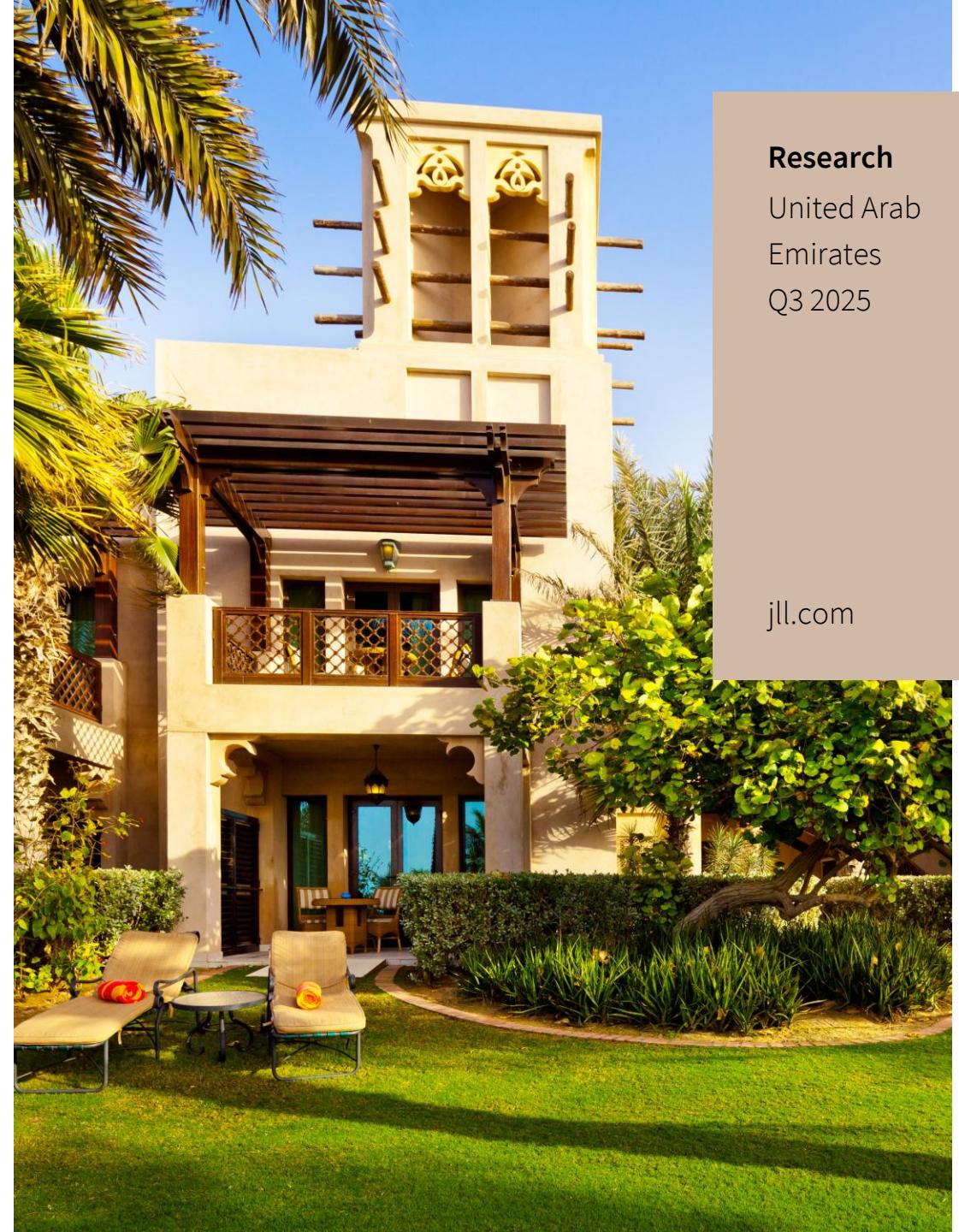


Living Market Dynamics

 **JLL** SEE A BRIGHTER WAY



Research
United Arab
Emirates
Q3 2025

jll.com

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Key trends

1

Healthy sales transaction activity

- Both living markets in Abu Dhabi and Dubai demonstrated strong sales transaction activity during Q3, driven mainly by the off-plan sector. In the year to Q3 2025, Abu Dhabi's sales transactions volumes grew by 76.2% while Dubai's increased by 16.5%.

