

CHESTERTONS

2025

Dubai Real Estate
Market Report



Dubai Real Estate Overview

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2025 has been a defining year for Dubai's real estate market.

Total sales across residential and commercial assets reached approximately ₦ 678 billion, representing a 29.6% increase in value year-on-year. Activity remained strong throughout the year, supported by steady investor confidence and meaningful regulatory progress. Together, these factors continue to place Dubai among the world's most active and attractive property markets.

Beyond the numbers, 2025 marked a clear shift in how the market operates. First-time homeownership initiatives, improved data access, and digital transaction systems have strengthened transparency and simplified decision-making. These developments reflect Dubai's wider ambitions under the Economic Agenda D33 and signal a market that is becoming more structured, accessible, and future-ready.

Commercial real estate stood out as the fastest-growing segment. Transactions rose by 46.4% to 12,849 deals, making 2025 a record year for the sector. Residential demand also remained resilient, with 200,803 transactions, up 8.5% compared to last year. Together, these figures highlight a market supported by both investors and end users.

This pace of growth has reshaped expectations across the industry. At Chestertons, we responded by strengthening our platform, including doubling the size of our commercial team to meet rising demand. Our focus remains simple: to provide clear guidance, practical insight, and reliable execution. We aim to support our clients at every stage, whether they are investing, expanding, or repositioning their portfolios.

Looking ahead, Dubai's fundamentals remain strong. Population growth, business inflows, and long-term planning continue to support the market. With a diverse investor base and forward-thinking policies in place, the outlook remains positive. At Chestertons, we are committed to playing our part in this next phase of growth by helping our clients move forward with confidence.



Key Announcement

1. Smart Rental Index 2025 (RERA / Dubai Land Department)

Introduced in January 2025, the Smart Rental Index replaced static rental benchmarks with a data-led model that considers unit type, building quality, location, and live market conditions, to justify rent increase. This initiative brings greater clarity to rental adjustments for tenants and landlords seeking fairer rent renewals, as well as investors tracking rental performance at building level.

2. First-Time Home Buyer Programme (DLD & Dubai Department of Economy and Tourism)

Launched in July 2025, this initiative supports first-time buyers through preferential pricing, priority access to selected development projects, and tailored mortgage solutions, encouraging long-term residency through ownership. This program was designed to make homeownership more accessible and financially affordable for both Emiratis and expatriates.

3. Real Estate Tokenisation Pilot (Dubai Land Department)

Introduced in March 2025, DLD's tokenisation pilot enables fractional ownership through blockchain-backed digital assets, allowing multiple investors to co-own a single property through tokenised real estate assets. This programme is particularly helpful for smaller-ticket investors, tech-driven buyers, and global participants seeking flexible access to Dubai real estate.

4. Tayseer Initiative for Service Fees (RERA / DLD)

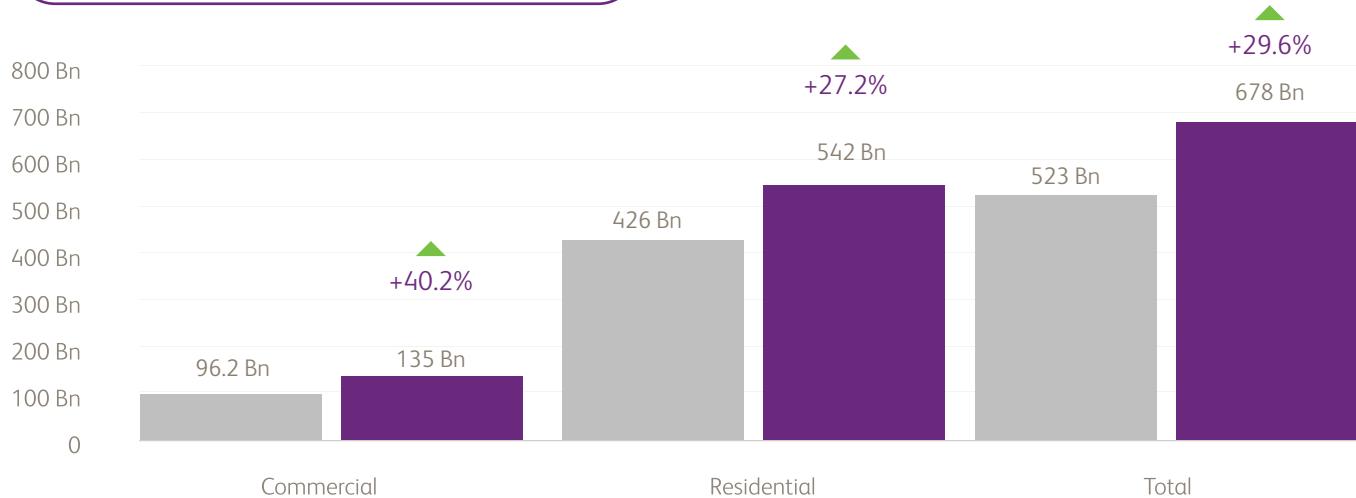
Rolled out in March 2025, Tayseer allows property owners to clear overdue service charges through structured payment plans (minimum 6 months), helping stabilise jointly owned communities and protect asset value. This programme was launched to ease financial burdens of existing homeowners facing service fee backlogs and community associations managing operational cash flow.

5. Dubai PropTech Hub (DLD & DIFC)

Launched in July 2025, the PropTech Hub connects real estate, finance, and technology players to advance digital solutions across transactions, data systems, and property services. This hub is particularly helpful for PropTech startups, real estate firms, investors, and technology partners shaping the next phase of Dubai's property ecosystem.

