

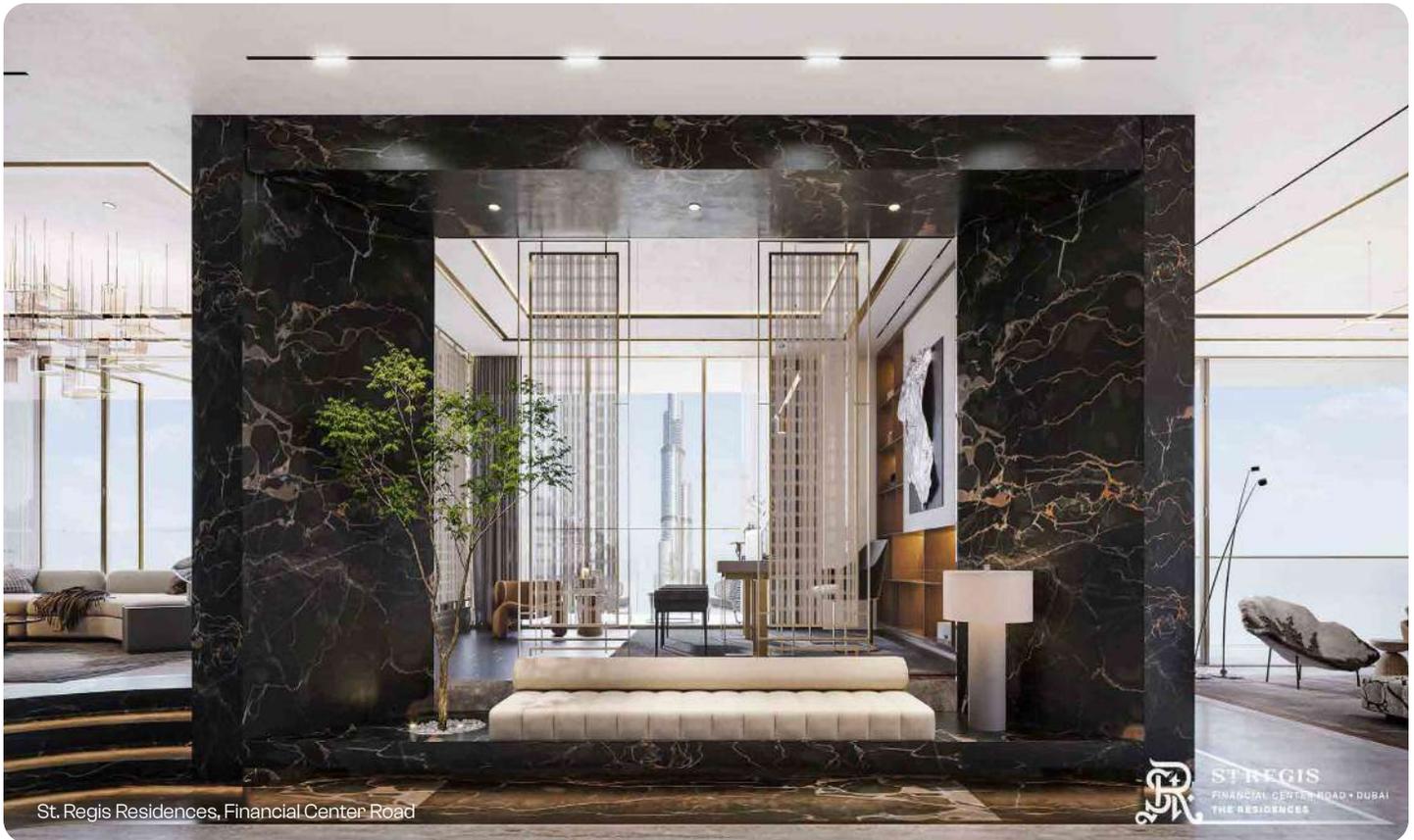
# Branded Residences Report **Dubai - H1 2023**