2

Villas led sales price growth

- Resilient demand continue to push sales prices higher across all property categories. Villa prices led the growth with approximately 15% increases across both Dubai and Abu Dhabi, reflecting strong investor preference in this segment.

3

Dubai rents continue stabilisation

- The rate of rental growth has moderated considerably over the course of the year, where on an annual basis to September 2025, apartment rents rose by 6.2%, while villa rents grew more modestly at 2.9%.

By the numbers

AED 139.7bn

Dubai total sales value in Q3 2025

18,600

Under construction units in Abu Dhabi & Dubai to be delivered in Q4 2025

16.1%

increase in the total value of sales in Dubai in the YoY to Q3 2025

9.7%

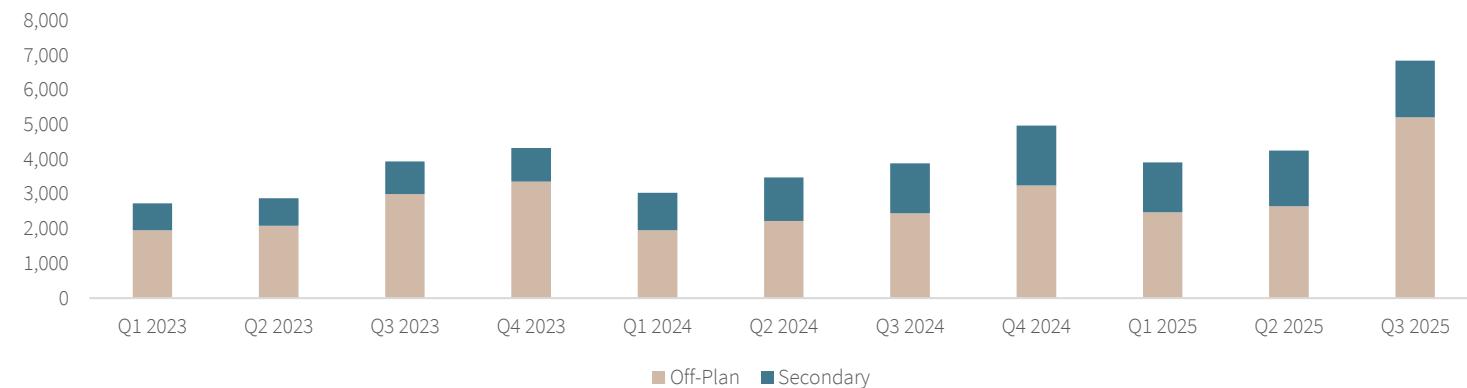
Average increase in Abu Dhabi's average sales prices in the year to September 2025

Commentary

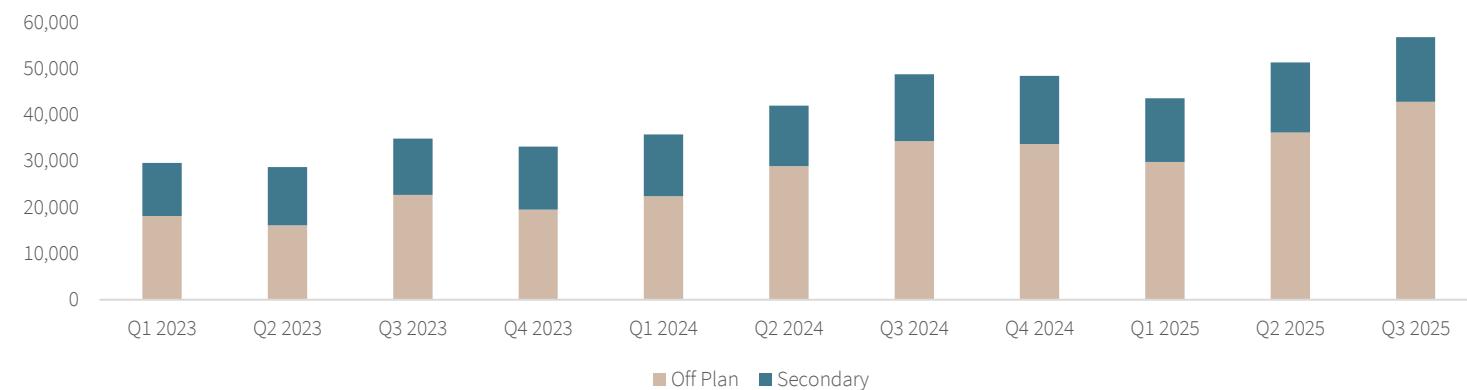
- Abu Dhabi recorded exceptional growth in residential sales transaction volumes, which increased by 76.2% in Q3 compared to the corresponding period in the previous year. This surge was primarily driven by off-plan transactions, which more than doubled, with growth registering at 113.0%. Off-plan sales dominated the market with a 76.1% share, while secondary market transactions comprised the remaining portion.
- Dubai's residential sales market demonstrated robust performance with a 16.5% growth in total transaction volume in the year to Q3 2025, propelled by increased off-plan market activity, which represented 75.4% of total Q3 transactions. Off-plan transactions expanded by 24.8% year-on-year, while secondary market transactions declined 3.3% compared to the same period in the previous year.
- These transaction volumes underscore strong demand within the UAE's residential sector. As developers continue to introduce new projects to the market, investors are actively seeking to capitalise on securing attractive investment opportunities in the expanding residential landscape.

