

Dubai Real Estate Market Analytical Report

First Quarter 2026

Selective Market Growth Under
Geopolitical Uncertainty

Prepared by Homeland Realty



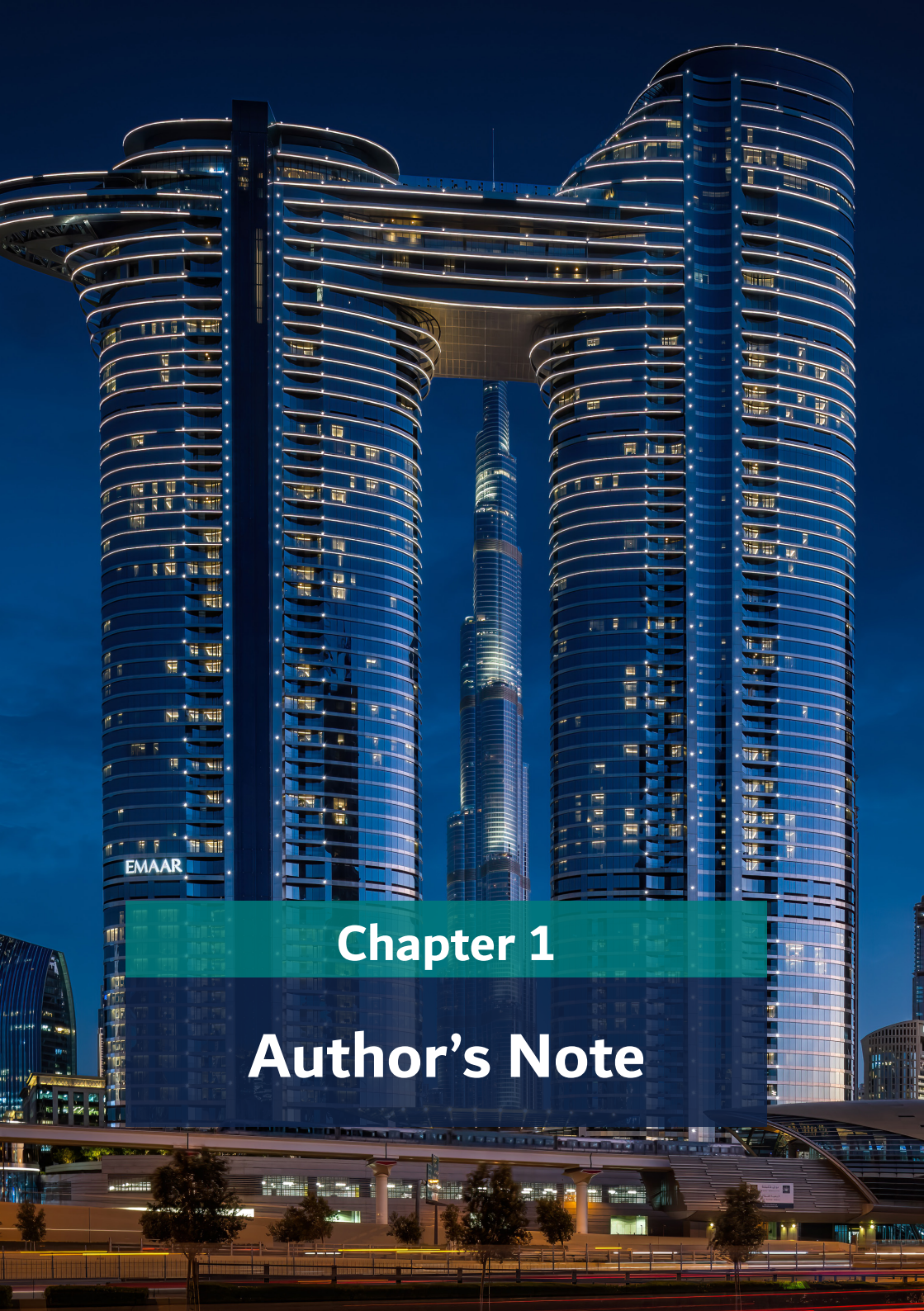
Report period: First Quarter 2026 (1 January to 31 March)

Comparison basis: Same period last year (1 January 2025 to 31 March 2025) | Previous comparable period (1 October 2025 to 31 December 2025)

Coverage: Residential and office transactions, primary and secondary markets, ready and off-plan segments; in addition to occupancy, interest rates, mortgage share, and total residential supply.

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Chapter 1

Author's Note



Dubai's real estate market in the first quarter of 2026 continued to demonstrate its ability to absorb capital and sustain a high level of transaction value. Yet the defining message of this quarter is not broad-based market growth; it is selective growth. What distinguishes this period from the more accelerated quarters of the past is that the market is moving less uniformly and increasingly in favour of assets, projects, and developers with clearer advantages in location, quality of product, brand strength, and pricing discipline. Any reading that relies only on headline records, without distinguishing between genuine price growth and shifts in the transaction mix, will inevitably miss part of the reality of this quarter.

For the professional investor, this quarter is a reminder that opportunity still exists in the market, but it is no longer distributed evenly across all sub-segments. For managers, organisations, and market advisers, the message is equally clear: in a market where the primary segment remains the main engine, while demand behaviour has become more sensitive to product quality and risk conditions, broad and simplified narratives are no longer sufficient. From this point onward, advantage lies with those who can distinguish between the market's apparent momentum and its true points of value creation—particularly in a quarter in which geopolitical uncertainty has also entered the market's decision-making layer, making analytical errors more costly.

Hamed Ghelichkhani



This report is based on official data from the Dubai Land Department and Homeland Realty's internal analysis, and is provided solely for informational purposes and data-driven insight. The contents of this report do not constitute definitive investment advice or a guarantee of returns, and the reader assumes full responsibility for any outcomes arising from its use. We hope this analysis helps you make the best possible decisions in the Dubai real estate market with greater clarity and more rigorous criteria.



