

Quarter I, 2025

Residential Real Estate

UAE | Dubai

Key market indicators

	QI 2022	QI 2023	QI 2024	QI 2025
New supply, thou units	8.6	10.2	6.7	11.2
Apartments	8.2	9.0	5.0	8.7
Villas	0.4	1.2	1.7	2.5
Number of sale deals, thou deals	9.8	14.9	19.2	26.3
Apartments	5.9	11.2	16.3	19.4
Villas	3.9	3.7	2.9	6.9
Weighted average price, AED/sq ft				
Apartments	1 957	1 935	2 094	2 203
Villas	1 037	1 195	1 434	1 571
Number of new lease agreements, thou	60.1	53.8	47.7	47.3
Apartments	56.7	50.3	43.8	43.2
Villas	3.4	3.5	3.9	4.1
Weighted average rental rate, AED/sq ft/year				
Apartments	49	61	76	89
Villas	55	66	79	93



More new projects commissioned



Development of new residential areas



Burgeoning demand for property purchase



The growth of average residential property prices



The growing number of lease renegotiation agreements

The residential real estate market of Dubai is getting back to a more robust growth. If developers sustain the current level of activity, 2025 might be a record year by the number of new projects commissioned in four recent years. The new districts such as Dubai South, Expo City and Dubai Islands are becoming points of growth due to vibrant development and their positioning as modern residential clusters highly appealing to investors. The sale prices have also showed growth year-on-year.

The state continues investing in urban infrastructure, including the development of public transport (Dubai Metro, airports, road junctions), new urban clusters (e.g. Dubai South, Expo City), which increases the attractiveness of new residential areas and bolsters the demand for real estate.

The rental rates keep on growing. Until the end of 2025, rental rates may further rise in the segment of quality housing, especially in the developments boasting good location and advanced infrastructure. A strong demand from expats, swelling labor migration and a limited supply of ready-to-move-in housing will support the rental market.

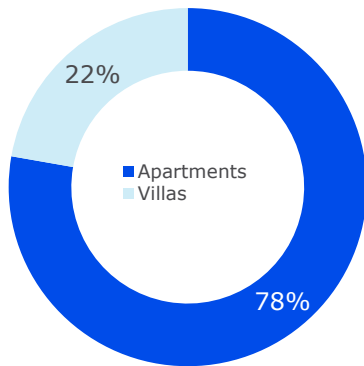
Supply

Due to the completion of construction on new projects in the first quarter of 2025, 11,200 units have been added to the residential real estate market of Dubai, which is 66% more than in Q1 2024. Whereas at the end of 2024 the pace of new projects’ commissioning slowed down, in the first quarter of 2025 we saw the growth of 22% versus Q4 2024. Because the commissioning of many projects were pushed back years earlier, we expect the year 2025 to be record-breaking in terms of housing commissioning, compared to four recent years.

Dynamics of residential real estate commissioning in 2021–2025



Breakdown of residential real estate commissioned in Dubai, Q1 2025



Apartments accounted for the lion’s share - 78%. In terms of size and typology, one-bedroom apartments took the lead accounting for 37% of the entire commissioned space. Studios and two-bedroom apartments accounted for 21% and 15%, respectively.

All in all, 2,500 villas were rolled out to the residential real estate market (22% of the total commissioned living space), which is 43% more than in Q1 2024, with Dubai South district being the leader by the commissioning of new residential projects with villas.

Dubai districts with the highest amount of residential real estate commissioned in Q1 2025