Sales Transaction Volumes

Abu Dhabi, Sales Volumes, By Type



Dubai, Sales Volumes, By Type



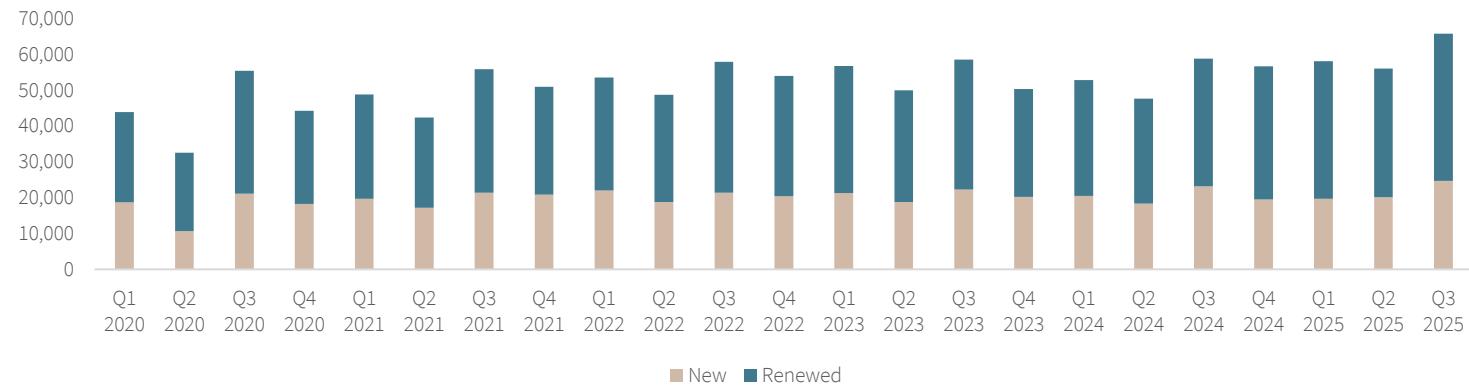
Source: ADREC, REIDIN

Commentary

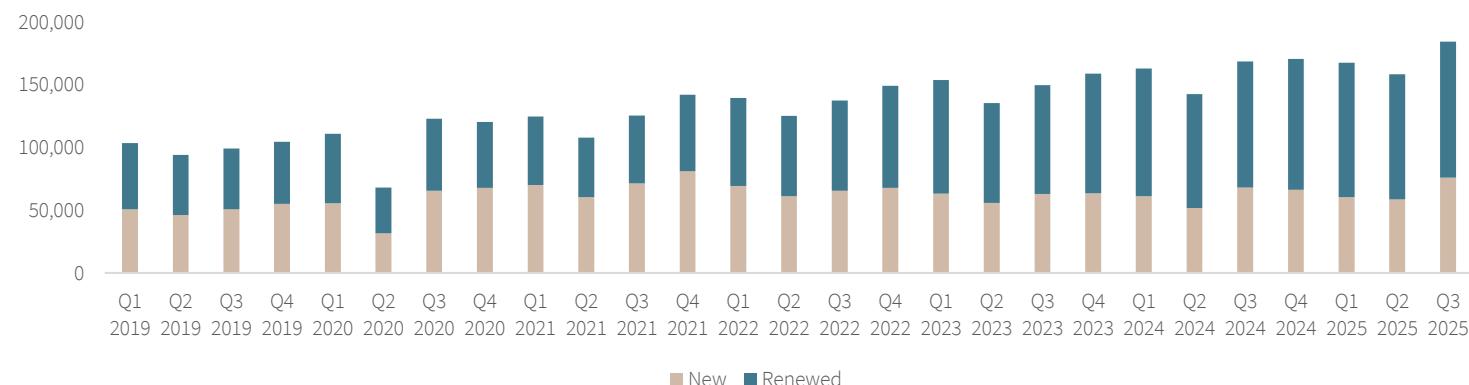
- In Abu Dhabi's rental market, the volume of contract registrations demonstrated robust performance with an 11.8% increase in the year to Q3 2025. This growth trajectory was predominantly driven by renewal activity, which experienced substantial expansion of 15.0% and represented approximately 62.4% of all contract registrations during the period. Concurrently, new rental contract formations also contributed positively to the overall market expansion, recording a 6.7% increase and accounting for 37.6% of total registrations.
- Dubai's residential rental market recorded a 9.4% growth in rental registrations in the year to Q3 2025, demonstrating sound market performance. Renewals held a 58.7% share but experienced a relatively modest growth rate of only 7.6% compared to the previous year. In contrast, new rental contracts, while representing 41.3% of total activity, exhibited stronger momentum with a 12.0% year-over-year growth. This shift is resulting from two primary factors, the delivery of new supply to the market and tenant migration patterns.

Rental Contract Volumes