Commercial & Residential General Market Report

Sales Transactions Value - Overall Market



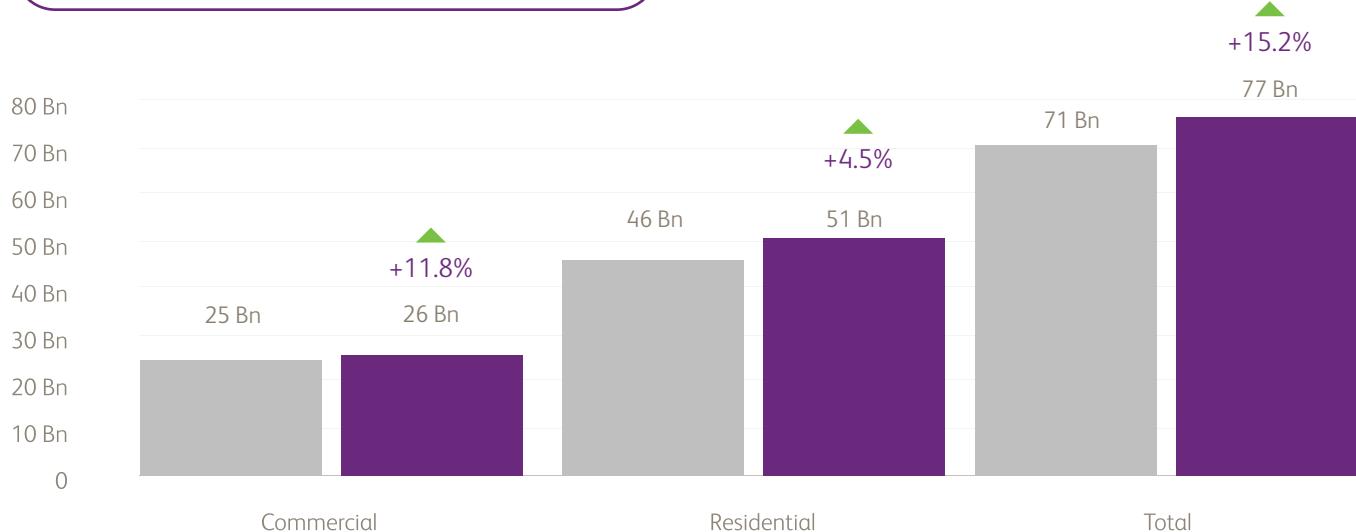
Source: Property Monitor

■ 2024 ■ 2025

Commentary

Total property transaction value rose by 29.6% year-on-year to ₦ 678 billion in 2025, driven by strong residential growth and a sharp rebound in commercial sales.

Leasing Transactions Value - Overall Market



Source: Property Monitor

■ 2024 ■ 2025

Commentary

Total leasing transaction value increased by 15.2% year-on-year to ₦ 77 billion in 2025, supported by steady growth across both residential and commercial segments.

Dubai Commercial Market Overview 2025

Commercial Sales

Commercial sales value climbed to ₦ 135 billion in 2025, up 40.2% year-on-year, driven by new off-plan office launches, repricing of upgraded legacy assets last delivered around 2010, and strong demand from global businesses establishing operations in Dubai, shifting activity toward higher-value transactions.

Commercial Primary Market

Off-plan commercial sales more than doubled to ₦ 8.5 billion (+115% YoY) as developers returned to the market following a prolonged supply gap, allowing pricing benchmarks to reset while investors moved early into new launches supported by flexible payment structures and expectations of capital appreciation.

Commercial Leasing

Commercial leasing value rose to ₦ 25.7 billion in 2025 (+4.5% YoY), supported by corporate expansions tightening office availability and logistics operators absorbing industrial stock, with limited Grade-A supply across key districts sustaining higher contracted rents.

Dubai Commercial Market Highlights

Source: Property Monitor

Commercial Sales Value - Year on Year



迪 135 Billion

Commercial Total Sales Value
2025

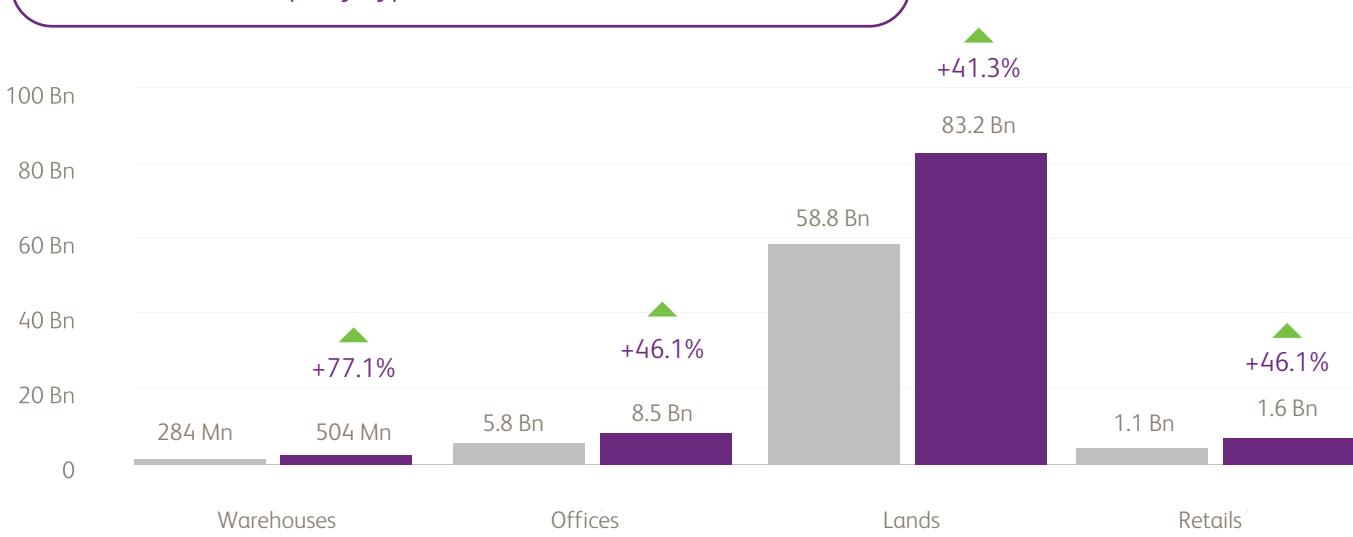
迪 96 Billion

Commercial Total Sales Value
2024

Commentary

Commercial sales value surged 40.2% year-on-year to迪 135 billion in 2025, reflecting robust capital inflows and property appreciation despite moderate transaction volumes.

Commercial Property Type Breakdown Value - 2024 vs 2025



Source: Property Monitor

2024 2025

Commentary

Commercial sales growth in 2025 was led by land transactions (+41.3%), alongside strong gains across warehouses (+77.1%), offices (+46.1%), and retail (+46.1%), highlighting broad-based demand across all commercial asset classes.