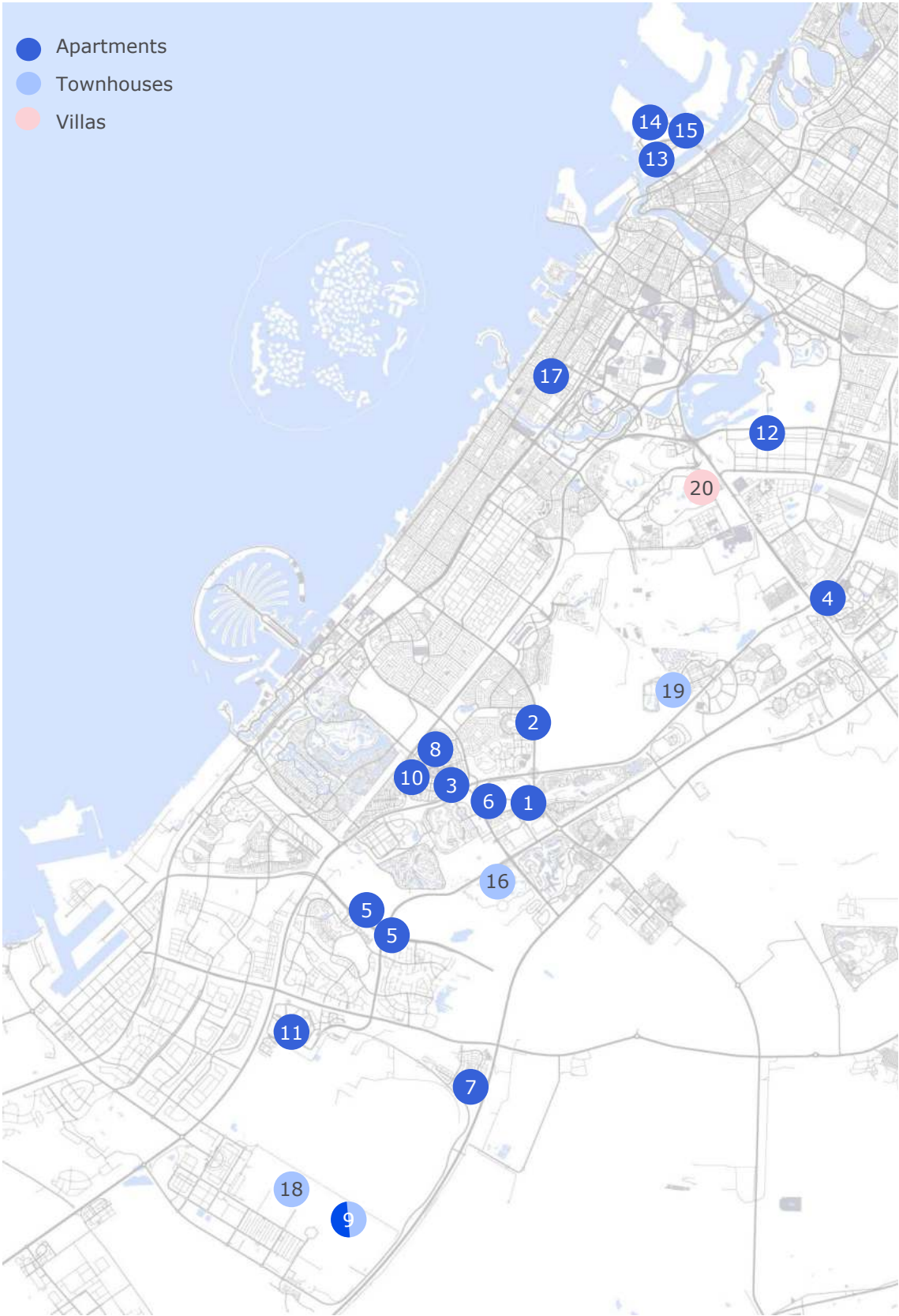
Apartments		Villas	
District	Number of units	District	Number of units
JVC	1 688	Dubai South	484
Business Bay	743	The Valley	330
Dubai Harbour	550	Tilal Al Ghaf	268
Dubai Creek Harbour	538	Damac Hills	258
Meydan One	535	Arabian Ranches Phase 3	247

