

REAL ESTATE MARKET REVIEW



CBRE

# UAE Real Estate Market Review

Q1 2026

REPORT

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Macro Growth Outlook Downgraded Amidst  
Regional Tensions

CBRE RESEARCH  
April 2026

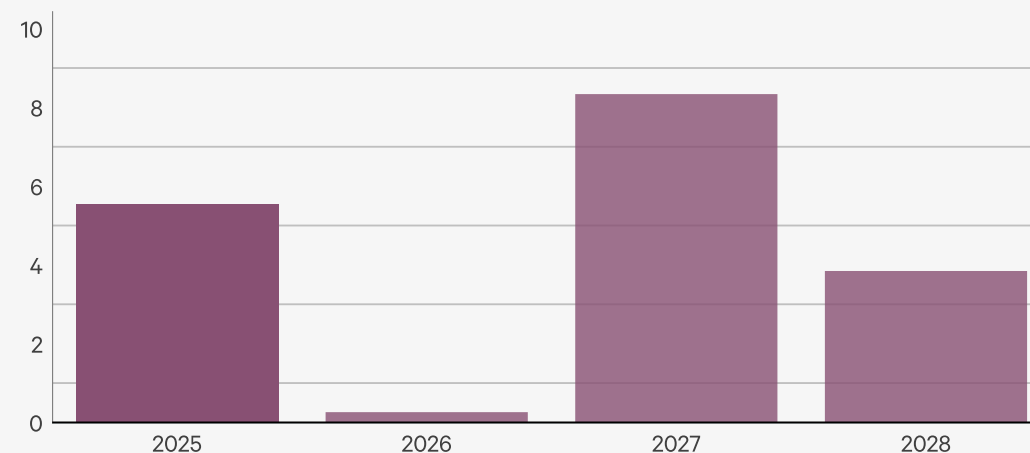
# Growth outlook softens amidst regional macro headwinds

## Macroeconomic Overview

- The UAE's 2026 GDP growth forecast has been adjusted down to 0.3% from an initial 4.8% at the beginning of the year. This reflects the impact of ongoing regional disruptions and a marked slowdown in productivity within specific sectors. This is evidenced in the projected deceleration of non-oil growth to 0.7% and an estimated contraction of 1.2% in the oil sector.
- The tourism sector is facing considerable headwinds, influenced by constraints on flight schedules, evolving consumer preferences, and limitations on various modes of regional transportation. This is also impacting the retail sector, which is heavily reliant on international visitors, especially within the luxury segments.
- Despite Brent oil prices projected to average a high \$90pb, the oil sector is expected to contract by 1.2% this year due to storage constraints and the more limited ability to re-route exports. These logistical bottlenecks could temporarily force production levels down.
- On a positive note, regional financial markets remain resilient as yields narrow on emerging geopolitical optimism. According to ENBD, USD-denominated GCC bonds have recovered over half their late-February losses, led by real estate, infrastructure, and sovereign wealth funds. Credit spreads have tightened from 140 bps peak to 13 bps above pre-conflict levels.
- A significant recovery is anticipated for 2027, with GDP growth projected to rebound to 8.3% as global trade routes stabilize and new energy capacities start to come back online.
- In 2025, economic performance exceeded projections with a 5.5% expansion driven by surging trade and non-oil GDP breaching AED 1 trillion in 9M 2025, fueled by a 6.1% year-on-year increase in the private sector. According to the Ministry of Economy, this growth was anchored by record FDI and job creation, specifically led by financial services (+9%), construction (+8.7%), and real estate (+7.9%).



FIGURE 1: UAE, Gross Domestic Product, y-o-y change (%)



Source: CBRE Research/ Oxford Economics/Macrobond

## Macroeconomic Overview

Following a low of 1.2% in 2025, UAE CPI inflation is projected to edge higher to 2.1% in 2026 (revised up from 1.8%). This near-term uptick is driven primarily by supply-side pressures, including import constraints and weakened domestic production capacity. However, these factors are partially being offset by softer demand resulting from reduced tourism and temporary expatriate outflows. According to Oxford Economics, inflationary pressures are expected to be transient, with rates forecast to decelerate back to 1.8% in 2027 as supply chains stabilize.

The UAE’s Purchasing Managers’ Index (PMI) dropped from 55.0 in February to 52.9 in March, underlining the impact on the non-oil sector, particularly service-based industries and those linked to tourism. Dubai’s PMI also softened to 53.2 from 54.6 during the same period. While both figures remain firmly in expansionary territory, a further pronounced slowdown is anticipated for the April report and further into the second quarter as regional geopolitical tensions continue to weigh on the outlook.

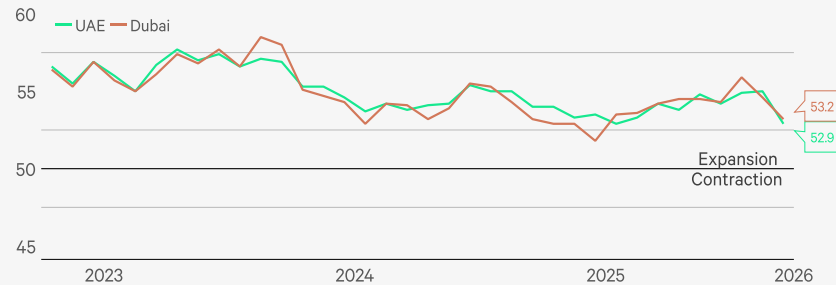
Despite this cooling, the Dubai Chamber of Commerce reported 2,709 new companies joined its membership in March 2026. This increase signals continued investor confidence, with the real estate, renting, and business services sector accounting for the largest share at 41.2%, followed by trading and services at 29.5%.