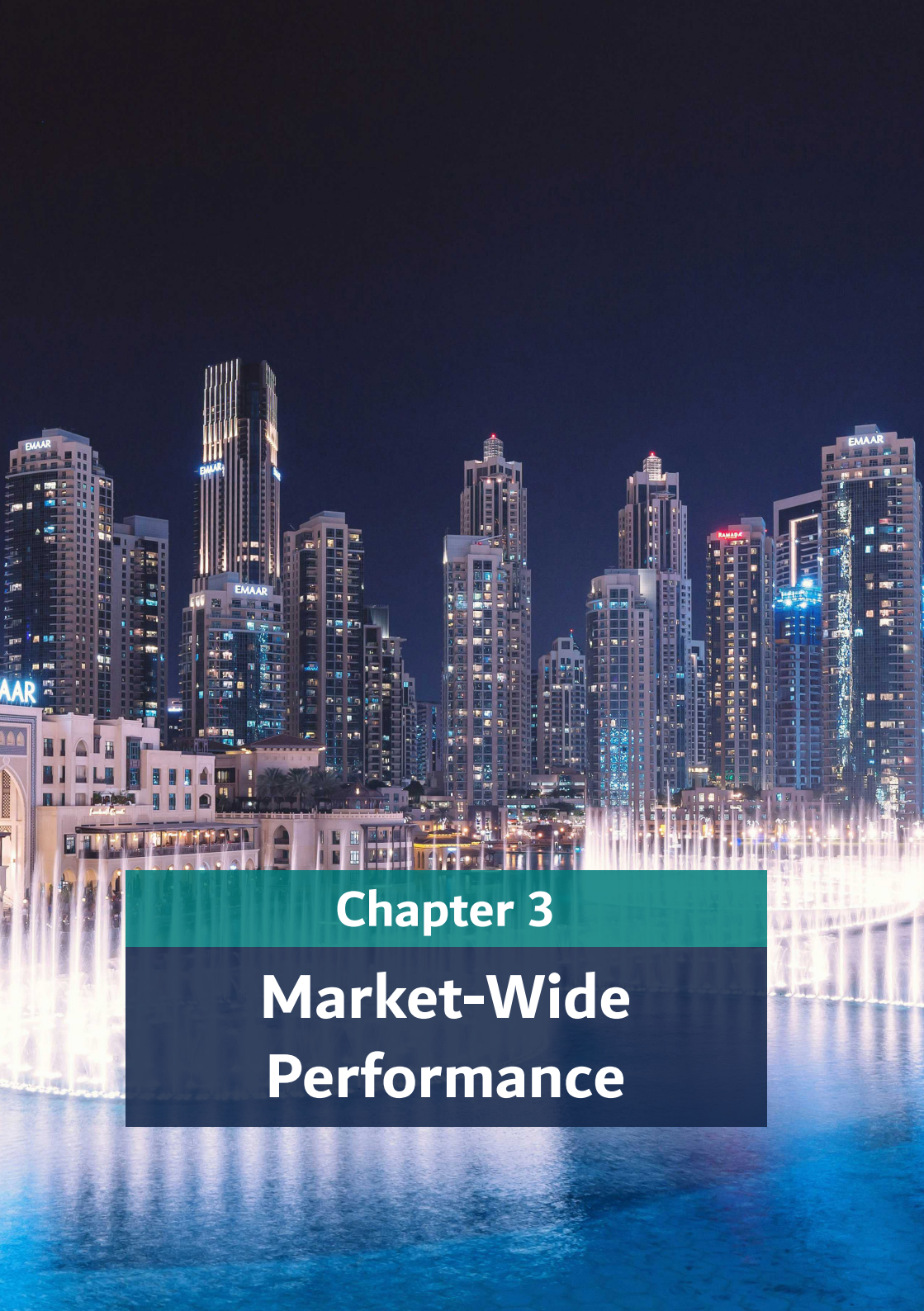
Chapter 2

Executive Summary



In the first quarter of 2026, the market recorded 46,535 transactions and AED 146 billion in sales value. Transaction volume rose 6.0% year on year, but declined 16.9% versus the previous quarter. By contrast, transaction value increased 23.2% year on year and 2.0% quarter on quarter. This divergence points, on the one hand, to the market's continued strength and, on the other, to a shift in the transaction mix in favour of higher-value assets. The primary market was the main engine of the quarter. Its share reached 69.9% by volume and 69.8% by value. While primary market value increased 38.9% year on year, the secondary market declined 2.2% in value terms. Alongside this picture, geopolitical risk was the most important external factor affecting how the quarter should be read—a factor that should be interpreted more through uncertainty, operational disruption, and heightened investor sensitivity than as an immediate and definitive effect on every part of the market.

In pricing, the secondary market remains the more reliable reference point for identifying defensible price growth. Median apartment prices in the secondary market reached AED 1,622 per sq ft and median villa prices AED 1,503 per sq ft, up 7.3% and 10.0%, respectively, versus the same period last year. However, from late February and throughout March 2026, the intensification of regional geopolitical risk and Iranian attacks on the UAE made the decision-making environment more cautious—an event that this quarter's recorded data likely captures only in part.



Chapter 3

Market-Wide Performance

Table 1 – Market-Wide Indicators

Metric	This Period	Same Period Last Year	YoY Change	Previous Comparable Period	QoQ Change
Total Transactions	46,535	43,885	6.0%	56,006	-16.9%
Total Transaction Value (AED bn)	146	118	23.2%	143	2.0%
Primary Market Transactions	32,523	28,282	15.0%	39,477	-17.6%
Primary Market Value (AED bn)	102	73	38.9%	94	7.7%
Secondary Market Transactions	14,012	15,603	-10.2%	16,529	-15.2%
Secondary Market Value (AED bn)	44	45	-2.2%	48	-9.2%
Off-Plan Primary Transactions	30,484	26,373	15.6%	36,842	-17.3%
Off-Plan Primary Value (AED bn)	99	70	41.8%	90	9.7%
Primary Market Share by Volume (%)	70	64	8.4%	70	-0.8%
Secondary Market Share by Volume (%)	30	36	-15.3%	30	2.0%



The composition of Table 1 shows that the market displayed two behaviours at the same time during this quarter. On the one hand, transaction count rose compared with the same period last year; on the other, it fell relative to the previous quarter. In contrast, total transaction value increased not only year on year, but also quarter on quarter. This divergence typically signals a market in which part of demand has shifted away from smaller transactions toward larger or more investable projects.

More importantly, the market-share mix has changed. The primary market now accounts for close to 70% of the market in both volume and value terms. That means the main driver of the market in Q1 2026 was not resale activity, but direct developer supply and primary projects. Any macro reading that overlooks this shift in weight will present an incomplete picture of the market.