Examples of project sales started in Q1 2025

Nº	Project name	Developer	Min. unit cost, AED	Min. unit cost, USD	Project commissioning deadline	District
1	Verano by Prescott	Prescott	65 000	17 550	Q3 2027	Dubai Studio City
2	Sky Hills Astra	HRE Development	750 000	202 500	Q4 2027	Dubai Science Park
3	IRIDIAN Park	Object 1	770 000	207 900	Q2 2027	JVC
4	Timez	Danube	800 000	216 000	Q2 2028	Dubai Silicon Oasis
5	Damac Riverside Views	Damac	890 000	240 300	Q4 2028	Riverside
6	15 Cascade Featured by Versace Ceramics	Iman Developers	900 000	243 000	Q3 2028	Motor City
7	Beachfront Gates	Dubai South Developers	1 000 000	270 000	Q4 2026	Dubai South
8	Binghatti Amberhall	Binghatti	1 000 000	270 000	Q1 2026	JVC
9	Golf Edge	Emaar	1 170 000	315 900	Q1 2029	Emaar South
10	Zenith J1	Zenith Group	1 300 000	351 000	Q4 2025	JVC
11	Al Waha	Expo City Development	1 700 000	459 000	Q4 2026	Dubai Expo City
12	The Element at Sobha One	Sobha	1 820 000	491 400	Q4 2028	Ras Al Khor
13	Sunset Bay 3	Intiaz Development	1 900 000	513 000	Q1 2027	Dubai Islands
14	Flora Isle Beachfront Residences	Centurion Development	2 090 000	564 300	Q2 2027	Dubai Islands
15	Villa Del Divos	Mr. Eight Development	2 300 000	621 000	Q1 2027	Dubai Islands
16	Reportage Hills	Reportage Properties	2 600 000	702 000	Q4 2028	Dubailand
17	City Walk Crestlane	Meraas	2 600 000	702 000	Q4 2028	Al Wasl (City Walk)
18	Greenville	Emaar	3 200 000	864 000	Q1 2029	Emaar South
19	The Wilds	Aldar	5 100 000	1 377 000	Q2 2029	Dubailand
20	Mews Mansions	API	59 900 000	16 173 000	Q4 2025	Nad Al Sheba

* 1 AED (1 dirham or Dhs) = 0,27 USD

The map* of launching the sale of residential projects in QI 2025



* Approximate locations are shown

Sale

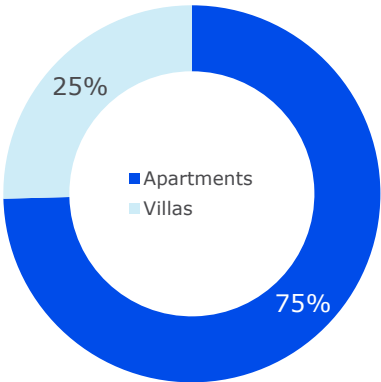


Demand

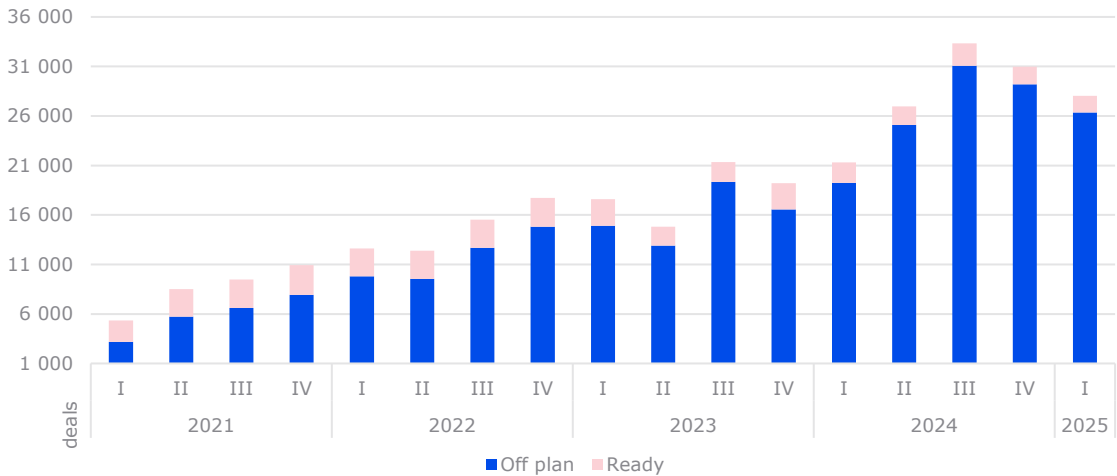
In the first quarter of 2025 the number of real estate purchase transactions exceeded 28,000, up 32% year-on-year, with off-plan housing accounting for 94% of the total number of transactions. The shifting of buyer interest towards real estate projects under construction can be explained by a number of factors: the delayed launch of project sales, the development of new residential areas, strong marketing strategies used by developers, and high activity of brokers on the market.