In March 2026, S&P Global Ratings reaffirmed the UAE’s AA/A-1+ stable rating, citing the Federation’s immense fiscal buffers and strategic agility. Despite modest headline growth, credit stability is underpinned by the CBUAE’s AED 1 trillion asset base and the successful deployment of emergency land corridors through Oman and Saudi Arabia to bypass maritime disruptions.

To further insulate the banking sector, the CBUAE launched a five-pillar Resilience Package. This precautionary measure grants banks access to 30% of their cash reserves and provides temporary regulatory relief on capital buffers. By easing liquidity and stabilizing funding ratios, the CBUAE has proactively fortified credit flow to the non-oil economy while maintaining a robust monetary base cover.

“The UAE economy is currently undergoing a period of adjustment, with various non-oil sectors, including retail, tourism, and trade, experiencing impacts. This has led to a revised outlook for economic growth.”

FIGURE 2: UAE, Purchasing Managers’ Indices



Source: CBRE Research/ Macrobond

FIGURE 3: UAE, Key Economic Indicators, y-o-y % Change

|             | 2023        | 2024        | 2025        | 2026        | 2027        |
|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>GDP</b>  | <b>4.3%</b> | <b>4.0%</b> | <b>5.5%</b> | <b>0.3%</b> | <b>8.3%</b> |
| Oil GDP     | -3.0%       | 1.0%        | 4.4%        | -1.2%       | 10.2%       |
| Non-Oil GDP | 7.0%        | 5.0%        | 5.9%        | 0.7%        | 7.8%        |
| Inflation   | 1.6%        | 1.7%        | 1.2%        | 2.1%        | 1.8%        |

Source: CBRE Research/ Oxford Economics.

# Dubai Offices

Amidst heightened regional tensions, many UAE based companies have implemented a temporary remote work policy for onsite staff, adhering to governments' stay safe and shelter warnings.

Whilst this trend has been most visible across global corporate occupiers, it has also affected other parts of the business landscape. In response, a number of large multinationals temporarily closed their offices and or relocated some staff to other overseas locations to continue working remotely, including several high-profile international banks and global technology firms. Whilst some have since started to normalize operations and to return physically to the office, particularly local and regional firms, many other large global corporates continue to work remotely.

Whilst new leases are being signed, demand has shown signs of moderation as some tenants appear to be slowing their momentum, trying to gain more time for decision making. However, with the market continuing to experience an undersupply of quality office space, there has been no obvious change in performance, with occupancy and rents remaining firm.

On the other side, landlords remain broadly bullish, with no real deviation in negotiating stance on renewals or new leases. However, whilst the market is demonstrating resilience, should non-oil sector conditions weaken materially from the current position, we may start to see a more noticeable rise in sub-leasing activity, as occupiers recalibrate requirements for future growth.

Rents were flat quarter-on-quarter, as the market has taken a pause from recent growth. In year-on-year terms, average office rents rose 14%, with prime rents rising 16%.

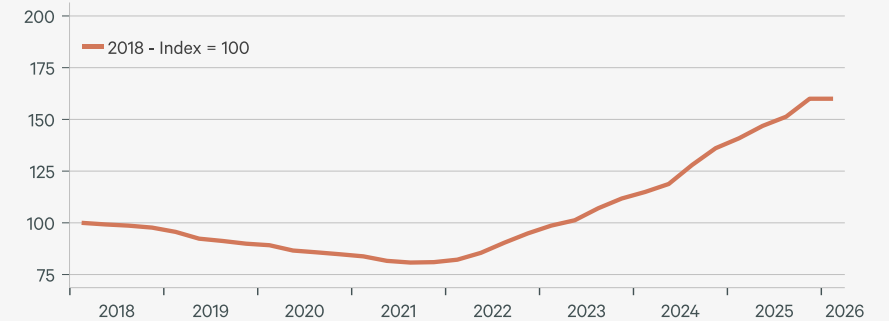
Occupancy rates remained steady at 95%, with little change from the previous quarter and without significant new supply to rebalance fundamentals, the sector is set to face tight conditions through 2027.

Projected office completions in 2026 and 2027 total 400,000 sqm (4.3 million sqft), much of which will be handed over pre-let.

Completions during the quarter included DIFC Square, which opened fully pre-leased. This is set to be followed by Techno Hub Building 04 in Dubai Silicon Oasis during Q2, and later in the year Sweid One in DMCC will also complete. A further phase of offices at Dubai CommerCity is also currently under development, following the recent delivery of Buildings A1-A3 from the Phase 1 expansion.

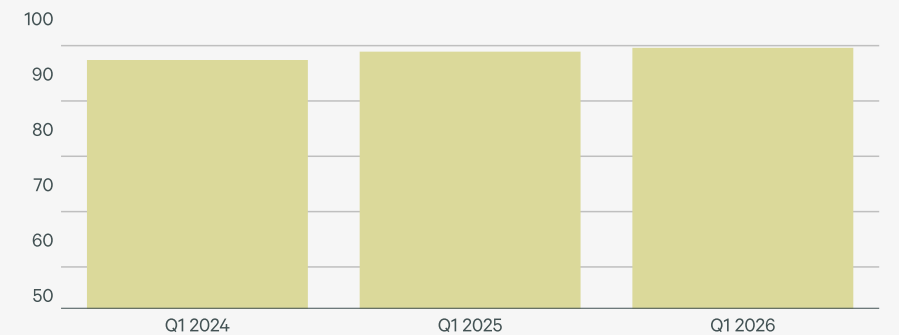


FIGURE 4: Dubai, Offices, Average Rental Index



Source: CBRE Research

FIGURE 5: Dubai, Offices, Average Occupancy Rate, %



Source: CBRE Research

## Abu Dhabi Offices

Like other commercial centres across the Middle East, Abu Dhabi’s office market is now experiencing the effects of current regional tensions, leading to a more cautious approach from market participants.

