



VALUSTRAT.COM

**Dubai, UAE**  
Real Estate Research  
Fourth Quarter 2025



# DUBAI

# Q4/‘25

This quarterly report contains research on Dubai's residential, office, retail, hospitality and industrial real estate markets.

# TABLE OF CONTENTS

04

## Overview

Real Estate Performance and Key Indicators  
Macro-Economic Snapshot  
Dubai Consumer Price Index

07

## Residential Market

VPI - Residential Capital Values  
VPI - Prime Residential Capital Values  
VPI - Residential Rental Values  
Residential Rents  
Residential Supply  
Residential Sales Transactions  
Mortgage Transactions

16

## Office Market

VPI - Office Capital Values  
Office Supply  
Office Sales Transactions  
Office Asking Rents

20

## Retail Market

Retail Supply  
Retail Performance

22

## Hospitality Market

Hospitality Supply  
Hospitality Performance

24

## Industrial Market

VPI - Industrial Logistics Capital Values  
Industrial Investment/Supply

26

## About Us

ValuStrat in the Media  
VPI Subscription

# FOREWORD

---



**Haider Tuaima**  
Managing Director &  
Head of Real Estate  
Research

## Capital Growth Eases, but Dubai's Real Estate Fundamentals Remain Firm

Dubai's real estate market continued to expand in Q4 2025, albeit at a moderating pace. The ValuStrat Price Index rose 19.8% annually, confirming a gradual deceleration in residential capital growth after several years of rapid appreciation. Villas continued to outperform apartments due to structural scarcity, while apartment growth remained positive but more measured. Prime residential values also advanced, although quarterly gains softened to their slowest pace since mid-2023, signalling an ongoing phase of market normalisation.

Dubai's official resident population was revised to 4.25 million in 2024, with peak-hour population reaching 5.9 million. By 2025, the resident population is estimated to have risen to just under 4.5 million, while peak-hour population expanded to approximately 6.1 million. This sustained population growth, particularly during working hours, continues to place upward pressure on housing demand, infrastructure, and commercial real estate.

Supply conditions remain a critical market driver. Despite a record residential pipeline projected for 2026, actual completions in 2025 reached only 36,000 units, 59% of preliminary estimates, consistent with historical delivery slippage. With more than 220,000 units currently under construction and delivery schedules extending to 2029, further downward revisions to future supply are likely, which should continue to underpin prices and rents across most submarkets.

Rental markets stabilised across both apartments and villas, with modest annual growth reflecting affordability ceilings rather than weakening demand. Transaction activity remained resilient, supported by strong off-plan sales and record secondary-market volumes, particularly in the mid-market and premium segments.

Outside the residential sector, Dubai's office and industrial markets delivered robust performance. Office capital values and rents reached new highs amid limited Grade A supply and strong occupier demand, while industrial assets benefited from logistics-led demand and a tight supply of modern warehouse stock. The hospitality sector also posted solid operating results, supported by sustained tourism growth. Overall, Q4 2025 highlights a resilient, supply-constrained market transitioning from peak growth toward a more sustainable expansion phase.

# REAL ESTATE PERFORMANCE

SOURCE: VALUSTRAT



VPI

Residential Capital Values

**240.4**

BASE: JAN 2021 = 100

↑ 4.3%  
Q-o-Q

Office Capital Values

**288.9**

BASE: Q1 2021 = 100

↑ 4.0%  
Q-o-Q

Industrial Capital Values

**171.5**

BASE: Q1 2021 = 100

↑ 2.7%  
Q-o-Q

## KEY INDICATORS

SOURCE: REIDIN, DET, VALUSTRAT



Residential

Sales Ticket Size

**2.52M**  
AED

↑ 3.4%  
Q-o-Q

Sales Volume

**53,666**  
TRANSACTIONS

↓ -7.7%  
Q-o-Q

Asking Rents

**143,557**  
(AED / P.A.)

↑ 0.4%  
Q-o-Q



Office

Sales Ticket Size

**3.06M**  
AED

↑ 16.5%  
Q-o-Q

Sales Volume

**725**  
TRANSACTIONS

↑ 2.4%  
Q-o-Q

Asking Rents

**2,153**  
(AED / SQ M / P.A.)

↑ 1.2%  
Q-o-Q



Hotel

Occupancy

**80.4%**  
YTD NOV 2025

↑ 2.4%  
Y-o-Y

ADR

**557**  
(AED) YTD NOV 2025

↑ 7.1%  
Y-o-Y

RevPAR

**448**  
(AED) YTD NOV 2025

↑ 10.6%  
Y-o-Y

↑ INCREASE    ■ NO CHANGE    ↓ DECLINE

# MACRO ECONOMIC SNAPSHOT

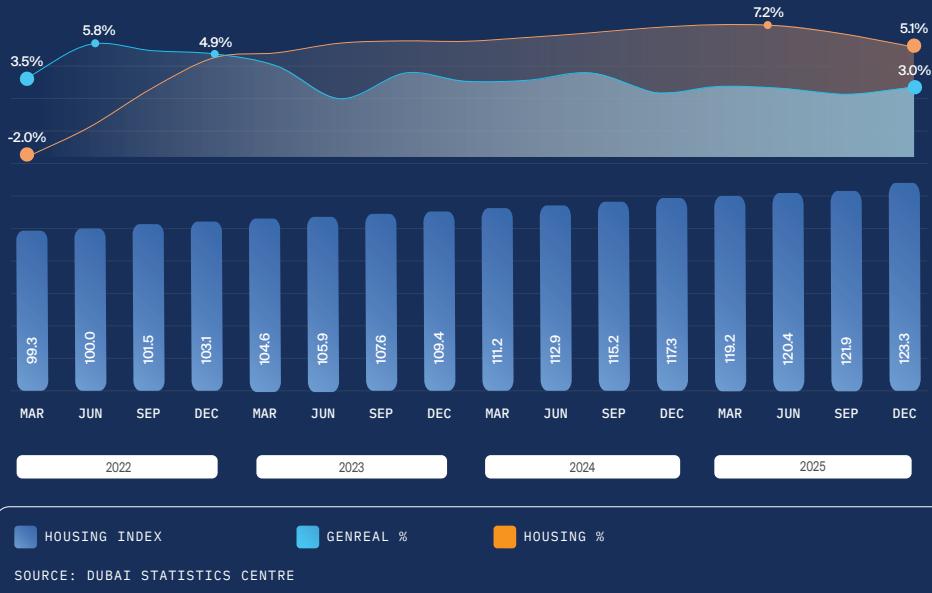
- The UAE economy is expected to accelerate to around 5% growth in 2026, with inflation averaging 2% over the medium term, supported by strong non-oil sectors and rising oil output, as per the International Monetary Fund (IMF)
- In December 2025, the US Federal Reserve announced its third rate cut of the year, setting the target range at 3.5% to 3.75%
- The Dubai Statistics Centre updated the official population for 2024 to 4.25 million, with the population during peak hours standing at 5.9 million
- In 2025, the resident population likely reached just under 4.5 million, while the peak-hour population was estimated at 6.1 million
- The UAE reinforced its position as a leading global investment hub, attracting more than AED 165 billion in foreign direct investment last year, an increase of nearly 50% despite an 11% global decline, accounting for over half of total Middle East inflows
- Dubai crude oil price stood at AED 228 (USD 62.02) per barrel, as of December 2025
- Dubai's economy sustained solid momentum in 2025, with GDP reaching approximately AED 355 billion in the first nine months, including AED 113.8 billion in the third quarter. Economic output increased by 4.7% over the nine-month period and by 5.3% annually in the third quarter, reflecting broad-based activity across sectors