Abu Dhabi, Rental Contract Registrations, By Type



Dubai, Rental Contract Registrations, By Type



Source: ADREC, REIDIN

Commentary

- Abu Dhabi's residential sales market sustained strong performance throughout the third quarter, with property prices advancing across all segments. Villa prices led the market in terms of the rate of appreciation, recording a 14.7% increase in the year to Q3 2025 to achieve an average price of AED 16,870 per square metre. Apartments prices demonstrated steady growth with a 7.8% annual increase, reaching AED 19,050 per square metre. Townhouse prices also contributed to the positive market trend, growing by 6.7% to AED 13,464 per square metre over the same period.
- Dubai's sales market maintained its positive trajectory during the third quarter, underpinned by robust transaction volumes. Apartment prices rose by 12.6% in the year September 2025 to AED 1,814 per square foot, while villa properties achieved the highest sales values of AED 2,276 per square foot, representing a 14.9% annual increase. The strong price appreciation across both property segments reflects continued investor confidence and sustained demand in Dubai's residential market.

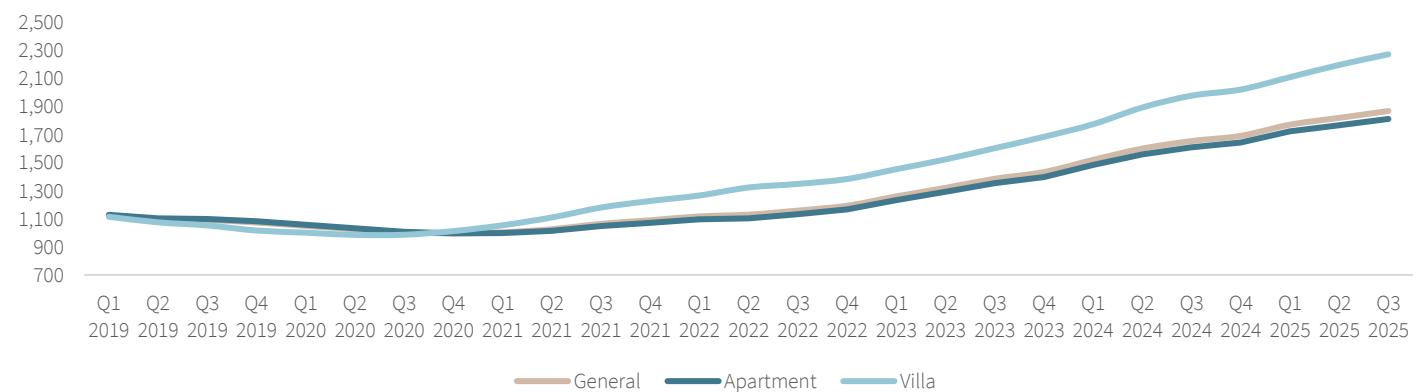
Sales Prices

Abu Dhabi, Sales Prices*, AED/Sq. m.