Chapter 4

Prices

Table 2 – Median Prices (AED)

Category	Metric	This Period	Same Period Last Year	YoY Change	Previous Comparable Period	QoQ Change
Apartment (Total)	Median Sale Price	1,384,000	1,315,000	5.2%	1,300,000	6.5%
Apartment (Total)	Median Price per sq ft	1,761	1,678	5.0%	-0.2%	-0.2%
Apartment (Primary)	Median Sale Price	1,399,967	1,354,120	3.4%	1,315,068	6.5%
Apartment (Primary)	Median Price per sq ft	1,812	1,751	3.5%	-0.6%	-0.6%
Apartment (Secondary)	Median Sale Price	1,310,000	1,210,000	8.3%	1,229,900	6.5%
Apartment (Secondary)	Median Price per sq ft	1,622	1,512	7.3%	3.0%	3.0%
Villa (Total)	Median Sale Price	4,117,000	3,231,974	27.4%	3,880,944	6.1%
Villa (Total)	Median Price per sq ft	1,433	1,248	14.8%	-5.3%	-5.3%
Villa (Primary)	Median Sale Price	4,187,000	3,133,000	33.6%	4,097,000	2.2%
Villa (Primary)	Median Price per sq ft	1,400	1,222	14.6%	-12.3%	-12.3%
Villa (Secondary)	Median Sale Price	3,900,000	3,500,000	11.4%	3,775,000	3.3%
Villa (Secondary)	Median Price per sq ft	1,503	1,366	10.0%	1.6%	1.6%
Office (Total)	Median Sale Price	2,454,000	1,518,876	61.6%	1,927,780	27.3%
Office (Total)	Median Price per sq ft	3,166	1,458	117.1%	58.3%	58.3%
Office (Primary)	Median Sale Price	2,823,730	1,810,606	56.0%	1,920,286	47.0%
Office (Primary)	Median Price per sq ft	3,899	1,684	131.6%	66.6%	66.6%
Office (Secondary)	Median Sale Price	2,031,628	1,407,953	44.3%	1,950,000	4.2%
Office (Secondary)	Median Price per sq ft	1,868	1,419	31.6%	4.7%	4.7%

In apartments, the distinction between the primary and secondary markets is relatively clear. In the primary market, price growth remains positive, but the quarter-on-quarter change in median price per square foot has become more limited. In the secondary market, by contrast, both year-on-year and quarter-on-quarter growth in median price per square foot appears more defensible. This pattern usually suggests that part of the increase in market value is not solely the result of new launches and unit-mix shifts; it also reflects genuine price growth in some sub-segments of the secondary market.



In villas, the secondary market offers the more stable picture. Median villa prices per square foot in the secondary market rose on both a yearly and quarterly basis, whereas in the primary market, annual growth was accompanied by a quarterly decline. This gap is more likely to reflect changes in the mix of launches, unit sizes, and project geography than any sign of fundamental weakness. As a result, the secondary market carries greater weight in pricing interpretation this quarter.

A nighttime photograph of the Dubai skyline. The Burj Khalifa is the central focus, illuminated and reaching into a dark blue sky. Other skyscrapers are visible in the background, and a complex highway interchange with light trails from traffic is in the foreground.

Chapter 5

Primary Market The Engine of Supply and Direct Developer Sales

During the quarter, the primary market recorded 32,523 transactions and AED 102 billion in sales value. Its share of total transactions reached 69.9%, while its share of total market value stood at 69.8%—ratios that reaffirm the primary market’s position as the main engine of the market.

Table 3 – Primary Market Performance

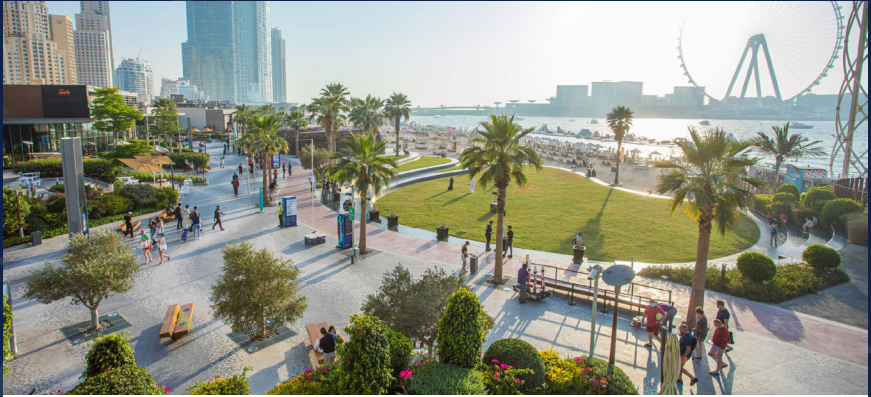
Metric	This Period	Same Period Last Year	YoY Change	Previous Comparable Period	QoQ Change
Transactions	32,523	28,282	15.0%	39,477	-17.6%
Total Sales Deals Value (AED bn)	102	73	38.9%	94	7.7%
Median Apartment Price per sq ft (AED)	1,812	1,751	3.5%	1,823	-0.6%
Median Villa Price per sq ft (AED)	1,400	1,222	14.6%	1,597	-12.3%
Median Luxury Villa Price per sq ft (AED)	2,140	2,552	-16.2%	2,574	-16.9%
Median Office Price per sq ft (AED)	3,899	1,684	131.6%	2,340	66.6%
Median Residential Sale Price (AED)	1,667,888	1,700,000	-1.9%	1,412,000	18.1%
Median Apartment Sale Price (AED)	1,399,967	1,354,120	3.4%	1,315,068	6.5%
Median Villa Sale Price (AED)	4,187,000	3,133,000	33.6%	4,097,000	2.2%
Median Luxury Villa Sale Price (AED)	16,296,944	20,219,000	-19.4%	16,813,000	-3.1%
Median Office Sale Price (AED)	2,823,730	1,810,606	56.0%	1,920,286	47.0%

Table 4 – Top Developers This Quarter

Rank	Developer	Transactions	Sales Value (AED bn)	Market Share by Volume (%)	Market Share by Value (%)
1	Emaar	3,735	24	11.5%	23.1%
2	Damac	3,784	11	11.6%	11.2%
3	Meraas	749	6	2.3%	5.4%
4	H&H	201	5	0.6%	5.1%
5	Binghatti	2,897	4	8.9%	4.4%
6	Beyond	698	4	2.1%	4.0%
7	Nakheel	517	4	1.6%	3.8%
8	Omnayat	355	3	1.1%	2.8%
9	Ellington	1,083	3	3.3%	2.7%
10	Sobha	890	2	2.7%	2.4%