## Dubai Population



SOURCE: DUBAI STATISTICS CENTRE, VALUSTRAT

# CONSUMER PRICE INDEX ANNUAL CHANGE



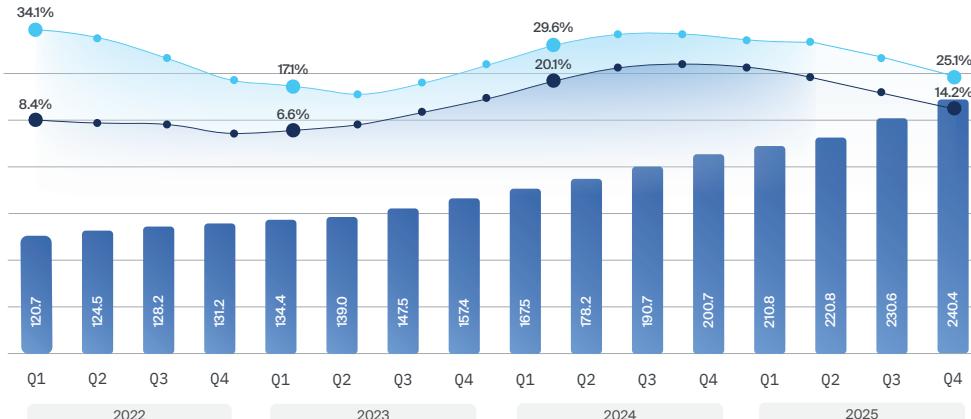
- Dubai's inflation rate rose slightly to 3% in December, compared to 2.9% in the previous year
- The Consumer Price Index (CPI) for 'Housing and Utilities' rose by 5.1% annually, down from 7.2% in the same period of 2024
- The S&P Global UAE Purchasing Managers' Index (PMI) eased slightly in December to 54.2 from 54.8 in November, remaining close to its long-term average and signalling a robust expansion in non-oil business conditions, supported by strong demand and one of the fastest output growth rates recorded in 2025, despite rising input cost pressures

# CITYWIDE RESIDENTIAL CAPITAL VALUES



## Annual Growth

[BASE: Q1 2021=100]



 VPI

 APARTMENTS (%)

 VILLA (%)

SOURCE: VALUSTRAT

ValuStrat Price Index

Residential Citywide

**240.4**

BASE: Q1 2021=100

Villa Citywide

**323.9**

BASE: Q1 2021=100

Apartment Citywide

**185.9**

BASE: Q1 2021=100

The ValuStrat Price Index (VPI) for Dubai's citywide freehold residential market increased 19.8% annually in Q4, easing from 21.3% growth in the previous quarter and 27.5% a year earlier. On a quarterly basis, the VPI rose 4.3% to reach 240.4 points, based on a baseline of 100 set in Q1 2021.

Residential capital growth has been slowing for the past 15 months, yet villas continue to significantly outperform apartments. In Q4, the weighted average capital value of a villa in Dubai reached AED 14.4 million, rising 25.1% YoY, compared to AED 2 million for apartments, which grew 14.2% over the same period.

The valuation based index for villas rose to 323.9 VPI points, reflecting a moderated quarterly increase of 5.3%. Jumeirah Islands recorded the strongest uplift at 7.7%, followed by Palm Jumeirah at 7%. The Meadows, Dubai Hills Estate, and Furjan each saw gains of 5.3%, while Jumeirah Village Triangle and Al Furjan posted increases of 5.1%. Mudon registered the most modest growth at 2.8%.

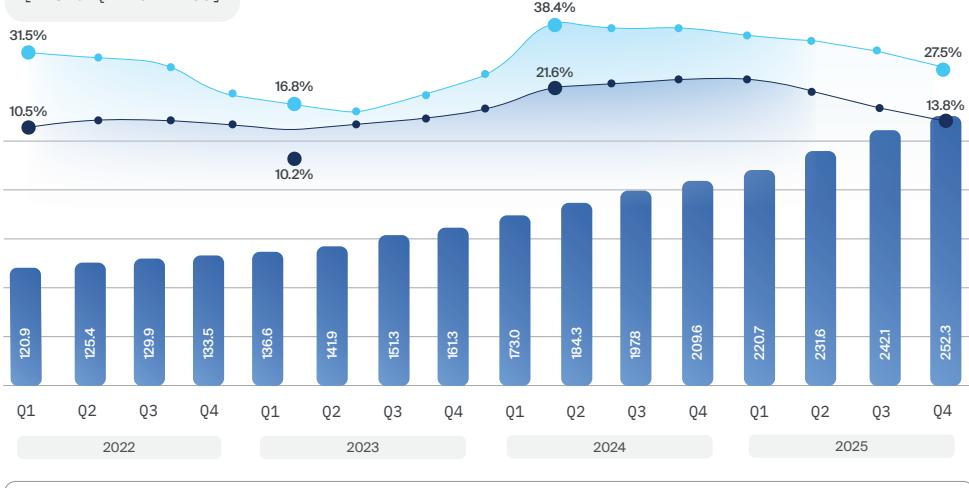
Apartments saw a modest quarterly increase of 3.1%, bringing the VPI to 185.9 points. The strongest quarterly gains were recorded in Remraam and The Greens (both at 4.6%), followed by The Views (4.4%), DubaiLand Residence Complex (4%), and Dubai Silicon Oasis (3.9%), with Town Square close behind at 3.8%. In contrast, International City (1.7%) and Al Furjan (1.9%) posted the softest growth rates of the quarter.

# PRIME RESIDENTIAL CAPITAL VALUES



## Annual Growth

[BASE: Q1 2021=100]



 VPI

 APARTMENTS (%)

 VILLA (%)

SOURCE: VALUSTRAT

ValuStrat Price Index

Residential Prime

**252.3**

BASE: Q1 2021=100

Villa Prime

**399.5**

BASE: Q1 2021=100

Apartment Prime

**199.1**

BASE: Q1 2021=100

The prime and high end homes segment continued to expand strongly; however, capital growth in this category has begun to moderate and is now trailing the quarterly pace observed in mainstream residential properties. Homes valued at AED 21,528 per sq m (AED 2,000 per sq ft) or more account for approximately 35% of Dubai's freehold residential market. The ValuStrat Price Index (VPI) for this segment reached 252.3 points in Q4 2025, compared to its baseline of 100 set in Q1 2021.

Prime property values increased by an average of 20.4% YoY and 4.2% QoQ, marking the slowest quarterly rise since Q2 2023. The prime villa sub index reached 339.5 points, up 20.4% annually and 5.6% quarterly, slightly easing from the 5.9% recorded in Q3. Since the market trough in 2021, most villa communities have seen their valuations triple, while Jumeirah Islands and Palm Jumeirah have recorded fourfold increases.

Meanwhile, Dubai's premium apartments continued to appreciate, albeit at a more measured pace compared to villas. The segment recorded a 13.8% annual increase and a 2.8% quarterly rise, reaching 199.1 points on the ValuStrat Price Index.