* The data is based on sales transactions registered in Al Jubail Island, Al Rahah, Al Reef, Al Reem Island, Al Saadiyat Island, and Yas Island only

Dubai, Sales Prices, AED/Sq. ft.



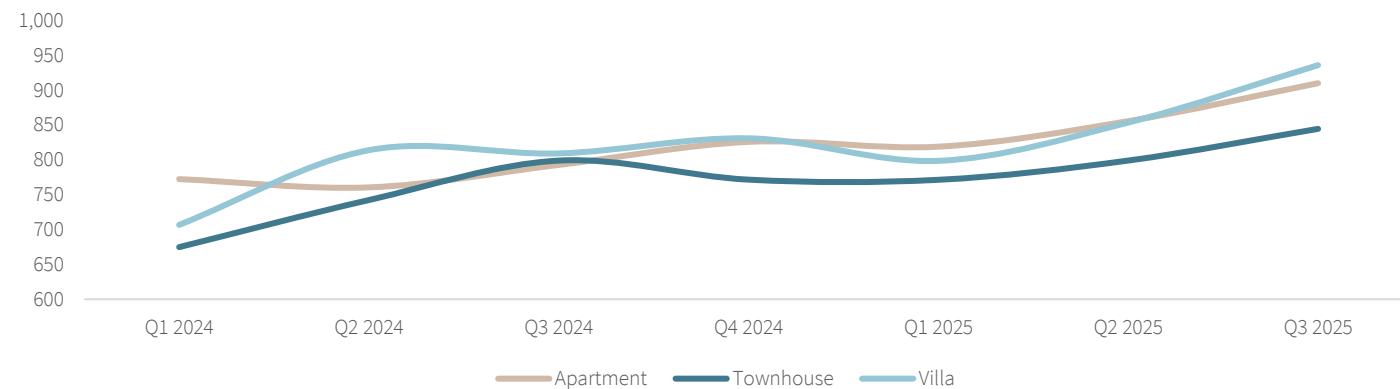
Source: JLL Research, REIDIN

Commentary

- Abu Dhabi's rental market continued to see strong rates of growth being recorded in the year to Q3 2025, with rental rates increasing across all property categories. Villas achieved the highest rental rates at AED 936 per square metre, growing by 15.6% year-over-year. Robust growth in villa rents reflected strong tenant demand for this typology. Apartment rents recorded significant growth of 14.8%, reaching AED 910 per square metre, while townhouse rents experienced more moderate appreciation of 5.7% to average AED 844 per square metre.
- Dubai's rental market is showing increasing stability. When looking at quarterly data, rents have remained relatively flat with minimal changes between quarters since the start of the year. On an annual basis, apartment rents rose 6.2% to AED 123 per square foot while villa rents grew more modestly at 2.9% to reach AED 105.7 per square foot. The rate of rental growth has moderated considerably over the course of the year, where for the remainder of the year we expect the rate of rental growth to be relatively limited, however performance is also expected to remain fragmented across the city.

Rental Rates

Abu Dhabi, Rental Rates*, AED/Sq. m.



* The data is based on rental transactions registered in Al Jubail Island, Al Rahah, Al Reef, Al Reem Island, Al Saadiyat Island, and Yas Island only

Dubai, Rental Rates, AED/Sq. ft.



