DUBAI Real Estate Flash Note

Asking Prices vs. Actual Sales Prices (DXB Interact / Bayut)

August 31,2026

Prospective Expert Analysis

The observed 9% gap between asking and closing prices demonstrates that Dubai's secondary market favors well-informed buyers.

Sellers who overprice their properties remain listed for more than 90 days, whereas units listed at verified DLD market value secure buyers in under 21 days.

Investors must base their purchase offers strictly on closed transaction data rather than portal listing estimates.

Introduction & Macroeconomic Context

One of the primary biases in mainstream real estate analysis stems from confusing theoretical market supply (asking prices listed by sellers on property portals) with economic reality (actual closed prices registered with the Dubai Land Department- DLD).

Utilizing real estate Big Data tools such as DXB Interact lifts the veil on these discrepancies, allowing investors to compute precise net yields based on verified transactional data.

Detailed Analysis of Data & Key Figures (Focus: Business Bay)

A comparative study conducted across the Business Bay sector over the past 60 days highlights the following key metrics:

- **Price per Square Foot (sq. ft.) Analysis:**
  - Average asking price (Bayut listings): AED 1,980 / sq. ft.
  - Average actual transaction price (DLD Data / DXB Interact): AED 1,795 / sq. ft.
  - Average observed negotiation margin: -9.3%
- **Property Typology & Gross Yields on Actual Sale Prices:**
  - Studio: Average purchase price: AED 720,000 | Average rent: AED 55,000/year | Gross Yield: 7.6%
  - 1-Bedroom: Average purchase price: AED 1,250,000 | Average rent: AED 85,000/year | Gross Yield: 6.8%
  - 2-Bedroom: Average purchase price: AED 1,950,000 | Average rent: AED 125,000/year | Gross Yield: 6.4%

Concrete Case Study: Net Yield Calculation (1-Bedroom in Business Bay)

Below is the exact net yield calculation for an all-cash investor:

- **Negotiated Purchase Price: AED 1,250,000**
- **One-Off Acquisition Costs:**
  - DLD Fee (4%): AED 50,000
  - Agency Fee (2% + VAT): AED 26,250
  - Registration & DLD Admin Fees: AED 4,200
  - Total Capital Outlay: AED 1,330,450Verification via the RERA Calculator:
- **Annual Revenues & Expenses:**
  - Gross Annual Rent Received: AED 85,000
  - Service Charges (at AED 18 / sq. ft. for 750 sq. ft.): -AED 13,500
  - Maintenance & Insurance: -AED 3,000
  - Net Annual Income: AED 68,500
- **Real Net Yield: 5.15% Net (net of all upfront transaction costs and recurring HOA/service fees).**

Risk Analysis & Key Considerations

The primary risk for an investor is overestimating potential returns by overlooking the impact of Service Charges

In Business Bay, depending on the building's luxury tier (e.g., infinity pool, concierge services, elevator ratio), HOA service charges range from AED 14 to over AED 28 / sq. ft.

This variance alone can shift the net annual yield by more than 1.5%

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