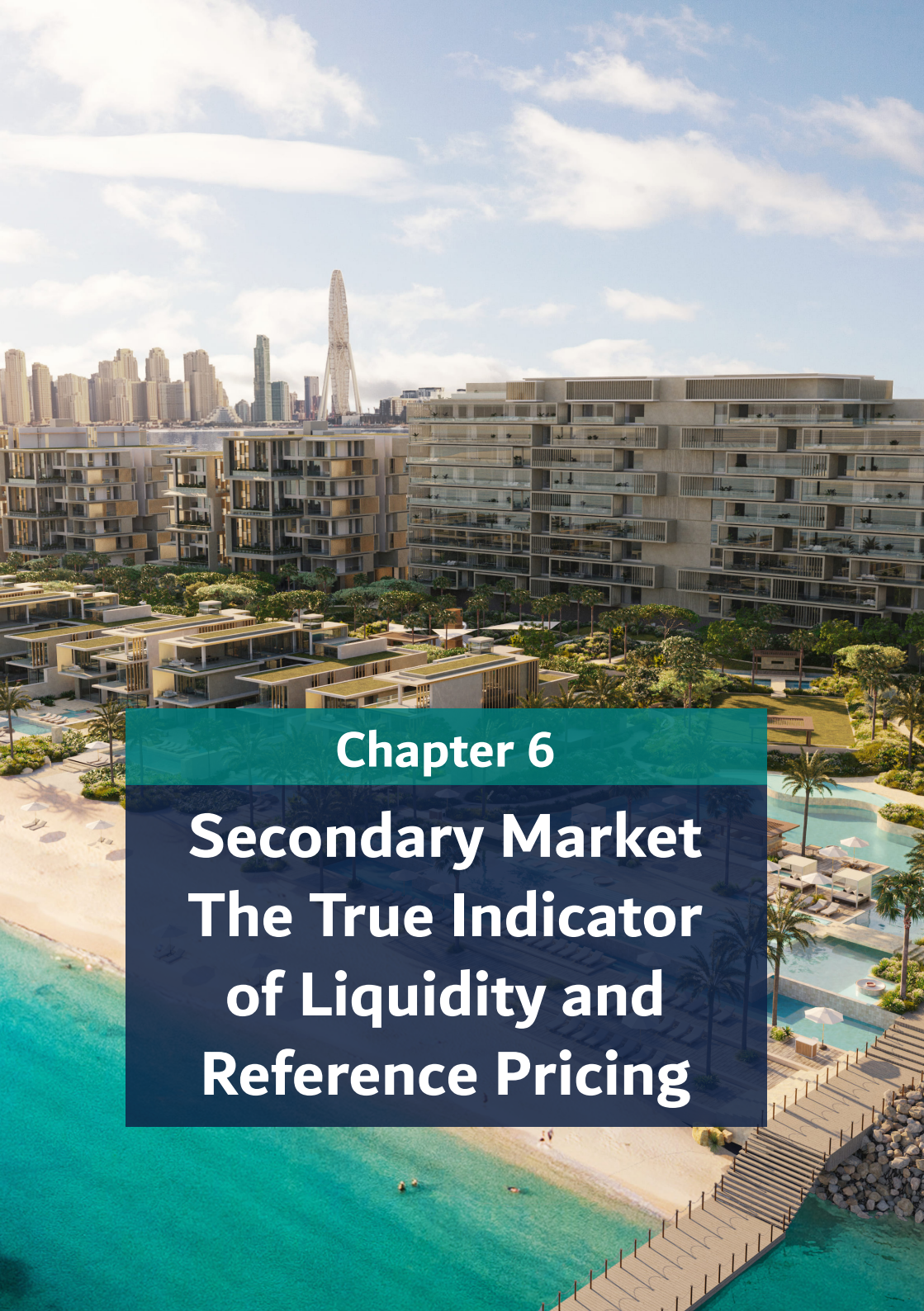
Note: Ranking is based on primary market sales value.





The developers table shows that concentration in the primary market remains meaningful. Emaar holds first place by a clear margin, followed by Damac and Meraas. The pattern clearly indicates that a significant share of the quarter's liquidity flowed toward names that combine launch capacity with delivery credibility.

Analytically, primary market growth this quarter does not simply mean higher sales; it also indicates continued liquidity absorption by new projects in an environment of intensifying supply competition. Such a market typically favours developers that hold simultaneous advantages in brand, location, and execution capability. Primary market growth therefore should not be generalised uniformly across all newly launched projects.



Chapter 6

Secondary Market The True Indicator of Liquidity and Reference Pricing

The secondary market recorded 14,012 transactions and AED 44 billion in sales value during the quarter. Its share of total transactions stood at 30.1% and its share of total market value at 30.2%. Although this share has declined compared with last year, the secondary market remains the principal benchmark for judging liquidity and regional reference pricing.

Table 5 – Secondary Market Performance

Metric	This Period	Same Period Last Year	YoY Change	Previous Comparable Period	QoQ Change
Transactions	14,012	15,603	-10.2%	16,529	-15.2%
Total Deals Value (AED bn)	44	45	-2.2%	48	-9.2%
Median Apartment Price per sq ft (AED)	1,622	1,512	7.3%	1,574	3.0%
Median Villa Price per sq ft (AED)	1,503	1,366	10.0%	1,480	1.6%
Median Luxury Villa Price per sq ft (AED)	2,632	2,734	-3.7%	2,670	-1.4%
Median Office Price per sq ft (AED)	1,868	1,419	31.6%	1,785	4.7%
Median Residential Sale Price (AED)	1,700,000	1,585,700	7.2%	1,580,000	7.6%
Median Apartment Sale Price (AED)	1,310,000	1,210,000	8.3%	1,229,900	6.5%
Median Villa Sale Price (AED)	3,900,000	3,500,000	11.4%	3,775,000	3.3%
Median Luxury Villa Sale Price (AED)	15,525,000	17,200,000	-9.7%	16,750,000	-7.3%
Median Office Sale Price (AED)	2,031,628	1,407,953	44.3%	1,950,000	4.2%



This quarter's data shows that the secondary market has lagged last year in transaction volume, but remains resilient on pricing across many sub-segments. For that reason, the secondary market should continue to be treated as the main reference for reading the market's true pricing direction. Price growth in the secondary market—provided it is not accompanied by a sharp contraction in sample size or a severe shift in the transaction mix—remains a more dependable basis for interpretation than price growth observed in the primary market.