SLS Residences, Palm Jumeirah

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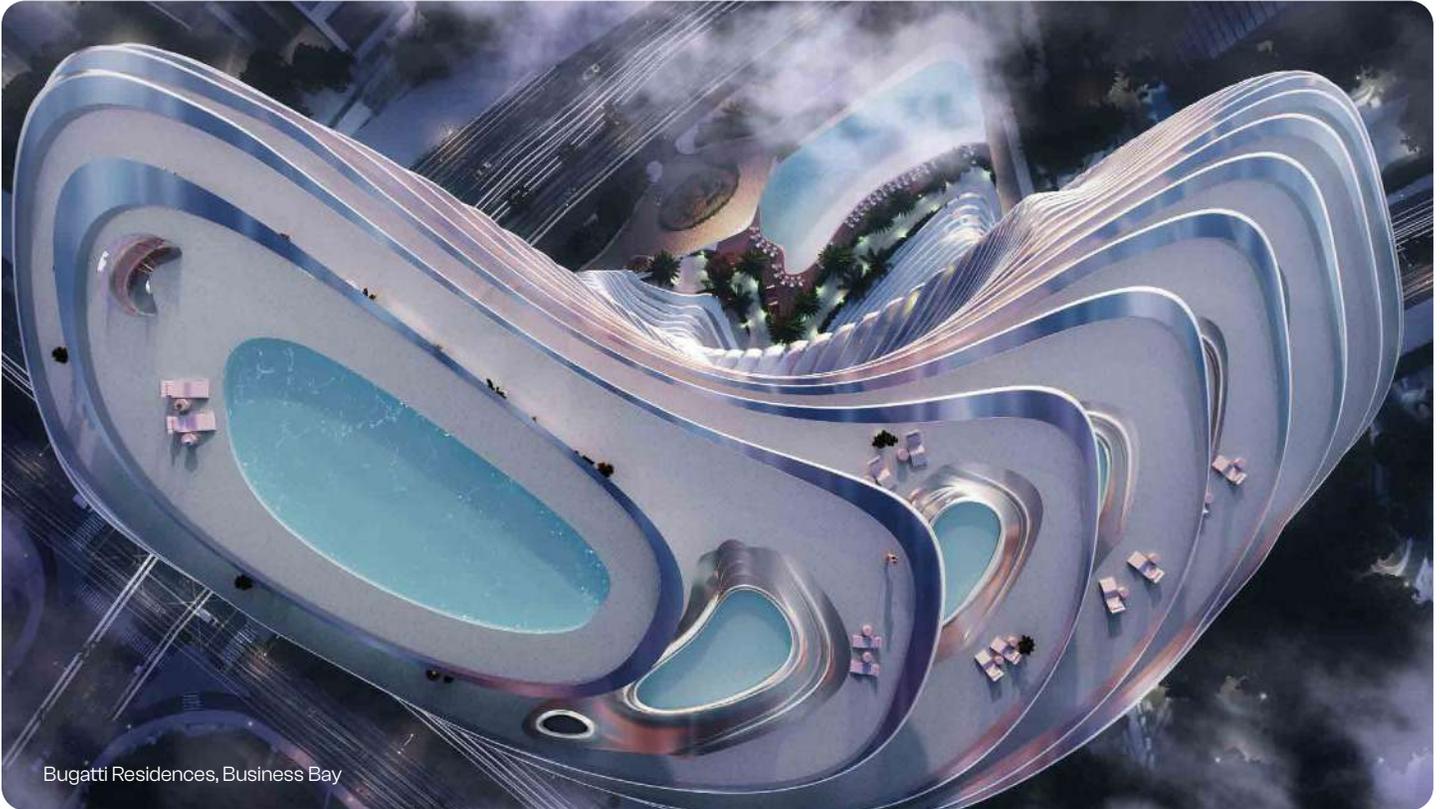


## Introduction

In 2010, the Armani Residences in Burj Khalifa were the first branded residences to open in Dubai. Henceforth, the demand for these luxurious residences has shown no sign of slowing down.

Furthermore, Dubai has witnessed growth in this niche market throughout the years, attracting luxury and upscale brands from the hospitality industry to establish appealing schemes for wealthy buyers and investors and also to add a new stream of revenue. Ultimately, Dubai has magnificently positioned itself as one of the hubs for branded residences in the world.

With this report in hand, we point out all the significant data and insights that an investor, developer, or end-user will need to have a comprehensive view of this niche market. Additionally, our report sums up the benefits attained for all parties, highlights the notable increase in the number of schemes, and tracks the performance of the existing ones. It demonstrates premiums paid for branded residences versus non-branded ones. And lastly, it presents the top-performing brands in Dubai.



## Message from the CEO, Mr. Elias Hannoush

"Ever since I embarked on a mission to revolutionize Dubai's real estate market, instilling higher levels of transparency, professionalism and investor protection, the concept of branded residences has witnessed a remarkable upswing, setting a trend that has led Dubai to become the global capital of branded residences.

As property developers recognized the winning potential of this concept and began capitalizing on it, we strategically decided to present a one-of-a-kind report that empowers investors, property developers, and brands with firsthand insights into this thriving sector. Our report serves as a guiding light, providing verified data to help bring their visions to life and achieve optimal value for this esteemed asset class.

By championing this transformative movement, we aim to create a market where everyone can reap the benefits of Dubai's booming branded residences sector, setting new standards and shaping the future of real estate in this vibrant city."



**...we aim to create a market where everyone can reap the benefits of Dubai's booming branded residences sector...**



# Branded Residences: Definition and Structure

Branded residences are residential properties associated with a well-known brand in design and operation.

Owners get several advantages from brand associations, including the assurance of a superior level of service and an incredible selection of facilities.