Accordingly, landlords and tenants are now being more cautious on new commitments, albeit market dynamics remain supportive amidst tight supply, despite the complex geopolitical backdrop.

Average occupancy rates across a basket of commercial properties reached 98% at the end of the quarter, up from 95% in the same quarter last year.



The scarcity of premium spaces has also driven average office rents up 12% year-on-year, with rents broadly flat quarter-on-quarter. With a very limited pipeline of just 290,000 sqm to be delivered in 2026 and 2027 combined, these dynamics seem unlikely to change.

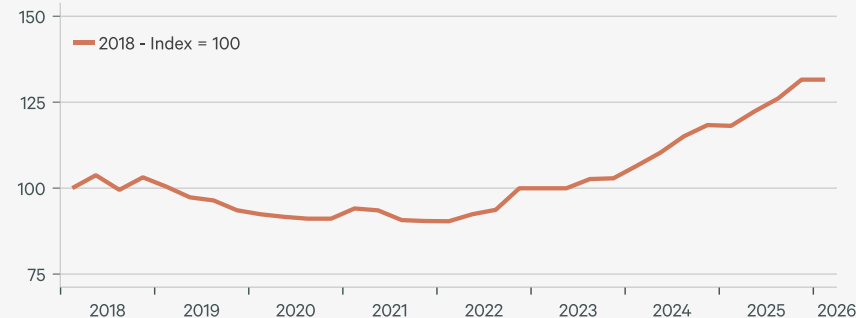
Whilst demand remains strong, we are aware of several businesses that have put market entry plans on hold for now, with this hesitation reflecting a broader sentiment shift towards risk off across the private sector.

However, the sustained demand for regulated environments suggests that this is just a temporary pause rather than a long-term withdrawal. ADGM continues to report record-breaking growth, with 12,671 active licenses at the end of 2025, with operational entities growing nearly 40% year-on-year to 3,495. This expansion pushed the jurisdiction’s workforce to 44,339, a 51% increase, while Assets Under Management (AUM) rose by 36%, signaling continued investor confidence.

Underscoring this institutional trust, Brazilian neobank Nubank is pressing ahead with plans to launch its regional HQ in ADGM. The NYSE-listed giant, which manages over \$78 billion in assets, will use the capital as a launchpad for MENA and Asian markets.

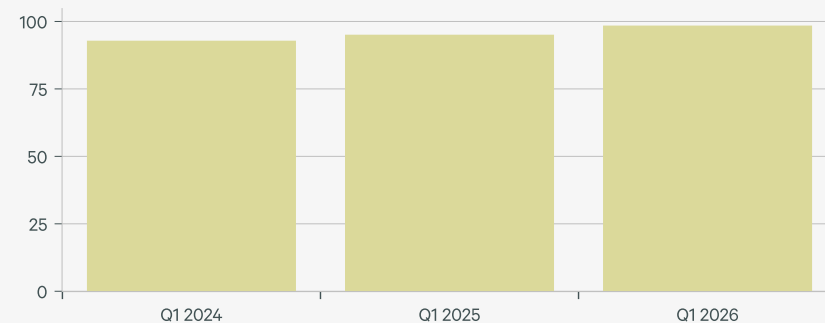
Nubank joins a growing list of global firms, such as Hillhouse Investment and Muzinich & Co., that have chosen Abu Dhabi despite regional volatility. Their entry suggests that while the market is currently navigating a period of physical absence and operational pauses, the long-term strategic appeal of the UAE’s regulatory hubs remains a powerful draw for international capital.