In Q1 2025 the number of off-plan apartment purchase transactions has increased by 19%, while the number of transactions with villas has more than doubled (versus Q1 2024). The robust development of Dubai South and Emaar South districts became one of the factors facilitating the growing number of transactions with villas.

Breakdown of residential real estate sales in Dubai, Q1 2025 sales



The dynamics of residential real estate purchase in Dubai, 2021 – QI 2025



Source: Nikoliers, Reidin

Examples of districts with the highest number of closed deals in the off-plan housing segment, Q1 2025

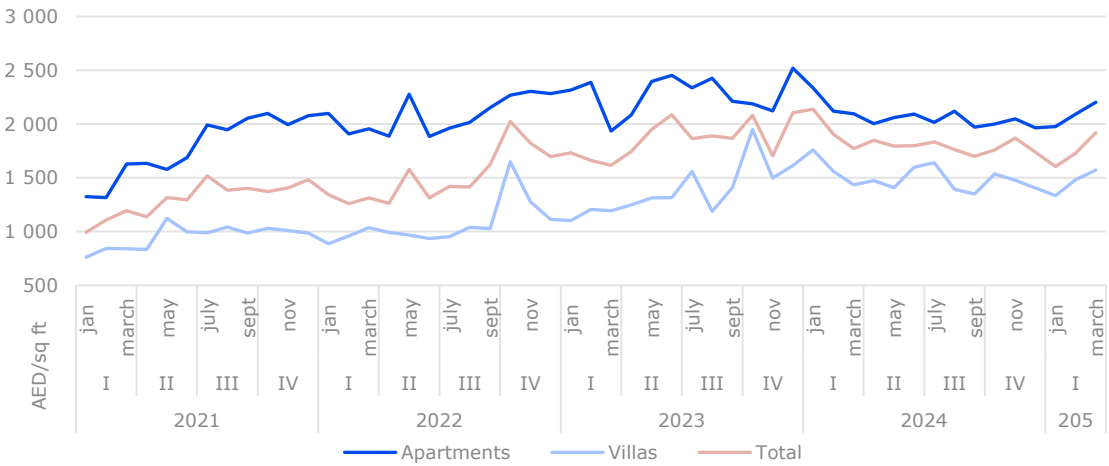
Apartments		Villas	
District	Number of deals	District	Number of deals
JVC	1 938	Damac Island	1 715
Dubailand Residence Complex	1 510	The Valley	1 309
Business Bay	1 278	Damac Hills 2	858
Emaar South	1 250	Villanova	767
Dubai Marina	855	Rukan	372

Sale prices

The off-plan housing market of Dubai is recovering after a minor correction of prices in the second half of 2024. The weighted average price at the end of Q1 2025 amounted to 1,920 AED/sq ft (5,621 USD/sq m), which is 8% less than in the similar period last year.

In the apartment segment the annual growth of the weighted average price per square foot for off-plan housing stands at 5%, in the villa segment - 10%. The weighted average price for apartments and villas at the end of Q1 2025 came to 2,203 AED/sq ft (6,451 USD/sq m) and 1,571 AED/sq ft (4,602 USD/sq m), respectively.

Dynamics of the weighted average price in the off-plan housing market of Dubai, 2021-2025



In some districts, such as Downtown Dubai, Dubai Marina, Dubai South, the growth of weighted average prices proved to be above the market (March 2025 vs March 2024).

Examples of districts with the highest growth of the weighted average sale price (March 2025 vs March 2024)

Apartments			Villas		
District	AED/sq ft	Dynamics	District	AED/sq ft	Dynamics
Palm Jumeirah	7 364	28%	Dubai South	971	43%
Downtown Dubai	4 678	25%	Emaar South	951	55%
Dubai Marina	3 062	42%	Rukan	734	43%

Top-3 projects with most expensive apartments sold in Q1 2025



The Rings -1

Price of the deal: **116 million AED**
(31 million USD)

Developer: PMR Property

District: Jumeirah 2

Commissioning deadline: Q4 2025

This cluster of two low-rise buildings developed by PMR Property includes several unique residences opening up a view of Burj Khalifa skyscraper and Dubai Water Canal.