Commercial Sales Volume - Year on Year



12,849

Commercial Total Sales Volume
2025

11,805

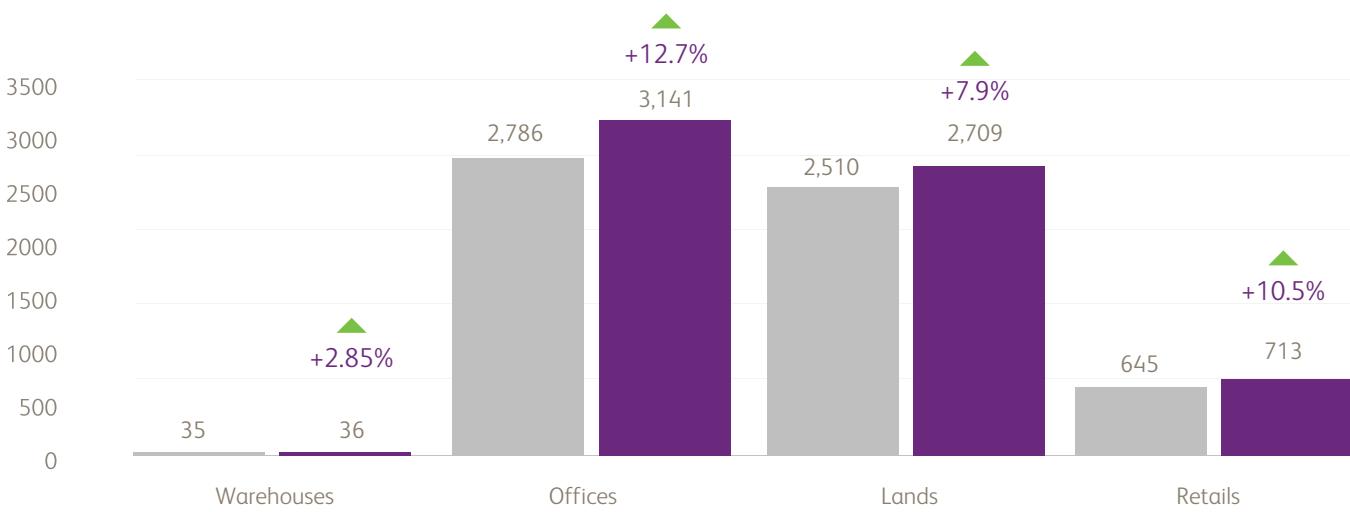
Commercial Total Sales Volume
2024

Commentary

Commercial sales volume increased by 8.85% year-on-year to 12,849 transactions in 2025, signalling improving market activity and buyer confidence.

Source: Property Monitor

Commercial Property Type Breakdown Volume - 2024 vs 2025



Source: Property Monitor

Commentary

Office drove the highest volume growth in 2025, with transactions rising across offices (+12.7%), land (+7.9%), and retail (+10.5%), highlighting steady demand across core commercial asset classes.

Commercial Off-Plan Sales Value - Year on Year



迪 8.5 Billion

Commercial Off-Plan Total Sales Value
2025

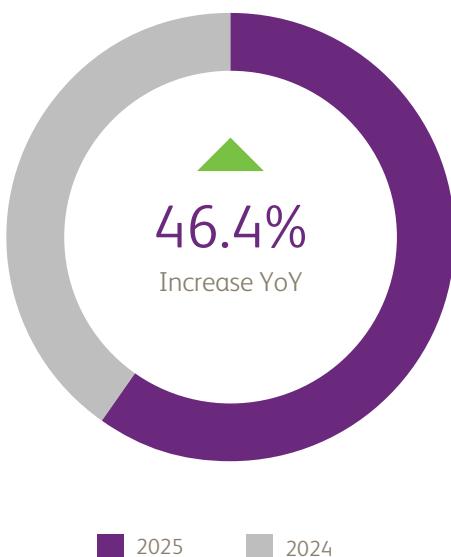
迪 3.9 Billion

Commercial Off-Plan Total Sales Value
2024

Commentary

Commercial off-plan sales value surged 115% year-on-year to迪 8.5 billion in 2025, driven by increased allocations into off-plan offices and land plots as investors capitalised on early-stage pricing and future supply constraints.

Commercial Off-Plan Sales Volume - Year on Year



2,772

Commercial Off-Plan Total Sales Volume
2025

1,859

Commercial Off-Plan Total Sales Volume
2024

Commentary

Commercial off-plan sales volume rose 46.4% to 2,772 transactions in 2025, supported by a higher number of project launches in emerging business districts and growing preference for phased-payment structures.

Commercial Leasing Value - Year on Year



迪 25.7 Billion

Commercial Total Leasing Value
2025

迪 24.6 Billion

Commercial Total Leasing Value
2024

Commentary

Commercial leasing value increased 4.5% year-on-year to迪 25.7 billion in 2025, supported by higher rental rates in prime office locations and sustained demand from expanding SMEs and regional headquarters relocations.