FIGURE 6: Abu Dhabi, Offices, Average Rental Index



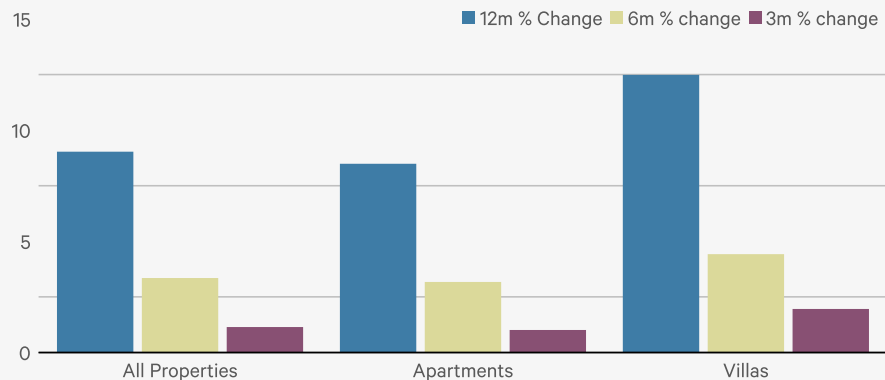
Source: CBRE Research

FIGURE 7: Abu Dhabi, Offices, Average Occupancy Rate, %



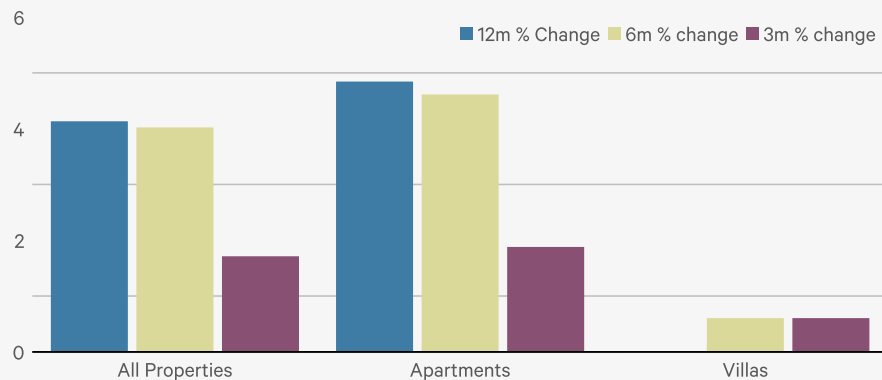
Source: CBRE Research

FIGURE 8: Dubai, Residential, Price Performance, % Change to March 2026



Source: CBRE Research/ REIDIN

FIGURE 9: Dubai, Residential, Rent Performance, % Change to March 2026



Source: CBRE Research/ REIDIN

## Dubai Residential

The Dubai residential market is facing an abrupt transition from recent record high transaction volumes and sustained growth in values, to one of potential recalibration. While the sector remains resilient, posting quarterly gains across many metrics, the convergence of regional tensions, shifting social dynamics, and a weaker economic environment, has prompted a noticeable trend shift across pricing and transactional volumes during March.

Following the delivery of more than 35,000 units in 2025, the pipeline for completion during 2026 is set to jump much higher. However, construction delays are now expected to be more prevalent due to ongoing logistical challenges and likely elevation of construction cost for the region. These delays may serve as a timely cushion, easing the delivery of new supply, allowing the market more time to absorb new inventory.

Rental growth continues to soften, entering the third consecutive quarter of a broader period of stabilization. Overall rents have increased by around 4.1% year-on-year, with apartments rising 4.9% while villa rents remained flat. This cooling trend is expected to be accelerated by a shift in the short-term rental market, with some short-term rental units are expected to be converted to long-term, increasing available stock alongside newly delivered supply.

Sales price growth has also moderated, with the overall market rising 9.1% year-on-year, compared to 12.9% in the prior period. Apartment annual growth of around 8.5% is

being driven by growth in areas such as Dubai Silicon Oasis (22%) and DIFC (19%), though these figures are a significant step down from last quarters highs.

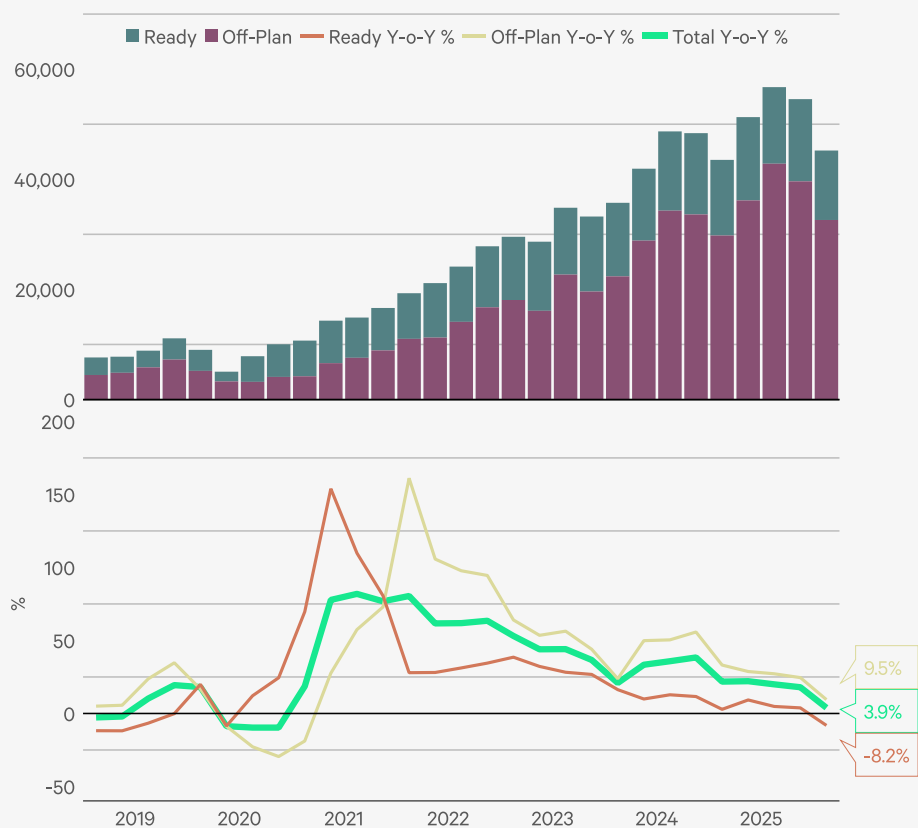
Across other tracked communities, most showed more modest growth ranging from 1% to 14%, as market performance remains fragmented across different areas.