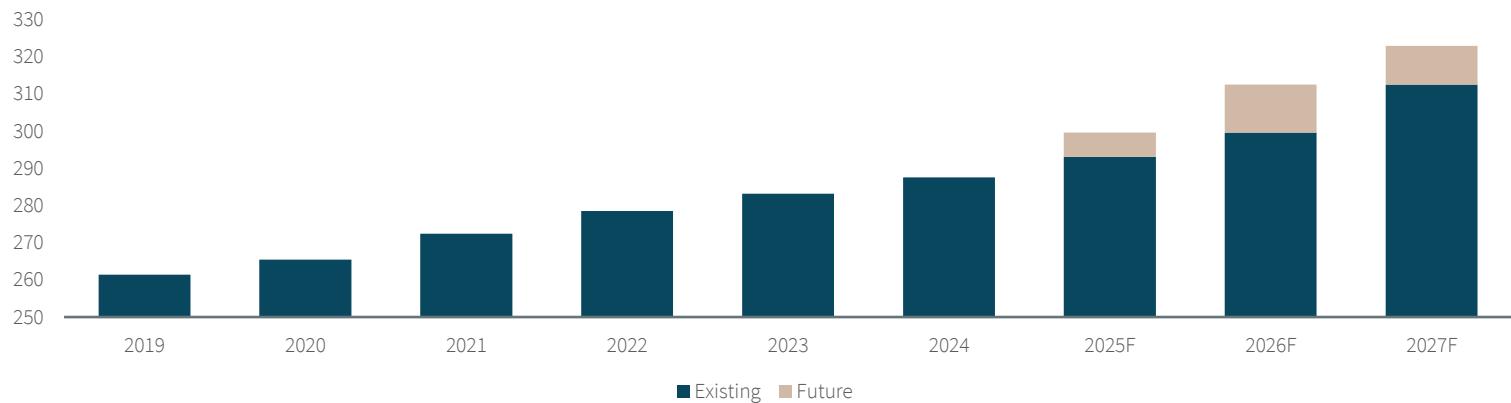
Source: JLL Research, REIDIN

Commentary

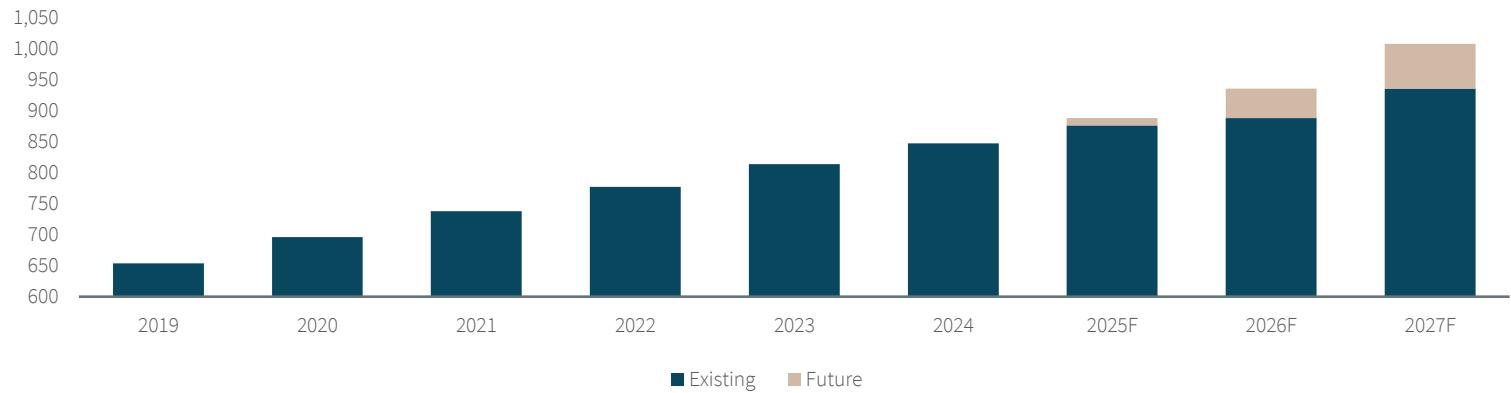
- Abu Dhabi's residential supply increased by 800 units during the third quarter, pushing total stock to 293,000 units. Future supply growth remains robust with an additional 6,600 units expected during the fourth quarter. More so, an additional 12,900 and 10,400 units are projected to be delivered in 2026 and 2027, respectively.
- Dubai's residential supply climbed to approximately 876,300 units as at Q3 2025, with the delivery of around 7,100 units during the quarter. For the remaining quarter of the year, around 12,000 units are expected to be delivered, however some of these planned deliveries is expected to be subject to delays. Nearly three quarters of this future supply is comprised of apartments, with villas and townhouses accounting for the remainder.
- Looking ahead, the residential market is set for continued expansion over the next two years, with approximately 47,200 new units expected in 2026 and 72,500 units in 2027. Apartments will comprise majority of new developments, reflecting strong investor preference for this typology.