# VALUSTRAT PRICE INDEX

## RESIDENTIAL RENTAL VALUES



### Annual Growth

[BASE: Q1 2021=100]



VPI

APARTMENTS (%)

VILLA (%)

SOURCE: VALUSTRAT

### Apartment Asking Rents

 **4.1%**  
LAST YEAR

 **0.5%**  
LAST QUARTER

### Villa Asking Rents

 **2.3%**  
LAST YEAR

SOURCE: REIDIN,  
VALUSTRAT

- The ValuStrat Price Index (VPI) for Dubai's residential rental values was stable quarterly but increased 3.3% annually, reaching 202.5 points
- The VPI for apartments reached 190.4 points, while the VPI for villas climbed to 221.7 points, more than double the baseline of 100 points set in Q1 2021

- Villa asking rents remained mostly unchanged quarterly but increased 2.3% annually, with the average yearly rent at AED 431,400
- Apartment asking rents were also stable quarterly and rose 4.1% annually, averaging AED 96,700 per year

# RESIDENTIAL RENTS



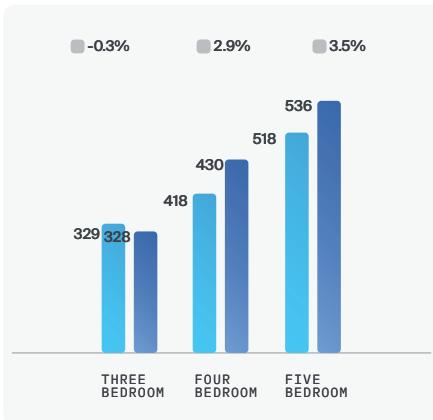
## Apartment Average Asking Rent

'000 AED per annum and Yearly Change (%)



## Villa Average Asking Rent

'000 AED per annum and Yearly Change (%)



Q4 2024    Q4 2025  
AVERAGE YEARLY  
CHANGE (%)

SOURCE: REIDIN,  
VALUSTRAT

Q4 2024    Q4 2025  
AVERAGE YEARLY  
CHANGE (%)

SOURCE: REIDIN,  
VALUSTRAT

- Average annual asking rents for apartments stood at AED 66,000 for studios, AED 92,000 for one-bedroom units, AED 132,000 for two-bedroom units, and AED 192,000 for three-bedroom units
- Average annual rents for villas were AED 329,000 for three-bedroom units, AED 430,000 for four-bedrooms, and AED 536,000 for five-bedroom homes

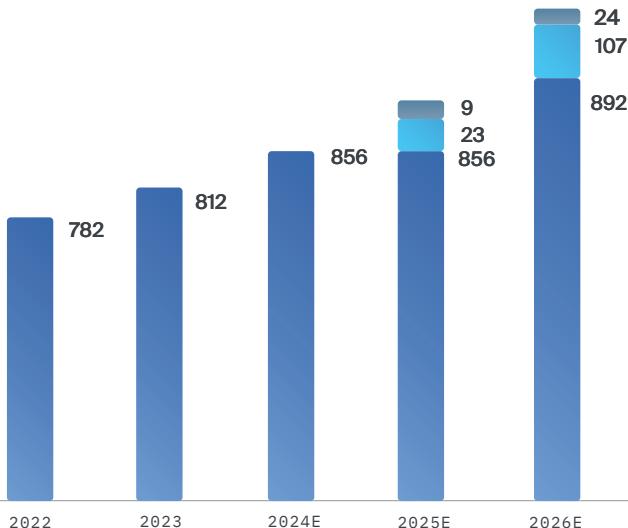
# RESIDENTIAL SUPPLY



2022-2026

'000 Units

\*MAY BE SUBJECT TO SIGNIFICANT DOWNWARD ADJUSTMENT



EXISTING URBAN VILLAS/APARTMENTS

NEW APARTMENTS\*

NEW VILLAS\*

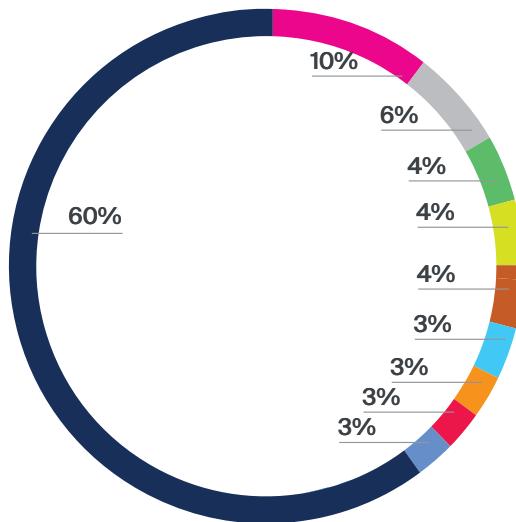
SOURCE: DUBAI STATISTICS CENTRE, REIDIN, MEED PROJECTS, VALUSTRAT

- Official records indicate that Dubai entered 2024 with a total of 855,927 existing residential units
- Total estimated completions as of the 2025 stood at 26,810 apartments, and 9,382 villas, equivalent to 59% of preliminary estimates of 2025
- In Q4 2025, Dubai saw the completion of 1,987 apartments in Jumeirah Village Circle, 808 units in Arjan, 804 apartments in Dubai Studio City, 578 houses in Damac Hills 2, and 540 homes in Tilal Al Ghaf
- Significant building completions included Azizi Vista in Dubai Studio City with 163 apartments, Pearl House II in Jumeirah Village Circle with 198 units, and Park Field Towers in Dubai Hills Estate delivering 304 units
- Notable villa completions included Santorini at Damac Lagoons, delivering 367 homes, and Elie Saab 1 and 2 adding 129 and 131 units respectively
- The pipeline of new residential supply for 2026 is estimated at a record 131,234 units, comprising approximately 81% apartments and 19% villas and townhouses. However, these projections remain subject to downward revisions, consistent with prior years, due to persistent construction delays

# RESIDENTIAL SUPPLY



Locations with Upcoming Residential Supply



■ JUMEIRAH VILLAGE CIRCLE

■ JUMEIRAH LAKE TOWERS

■ DUBAI SOUTH

■ OTHERS

■ BUSINESS BAY

■ DUBAI HILLS ESTATE

■ SOBHA HARTLAND 2

■ DAMAC LAGOONS

■ ARJAN

■ DUBAI CREEK HARBOUR

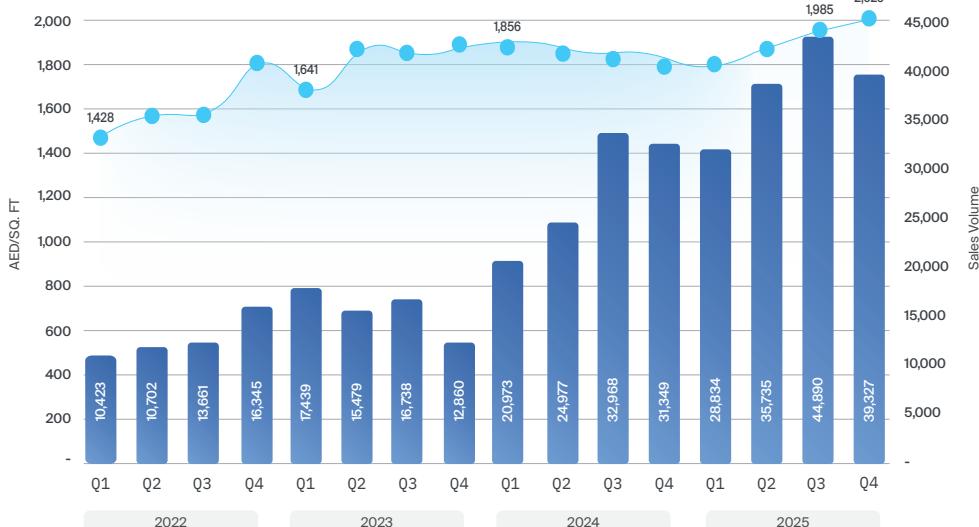
SOURCE: REIDIN, MEED PROJECTS, VALUSTRAT