The amenities of a development and the lifestyle offered by a brand may be a major selling point for new residents wishing to enjoy the lifestyle provided by branded schemes.



Atlantis the Royal Residences

## Structure

Typically, branded residences are the result of a collaboration between a brand and a developer. The brand allows the developer the right to promote and sell properties bearing their trademark. In order to maintain standards, the brand often oversees and services the residential homes associated with their brand.

The developer is required to pay a royalty fee to the brand every time they sell a unit.

In addition, the brand may have additional charges, including but not limited to design fees and administration for the development of the scheme.

The property owner is responsible for paying management fees and standard service charges.



One & Only Private Homes, WTC

## A Triple Win Formula!

### Developer

- Competitive advantage in the market
- Larger client base that includes brand enthusiasts
- Design and marketing Assistance
- Higher price premiums

### Brand

- New source of revenue through licensing
- Increased brand awareness
- Stronger client relationship

### Client

- High quality finishings and management
  - Higher capital appreciation
  - Higher rental yields
  - Suitable for short term rentals
- 
- Prestigious property to own with an enhanced lifestyle

## Types of Branded Residences

- Residential units within a hotel
- Residential development adjacent to a hotel
- Residential developments with hotel management
- Stand-alone residential developments with brand association



Bugatti Residences, Business bay



# Market Overview

**92** Total Number of Branded Residences

**4,188 AED**

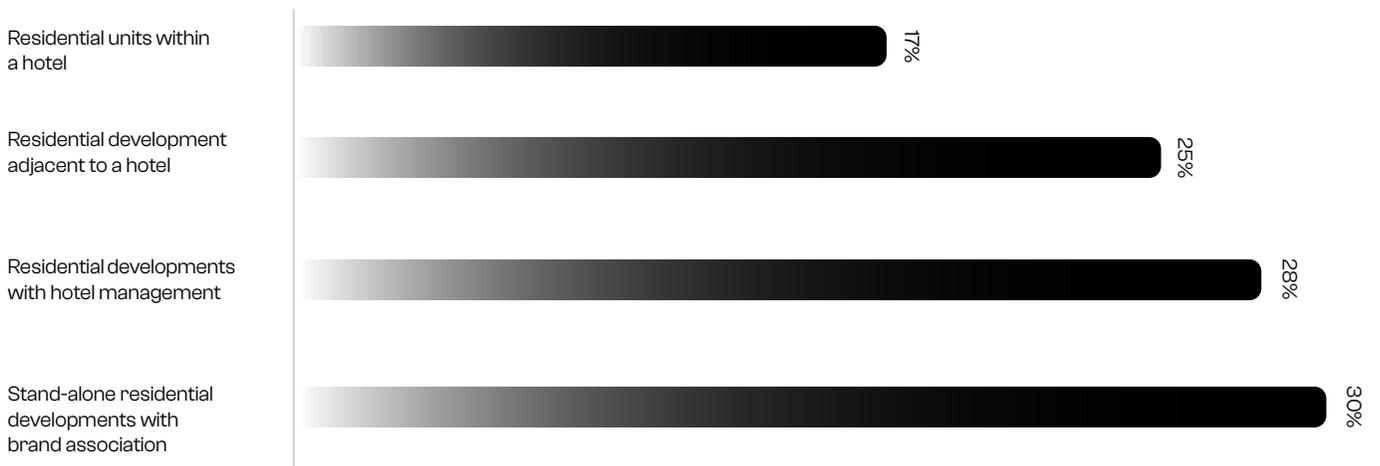
Average price per sq.ft  
branded residences

**2,140 AED**

Average price per sq.ft non branded  
(same locations)



## Popularity by Type





# Performance Summary

## Transactions H1 - 2023

3,893

Total Transactions

AED 23.18B

Total Worth

## Vs H1 - 2022

3,712

Total Transactions

AED 17.15B

Total Worth





# Primary Market Vs. Secondary Market

55

Under Construction Projects

37

Ready Projects

AED 2,740 (Off-Plan)

Average Price per sq.ft Primary Market

AED 3,415 (Ready)