Subsection: Secondary Market Reference Maps

Reference 1 – Top Ten Communities by Primary Apartment Transactions

This table is used to assess the depth of primary apartment supply and sales.

Community	Transactions	Median Sale Price	Median Price per sq ft
Dubailand Residence Complex	2,091	812,843	1,451
Jumeirah Village Circle	1,990	1,098,388	1,521
Dubai Islands	1,657	2,682,000	2,787
Majan	1,554	720,000	1,493
Meydan City	1,021	1,400,000	3,589
Business Bay	955	2,926,622	2,916
Jumeirah Village Triangle	879	1,180,000	1,704
Dubai South Residential District	865	1,224,828	1,454
Dubai Maritime City	829	2,555,000	3,178
Dubai Creek Harbour	784	3,047,888	2,608

Reference 2 – Top Ten Communities by Primary Villa Transactions

This table is used to assess the depth of primary villa supply and sales.

Community	Transactions	Median Sale Price	Median Price per sq ft
Damac Island City	2,705	2,903,000	1,278
The Heights	739	7,890,888	1,927
The Oasis	477	15,961,888	2,084
Dubai Investment Park Second	336	4,427,299	1,806
Nad Al Shiba First	187	6,933,000	2,106
Jumeirah Golf Estates	167	12,213,000	2,003
The Valley	131	7,178,888	1,630
Dubai Hills Estate	121	22,150,000	2,772
Commercial District	90	4,860,000	1,162
Palm Jebel Ali	73	28,308,000	3,430



Reference 3 – Top Ten Communities by Secondary Apartment Transactions

This table is the main reference point for the depth of the secondary apartment market.

Community	Transactions	Median Sale Price	Median Price per sq ft
Jumeirah Village Circle	1,064	950,000	1,375
Business Bay	862	1,506,064	2,095
Downtown Dubai	552	3,300,000	2,959
Dubai Marina	483	2,100,000	1,973
Dubai Creek Harbour	437	2,650,000	2,417
Arjan	396	836,000	1,395
Dubai Hills Estate	349	2,275,000	2,430
Dubai Sports City	337	740,000	1,024
International City	337	450,000	686
Jumeirah Lake Towers	334	1,348,276	1,514

Reference 4 – Top Ten Communities by Secondary Villa Transactions

This table is the main reference point for the depth of the secondary villa market.

Community	Transactions	Median Sale Price	Median Price per sq ft
Damac Hills 2	295	1,700,000	845
Damac Lagoons	229	3,050,000	1,274
The Valley	170	3,100,000	1,382
Mudon	121	3,900,000	1,580
Damac Island City	116	2,824,000	1,278
The Springs	102	4,505,000	2,300
Arabian Ranches Phase 3	101	3,900,000	1,624
Dubai Hills Estate	90	10,050,000	2,660
Tilal Al Ghaf	90	6,650,000	2,011
Emaar South	90	3,000,000	1,281



Reference 5 – Top Ten Projects by Highest Secondary-Market Apartment Median Price per sq ft

Community	Transactions	Median Price per sq ft	Median Sale Price
The Royal Atlantis Residences	6	9,685	35,750,000
Baccarat Residences T1	5	7,263	38,016,039
Four Seasons Private Residences DIFC	5	6,578	24,293,068
Bluewaters Residences 4	6	5,695	10,000,000
Bluewaters Residences 3	7	5,587	6,250,000
Bayview Tower 1	8	5,148	7,667,514
Ciel Vignette Collection	9	5,126	2,900,000
The Address Residence Fountain View 2	10	5,009	5,450,000
Serenia Living - Tower 1	7	4,937	9,850,000
The Address Residence Fountain View 3 - Hotel	8	4,919	9,400,000

Note: Only projects with at least 5 transactions during the quarter were included in this table.

Reference 6 – Communities with the Lowest Secondary-Market Apartment Median Price per sq ft

Community	Transactions	Median Price per sq ft	Median Sale Price
International City	337	686	450,000
Dubai Investment Park Second	42	752	950,000
Liwan	109	795	650,000
Dubai Waterfront	6	818	607,500
Discovery Gardens	101	887	740,000
Green Community Motor City	16	900	1,059,529
Al Quoz Fourth	39	922	895,000
Dubailand Residence Complex	212	945	689,890
Remraam	87	971	995,000

**Reference 7 – Communities with the Highest Secondary-Market Villa
Median Price per sq ft**

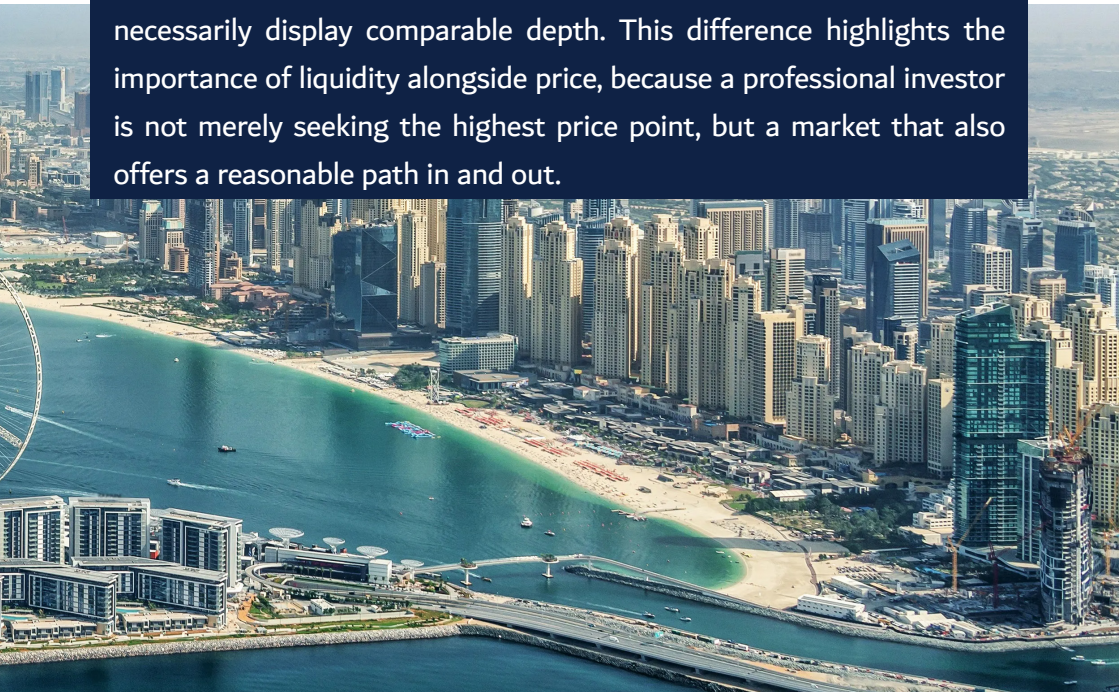
Community	Transactions	Median Price per sq ft	Median Sale Price
Palm Jumeirah	20	7,344	48,750,000
Jumeirah Bay Island	5	5,943	24,000,000
Emirates Hills	5	4,664	60,000,000
Jumeirah Islands	22	4,366	25,425,000
Sobha Hartland	4	3,949	26,500,000
The Meadows	16	3,349	13,975,000
The Lakes	15	2,759	7,400,000
Palm Jebel Ali	19	2,706	21,850,000