Supply

Abu Dhabi, Historic and Future Supply, Units (000s)



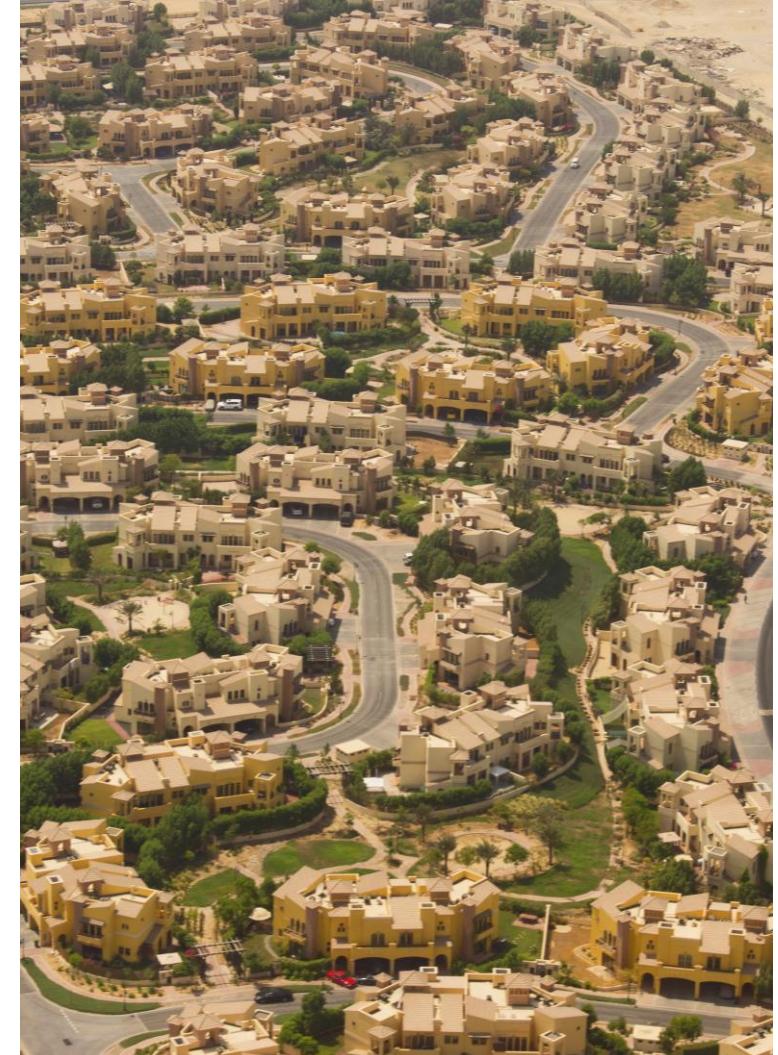
Dubai, Historic and Future Supply, Units (000s)



Source: JLL Research, 2025

Outlook

- Across both cities, the residential market is projected to maintain strong fundamentals in the short to medium term, supported primarily by sustained investor and a growing base of owner-occupier demand. This market strength stems largely from the UAE's comprehensive economic diversification initiatives, which continue to broaden the economic base. These efforts have proven effective in attracting a steady influx of international professionals and expatriate families seeking to establish residence within the emirates. Additionally, the expanding job market across various sectors, including technology, finance, tourism, and renewable energy, has accelerated the need for quality housing options.
- Dubai's new initiatives such as the 'First-Time Home Buyer Program' are facilitating demand from the local market and provide buyers with increased accessibility to off-plan projects, preferential pricing and other key benefits. Such incentives will collectively make homeownership more attainable for middle-income residents who previously found Dubai's property market challenging to enter. By capturing demand from the established local population, the program serves dual purposes, it provides residents with wealth-building opportunities through property ownership while creating a more stable, domestically-driven demand base for Dubai's real estate sector. This initiative aligns with broader economic goals by strengthening local participation in the property market and reducing reliance on international investment flows.



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