The villa segment’s year-on-year performance (12.5%) remained strong but varied, with Victory Heights (40%) and Al Barari (27%) saw significant growth, albeit at a slower pace than the last cycle. Conversely, momentum accelerated in communities such as The Lakes (20%), Emirates Hills (16%), The Sustainable City (13%), The Springs (13%), and Green Community (8%), which outperformed their previous quarterly year-on-year gains.

Investor behavior appears to be evolving as some reassess current dynamics. This shift is most evident in the Off-Plan Secondary market, where transaction volumes fell between February and March, dropping by more than 40%, with apartment sales down 37% and villas 55%. This reflects a more cautious approach amongst investor.

With the rental market already reflecting some greater stability amidst rising supply deliveries, it is now likely that sales values will also follow suit. Hence, if yields compress too far, an adjustment in sales pricing is likely to follow.

FIGURE 10: Dubai, Residential Transactions, units and YoY % Change, Q1 2026



Source: CBRE Research/ REIDIN

## Dubai Residential

In Q1 2026, Dubai’s residential market recorded more than 45,000 sales transactions, representing a modest 4% year-on-year increase, while total value of sales reached over AED 137 billion, up close to 19% over the same period.

January and February saw exceptional momentum, accounting for over 70% of the total sales volume. However, this trend has reversed during March, with monthly volumes contracting 19% against February, leading to an 11% year-on-year decline for the month.

Off-plan properties remain the primary engine of growth, accounting for more than 32,600 transactions, with a value of AED 103 billion. This segment grew 9% in volume terms and a 31% in value year-on-year. During the same period, the ready market saw transactions and values contract by 8% to just over 12,600 deals, at a value of AED nearly 34 billion.

Apartments were the only segment to post positive annual growth, rising 20% overall. This was driven almost entirely by the off-plan sector, which saw a 28% surge, whilst ready apartment sales grew by 2%. The divergence in performance reflects the increased launch activity across the mid-market segment over the past 12 months, whilst also suggesting investors have been favoring smaller, high-yielding assets with longer-term delivery timeframes.

The villa segment faced a more pronounced shift in trends, with total sales contracting by 8%. Both off-plan and ready villas saw declines of 10% and 3%, respectively.

According to data from REIDIN, the first quarter saw sizeable wave of new launch activity, with over 25,600 units launched in January and February alone. However, this pace slowed significantly in March, with new project launches dropping to just 6,300 units as developers took a more cautious approach.

As the quarter progressed, mid-market projects (priced between AED 1,200–1,800 per sqft) were the most resilient, with steady activity continuing through March. This was followed by the upper-mid segment. Perhaps unsurprisingly, new launch activities across the luxury segment slowed considerably.

However, quarterly sales activity across the ultra-luxury market remained robust. Properties priced at US\$5 million totaled more than 800 sales, with a total value of more than AED 26 billion, averaging close to AED 4,000/sqft, suggesting that high-net-worth buyers are still active in the market for prestige assets.

Overall, Dubai’s residential performance in Q1 2026 shows a market that is balancing itself out despite a very strong first two months of the year. This strong cushion has allowed total values to remain positive despite a notably quieter March.

FIGURE 11: Abu Dhabi, Residential Price Performance, % Change to March 2026

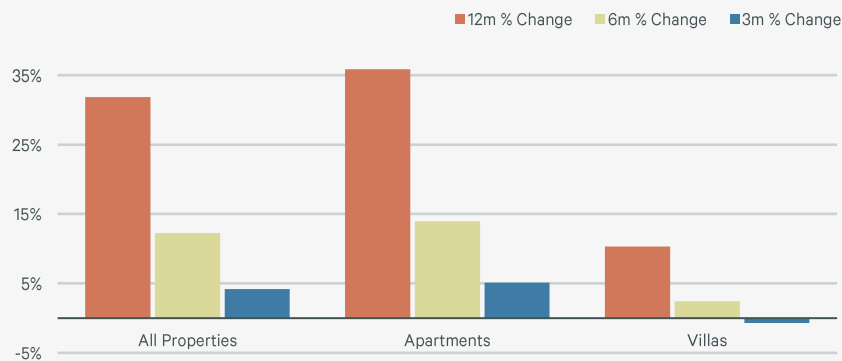
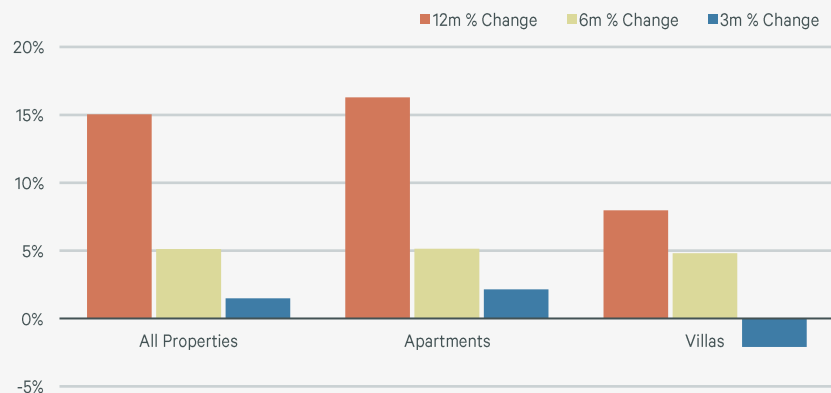


FIGURE 12: Abu Dhabi, Residential Rents Performance, % Change to March 2026



Source: CBRE Research/ REIDIN

## Abu Dhabi Residential

The Abu Dhabi residential market reached record heights in Q1 2026, with transaction volumes soaring 126% year-on-year to 8,315 deals. While total volumes saw a marginal 4% dip compared to the previous quarter, the total market value rose to AED 46 bn, a staggering 238% year-on-year increase and a 46% jump from Q4 2025.