Average Price per sq.ft Secondary Market

## Primary Market Transactions

## Secondary Market Transactions

2,622

Total Transactions

AED 16.28B

Total Worth

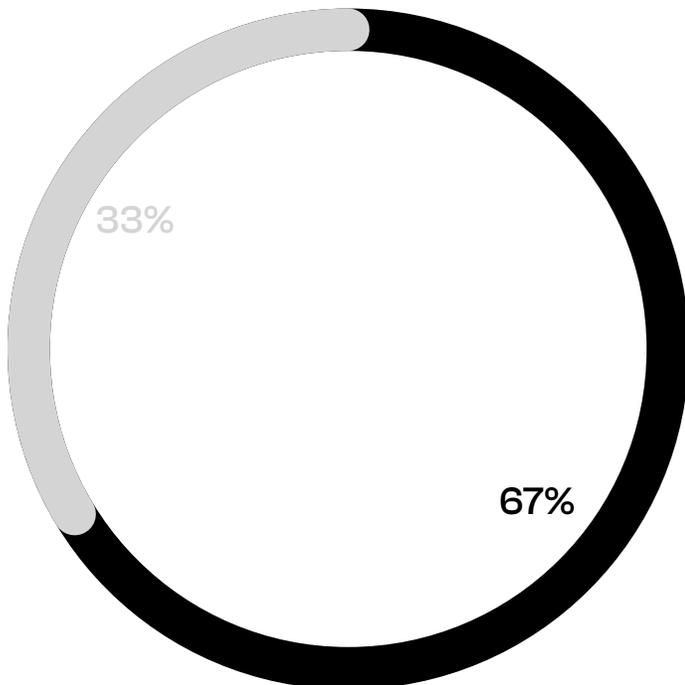
1,271

Total Transactions

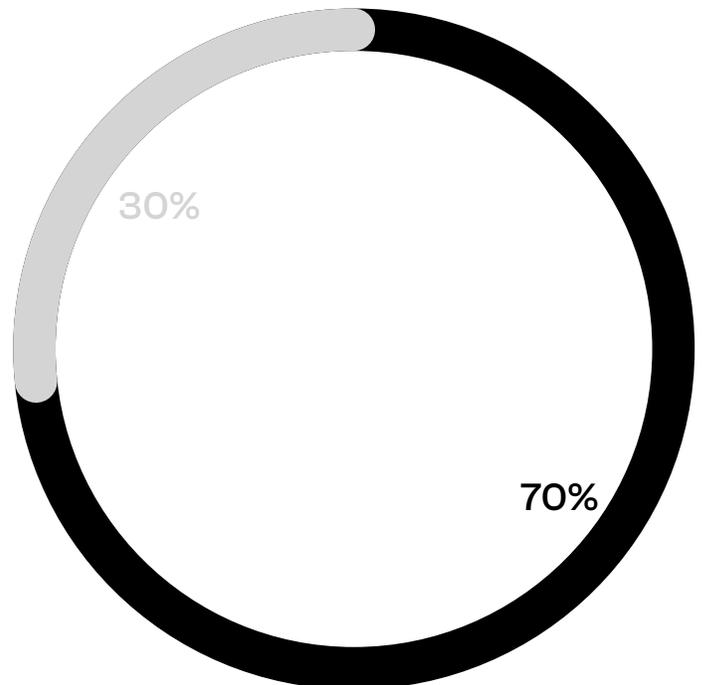
AED 6.90B

Total Worth

Transactions Volume



Transactions Value



● Primary Market

● Secondary Market

● Primary Market

● Secondary Market

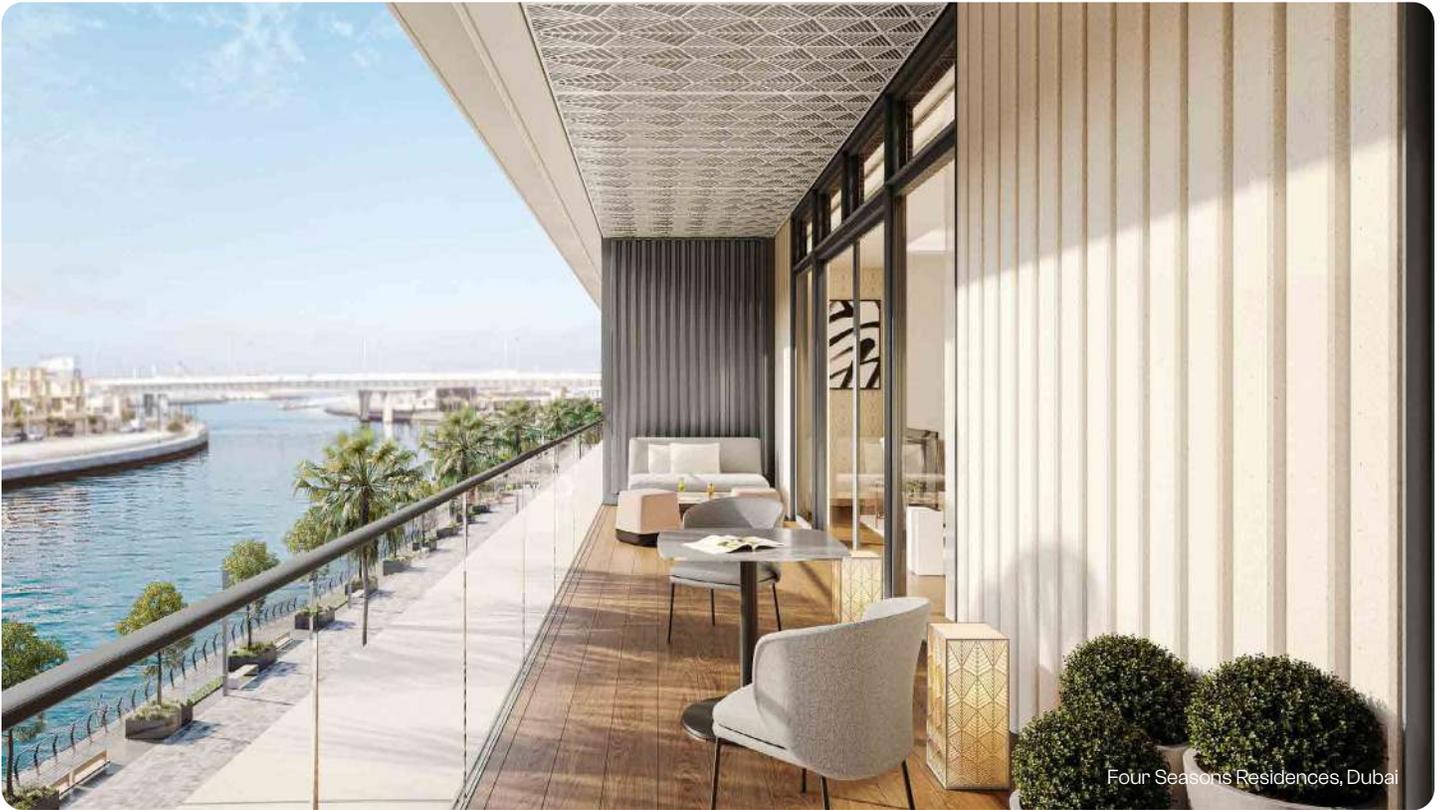


## Price Comparison: Branded Vs. Non-Branded Residences

Community	Average Price per Sq.Ft (Branded)	Average Price per Sq.Ft (Non Branded)	Average Price Difference (Branded & Non Branded)
Umm Suqeim	AED16,038	AED967	177%
Jumeirah 2	AED9,931	AED5,541	56%
Jumeirah Bay Island	AED9,217	AED4,668	65%
Dubai Water Canal	AED7,418	AED4,437	50%
Jumeirah Beach Residence	AED4,839	AED2,017	82%
Al Sufouh	AED4,785	AED1,289	115%
Zabeel	AED4,628	AED2,405	63%
Palm Jumeirah	AED4,416	AED3,049	36%
Dubai Harbour	AED3,746	AED3,284	13%
Pearl Jumeirah	AED3,638	AED770	130%
Downtown Dubai	AED3,137	AED2,348	28%
Business Bay	AED2,946	AED1,940	41%
Dubai Marina	AED2,745	AED1,750	44%
Al Safa	AED2,522	AED680	115%
DIFC	AED2,409	AED1,835	27%
Dubai Health Care City	AED2,212	AED1,968	11%
Dubai Creek Harbour	AED2,176	AED1,990	8%
Dubai Hills Estates	AED2,089	AED1,900	9%
Jumeirah Lakes Towers	AED1,991	AED1,275	43%
Al Jaddaf	AED1,718	AED1,276	29%
Meydan	AED1,331	AED1,310	2%
