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## Property Prices Increase by 30% in Ajman

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The real estate boom in Ajman is generated mainly by the economic growth and development in the adjoining emirates of Dubai and Sharjah. Ajman is home to several modestly priced residential projects for mid-income groups. The relatively higher number of medium-level developments in Ajman is due to the fact that a majority of these are being developed by players who are unable to grapple with the high construction costs in Dubai. Moreover the Escrow/Trust Account Law has made rules more stringent in Dubai, thereby quelling the number of new projects there.

Analysis reveals that the price and rental structures of residential properties are extremely moderate in Ajman. Most developers in the emirate offer affordable and economical payment packages that are agreeable by mid-income standards. For instance, the price of a 1 bedroom apartment in Emirates City, Ajman approximates to that of a studio in Dubai. This has prompted buyers, especially those in the mid-income category to re-assess investment patterns, altering them to comply with salary structures.

In Ajman, prices average US\$ 600 per sq m for studios and US\$ 480 per sq m for 1 bedroom apartments. Studies show that rates for residential properties in the emirate surged by 30% in 2007. Demand for smaller housing units like studios and 1 bedroom apartments is surging in Ajman, mainly because of the influx of expatriates from emirates like Dubai and Sharjah. For them, Ajman is a good residential and investment proposition, owing to its excellent connectivity with other emirates. The newly opened 12-lane Emirates Road has made commutation from Ajman to other emirates much easier. Thus, the same growth rate in the property prices for Ajman in 2008/2009 is foreseen.