The quarter was defined by high-value transactions and rapid absorption of luxury inventory. Leading the charge was Nawayef (252 units for AED 4 bn) and Al Naseem (246 units for AED 2.4 bn), alongside massive activity at Yas Riva Residences (781 units for around AED 2.0 bn). Ultra-luxury demand was further evidenced by the high price/sqm achieved at the Four Seasons Private Res. (+AED 86,000/sqm), while The Row Saadiyat and Fahid Beach Residences contributed a combined AED 3.6 bn.

The off-plan market accounted for roughly 81% of all transactions, 6,708 units and AED 35 bn in value, close to a 184% increase in off-plan sales volumes as compared to the same period last year.

Meanwhile, ready transactions remained healthy with a 22% year-on-year growth recording 1,607 deals. Notably, ready transactions' share has shrunk to just 19% from 36% in Q1 2025, underling the strength of off-plan.

Residential prices surged 32% year-on-year and 4% quarter-on-quarter in Q1 2026. The apartment market spearheaded this growth, jumping 36% annually, with Al Reef leading at 45%, followed by 35% gains across Yas, Reem, Muneera and Shams apartments. Established communities like Marina Square also saw a 25% growth.

The villa market grew more modestly at 10% year-on-year. Al Reef Villas was the clear outlier with a 37% price surge to 1,080 AED/sqm compared to AED 788 last year, while Yas and Al Raha villas rose 8% and 4%, respectively.

The rental market is showing some early signs of slowing growth, as rates increased by 15% year-on-year, a notable deceleration from the 22% growth recorded last quarter. On a quarterly basis, rents rose a more modest 1%. Apartment rents led the sector with a 16% annual increase and 2% quarterly growth. Villa rents grew by 8% year-on-year but faced a 2% quarterly contraction, further signaling a cooling trend compared to the 11.3% annual growth reported in the prior quarter.

The supply pipeline is set for significant expansion, with 10,000 units expected per year in 2026 and 2027 before accelerating higher in 2028. While supply is projected to remain elevated throughout the period to 2031, as more than 50,000 units are scheduled for completion, global logistics challenges and regional tensions may trigger short term construction material cost escalations. These supply-chain pressures could also lead to project delays, potentially tempering the pace of new deliveries depending on developer sourcing capabilities.

The market demonstrated fundamental strength during the quarter despite the geopolitical landscape, highlighted by the surge in transactions, even into March, and appreciating prices. However, it likely that April data will better reflect recent market changes, as registrations tend to lag slightly.

# UAE Hospitality

The UAE hospitality sector demonstrated remarkable strength through 2025 and into early 2026, though the market is now navigating a complex shift in regional travel patterns. Dubai concluded 2025 with a record 19.6 million arrivals, a 5% increase year-on-year. Western Europe remained the top source market at 21% market share, followed by steady contributions from the CIS & Eastern Europe, the GCC, and South Asia with a 15% market share each.

Dubai’s hotel performance in 2025 was characterized by high demand and rising values. Across its 827 establishments, occupancy climbed to 80.7%, driving occupied room nights to nearly 45 million. This surge in demand pushed the ADR up 8% to AED 579, resulting in an impressive 11% growth in RevPAR.

The momentum continued into the start of 2026, with Dubai welcoming 2 million visitors in January alone, a 3% annual increase. During this month, ADR spiked significantly to AED 775 (up 13%), and RevPAR surged by 16% to reach AED 668, while maintaining an 86% occupancy rate.

Abu Dhabi also posted a strong performance for 2025, welcoming nearly 6 million visitors. The capital’s hospitality sector generated approximately AED 9 billion in total revenue, a 9% increase driven largely by a 15% jump in room revenues and an 11% rise in F&B sales. With occupancy rising to 81%, Abu Dhabi saw its RevPAR grow by 19% to reach AED 466.

RAK had a similar standout performance in 2025. The northern emirate welcomed 1.36 million visitors, reflecting

a 12% annual growth in revenues, bolstered by room revenues and MICE. Occupancy rate averaged 75% (up 4.6 pp), while ADR rose 6.6% year-on-year to AED 618.1 and RevPAR (up 11.5%) to AED 463.5.

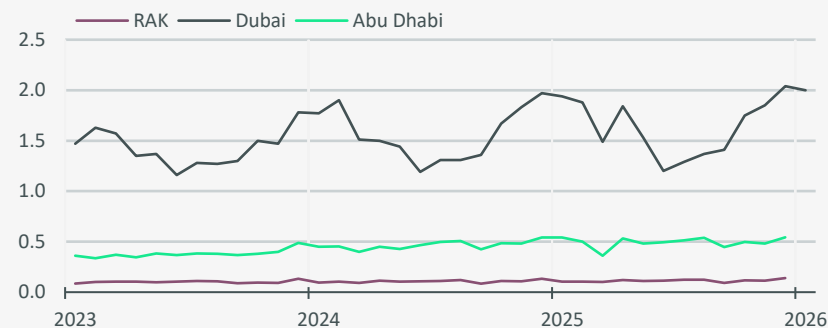
Nationwide data for the first two months of 2026 suggests the UAE hospitality market was operating at near-peak levels before geopolitical disruptions emerged. Hotels averaged 85% occupancy in Jan–Feb, in line with CoStar data showing same level in Dubai over the same period.