Jumeirah Village Circle	AED1,275	AED1,084	16%
Arabian Ranches	AED1,108	AED1,431	-25%

## Top Performing Projects

Project	Total Volume	Total Value
Damac Bay By Cavalli	635	AED 2,895,566,030
Bulgari Lighthouse	20	AED 2,159,090,000
Five Luxe	121	AED 1,290,695,819
Six Senses Residences	29	AED 1,054,704,000
Orla Dorchester Collection	25	AED 948,469,996



Four Seasons Residences, Dubai

## Top 10 Addresses Price-Wise

Brands	Average Price per Sq.ft
Four Seasons	AED10,148
Mr. C	AED9,678
Bulgari	AED9,217
Royal Atlantis	AED7,520
Jumeirah	AED6,282
Dorchester	AED6,200
Six Senses	AED5,528
Ritz Carlton	AED4,850
Raffles	AED4,751
Cavalli	AED4,700



# Featured Branded Residences



Vela Dorchester Collection by Omniyat

## Vela, Dorchester Collection

- **Location:** Dubai Water Canal
- **Type:** Residential development with hotel management.
- **Developers:** Omniyat Group

Rising above the sparkling water of Marasi Bay, VELA, Dorchester Collection, Dubai is a sublime celebration of modern waterfront living and a new way to experience the best of Dubai. Those who desire a life without limits will find only 38 magnificent residences available. Designed by the world-famous architectural firm Foster + Partners, each of VELA's modern residences offers an unmatched indoor-outdoor lifestyle. Floor-to-ceiling windows, expansive terraces, and encircling pools offer breathtaking views of the marina, canal, and Burj Khalifa.