- 187,676 apartments and 39,291 villas and townhouses are actively under construction with handovers promised by 2029. Of these projects, 10% are located in Jumeirah Village Circle, with another 6% located in Business Bay followed by Damac Lagoons, Jumeirah Lake Towers and Dubai Hills Estate with 4% each
- Key off-plan apartment launches included LIV Oceanside on Dubai Islands with 106 apartments, Sobha SkyParks on Sheikh Zayed Road with 684 units, Samana Hills South 3 in Dubai South with 147 properties
- Major villa launches during the quarter included Damac Islands 2 comprising 544 units, Serro 2 at The Heights a sub-community of The Heights Country Club featuring 397 units
- Additional project included Mercedes-Benz Places located in Meydan, Allegro Park located on Dubai Islands, Hilton Residences at Dubai Maritime City, and Il Vento at Dubai Maritime City
- Emaar Properties announced the launch of Emaar Hills, a AED 100 billion master-planned community near Dubai Hills Estate, featuring 40,000 ultra-luxury homes, including large-format Dubai Mansions with wellness-focused amenities

# RESIDENTIAL OFF-PLAN SALES TRANSACTIONS



Total Volume &  
Average Price



AVERAGE PRICE (AED /SQ FT)

VOLUME

SOURCE: REIDIN, VALUSTRAT

Off-plan Sales Volume

**25.4%**  
LAST YEAR **-12.4%**  
LAST QUARTER

Off-plan Sales Ticket Size

**8.4%**  
LAST YEAR **3.8%**  
LAST QUARTER

SOURCE: REIDIN,  
VALUSTRAT

- Off-plan Oqood (contract) registrations surged by 25.4% annually but fell 12.4% on a quarterly basis, reaching 39,327 registrations. These transactions represent a total investment value of approximately AED 98 billion
- The average ticket size for off-plan homes stood at AED 2.5 million, marking a rise of 3.8% compared to Q3 and 8.4% annually

- The citywide average transacted price for off-plan properties was AED 21,797 per sq m (AED 2,025 per sq ft)
- Top off plan transactions during the quarter were concentrated in Jumeirah Village Circle (7.7%), Dubai Investment Park Second (7.2%), and Jumeirah Village Triangle (5.2%), with Dubailand Residence Complex and Business Bay following at 5% each

# RESIDENTIAL READY SALES TRANSACTIONS



Total Volume &  
Average Price



Ready Sales Volume

↑ **2.2%**  
LAST YEAR

↑ **9.4%**  
LAST QUARTER

Ready Sales Ticket Size

↑ **4.6%**  
LAST YEAR

↑ **1.1%**  
LAST QUARTER

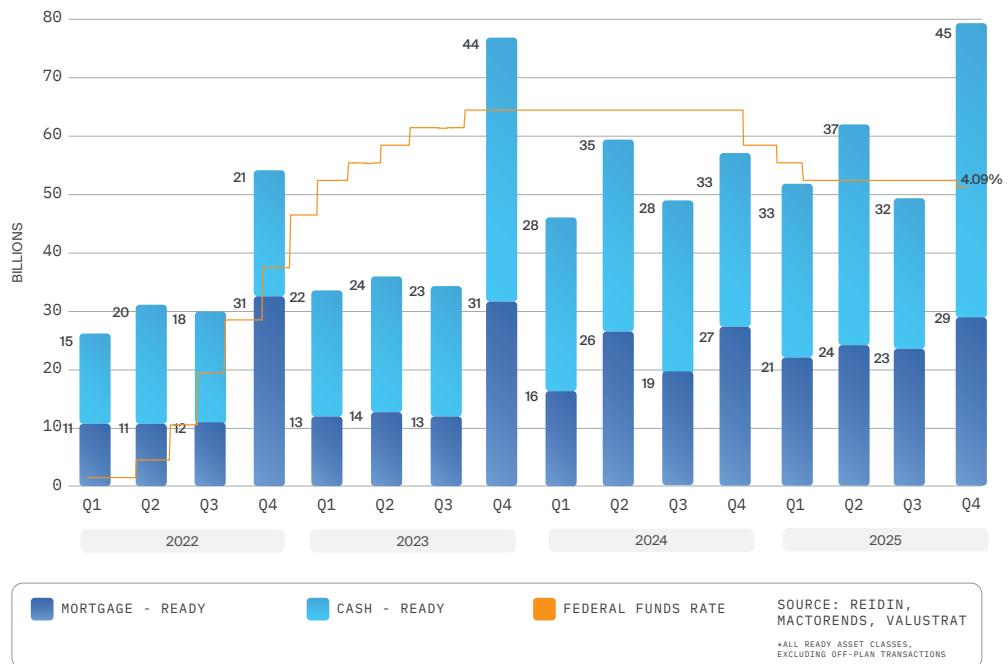
SOURCE: REIDIN,  
VALUSTRAT

- The fourth quarter saw record 13,626 secondary (ready) home transactions, representing a rise of 2.2% YoY and 9.4% QoQ, with a total value of AED 36 billion
- The average ticket size of ready properties reached AED 2.7 million, up 4.6% yearly and 1.1% on a quarterly basis
- 37.5% of all ready home sales during 2025 were priced less than AED 1 million
- A total of 95 homes priced above AED 30 million were sold, up from 71 during the same period last year. Of these, 32 transactions involved properties exceeding AED 50 million
- The citywide average transacted price for ready units during the quarter was AED 17,868 per sq m (AED 1,660 per sq ft) up 8.7% YoY but stable quarterly
- Most transacted locations for ready properties were Jumeirah Village Circle (9.8%), Business Bay (5.9%) and Dubai Marina (4.3%)

# MORTGAGE TRANSACTIONS



Mortgage/Cash Sales vs Interest Rates\*  
Transaction Value (AED Bn)



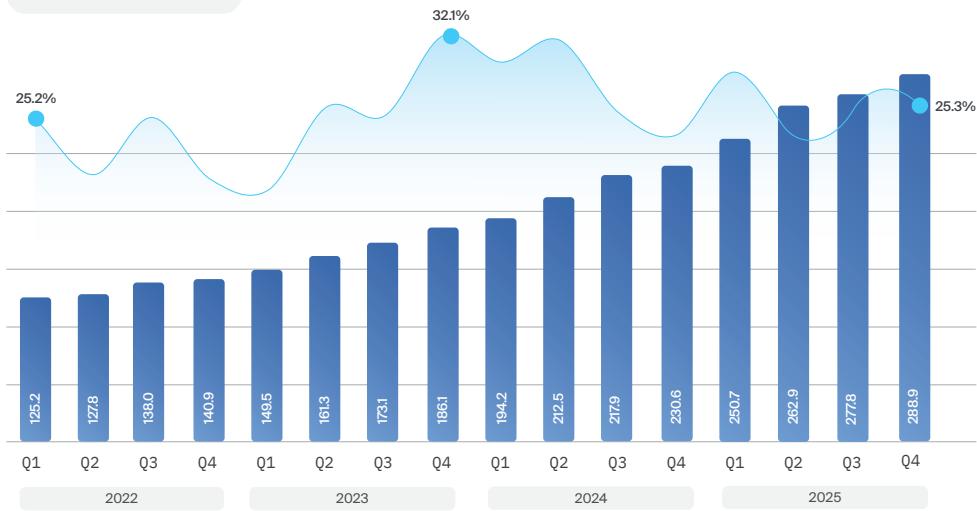
- In the fourth quarter of 2025, the Dubai real estate market witnessed 11,850 mortgage transactions across all asset classes, compared to 16,139 cash transactions of ready properties
- The total sales value attributed to mortgage transactions stood at AED 29 billion, with cash transactions totalling AED 45 billion
- The US Federal Open Market Committee announced its third federal funds interest rate cut during the year setting the target range at 3.5% - 3.75% as of December 2025

# VALUSTRAT PRICE INDEX OFFICE CAPITAL VALUES



## Annual Growth

[BASE: Q1 2021=100]



VPI



OFFICE (%)

SOURCE: VALUSTRAT

ValuStrat Price Index

Office

**288.9**

Base: Jan 2021 = 100

Grade A  
Shell & Core

**335.7**

Base: Jan 2021 = 100

Grade B  
Shell & Core

**263.3**

Base: Jan 2021 = 100

Dubai's office market continued to demonstrate strong momentum, supported by steady economic expansion and ongoing corporate growth. In Q4 2025, office capital values increased by 4% quarterly and 25.3% annually. The ValuStrat Price Index (VPI) for office assets rose to a new peak of 288.9 points, based on a baseline of 100 in Q1 2021. The average office valuation reached AED 23,734 per sq m (AED 2,205 per sq ft).