Commercial Leasing Volume - Year on Year



312,634

Commercial Total Leasing Volume
2025

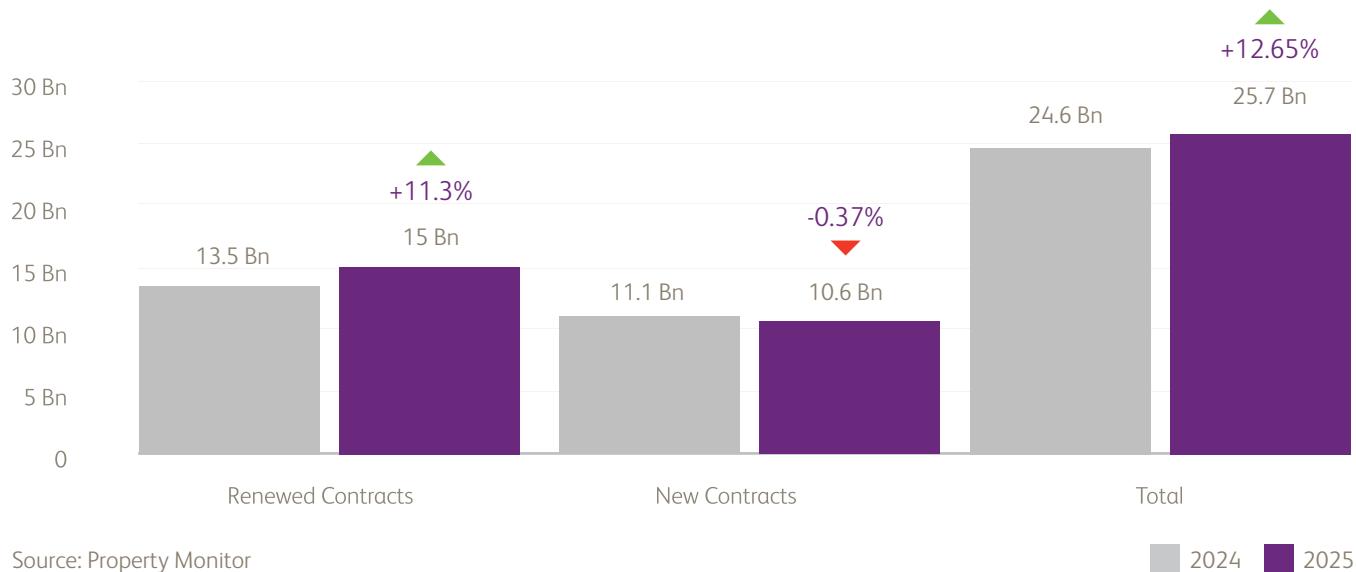
304,634

Commercial Total Leasing Volume
2024

Commentary

Commercial leasing volume rose 2.6% to 312,634 contracts in 2025, driven by steady business formation, portfolio expansions by existing occupiers, and continued take-up across established commercial hubs.

Commercial Leasing - Renewed vs New Contracts Value

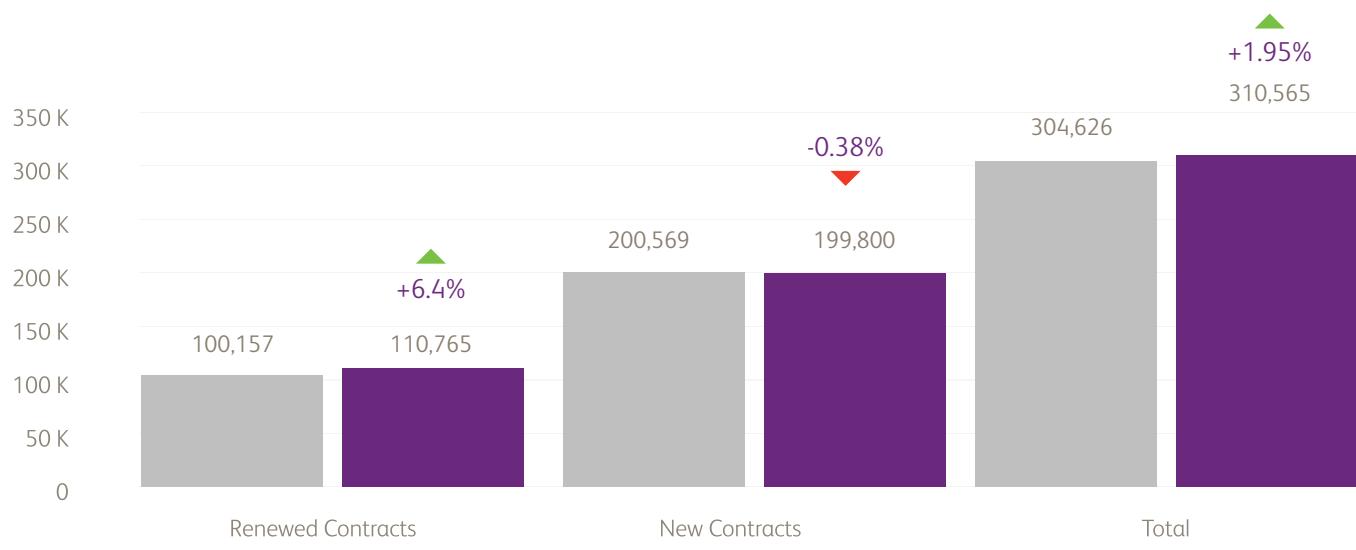


Source: Property Monitor

Commentary

Commercial leasing value rose 12.65% year-on-year to ₦ 25.7 billion in 2025, driven by higher renewal rents (+11.3%) as tenants renewed at increased rates amid tightening availability, while new lease values remained flat.