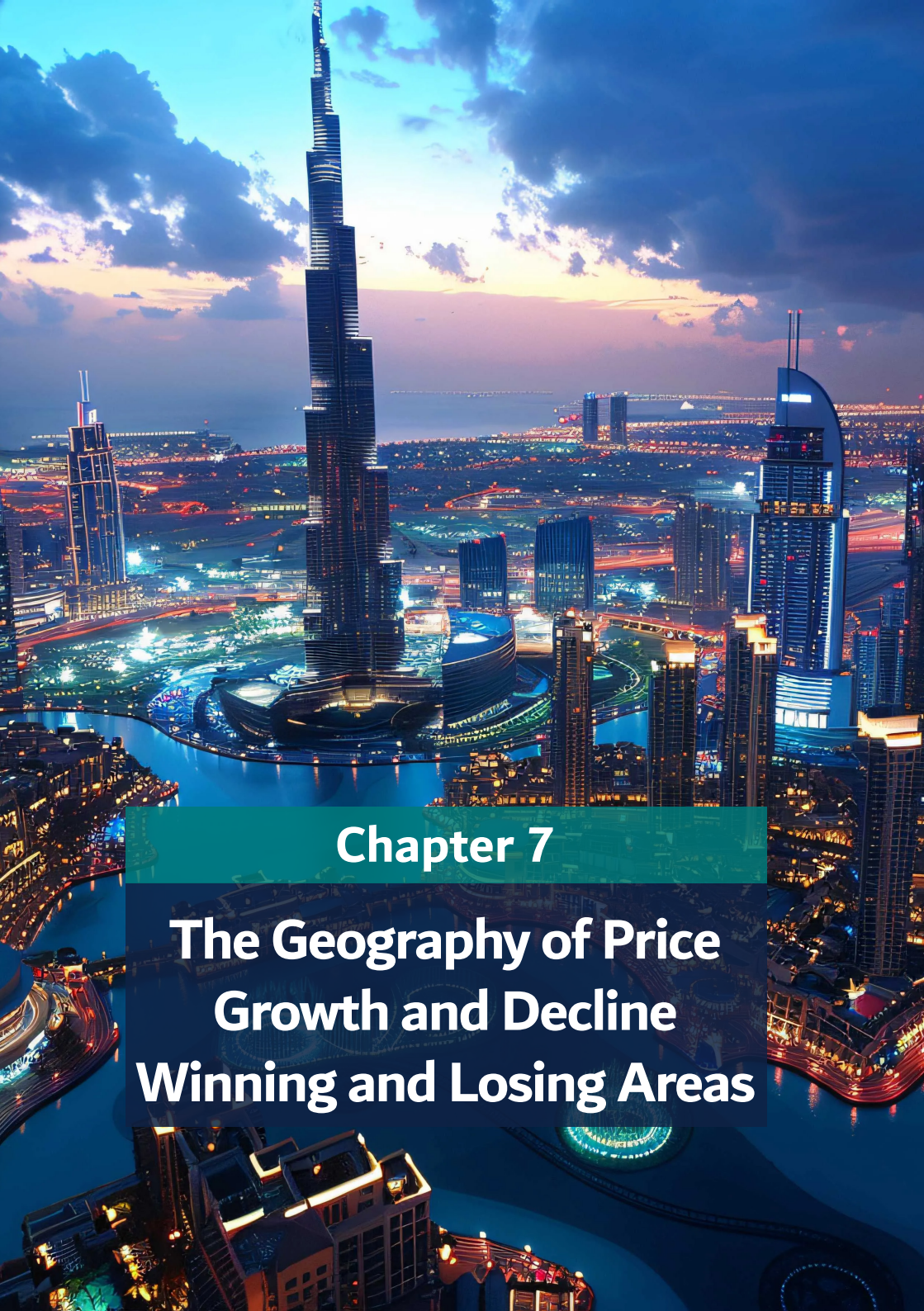


Reference 8 – Communities with the Lowest Secondary-Market Villa Median Pricepersqft

Community	Transactions	Median Price per sq ft	Median Sale Price
Damac Hills 2	295	845	1,700,000
Jumeirah Village Circle	52	982	3,050,000
International City	16	1,043	2,100,000
Green Community East	5	1,078	5,225,000
Dubai Investment Park Second	22	1,101	2,614,000

The reference tables in Chapter 6 deliver a clear message: market depth and pricing levels in Dubai are highly uneven. Some areas, such as Jumeirah Village Circle and Business Bay, show deep liquidity in the secondary apartment market, while more expensive areas do not necessarily display comparable depth. This difference highlights the importance of liquidity alongside price, because a professional investor is not merely seeking the highest price point, but a market that also offers a reasonable path in and out.