Despite a marginal year-on-year dip in occupancy, revenues remained resilient, exceeding AED 9.8 billion (US\$2.67 billion), supported by elevated ADR, a strong winter events calendar, and pre-existing bookings. As a result, the sector entered the current downturn from a position of financial strength.

These YTD averages, however, mask a notable shift in performance from early March onward. CoStar data indicates that Dubai occupancy reached approximately 23% in the week ending 14 March, while Abu Dhabi reached around 40%, marking the lowest levels seen since the pandemic. A brief uplift from stranded and repatriating travelers following late-February airspace closures quickly reversed as international flight cancellations, corporate travel restrictions and event postponements increased.

To mitigate this decline, hotels have rapidly pivoted to leverage domestic demand, rolling out staycation offers aimed at residents. These value-added packages included flexible check-ins, F&B credits, and family-focused experiences, intended to stabilize occupancy and support operations while international travel remains volatile.

FIGURE 13: Abu Dhabi, Dubai and RAK Monthly Visitation Levels (in millions)



Source: CBRE Research/ Department of Culture and Tourism Abu Dhabi/ Dubai Department of Economy and Tourism/RAKTDA

FIGURE 14: UAE, Hospitality Market, KPIs, YTD % Change

| Year to Date - February 2026 vs Year to Date - February 2025 |                |              |                 |
|--|----------------|--------------|-----------------|
| Market   | Occ. PP Change | ADR % Change | RevPAR % Change |
| UAE  | -1.9           | 7.2          | 5.2             |

Source: Co-Star

FIGURE 15: Dubai & Abu Dhabi KPIs

| Year to Date – January 2026 vs Year to Date - January 2025 |                |                      |                         |
|--|----------------|----------------------|-------------------------|
| Dubai  | Occupancy (%)  | ADR (AED/room/night) | RevPAR (AED/room/night) |
| YTD-Jan 2026   | 86% <b>+2%</b> | 775 <b>+13%</b>      | 668 <b>+16%</b>         |
| YTD-Jan 2025   | 84%            | 683                  | 576                     |

| Year to Date – December 2025 vs Year to Date - December 2024 |                       |                    |                         |
|--|-----------------------|--------------------|-------------------------|
| Abu Dhabi  | Emirate Occupancy (%) | City Occupancy (%) | RevPAR (AED/room/night) |
| YTD-Dec 2025   | 81% <b>+3%</b>        | 83% <b>+2%</b>     | 466 <b>+19%</b>         |
| YTD-Dec 2024   | 79%                   | 81%                | 391                     |

Source: DET / DCT / CBRE Research

# UAE Retail

The UAE retail market is facing a period of reduced consumer activity, with significant loss of international tourism demand, as reflected in March hotels data, and some temporary loss of the domestic residential population due to extended vacations and working remotely abroad.

However, whilst some landlords and tenants have entered a holding-pattern, broadly the market remains very strong for prime mall assets.

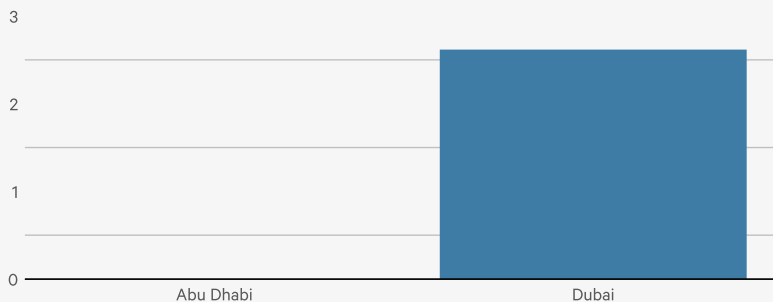
Occupancy rates continue to reflect this, holding strong at 98% in Dubai and 95% in Abu Dhabi. While Dubai recorded a marginal 3% rental increase year-on-year, rates in Abu Dhabi remained broadly unchanged, underscoring a cautious but resilient performance amidst regional uncertainty.

Nonetheless, the quarter saw several significant milestones for global and local brands. This included the successful opening of Primark, marking a highly anticipated UAE debut with a flagship store opening in Dubai Mall, as well as the launch of Majid Al Futtaim’s Ma’an initiative, which aims to support UAE entrepreneurs by providing homegrown brands with free retail space and removing traditional barriers to entry within prime shopping destinations.

In Dubai, supply remains tight, amidst limited recent completions. However, there are several major deliveries expected from 2027 onwards, including Sobha Hartland Mall, Anchor at Dubai Harbour, and Al Khail Avenue, adding over 240,000 sqm of GLA.

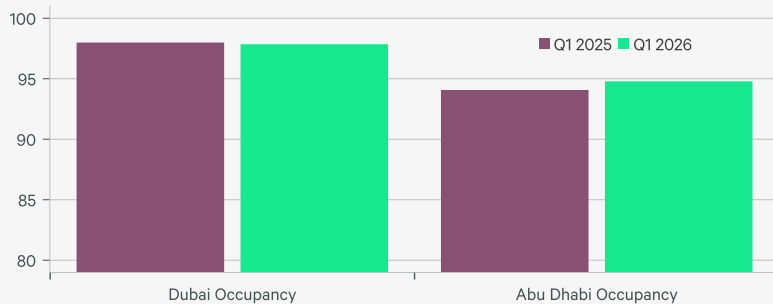
In Abu Dhabi, just over 500,000 sqm of new retail space expected to be completed between 2026 and 2031, averaging roughly 100,000 sqm annually. A major highlight for the capital is Saadiyat Grove, scheduled to open in Q2 2026, anchoring Aldar’s Cultural District.