Commercial Leasing - Renewed vs New Contracts Volume



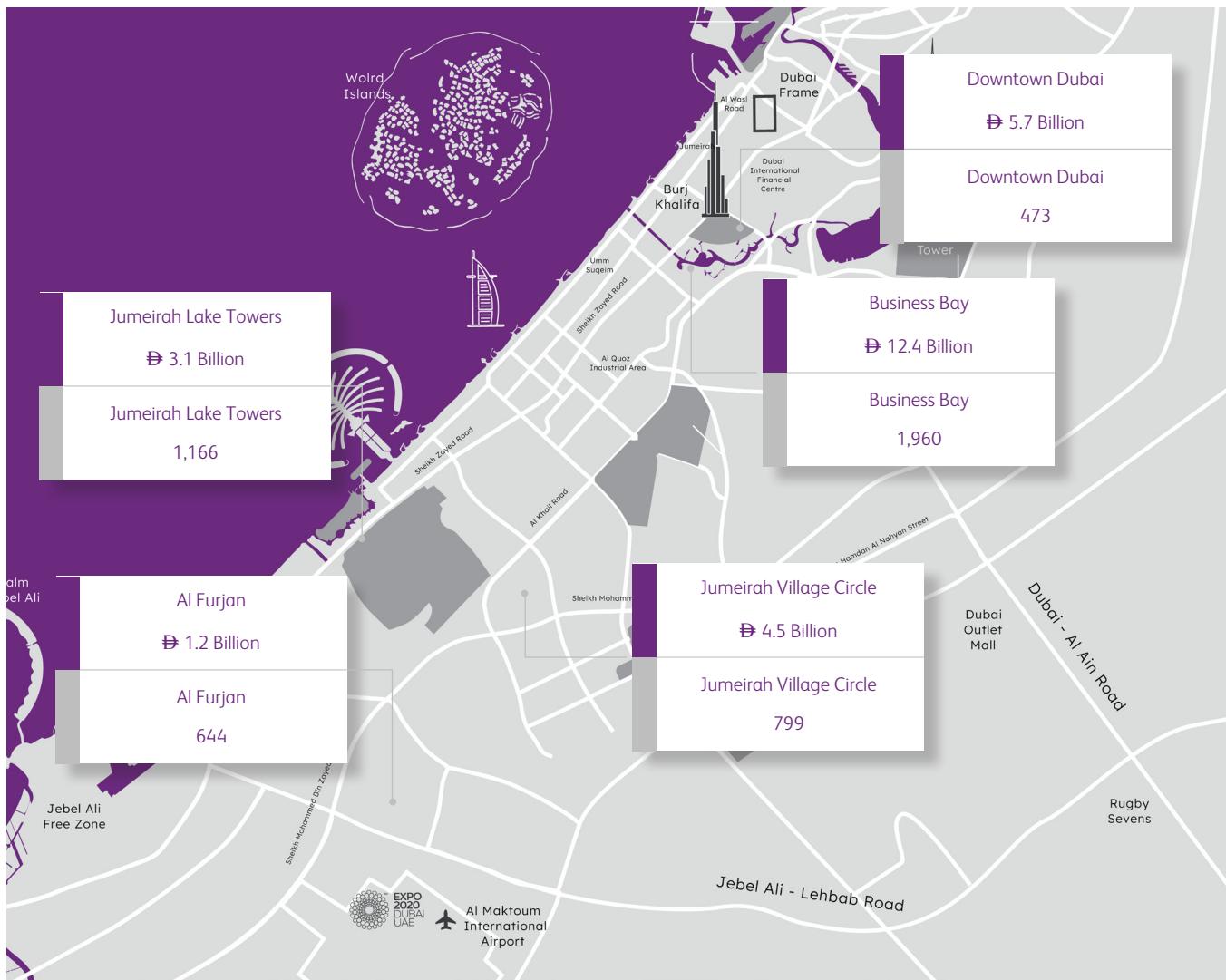
Source: Property Monitor

Commentary

Leasing volumes increased 1.95%, supported by stronger renewals (+6.4%), reflecting tenant retention and cautious expansion as new leasing activity softened slightly.

Top 5 Commercial Area's - 2025

Number of Units Sold + Total Sales Value



Source: Property Monitor

 Volume
 Value

1 Business Bay

2 Downtown Dubai

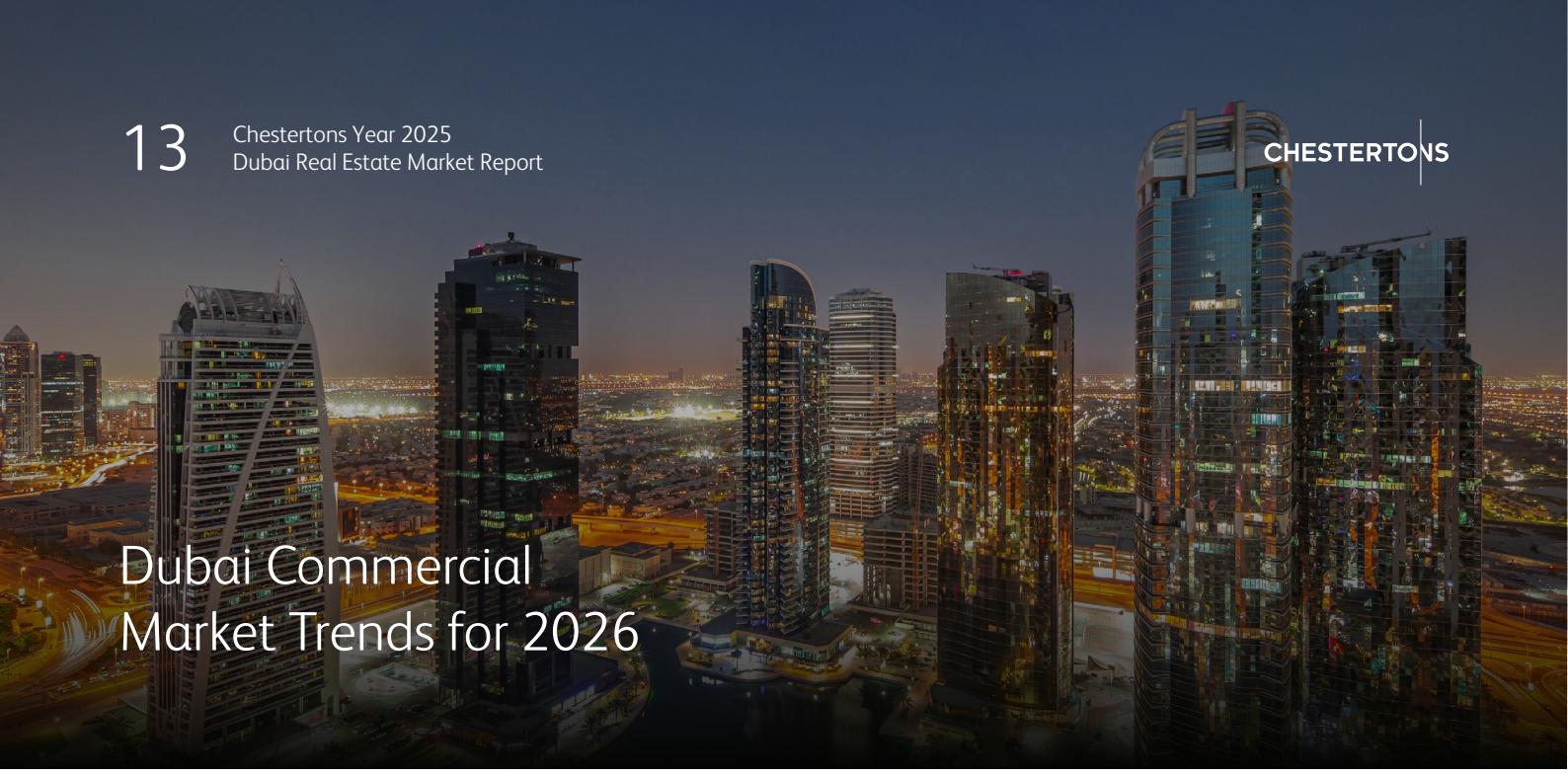
3 JVC

4 JLT

5 Al Furjan

Commentary

Business Bay led commercial sales activity in 2025 by total value, reinforcing its position as Dubai's primary business and office hub. Downtown Dubai followed, supported by limited supply and strong demand for prime, centrally located commercial assets. Jumeirah Village Circle and Jumeirah Lake Towers also featured among the top-performing areas, reflecting sustained interest in mixed-use communities offering accessible price points. Al Furjan completed the top five, highlighting the growing appeal of emerging commercial locations aligned with residential expansion and infrastructure growth.