Beyond the elegance, technology, and enchantment of premium design, the legendary service of Dorchester

Collection promises a lifestyle of comfort and ease. Here, proprietors enjoy the opulence and independence of a private residence with the added convenience and prestige of world-class service and the exclusive amenities commensurate with this illustrious status.

VELA is the latest addition to OMNIYAT's upcoming ultra-luxury waterfront destination, curated with discretion and discernment by Dubai's defining developer. It is situated in the Burj Khalifa District. VELA, inspired by the nearby The Lana Hotel and The Residences, Dorchester Collection, Dubai, exemplifies the higher realms of possibility and sophistication that are destined to define this iconic location.



## Bayview By ADDRESS

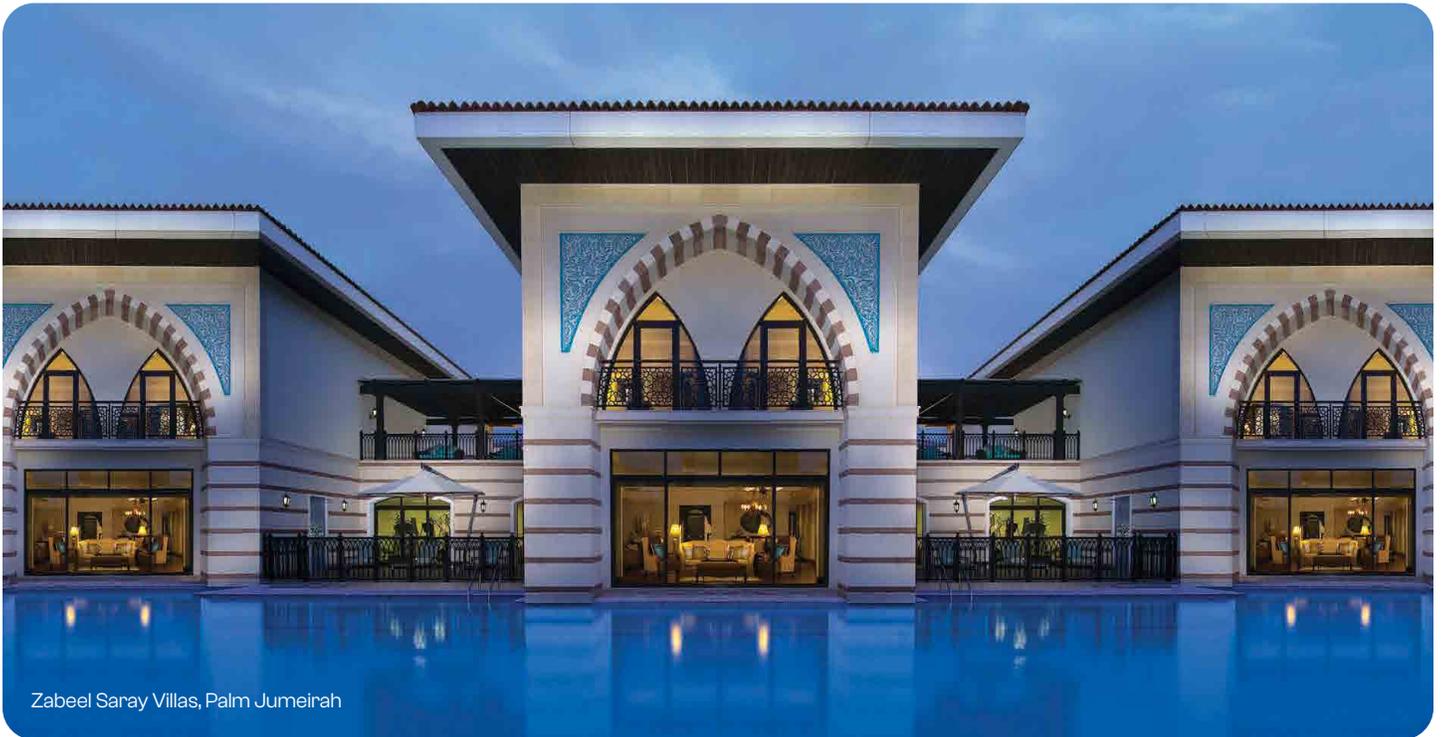
- **Location:** Dubai Harbour
- **Type:** Residential development with hotel management.
- **Developer:** Emaar Properties

Stylishly crafted facades are decorated with ethereal waves that reflect the Arabian Gulf's wavy waters. A vocabulary of luxury inspired by the splendor and glitz of Dubai, translated in the slightest of details. Personalized, exquisite amenities inspired by Address Hotels & Resorts' mastery of fine living.