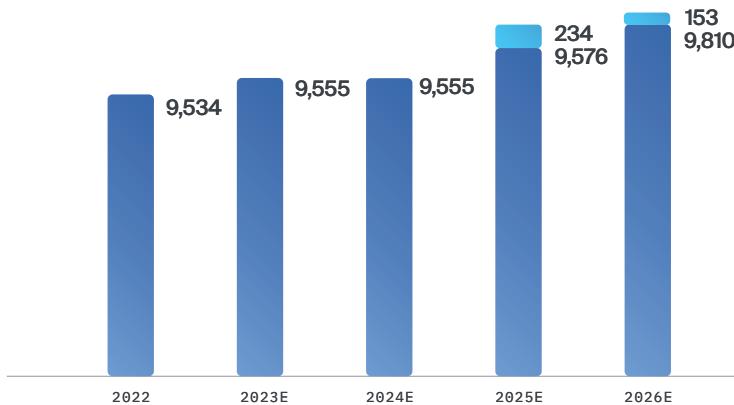
Among major business hubs, Downtown Dubai recorded the highest average office valuation at AED 51,042 per sq m (AED 4,742 per sq ft), followed by DIFC at AED 45,208 per sq m (AED 4,200 per sq ft). In contrast, Barsha Heights registered the lowest average at AED 15,522 per sq m (AED 1,442 per sq ft).

All five of Dubai's major business districts monitored by the VPI recorded strong double digit annual growth in capital values. DIFC led the market with a 35.5% increase, followed by Jumeirah Lake Towers (24.6%), Business Bay (21.7%), Barsha Heights (20.2%), and Downtown Dubai (19.0%). Additionally, shell and core offices outperformed fitted units, with Grade A assets rising 36.2% annually and Grade B assets growing by 29.6%.

# OFFICE SUPPLY



Thousand Sq M GLA



■ EXISTING STOCK

■ EXPECTED SUPPLY

SOURCE: MEED PROJECTS, VALUSTRAT

- As of Q4 2025, Dubai's total office stock was estimated at 9.58 million sq m (103 million sq ft)
- According to developer projections, 233,800 sq m (2.5 million sq ft) of GLA was delivered in 2025, with an additional 153,122 sq m (1.65 million sq ft) anticipated for completion in 2026
- Danube Properties launched a Grade A commercial office tower on Sheikh Zayed Road, branded as 'Shahrukz by Danube'. Slated for completion in 2029, the 55-storey development will comprise over 600 office units, including standard, executive, and premium options, targeting mainland occupiers and investors
- Omniyat, through its commercial arm Beyond, introduced a Grade A office development in Dubai Maritime City with 31 Above, a waterfront freehold tower offering modern, high-specification office space, with completion scheduled for Q1 2029
- TECOM Group announced Phase 4 of the Innovation Hub in Dubai Internet City, a AED 615 million investment delivering 24,434 sq m (263,000 sq ft) of Grade A office space, lifting total hub investment to AED 2 billion and reflecting sustained demand for prime technology-focused office assets ahead of the project's targeted 2028 completion

# OFFICE SALES TRANSACTIONS



Total Volume &  
Average Price



AVERAGE PRICE (AED /SQ. FT)

VOLUME

SOURCE: REIDIN, VALUSTRAT

Sales Volume

↑ 71.0%  
LAST YEAR

↑ 2.4%  
LAST QUARTER

Transacted Prices

↑ 26.2%  
LAST YEAR

↑ 12.8%  
LAST QUARTER

SOURCE: REIDIN,  
VALUSTRAT

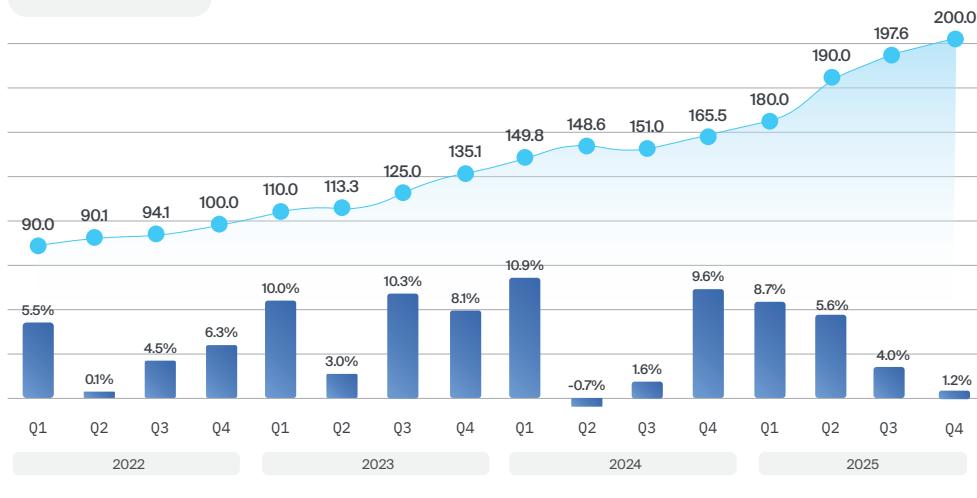
- The fourth quarter saw a record 725 office sales transactions, up 71% annually and 2.4% quarterly
- The average transacted price increased to a record high of AED 21,302 per sq m (AED 1,979 per sq ft), up 26.2% YoY and 12.8% QoQ
- Business Bay remained the most popular choice for office sales, accounting for 37.3% of transactions this quarter. It was followed by Jumeirah Lake Towers with 36% and Barsha Heights with 7.2%

- The average size of offices sold was 121 sq m (1,310 sq ft) in Business Bay, 119 sq m (1,282 sq ft) in Jumeirah Lake Towers and 158 sq m (1,699 sq ft) in Barsha Heights
- 94,587 sq m (1.09 million sq ft) of total GLA was transacted during the quarter, amounting to an investment value of more than AED 1.9 billion

# OFFICE ASKING RENTS



## Annual Market Rent Trend



MEDIAN OFFICE RENT (AED / SQ FT / P.A.)