Dubai Commercial Market Trends for 2026

1. Logistics & Warehousing Lead Commercial Investment Activity

Industrial and warehouse assets continue to outperform as population growth, e-commerce expansion, and supply chain diversification drive sustained space requirements. Key logistics hubs such as JAFZA, Dubai South, and Al Maktoum remain focal points, with large occupiers securing capacity early to hedge against future supply constraints and rising rents.

2. Land Scarcity Accelerates Developer Acquisition Strategies

Commercial land sales strengthened as developers and investors compete for shrinking land banks across prime sub-markets. With limited zoned parcels available and major master developments advancing, land scarcity is placing upward pressure on values, prompting early site acquisitions to secure future development pipelines.

3. Corporate Expansion Drives Sustained Office Demand

Office leasing and sales activity is being supported by rising business registrations, particularly across DIFC, Business Bay, and Downtown Dubai. Regional headquarters expansion, professional services growth, and technology sector inflows are driving demand for quality workspace, contributing to rental uplifts and tightening availability in prime office locations.

4. Rental Reversion and Tenant Retention Shape Leasing Performance

Leasing momentum is increasingly driven by renewals, with occupiers opting to retain existing space at higher rents rather than relocate. Limited new supply in core districts and strategic location preferences are reinforcing tenant retention, positioning renewals as a key contributor to leasing value growth heading into 2026.



Dubai Residential Market Overview 2025

Dubai Residential Sales

Residential sales value increased 27.2% year-on-year to ₦ 542 billion in 2025, supported by an 8.85% rise in transaction volumes, highlighting sustained buyer confidence across both end-user and investor segments. Apartment sales continued to dominate activity, while villas recorded stronger volume growth, reflecting ongoing demand for larger living formats alongside high-density urban housing.

Dubai Residential Leasing

Residential leasing value rose 10.24% to ₦ 51 billion in 2025, driven primarily by rental uplifts on renewals as tenant demand outpaced available supply in key communities. Leasing volumes increased modestly by 2.7%, with renewals leading activity, indicating strong tenant retention and limited relocation amid rising rental levels.

Dubai Residential Primary Market (Off-Plan)

Off-plan residential sales value climbed 27.5% year-on-year to ₦ 286 billion, alongside a 22.7% increase in transaction volumes, reflecting continued absorption across newly launched communities. Buyers increasingly favoured phased-payment developments and early-stage projects, reinforcing the off-plan segment's role as a key driver of residential market growth.

Dubai Residential Market Highlights

Source: Property Monitor

Residential Sales Value - Year on Year



迪 542 Billion

Residential Total Sales Value
2025

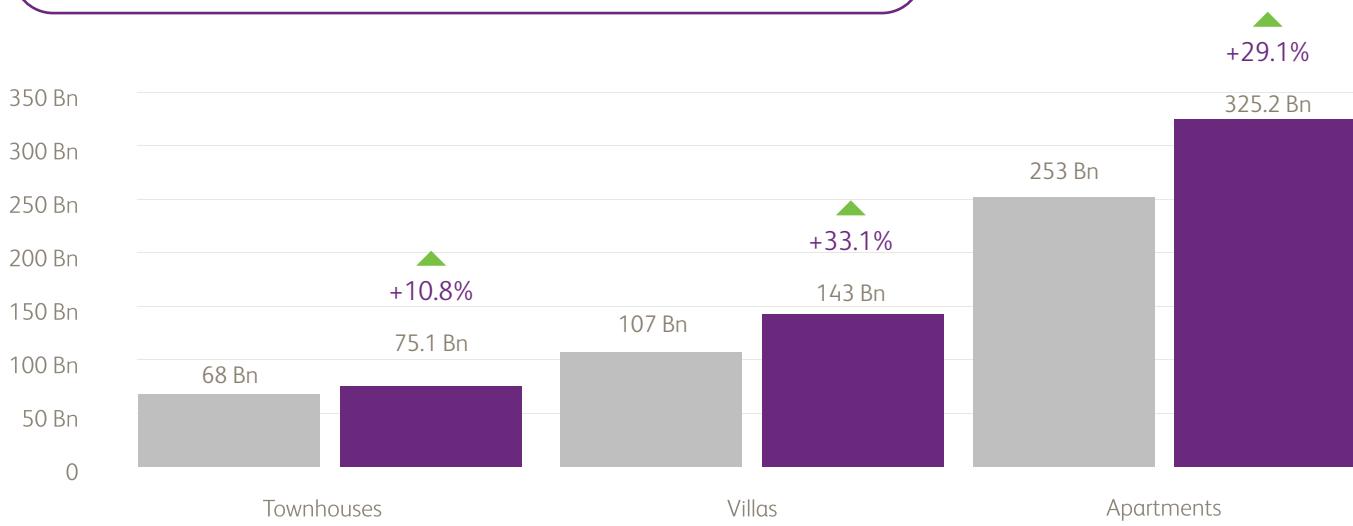
迪 426 Billion

Residential Total Sales Value
2024

Commentary

Residential sales value rose 27.2% year-on-year to迪 542 billion in 2025, driven by sustained end-user demand and continued investor confidence across Dubai's housing market.

Residential Property Type Breakdown Value - 2024 vs 2025



Source: Property Monitor

Commentary

Apartment-led growth supported residential performance, with sales value increasing 29.1%, alongside strong gains in villas (+33.1%) and townhouses (+10.8%), reflecting broad-based demand across all residential segments.