Chapter 7

The Geography of Price Growth and Decline Winning and Losing Areas

Table 6 – Apartments in the Areas with the Highest Price Growth

Community	Current Transactions	Current Median AED/sq ft	Current Median Sale Price	Prior-Year Transactions	Prior-Year Median AED/sq ft	Prior-Year Median Sale Price	YoY Change in Median AED/sq ft
DIFC	131	3,026	4,600,000	104	1,953	2,280,829	54.9%
Living Legends	57	1,109	1,250,000	22	781	694,321	42.1%
Majan	73	1,275	1,050,000	29	929	840,000	37.3%
Dubai Investment Park Second	42	752	950,000	29	581	815,000	29.4%
Jumeirah Village Triangle	164	1,438	943,500	143	1,140	707,930	26.2%
Barsha Heights	39	2,176	956,654	35	1,725	1,136,000	26.1%
Dubai Studio City	98	1,431	696,000	50	1,136	696,500	26.0%
Dubai Healthcare City Phase 2	33	1,900	1,940,000	27	1,515	1,200,000	25.4%

Table 7 – Villas in the Areas with the Highest Price Growth

Community	Current Transactions	Current Median AED/sq ft	Current Median Sale Price	Prior-Year Transactions	Prior-Year Median AED/sq ft	Prior-Year Median Sale Price	YoY Change in Median AED/sq ft
Al Barari	26	2,505	16,425,000	24	1,649	19,650,000	51.9%
Mudon	121	1,580	3,900,000	91	1,219	3,080,000	29.6%
The Lakes	15	2,759	7,400,000	12	2,137	6,000,000	29.1%
City of Arabia	10	1,273	2,700,430	10	988	1,235,948	28.8%
The Oasis	40	2,066	14,673,888	13	1,634	10,250,000	26.4%
Damac Lagoons	229	1,274	3,050,000	267	1,012	2,375,000	25.9%
Nad Al Shiba First	47	2,099	9,200,000	31	1,688	7,150,000	24.3%
Victory Heights	22	2,182	8,825,000	23	1,781	8,110,000	22.6%
The Valley	170	1,382	3,100,000	158	1,137	2,700,000	21.5%
Nad Al Sheba Third	8	1,311	5,000,000	12	1,085	4,275,000	20.8%

Table 8 – Apartments in the Areas with the Largest Decline or Lowest Growth

Community	Current Transactions	Current Median AED/sq ft	Current Median Sale Price	Prior-Year Transactions	Prior-Year Median AED/sq ft	Prior-Year Median Sale Price	YoY Change in Median AED/sq ft
Zaabeel First	22	3,563	4,760,501	30	4,476	6,145,000	-20.4%
Al Barari	102	1,738	1,958,022	18	1,800	4,725,000	-3.4%
Dubai Islands	25	2,443	2,412,000	11	2,519	2,568,800	-3.0%
Dubai Media City	17	2,445	3,345,000	15	2,451	2,912,805	-0.2%
Dubai Science Park (DuBiotech)	61	1,421	945,000	84	1,421	882,500	0.0%
Trade Center Second	12	1,498	3,187,500	10	1,494	3,900,000	0.3%
Bluewaters Island	49	5,027	7,650,000	44	4,987	8,405,000	0.8%
District One	36	2,230	1,950,000	61	2,201	1,750,000	1.3%
Dubai Harbour	138	3,705	3,816,200	184	3,647	4,075,000	1.6%
Sobha Hartland	304	2,042	1,677,500	243	1,983	1,630,000	2.9%

Table 9 – Villas in the Areas with the Largest Decline or Lowest Growth

Community	Current Transactions	Current Median AED/sq ft	Current Median Sale Price	Prior-Year Transactions	Prior-Year Median AED/sq ft	Prior-Year Median Sale Price	YoY Change in Median AED/sq ft
District One	37	2,457	14,200,000	22	2,829	15,150,000	-13.2%
Al Furjan	82	1,711	5,512,500	164	1,830	4,825,000	-6.5%
Jumeirah Golf Estates	60	2,183	9,875,000	88	2,193	12,375,000	-0.5%
Meydan City	11	1,718	6,300,000	10	1,726	6,025,000	-0.5%
Serena	26	1,459	2,950,000	32	1,458	2,842,500	0.1%
Palm Jebel Ali	19	2,706	21,850,000	16	2,646	21,543,800	2.3%
District Eleven	59	1,437	4,400,000	63	1,401	4,350,000	2.6%
Cherrywoods	6	1,441	3,225,000	10	1,389	3,175,000	3.8%
Green Community East	5	1,078	5,225,000	9	1,035	4,800,000	4.2%
Haven by Aldar	39	1,392	3,200,000	33	1,317	3,750,000	5.7%

Table 10 – Secondary-Market Office Transactions in the Areas with the Highest Transaction Counts

Community	Transactions	Median price per sq ft	Median Sale Price
Business Bay	263	2,281	2,600,000
Jumeirah Lake Towers	206	1,671	2,028,314
Dubai Silicon Oasis	42	1,139	1,184,910
Al Sufouh First	35	4,000	2,226,000
Barsha Heights	30	1,436	1,992,950
Jumeirah Village Circle	19	1,191	1,350,000
Arjan	15	1,250	900,000
Dubai Investment Park First	12	705	1,094,125
Downtown Dubai	6	6,005	21,500,000
The Greens	4	4,099	6,204,250





The most important point in Chapter 7 is that price growth in Dubai has become thoroughly geography-driven. In apartments, areas such as DIFC, World Islands, and Living Legends rank among the strongest performers, but these gains do not arise from a single underlying logic. In some locations, growth is more closely tied to scarcity and the premium nature of the asset; in others, it reflects an improved market position or a change in the sales mix. Price growth therefore should always be read alongside transaction count and demand structure.

The same broad pattern is visible in villas. Growth in Al Barari, Mudon, and The Lakes cannot simply be treated as equivalent, because the villa market is more heavily influenced than the apartment market by project quality, plot size, and scarcity of available stock. Accordingly, wherever strong growth appears in Chapter 7, the possibility of transaction-mix effects should be examined alongside any conclusion about genuine price growth.

An aerial photograph of the Singapore Flyer, a massive Ferris wheel, situated on an artificial island. The wheel is white with a black rim and is surrounded by modern buildings and a body of water. In the foreground, there is a sandy beach with several houses and palm trees. The sky is a hazy, warm orange color, suggesting a sunset or sunrise. The text "Chapter 8" and "Occupancy" is overlaid on a dark teal and black rectangular background in the lower center of the image.

Chapter 8

Occupancy

Occupancy is one of the best indicators of the market’s true ability to absorb demand across different areas, because rather than focusing solely on buying and selling activity, it tells us the extent to which built stock is actually being taken up by the market. That said, the most recent occupancy data available in the base material relates to the second half of 2025, which means it functions as a lagging indicator for Q1 2026 rather than a concurrent one.