SOURCE: REIDIN, VALUSTRAT

## Office Median Asking Rents

↑ **48.0%** LAST 2 YEARS    ↑ **20.8%** LAST YEAR    ↑ **5.3%** LAST 6 MONTHS    ↑ **1.2%** LAST QUARTER

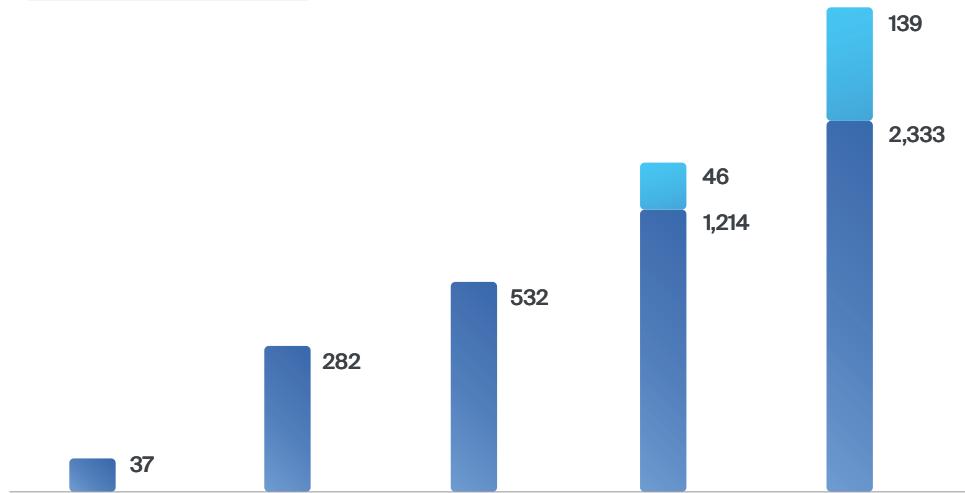
SOURCE: REIDIN, VALUSTRAT

- Office asking rents grew 1.2% quarterly, following record highs in the previous two quarters. This has led to a median annual rent of AED 2,153 per sq m (AED 200 per sq ft) which is 20.8% higher than last year
- Barsha Heights recorded the highest average asking rents for smaller office spaces (74-93 sq m or 800-1,000 sq ft) at AED 3,003 per sq m (AED 279 per sq ft), followed by Business Bay at AED 2,422 per sq m (AED 225 per sq ft) and Dubai Media City at AED 2,056 per sq m (AED 191 per sq ft), while Jumeirah Lake Towers was more affordable at AED 1,841 per sq m (AED 171 per sq ft), based on available listings
- For larger units between 93-186 sq m (1,000-2,000 sq ft), available listings showed average asking rents at AED 7,223 per sq m (AED 671 per sq ft) in DIFC, AED 2,788 per sq m (AED 259 per sq ft) in Dubai Media City, AED 2,454 per sq m (AED 228 per sq ft) in Barsha Heights, AED 2,379 per sq m (AED 221 per sq ft) in Business Bay, and AED 2,282 per sq m (AED 212 per sq ft) in Jumeirah Lake Towers

# RETAIL SUPPLY



Malls & Shopping Centers  
('000 SQ M GLA)



RETAIL COMPLETED RETAIL UNDER CONSTRUCTION

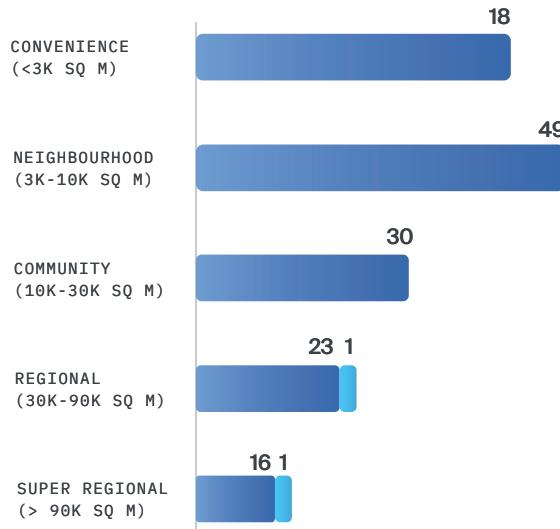
SOURCE: REIDIN, VALUSTRAT

- Sobha Mall is set to open in Sobha Hartland, offering 31,500 sq m (339,000 sq ft) of retail and lifestyle space. Completion is expected in the second half of 2026
- Dubai South Properties unveiled South Bay Mall located in the heart of Dubai South Residential District, spanning 18,580 sq m (200,000 sq ft)
- KeyMavens Group is developing Villa Square, a 11,520 sq m (124,000 sq ft) community-focused mall in Wadi Al Safa 5, featuring boutique retail, family dining, wellness and leisure zones, Spanish-inspired open-air design, and a rooftop pool. Scheduled for completion in Q3 2026

# RETAIL PERFORMANCE



Number of Malls & Shopping Centres



RETAIL COMPLETED

RETAIL UNDER CONSTRUCTION

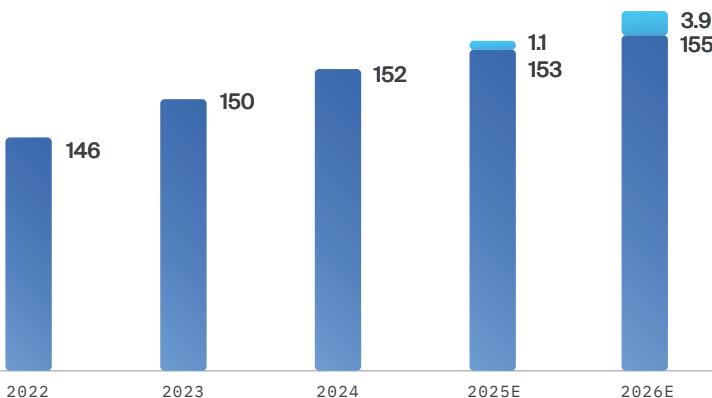
SOURCE: REIDIN, VALUSTRAT

- During the first nine months of 2025, Emaar's mall operations generated AED 4.7 billion in revenue up 12% YoY, with occupancy levels across its mall assets at 98%
- Emaar's malls attracted over 147 million visitors in the first three quarters of 2025, up 5% compared to the same period last year
- Emaar reported an 8.5% annual growth in sales performance for its tenants
- Majid Al Futtaim saw its retail assets achieve 97% occupancy during the first half of 2025
- MAF displayed continued strong digital performance, with a 23% growth in online revenue
- Dubai Duty Free recorded its strongest performance on record in 2025, with annual sales reaching AED 8.68 billion, up 9.85% YoY, supported by broad-based demand across core categories led by perfumes, liquor and gold; over 21 million transactions were completed during the year, with departures accounting for more than 90% of total revenue

# HOSPITALITY SUPPLY



Hotel Room Supply  
2022-2026 | '000 Keys



HOTEL AND SERVICED APT ROOMS     NEW SUPPLY

SOURCE: DET, MEED PROJECTS, VALUSTRAT

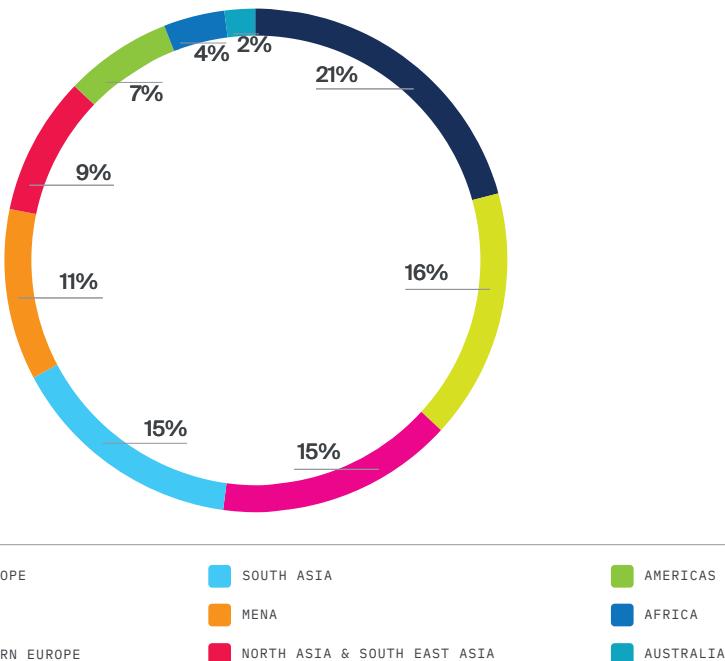
- As of November 2025, Dubai had a total of 127,997 hotel rooms and 25,295 hotel apartments per the Department of Economy and Tourism
- Notable hotel openings included Ciel Tower adding over 1,000 keys, Mandarin Oriental with 259 rooms, Zuhai Island Resort (by Zaya) featuring 70 one and two-bedroom villas as well as Barcelo Business Bay adding 230 keys
- There are 11 hotel projects under construction with 3,923 total keys to be added during 2026. Notable upcoming projects Six Senses The palm with 162 keys, Marbella Resort Hotel with over 150 rooms and Baccarat Dubai with 144 rooms and suits