Overlooking the azure waters of the Arabian Gulf, Bayview by Address Resort is a luxurious living gem. This residential landmark offers a curated collection of luxuriously furnished branded apartments and penthouses, as well as a private shoreline and a cutting-edge platform of amenities.

Discover Bayview by Address Resort, Emaar's newest masterpiece in the thriving Emaar Beachfront, where all the necessities for a satisfying lifestyle are within reach. Here, the rhythm of the sea sets the pace for an abundant existence.

Bayview by Address Resort features a variety of apartments ranging from one to four bedrooms, as well as a luxurious four- and five-bedroom penthouse with breathtaking vistas. Due to the exceptional coastal location, architectural vision, innovative interiors, and luxurious furnishings, residents can enjoy beachfront living in a tranquil and placid environment.



## Jumeirah Zabeel Saray

- **Location:** Palm Jumeirah
- **Type:** Residential development adjacent to a hotel.
- **Developer:** Jumeirah

Jumeirah Zabeel Saray is a luxury development situated on the renowned artificial island of Palm Jumeirah. The project is inspired by the opulence of the Ottoman era and is ideal for those who wish to live on the water with breathtaking vistas of the Dubai skyline.

Jumeirah Zabeel Saray features 4-5 bedroom Lagoon Royal Villas, Seafront Royal Villas, and Beach Royal Villas with total living areas of 12,314 square feet, as well as an exclusive Villa 37 with a massive floor plan area of 25,679 square feet.

The finishings feature the finest materials, including Turkish marble, rich dark wood, and exterior ceramics from the ancient city of Iznik in western Anatolia. In the master suites of

the residences will be Philippe Hurel sofas, Carly Collective chandeliers, and Fendi Casa bedside tables.

Jumeirah Zabeel Saray offers a private screening room, the Music Hall, Sinbad's Kids Club, an infinity pool, a children's pool, Talise Ottoman Spa & Fitness, tennis facilities and water sports. A private pristine beachfront is also available for residents' use.

Jumeirah Zabeel Saray residents have access to a variety of services, including in-residence dining, a personal chef, housekeeping, laundry and dry cleaning, childcare, hairdresser and beauty services, valet parking, and luxury limousines for special occasions.



## SO/ Uptown Dubai

- **Location:** Uptown Dubai.
- **Type:** Residential units within a hotel.
- **Developer:** DMCC

Uptown Tower has 81 floors with a design and brilliance inspired by diamonds. Beginning with 22 floors containing 46,000m<sup>2</sup> GFA of Class A office space. The luxurious 5-star premium SO/ Uptown Dubai Hotel is comprised of 10 stories and 188 designer rooms. The upper 28 storeys are reserved for 227 signature branded SO/ Uptown Dubai Residences. These are in addition to a variety of incredible amenities, such as an innovative F&B collection at the Atrium and beyond, heavenly health spas, state-of-the-art conference facilities, and a plethora of other facilities.

The luxurious lobby of the SO/ Uptown Dubai Hotel presents a kaleidoscope view of nature and landscape, expressed by the use of natural colours that are reflected and mirrored in geometric patterns and components inspired by diamonds.

The expansive glass walls of the SO/ Uptown Dubai Hotel rooms and suites magnify the spectacular views of Uptown Dubai and the city.

Creative design reflects the kaleidoscope concept through an eclectic mix of artistic furnishings, inspirational touches, and whimsical accents.

The premium branded residences provide one-, two-, and three-bedroom layouts, in addition to duplexes and penthouses that combine futuristic energy and monumental design with the distinctive SO/ French elegance and unabashed joie de vivre.

# Dubai Branded Residences Market Analysis - First Half 2023

The Dubai branded residences market demonstrated significant growth and positive performance during the first half of 2023. This analysis highlights key market trends and developments that have shaped the segment's landscape.

## Market Growth and Inventory Expansion

The number of branded residences in Dubai experienced substantial growth, increasing from 71 to 92 developments since the end of 2022. This impressive addition of 21 new developments has expanded the inventory of branded residences in the city, offering more options for investors and potential buyers.

## Price Appreciation and Premium

The average price per square foot for branded residences in Dubai witnessed a remarkable increase of 33% since December 2022, reaching 4,188 AED (1,140 USD). This significant price appreciation can be attributed to the launch of new luxury developments by major city developers and a robust demand from international buyers, driving up property prices. Moreover, the premium for branded residences versus non-branded properties has surged to an astonishing 96% during the first half of 2023, almost doubling the average premium observed in the latter half of 2022, which stood at 42%. This noteworthy increase signifies the growing appeal and perceived value of branded residences in Dubai's real estate market.

## Premium vs. Global Average

It is worth noting that the premium for branded residences in Dubai, at 96%, is considerably higher than the global average premium, typically ranging between 20% to 35%. This significant difference underscores

the unique dynamics and attractiveness of the Dubai market for luxury branded developments as the real estate market in the city continues to mature.