AVA at Palm Jumeirah

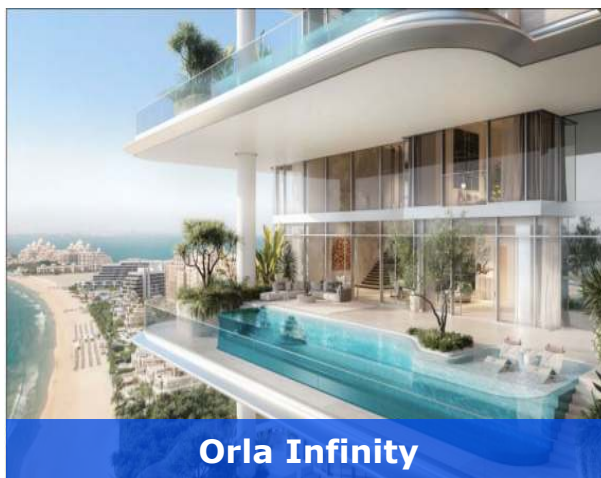
Price of the deal: **73 million AED**
(20 million USD)

Developer: Omniyat

District: Palm Jumeirah

Commissioning deadline: Q4 2025

This 24-storey premium-class development sits on the shore of the Persian Gulf. AVA comprises 17 residences: three- and four-bedroom apartments, one duplex and one penthouse. The project offers a hotel level of comfort and exceptional amenities.



Orla Infinity

Price of the deal: **68 million AED**
(18 million USD)

Developer: Omniyat

District: Palm Jumeirah

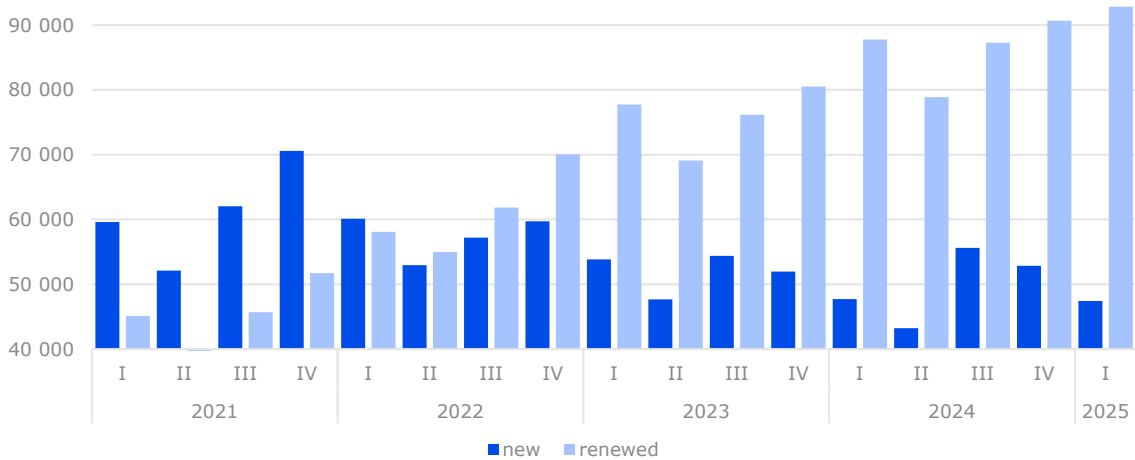
Commissioning deadline: Q4 2026

This 12-storey residential development from Omniyat Properties offers 20 two-level four-bedroom residences. Located in the prestigious district, Orla Infinity has all essential amenities for comfortable living.

Lease

On the rental market there is an ongoing trend of lessees giving preference to renegotiation of their already existing leases, whereas the number of new rental contracts remained at the level of the similar period in 2024. The number of lease renegotiation agreements has risen by 6% year-on-year. In the midst of continued growth of rental rates, lessees prefer to fix the initial rent terms.

