REIDIN
DUBAI RESIDENTIAL RENT VALUE INDEX (RRVI) GUIDE

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CONCEPTS AND DEFINITIONS

- REIDIN Dubai Residential Rent Value Index is designed to be reliable and consistent benchmarks of house Rent value in Dubai. The main purpose of REIDIN Dubai Residential Rent Value Index is to measure the average change in house sales prices in a particular geographic market during a particular time range. REIDIN Dubai Residential Rent Value Index series are calculated monthly, and cover below specific counties and districts:

Apartments		Villas		Residential All	
County	**District**	**Counties**	**Districts**	**Counties**	**Districts**
City Wide	*	City Wide	*	City Wide	*
Business Bay	County Wide	Arabian Ranches	County Wide		
Business Bay	Downtown Dubai	Palm Jumeirah	County Wide		
Discovery Gardens	County Wide	Emirates Living	The Springs and The Meadows		
Dubai Marina	County Wide				
Dubai Marina	Jumeirah Beach Residences				
Dubai Sports City	County Wide				
International City	County Wide				
Jumeirah Lake Towers	County Wide				
Palm Jumeirah	County Wide				
Emirates Living	County Wide				
Emirates Living	The Greens				
Emirates Living	The Views				
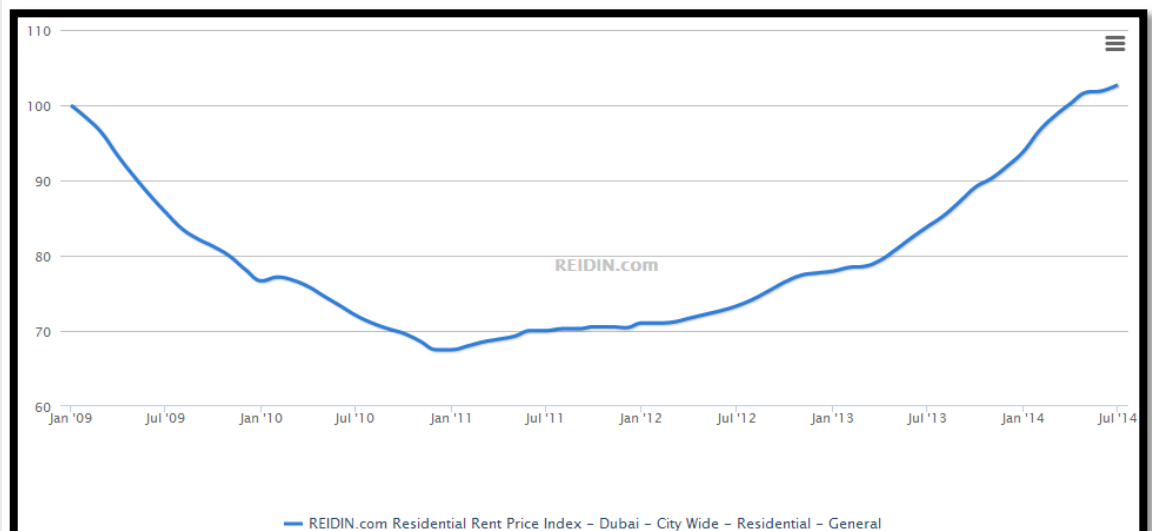
REIDIN.com Residential Rent Price Index – Dubai – City Wide – Residential – General

DATA AVAILABILITY

- REIDIN Dubai Residential Rent Value Index uses a monthly sample data set of **offered/asked listing and transacted properties** price data. Offered/asked listing properties price data is obtained mainly from real estate agents, newspapers, magazines, internet web sites and asset management companies and then processed and cleaned-up carefully each month.

METHODOLOGY

- Monthly REIDIN Dubai Residential Rent Value Index is calculated based on moving average median rent values – an approach that is widely used for indexing housing prices – which involves median of rent values of properties in a corresponding region. The median series of rent value data (UAE Dirham) by taking is constructed "**the median price/sqm**" of all properties in Dubai during a certain time period.

- Dubai Residential Rent Value Index employs "**weighted**" average of the median values of areas for the calculation of the monthly index series. The weights used in the methodology are the "existing supply" of each area which is derived from housing stock and will be updated semi-annually.

- All indexes are also calculated by using the **Laspeyres price index formula** and a **moving average algorithm**. A moving average is commonly used with time series data to smooth out short-term fluctuations and highlight longer-term trends or cycles.

$$L(p) = \frac{\sum_{j=1}^{N} p_{j,t} q_{j,0}}{\sum_{j=1}^{N} p_{j,0} q_{j,0}} \quad \text{(Laspeyres price index)}$$

Where,

$p_{j,t}$ is the median of price/sqm, t months after the base period

$p_{j,0}$ is the median of price/sqm during the base period

$q_{j,0}$ is quantity of the base period as weights

- **Outliers and extreme values** (as a result of incomplete, inconsistent or erroneous data) are excluded by the outlier detection procedure of the inter-quartile range (IQR) based on the calculated price per square meter of each property. This commonly used methodology considers any data that is more than 1.5 times the IQR from the upper or lower quartile to be an outlier.

OUTPUTS AND DISSEMINATION

- **Frequency& Index Reference Period:** The Dubai Residential Rent Value Index represents the changes for each geographical area throughout the month and index series are set at 100 starting at the beginning of each data set.

- **Index Revisions:** The Dubai Residential Rent Value Index is published as "final" and is not subject to revision unless an error or mistake is found. Major changes in methodology are announced in advance, while information on minor methodological changes is provided in methodological explanations in the monthly reports.

- **Publication:** Dubai Residential Rent Value Index updates are produced on a monthly basis, and are disseminated in between 10:00-11:00 AM on the 15th of each following reference month by a "News Bulletin".