# HOSPITALITY PERFORMANCE



Source of Dubai Visitors by Region

YTD NOV 2025

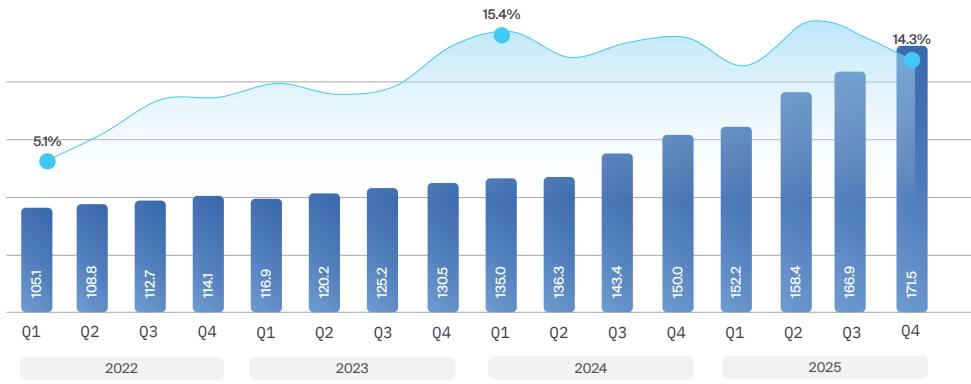


- Total international guests stood at 17.55 million during the first eleven months of 2025, growing by 4.5% annually
- The Average Daily Rate (ADR) was AED 557, up 7.1% annually, whilst Revenue per Available Room (RevPAR) grew by 10.6% YoY to AED 448
- Dubai's top three tourist source markets were Western Europe contributing 21%, countries in GCC sharing 16%, and the CIS & Eastern Europe adding 15%
- Hotel occupancy reached 80.4%, up 2.4% annually
- Dubai International Airport is now projected to reach its maximum capacity of 115 million passengers by 2031, prompting a full transition to the under-construction Al Maktoum International Airport (DWC) by 2032. The new facility is designed to handle up to 260 million passengers annually

# INDUSTRIAL LOGISTICS CAPITAL VALUES

Annual Growth

[BASE: Q1 2021=100]


 VPI

 INDUSTRIAL (%)

SOURCE: VALUSTRAT

Dubai's industrial property sector sustained its upward momentum in Q4 2025, supported by strong logistics demand, continued growth in e-commerce activity, and a tight supply of modern warehouse space. The ValuStrat Price Index for industrial capital values rose to 171.5 points, compared to a baseline of 100 in Q1 2021.

Logistics warehouses continued to outperform, posting annual capital growth of 14.3% and quarterly gains of 2.7%. The average valuation for a typical logistics warehouse reached AED 3,608 per sq m (AED 335 per sq ft).

On an annual basis, JAFZA South recorded the strongest price growth at 24.8%, followed by Dubai Industrial City at 18.5% and JAFZA North at 15.6%, underpinned by proximity to key transport corridors and high tenant retention levels.

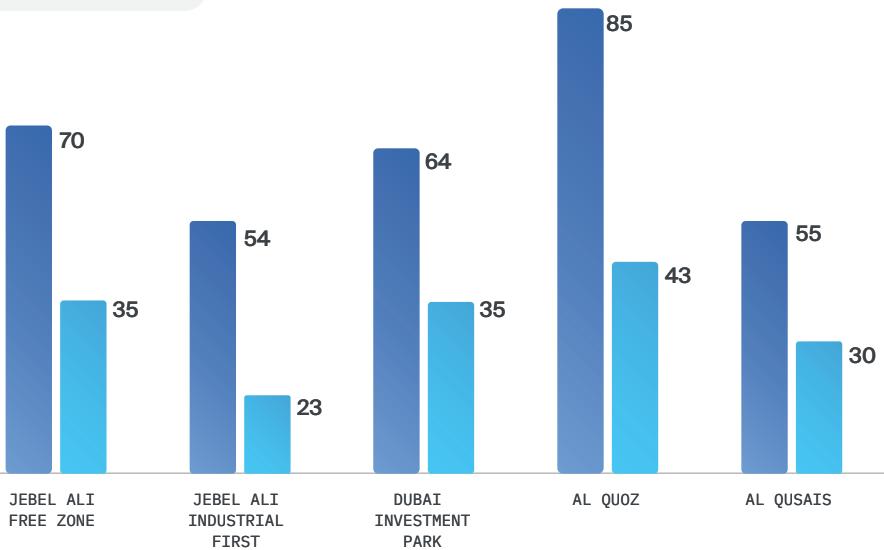
Warehouse asking rents ranged from AED 248 to AED 915 per sq m (AED 23-85 per sq ft), while average rental rates increased by 3.1% over the quarter.

# INDUSTRIAL INVESTMENT/SUPPLY



## Industrial Rental Rates

AED / SQ FT / P.A



RENT HIGH

RENT LOW

SOURCE: VALUSTRAT

- DHL Supply Chain announced an investment of AED 513 million to develop a 55,000 sq m (592,000 sq ft) multi-user warehouse in Dubai South, situated near Al Maktoum International Airport. Construction scheduled to commence in Q1 2026, with completion targeted for summer 2027, underscoring continued demand for large-scale, modern logistics and warehousing assets in the submarket
- INDU Kishore Logistics inaugurated a 23,000 sq m (247,570 sq ft) e-commerce logistics facility in Dubai South's Logistics District, featuring a 22-metre clear height and capacity for 75,000 pallets, reflecting rising demand for high-bay, automation-ready warehousing to support e-commerce and last-mile logistics operations
- Eaton commenced construction of a 36,000 sq m (375,500 sq ft) advanced manufacturing and engineering facility in Jebel Ali Free Zone, scheduled for completion in 2026. The LEED Gold-certified development will incorporate Industry 4.0 technologies and supporting Dubai's push towards high-tech and sustainable industrial real estate
- Dubai's Roads and Transport Authority is easing congestion by upgrading road infrastructure and adopting Internet of Things enabled construction, where sensors and real-time data are used to monitor and optimise construction equipment, alongside digital logistics platforms and sustainability-led transport strategies to improve efficiency and reduce greenhouse gas emissions by 30% by 2030

# VALUSTRAT IN THE MEDIA

AGBI

## Binghatti leads Dubai's off-plan sales as Emaar slips

12 JANUARY 2026

Binghatti sold more properties in Dubai during the last two quarters of 2025 than real estate giant Emaar, as the developer continues to find success with its luxury off-plan residences. The sharp increase in sales was driven by a string of co-branded projects from the likes of Bugatti, Mercedes-Benz and Jacob & Co.