Dynamics of lease transactions in Dubai, 2021-Q1 2025

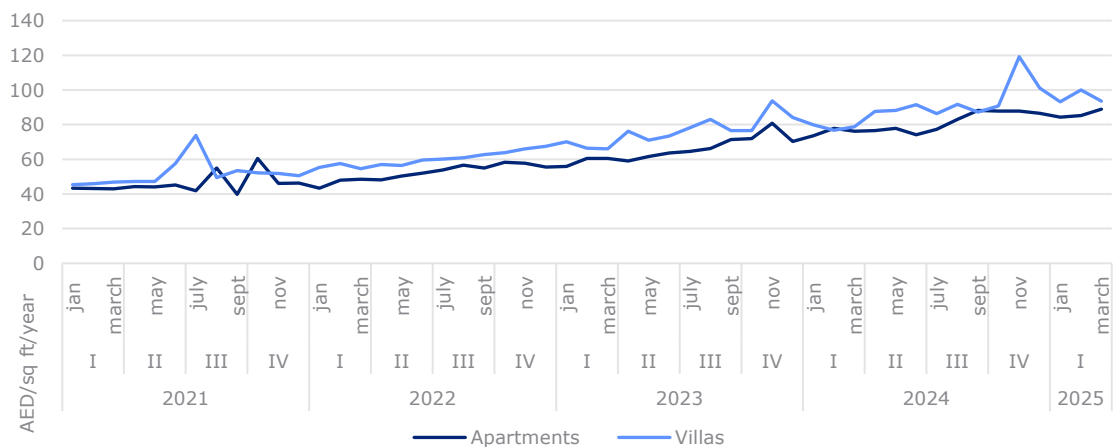


For the recent 12 months, the growth of rental rates on new lease agreements reached 20%.

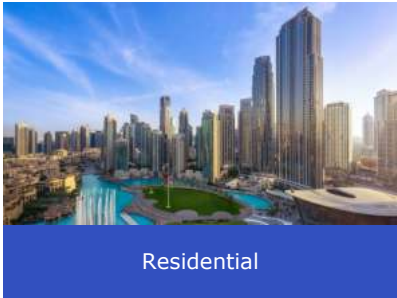
At the end of Q1 2025, the average rental rate in new apartment leases amounted to 89 AED/sq ft/year (260 USD/sq m/year), the villa rent came to 93 AED/sq ft/year (272 USD/sq m/year) The growth of rental rates in new apartment leases stood at 21%, while the villa rent growth stood at 17% on the year-on-year basis.

In most popular districts the weighted average rental rates in new lease agreements turned out higher than the market average at the end of Q1 2025. Thus, in JVC the rent was 110 AED/sq ft/year (232 USD/sq m/year), in Business Bay - 120 AED/sq ft/year (351 USD/sq m/year), in Downtown - 159 AED/sq ft/year (465 USD/sq m/year). The average growth of rental rates in new leases for the said three districts in the first quarter of 2025 amounted to 14% year-on-year.

The dynamics of weighted average rental rate in new leases, 2021-2025



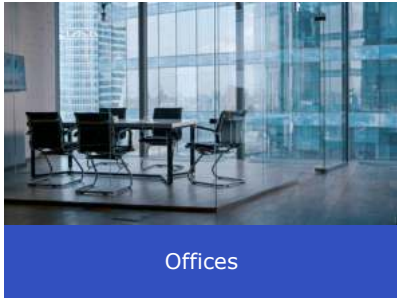
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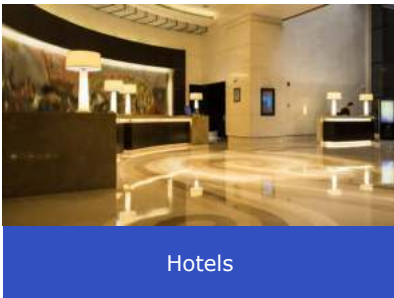
Retail



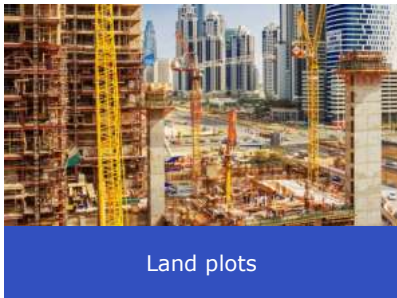
Offices



Industrial



Hotels



Land plots



Lease & sale



Managing construction projects



Strategic consulting



Business and property valuation



Investment



Representation of tenants



Research & analytics



Marketing

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