## Due Diligence

As of the first half of 2023, the premium for branded residences in Dubai has surged to 96%, a notable increase from the average premium of 42% observed in H2 2022. Developers are capitalizing on the high demand by increasing prices, necessitating the delivery of ample value within the developments. To navigate this dynamic market successfully, investors must conduct thorough due diligence, carefully assessing property prices to make well-informed decisions aligned with their financial objectives and risk tolerance.

## Performance

The first half of 2023 witnessed a positive performance in terms of the number of transactions for branded residences, recording a 5% increase compared to the same period in 2022. Concurrently, the total value of these transactions experienced an impressive surge of 35%, underscoring the segment's growing significance in Dubai's real estate market.

The value of branded residences sold in Dubai made up 12.9% of the total investment in the real estate sector. This statistic highlights the increasing significance of branded residences as a prominent and lucrative segment within the broader Dubai real estate market.

## Dominance of Primary Market Transactions

Primary market transactions continued to dominate the branded residences segment

during the first half of 2023, constituting more than 67% of all transactions. Notably, the average price per square foot for under-construction branded properties was 21% lower than their ready-to-move counterparts, indicating healthier market dynamics compared to previous years.

## Key Developments and High-Value Transactions

The first half of 2023 saw remarkable high-value transactions in the branded residences segment. The highest price per square foot was registered in Umm Suqeim, home to the Marsa Arab development by Jumeirah Group, reaching an impressive 16,038 AED per sq.ft. Other notable high-value developments included Four Seasons Residences in Jumeirah 2, Mr. C Residences by Cipriani, and Bulgari Residences in Jumeirah Bay.

## Confidence in Dubai's Real Estate Market

A significant highlight was the sale of 20 properties at the Bulgari Lighthouse in Jumeirah Bay during the first half, amounting to a staggering 2.15 billion AED. These transactions reflect the confidence of international buyers in Dubai's real estate market and the continued appetite for prime properties within the city.

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# 4,188 AED

The average price per square foot for branded residences in Dubai witnessed a remarkable increase of 33% since December 2022, reaching 4,188 AED (1,140 USD).

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## Dubai's Market Foreseen

The association of a destination, service, or product with a "luxury or designer brand" holds a magnetic allure for High Net Worth Individuals (HNWIs) worldwide. These discerning individuals actively seek exclusive and personalized experiences, embracing a truly distinctive and bespoke lifestyle. Dubai has prominently emerged as a hub for branded residences over the past decade, poised to maintain its dominance in international real estate markets. The city's appeal is further enhanced by increasing demand from global buyers, as developers actively collaborate with esteemed brands to introduce unique and prestigious developments.

Looking ahead, we anticipate a surge in eco-friendly luxury schemes and the emergence of tech-branded residences, offering cutting-edge technological amenities to residents. Concurrently, non-hospitality brands are making significant inroads in the real estate sector, with fashion and lifestyle brands exploring their potential appeal to wealthy homebuyers. The successful integration of a brand into a living environment necessitates creative mastery to align staff, design, and experiences with the brand's core values, requiring careful adherence to brand guidelines, although some hotel brands now exhibit flexibility in their approach.

While Dubai's real estate market offers substantial potential and prime properties remain relatively more affordable than those in other major cities, it is vital to recognize that not all branded residences will maintain their value as the market matures. In some mature markets, branded residences have even sold for less than premium residences without a brand affiliation.

To navigate the real estate landscape prudently, clients are strongly advised to remain well-informed about market trends and gain comprehensive insights into the industry. By exercising due diligence and making informed decisions, investors can avoid being swayed by projects driven by excessive hype. Thorough research is paramount when considering investments in branded residences within Dubai, balancing potential benefits with possible risks.



**Dubai has prominently emerged as a hub for branded residences over the past decade, poised to maintain its dominance in international real estate markets.**

## About Us

Morgan's International Realty is a luxury real estate brokerage and property investment consultancy firm. Established in Dubai at a tipping point of the industry, to create an impact in a market which was just evolving empowered by a joint effort of the public and private sectors, aiming to change the perception of the market and market players.

We chose to participate in setting a benchmark of higher levels of transparency, professionalism and investor protection. Believing that client satisfaction and retention are the key factors of sustainability and organic growth in a market nearing maturity, we laid down the corner blocks of an organization that reflects the history of its' founders. We share this belief with each of our team members who aim to leave clients with a pleasant memory of their past, standing by and guiding them in their present and planning for their future.

## Branded Residences Services

Our team offers a comprehensive range of consulting services to enable clients to access informative, experienced, and tailored advice. Our studies are detailed, well-recognized, and widely covered. We conduct bespoke research for clients seeking to up their property development game. Services you may be interested in :

- Brand introduction
- Feasibility Study
- Pricing strategy
- Sales and marketing strategy
- Execution and documentation
- Management and operation

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