Residential Sales Volume - Year on Year



200,803
Commercial Total Sales Volume
2025

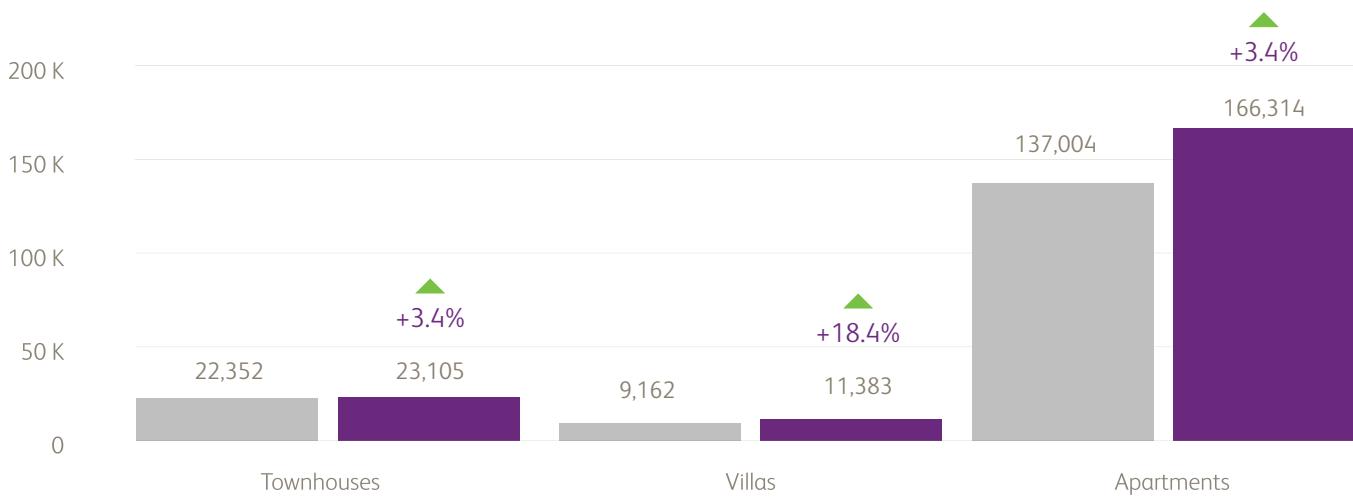
168,968
Commercial Total Sales Volume
2024

Commentary

Residential sales volume rose 8.85% year-on-year to 200,803 transactions in 2025, reflecting sustained buyer participation and continued market momentum.

Source: Property Monitor

Residential Property Type Breakdown Volume - 2024 vs 2025



Source: Property Monitor

2024 2025

Commentary

Villa transactions led to volume growth (+18.4%), supported by steady apartment activity (+3.4%), highlighting balanced demand across both end-user and investor segments.

Residential Off-Plan Sales Value - Year on Year



迪 286 Billion

Residential Off-Plan Total Sales Value
2025

迪 225 Billion

Residential Off-Plan Total Sales Value
2024

Commentary

Residential off-plan sales value increased 27.5% year-on-year to迪 286 billion in 2025, supported by strong new project launches and continued investor preference for phased-payment developments.

Residential Off-Plan Sales Volume - Year on Year



131,182

Residential Off-Plan Total Sales Volume
2025

106,918

Residential Off-Plan Total Sales Volume
2024

Commentary

Residential off-plan sales volume rose 22.7% to 131,182 transactions, reflecting sustained absorption across newly launched communities and early-stage developments.

Residential Leasing Value - Year on Year



Rp 51 Billion

Residential Total Leasing Value
2025

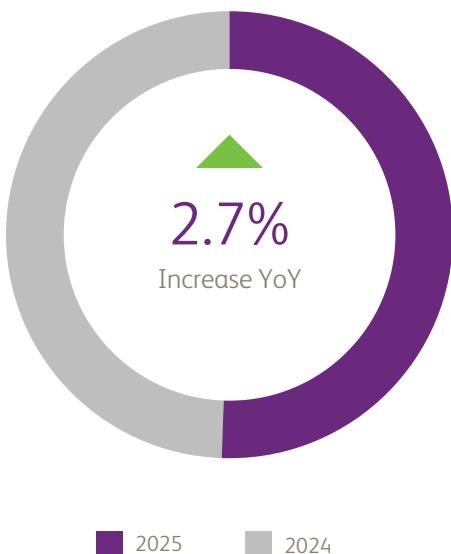
Rp 46 Billion

Residential Total Leasing Value
2024

Commentary

Residential leasing value rose 10.24% year-on-year to Rp 51 billion in 2025, driven by rental uplifts across prime communities as tenant demand continued to outpace available supply.

Residential Leasing Volume - Year on Year



592,746

Residential Total Leasing Volume
2025

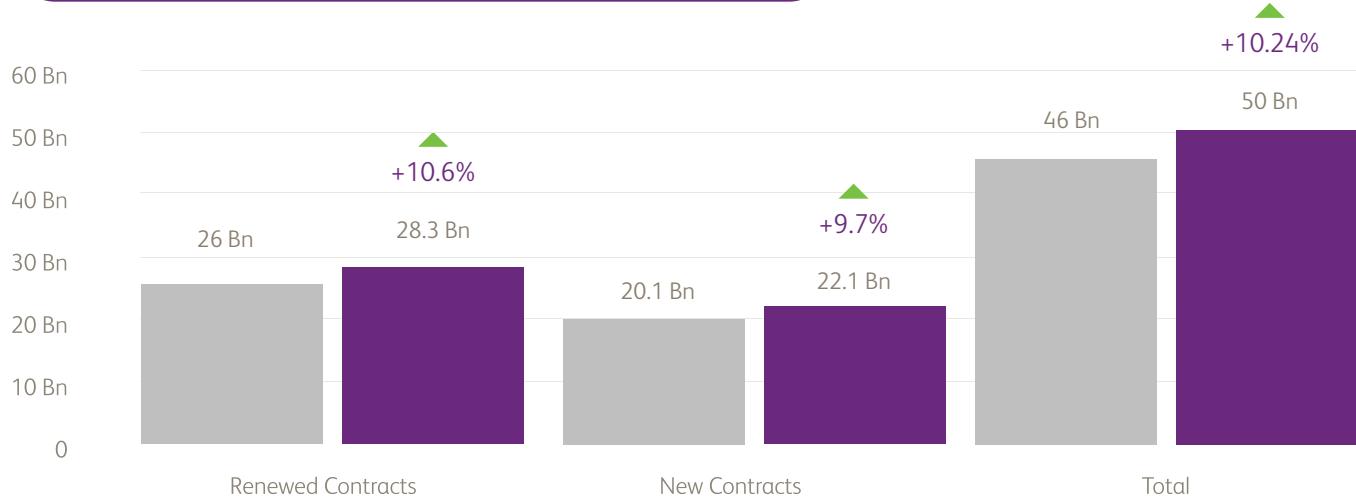
576,607

Residential Total Leasing Volume
2024

Commentary

Residential leasing volumes increased 2.7% to 592,746 contracts, reflecting steady household formation and sustained occupancy levels across Dubai's rental market.

