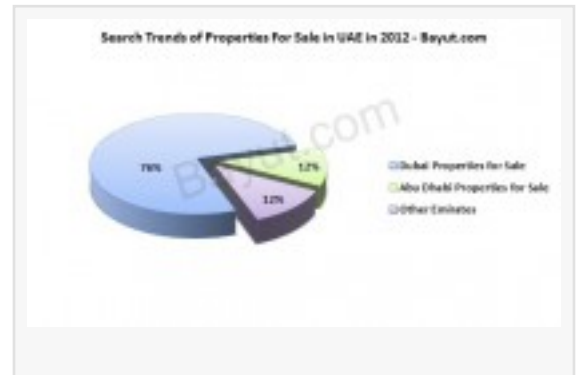


The Good, The Bad And The Ugly Of UAE Real Estate In 2012, Reports Bayut.com

/EINPresswire.com/ 2012 turned out to be a good year for Dubai real estate sector as this was the year when the market bounced back.

While 2012 was the year of chaos for the Middle East region at large but for the Dubai real estate sector, this year will always be remembered as the year of recovery. The spike in prices, which was previously limited to a select few high-end developments, has begun to surface in some other communities as well. For Abu Dhabi however, 2012 further deepened the divide between prices and rents of high and low end property units.



During 2012, properties in Dubai overshadowed the performance of those in Abu Dhabi. The stats of Bayut.com reveal that Dubai properties for sale claimed the major share of the total search volume on Bayut.com. In January 2012, where Dubai properties attracted 76.28% of the total number of buyers on Bayut.com, Abu Dhabi properties managed to grab hold of a mere 12%.

2012 was overall not so bad a year for [Abu Dhabi real estate](#) sector as properties for rent in several of its communities gave Dubai rental properties a tough competition in terms of commanding the attention of visitors at Bayut.com. Of all people looking for rental properties in the UAE in January 2012, 36.46% were interested in Abu Dhabi properties whereas 62.48% were keener to live in Dubai.

Dubai real estate sector is home to a number of high profile projects several of which are steadily recovering from the global economic crunch. Of all its top performing localities, Dubai Marina, Downtown Dubai and Jumeirah Lake Towers (JLT) have performed well throughout the year with an overall increase of 16.58%, 5.82% and 20.73% hikes in rents respectively. The recently released report of Bayut.com paints a favourable picture for Dubai Marina properties. Dubai Marina, which is regarded as one of Dubai's absolute best projects, recorded incredible surges in both its prices and rents.

As per the statistics of Dubai property portal Bayut.com, all apartment units in Dubai Marina recorded an impressive increase in prices but the highest percentage increase of 25.42% and

19.75% in 2012 was recorded by studio and 4+bedroom apartments respectively. Studio and 1bedroom apartments boast a high demand throughout the year as they make the preferred choice for both locals and expats.

Similarly, many other communities also reported a healthy upward trend in their prices which show signs of a more widespread recovery. The promising growth recorded in the residential, retail and hotel sector further elevated the hopes of expert who believe that 2014 might be the year of full recovery for Dubai real estate sector. The favourable conditions have given Dubai government the confidence to plan and launch an array of new projects worth \$900,953m. These projects could make Dubai one of the world's top three hot spots for property investment as per Knight Frank.

According to Jones Lang LaSalle, with such high valued mega projects which are scheduled to start this year, it is explicit that the foundations for a more robust recovery are being laid in the UAE. This coupled with the fact that the UAE has been the recipient of \$8.2bn of funds from the neighbouring states hit by the Arab Spring means that we can expect to see an increase in the economic activity in the UAE where realty markets of both Dubai and Abu Dhabi will benefit from it.

In contrast with the recovery of Dubai real estate, Abu Dhabi's property market has slowed down where it managed to attract in January 2012, Abu Dhabi rental properties managed to attract 48.5% Bayut.com's total traffic browsing properties for rent in the UAE but in December, this percentage dropped to 36.44%, showing a decline of 33.12%. It appears that this search volume has dropped in favour of Dubai real estate, which now seems more promising to the investors. In order to retain the rental market of the capital, the concerned authorities are in the process of introducing new policies for the expats employed in public sectors.

Some real estate experts believe that Abu Dhabi property market will gain pace once Dubai real estate reaches its saturation point while others believe that it is the oversupply of residential units which adversely affects the property values and rents in Abu Dhabi. Nonetheless, with low property rates, Abu Dhabi real estate offers investors a worthwhile investment proposition for the long term.

Al Reem Island and Al Raha Beach are the two notable developments of the capital, which together attracted almost 12% of the total visitors looking to rent property in Abu Dhabi on Bayut.com during 2012. Al Raha Beach emerged as one of the few communities in Abu Dhabi to perform notably well in 2012 in terms of rent. The rents of Al Raha Beach apartments rose by 18% last year. On the other hand the average rent of Al Reem Island apartments fell by 12.16% in 2012.

Popularity wise, Al Reem Island earned higher ranks on Bayut.com but from an investment point of view, Al Raha Beach project has performed better during the said year. According to the stats collected by Bayut.com, the rate of apartments in Al Raha Beach increased by 17.6% in 2012

while the apartments in Al Reem Island experienced a price hike of only 8.05%. Other than these two projects, Abu Dhabi real estate sector has been unable to record any positive performance during 2012 and depicted a continuous downward trend both in its property prices and rents.

With a number of accolades and honours under its belt, Bayut.com is widely regarded as one of the best Dubai real estate portals and the top choice of estate agencies and investors.

Media Contact:

Naba Javed

Bayut.com

00971556932830

<http://www.bayut.com>

Press release courtesy of Online PR Media: <http://bit.ly/11PGZhz>

This press release can be viewed online at: <https://www.einpresswire.com/article/147786016>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2024 Newsmatics Inc. All Right Reserved.