Emaar, master builder of Downtown and the Burj Khalifa, sold the most number of units for the first six months of last year but Binghatti took the top spot for the latter half of 2025, according to Dubai Land Department (DLD) data analysed by consultancy ValuStrat.

For the year as a whole, however, Emaar is still in first place, with Damac second and Binghatti third.

GULF NEWS 

## Dubai villa prices jump 206% since the pandemic, smashing past the last boom

27 DECEMBER 2025

Average freehold villa values in Dubai are now 206% higher than post-pandemic levels, according to data from ValuStrat, and stand 86% above the 2014 market peak. The figures highlight a market that has not only rebounded but also undergone a structural reset.

ValuStrat data shows annual capital growth for villas reached 25.5% in 2025, placing them firmly ahead of apartments for another year. However, apartments have reached a milestone of their own. Apartment prices have surpassed the 2014 peak for the first time, which represents a healthy indicator of market balance.

Mid-market apartment communities such as Remraam, Dubai Silicon Oasis, The Greens and Dubai Land Residence Complex have recorded some of the strongest annual gains, reflecting steady population growth and demand from both end users and investors.

World's Best  
Economy

## Dubai real estate market surges in September with 1.4 percent capital value rise, record villa prices

7 OCTOBER 2025

Dubai's residential real estate market maintained its upward trend in September 2025, with the ValuStrat Price Index (VPI) registering a citywide capital values increase to 230.6 points—marking a 14% rise month-on-month and a robust 21.3% year-on-year growth since January 2021. Villas outperformed apartments, achieving an all-time high VPI of 307.5 points, reflecting a 1.8% monthly and 26.4% annual gain. The standout villa locations were Jumeirah Islands with a staggering 39.1% annual rise, followed closely by Palm Jumeirah (38.6%) and Green Community West (25.5%).

The robust growth in Dubai's residential market is being driven by multiple factors including strong economic recovery post-pandemic, government stimulus programs, and visa reforms that have enhanced foreign investor confidence. Dubai's population growth and rapid urbanization are also fuelling housing demand, particularly for larger villa-style residences favoured by families and high-net-worth individuals. Apartments continue to attract young professionals and expatriates who prioritize location and accessibility.

Dubai's asking rents grew by 4.7 per cent in the third quarter of 2025, showing little change from the previous quarter, according to data from property consultancy ValuStrat.

Apartment rents continued to outpace villas, a trend persisting since 2024, with annual increases of 5.6 per cent and 3.5 per cent, respectively, the data revealed.

"Villa rents, having more than doubled since the pandemic, are nearing affordability ceilings, while apartments, representing 80 per cent of the market, have been catching up over the past two years," said Haider Tuaima, managing director and head of real estate research at ValuStrat.

Communities with a high volume of scheduled handovers are likely to face downward pressure on asking rents. Notably, Jumeirah Village Circle (JVC) and Business Bay are expected to be affected, as they account for 20 per cent of the supply due for delivery in the next four years, Mr Tuaima added.

The National

## Dubai house rents are expected to cool in 2026, experts say

4 OCTOBER 2025



## ValuStrat Price Index (VPI) – 10 Indices Across UAE And Qatar

With the launch of the Ras Al Khaimah Residential VPI, the platform now features 10 proprietary indices covering real estate markets across the UAE and Qatar.

These indices measure capital values, rental trends, and sector performance across residential, office, and industrial segments providing investors, lenders, and policymakers with transparent, data-driven insights to support informed decision-making.

## Premium Subscription

ValuStrat offers premium subscription reports for clients granting them access to in-depth, statistical analysis of what is happening in residential real estate; allowing for more informed decision making and forward planning. The full in-depth 100+ page Dubai report includes citywide analysis of freehold districts, including the ValuStrat Price Index, transaction volumes, service charges, Price to Rent Ratios and Net Yields.

## About VPI

The ValuStrat Price Index (VPI) regularly marks to market a sample of properties that represent more than 90% of the Dubai residential and commercial markets and is built by our expert RICS Registered Valuers.

### Research Methodology

Every effort has been made to ensure the accuracy of this document. New supply data covers 50 defined areas in Dubai including non-freehold areas. Only completed and under construction projects are included. The new supply data does not include announced projects, and projects in design phase. The new supply database does not take into account most private building projects. Prices are calculated from actual transactions. Rental data is derived from a carefully cleansed database of listings that don't include duplicates, potential errors and outliers.

Residential  
Capital Value

**Monthly**

Residential  
Rental Value

**Quarterly**

Office  
Capital Value

**Quarterly**

Industrial Logistics  
Capital Value

**Quarterly**

**Subscribe for regular market intelligence.**

**Please email us at:**

[business.enquiries@valustrat.com](mailto:business.enquiries@valustrat.com)

SINCE 1977

# Strategy determines outcome. No matter what industry you're in, we're here to help you win.



**Declan King, MRICS**  
Senior Partner & Group Head of  
Real Estate  
[declan.king@valustrat.com](mailto:declan.king@valustrat.com)



**Haider Tuaima**  
Managing Director & Head of Real  
Estate Research  
[haider.tuaima@valustrat.com](mailto:haider.tuaima@valustrat.com)



**Vismal Mulenga, MRICS**  
Director - Commercial Valuation  
[vismal.mulenga@valustrat.com](mailto:vismal.mulenga@valustrat.com)



**Darshan Shah, MRICS**  
Partner & Group Head, Industrial  
Consulting  
[darshan.shah@valustrat.com](mailto:darshan.shah@valustrat.com)



**Adrian Briones, MRICS**  
Associate Director & Head of  
Residential Valuation  
[adrian.briones@valustrat.com](mailto:adrian.briones@valustrat.com)



**Anchal Rajpal**  
Senior Research Analyst  
[anchal.rajpal@valustrat.com](mailto:anchal.rajpal@valustrat.com)

**Dubai, AE**  
702 Palace Towers  
Dubai Silicon Oasis  
+971 4 326 2233

**Abu Dhabi, AE**  
Office C102G, Al Bateen,  
Tower C6 Bainunah,  
ADIB Building  
+971 2 207 6664

**London, UK**  
189 Brompton Road,  
Knightsbridge, London  
SW3 1NE, UK

**Riyadh, SA**  
6th Floor, South Tower  
King Faisal Foundation Building  
Al Faisaliah Complex  
+966 11 293 5127

**Jeddah, SA**  
111 Jameel Square,  
Tahlia Road  
+966 12 283 1455

**Doha, QA**  
Office 704,  
Palm Towers B West Bay  
+974 4 039 9001

**Karachi, PK**  
8th Floor, Elegant Tower,  
Block 5, Clifton  
+92 213 517 4201

For business enquiries, please email us at:  
[business.enquiries@valustrat.com](mailto:business.enquiries@valustrat.com)

THIS DOCUMENT IS THE PROPERTY OF VALUSTRAT CONSULTING FZCO AND MUST NOT BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, WITHOUT THE PRIOR WRITTEN CONSENT OF VALUSTRAT CONSULTING FZCO. WE WELCOME YOUR CONSTRUCTIVE FEEDBACK AND ANY CORRECTIONS THAT MAY NEED TO BE MADE TO THIS DOCUMENT. VALUSTRAT CONSULTING FZCO DOES NOT ACCEPT ANY LIABILITY IN NEGLIGENCE OR OTHERWISE FOR ANY DAMAGE SUFFERED BY ANY PARTY RESULTING FROM RELIANCE ON THIS DOCUMENT.