FIGURE 16: UAE, Retail Rents, y-o-y % Change to Q1 2026



Source: CBRE Research

FIGURE 17: UAE Retail, Average Regional and Super-Regional Malls Occupancy Rate, %



Source: CBRE Research



# UAE Industrial

The UAE industrial and logistics sector remains a primary engine of the non-oil economy, demonstrating remarkable resilience in Q1 2026. In Dubai, the market recorded a robust 12% year-on-year rental price increase, with a 3% quarterly gain bringing average rates to AED 58/sqft/annum. This growth was led by Dubai Investment Park with a massive 33% jump, followed by Dubai Industrial City at 20%, while JAFZA and Dubai Production City (IMPZ) also posted strong gains of 14%.

While the Dubai market remains undersupplied, major logistics facilities launched in 2025 are progressing toward bridging the gap. Construction is well underway at the 300,000 sqm Terralogix site in Warsan, with Phase 1 on track for completion in Q4 2026, delivering approximately 53,000 sqm of new space. In the same sub-market, Brookfield is planning a large-scale Grade A development, with construction expected to commence in 2027. Meanwhile, Aldar Logistics Centers at NIP are advancing steadily, with Phase 1 expected by mid-2026 and subsequent phases set for Q1 2027, providing nearly 150,000 sqm of new leasable area.

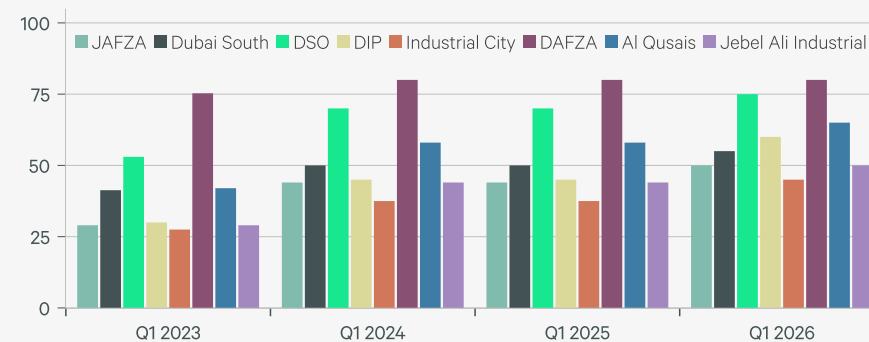
Amidst limited available inventory across prime locations, Abu Dhabi's industrial market saw a sustained upward trajectory through Q1, recording an average 5% year-on-year rental growth alongside a 3% quarterly increase. This steady expansion was fueled by positive performance across all major tracked hubs, with ICAD rising by 9% year-on-year rise. This momentum was further bolstered by solid annual gains in Mussafah and AI Markaz, both posting 6% increases, while KEZAD a 5% growth rate.

In a significant boost to the capital's industrial landscape, KEZAD Group announced successfully attracting AED 147 million in new projects across its zones in Abu Dhabi and Al Ain. Spanning multiple sectors, these investments highlight the emirate's continued appeal despite regional challenges. The expansion into Al Ain specifically supports Abu Dhabi's diversification goals by decentralizing industrial growth and leveraging the city's unique logistical advantages.

To mitigate global logistical challenges, the UAE has launched several defensive digital and structural initiatives. In April 2026, the UAE bolstered its trade infrastructure with the launch of ADEED, an AI-powered platform designed to safeguard industrial supply chains, and the DMCC Maritime Centre, a specialized hub created to consolidate and streamline Dubai's global shipping operations. Together, these enhance the emirates' logistics resilience and collaborative ecosystem, further cementing their status as premier global trade and maritime destinations.

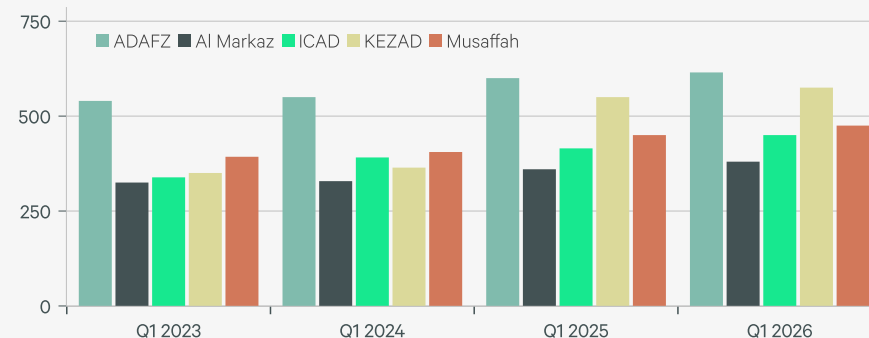
Whilst the impact on trade is a major concern for the UAE economy and the industrial segment as a whole, the sector has so far proven to be resilient, with occupiers still actively increasing local inventory and manufacturing capacity to hedge against shipping risks. Projections for the remainder of 2026 suggest continued rental appreciation for Grade A assets, as the UAE successfully leverages its position as a secure, tech-enabled crossroads for global trade.

FIGURE 18: Dubai, Average Industrial Rents, AED/SQFT



Source: CBRE Research

FIGURE 19: Abu Dhabi, Average Industrial Rents, AED/SQM



Source: CBRE Research

# Contacts

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## Middle East

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