Residential Leasing - Renewed vs New Contracts Value



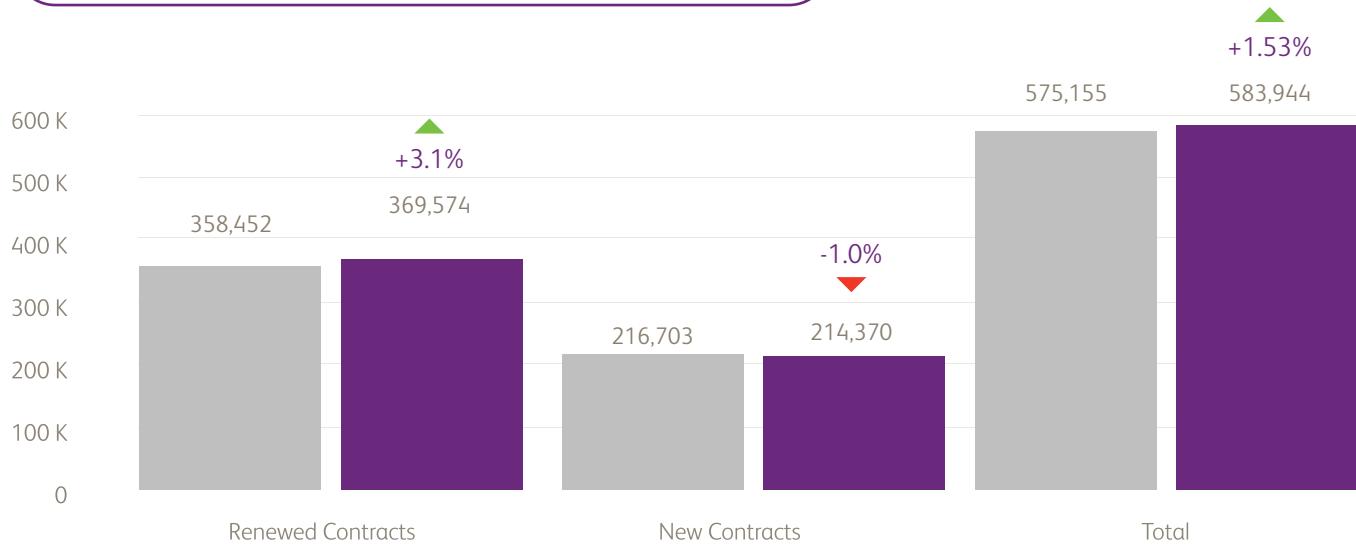
Source: Property Monitor

 2024
 2025

Commentary

Residential leasing value rose 10.24% year-on-year, driven by higher renewal rents (+10.6%) alongside steady growth in new contracts (+9.7%), reflecting continued rental pressure across key communities.

Residential Leasing - Renewed vs New Contracts Volume



Source: Property Monitor

 2024
 2025

Commentary

Leasing volumes increased 1.53%, supported by stronger renewals (+3.1%), while new contract registrations softened slightly, indicating tenants prioritised lease extensions amid limited available stock.

Top 5 Residential Area's - 2025

Number of Units Sold + Total Sales Value



Source: Property Monitor

 Volume
 Value

- 1 Business Bay
- 2 Dubai South
- 3 JVC
- 4 Motor City
- 5 Dubai Residence Complex

Commentary

Business Bay emerged as the leading residential market in 2025 by both transaction value and volume, reflecting strong demand for centrally located, well-connected communities. Jumeirah Village Circle and Dubai South followed closely, underlining continued buyer interest in established, master-planned areas and emerging growth corridors. Motor City and Dubai Residence Complex also featured among the top performers, highlighting a broad spread of residential activity across the city and sustained appetite for affordable and mid-market housing options.

Dubai Residential Market Trends for 2026

1. Off-Plan Sales Dominated Residential Transaction Activity

Off-plan properties accounted for the majority of residential transactions in 2025, supported by continuous new project launches and strong developer activity. Buyers were attracted by flexible payment plans and early-stage pricing, making off-plan the main contributor to both sales value and transaction volumes across Dubai's housing market.

2. High-Velocity Communities Captured Concentrated Buyer Demand

Residential activity in 2025 was largely concentrated in high-performing communities such as Business Bay, JVC, and Dubai South, which recorded strong transaction volumes and rising values. These areas benefited from established infrastructure, good connectivity, and lifestyle amenities, reinforcing buyer preference for well-developed and accessible neighbourhoods.

3. Villas Emerged as the Standout Segment on Pricing Performance

Villa prices outperformed other residential segments in 2025, driven by consistent end-user demand for larger homes and limited availability of quality villa supply. Family-oriented communities and master-planned developments continued to command premium pricing, reflecting buyers' preference for space, privacy, and community living.

4. Residential Supply Deliveries Influenced Market Absorption

A significant number of residential units were completed and handed over in 2025, increasing available housing stock across multiple communities. While this added more choice for buyers and tenants, demand remained strongest for well-located and high-quality projects, highlighting that location and development quality played a key role in overall market performance.



About Chestertons MENA

Award-Winning Real Estate Firm

220+

Years in Business

70+

Offices

20+

Countries

4500+

Team Members

With a legacy dating back to 1805, Chestertons MENA, a founding member of the Royal Institution of Chartered Surveyors, has been a trusted provider of cutting-edge property advice for over two centuries. From our origins in 1805 to today's global operation spanning over 70+ offices in 20+ countries, Chestertons has enjoyed a long-held reputation for providing expert property insight and on-the-ground delivery to investors, developers, corporate occupiers and financial institutions.

At Chestertons, we don't just provide real estate solutions. We partner with our clients, understanding their goals and challenges, and aligning our services to their needs. Our 'old service values' reflect our unwavering dedication to our clients' success, and we strive to consistently deliver value at every stage of the project lifecycle.

Whilst Chestertons is a global company, we understand our client's interests are tied to the local market in which they operate. As such, we employ the most suitably qualified people on the ground, sharing global best practices to support every client project. We have unparalleled knowledge of the Middle East and North African markets, which has allowed us to navigate complex regulatory environments and identify unique investment opportunities for our clients. Our team has spent many years in the region, building relationships and understanding the local business landscape.

Let's Talk

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