Table 11 – Top Ten Communities by Occupancy Rate

Community	Current Occupancy Rate	Previous Occupancy Rate	Change
Al Qusais Industrial Fourth	100	100	0.0%
Al Qusais Industrial Second	100	100	0.0%
Al Badaa	96	96	0.0%
City of Arabia	96	94	2.0%
Green Community Motor City	96	96	0.4%
Dubai Waterfront	96	93	2.7%
Living Legends	95	96	-0.7%
Damac Hills	95	94	0.7%
Dubai Healthcare City	95	95	0.0%
Uptown Motorcity	95	95	-0.2%

Note: The latest available period for occupancy is H2 2025, while the previous period is H1 2025.



Despite the time lag, Table 11 shows that in a number of areas the market's absorption capacity remains very high. This matters for rental-oriented investors, because it distinguishes between markets that merely generate transaction volume and those that can also sustain resident and tenant retention. Even so, this table should be used carefully: occupancy is not necessarily equivalent to price growth, and is more closely aligned with the quality of utilisation demand.



Chapter 9

Interest Rates and Mortgage Share

Interest Rate Table

Bank	Average Promotional Mortgage Rate
FAB	3.9%
Dubai Islamic Bank	4.0%
ADIB	4.0%
Ajman Bank	4.0%
Emirates Islamic Bank	4.2%
Mashreq Bank	4.2%
HSBC	4.4%
Standard Chartered Bank	4.5%
ADCB	4.5%
RAK Bank	4.5%
Aafaq Finance	6.0%
Amlak Finance	7.2%

Mortgage Share Table

Metric	Value
Mortgage Share by Volume	42.4%
Mortgage Share by Value	28.4%
Total Transactions in Mortgage Sample	50,443
Transactions Using Mortgage Finance	21,397

Interest-rate data shows that banks' promotional mortgage rates sit within a relatively tight range of roughly 3.94% to 7.25%. At the same time, the mortgage-share indicator suggests that 42.4% of transactions by count and 28.4% by value used bank financing. These figures are useful for assessing the presence of mortgage-backed demand in the market, but they should be read with caution when making precise time-based judgments.

From an analytical perspective, the mortgage-share indicator is useful for measuring the presence of bank financing, but it is not sufficient for making a precise judgment about the direction of its trend over time. In this report, therefore, the indicator is used primarily to identify the relative weight of mortgage-backed buyers in the market, rather than to draw definitive conclusions about period-to-period changes.





Chapter 10

The Most Important News of the Period

This chapter's news flow was concentrated around three themes above all others: geopolitical risk, the continued strength of the primary market, and the fundamental support for demand coming from population growth and the rental market. The most important development of the quarter was the escalation of the regional war and Iranian attacks on the UAE in late February and throughout March 2026—a development that, together with operational disruptions in air travel and pressure on regional maritime routes, altered the market's risk horizon.

News 1: Escalation of the Regional War and Iranian Attacks on the UAE

Publication date: 28 February to 19 March 2026 | Source: UAE Ministry of Foreign Affairs, Dubai Airports, and regional logistics updates | Category: Geopolitics and Operational Risk

The importance of this development goes far beyond its political or media profile. From late February and throughout March 2026, Iranian missile and drone attacks on the UAE and several countries in the region, together with intermittent flight disruptions, the gradual reopening of air operations, and pressure on maritime transport routes linked to Hormuz, raised the level of uncertainty across the regional economy. For Dubai's real estate market, this shock may affect investor travel, site visits, execution costs, logistics costs, and the cost of capital. However, there is a time gap between transaction agreement and official registration; therefore, part of this quarter's data likely reflects decisions made before these events intensified. For that reason, the data recorded by the end of April and the end of May 2026 will be more important for a more precise assessment of this shock's effect.

News 2: PropTech Connect Held with a Focus on Data, Artificial Intelligence, and Tokenisation

Publication date: 27 January 2026 | Source: WAM

Category: Technology and Tokenisation

This development showed that technology-led themes and new investment tools are entering the official mainstream of Dubai's property market. Its direct effect on transaction volume in this quarter is limited, but institutionally it may influence transparency, sales velocity, data quality, and new channels for capital formation.

News 3: Highest January Sales Month Ever Recorded in Dubai's Market History

Publication date: 9 February 2026 | Source: Property Finder | Category: Transactions

The January report pointed to a record transaction value of around AED 72.4 billion. This lifted expectations for first-quarter performance, but a professional reading still requires attention to transaction mix and the weight of large projects.

News 4: Launch of Phase Two of Real Estate Tokenisation and the Introduction of Token Resale

Publication date: 9 February 2026 | Source: WAM

Category: Technology and Tokenisation

The introduction of token resale and references to roughly 7.8 million tokens moved this development beyond the level of a limited experiment. Its main importance lies in expanding channels for capital entry and improving the liquidity of new ownership instruments.

News 5: Emaar's Exceptional 2025 Results and Growth in Projects Under Execution

Publication date: 12 February 2026 | Source: Gulf News | Category: Developers

Emaar reported around AED 80.4 billion in sales, 48 new launches, and approximately AED 155 billion in projects under execution. This development signalled both the concentration of sales power among major developers and the growing importance of brand, distribution, and scale in the primary market.

News 6: Dubai's Population Surpasses 4 Million

Publication date: 21 February 2026 | Source: Gulf News | Category: Demand / Population

Crossing the 4 million threshold was one of the most fundamental news items of the quarter. Its importance lies in strengthening the base of end-user housing demand, rental demand, and the market's ability to absorb new supply—an issue that matters more to professional analysts than many purely record-driven headlines.

News 7: Growth in Dubai's Rental Market in 2025

Publication date: 23 February 2026 | Source: WAM | Category: Rental

The rental market reached around 1.38 million contracts with a total value of AED 126.4 billion, sending an important signal about market absorption and the persistence of demand flows. This matters directly for income-producing assets and for assessing the quality of demand.

News 8: Issuance of Law No. 4 of 2026 on Shared Housing

Publication date: 11 March 2026 | Source: Official Dubai sources | Category: Regulation

This law brings greater clarity to part of the rental market and to the use of residential units. Its principal effect is on operational risk, the quality of lawful supply, and market discipline, rather than necessarily on headline prices.

News 9: UAE Central Bank Financial Resilience Package

Publication date: 17 and 18 March 2026 | Source: Central Bank of the UAE | Category: Financing

A package backed by up to AED 1 trillion and allowing banks limited access to part of their reserves sent an important signal about financial-system stability. Its effect on the property market runs more through credit confidence and financing capacity.

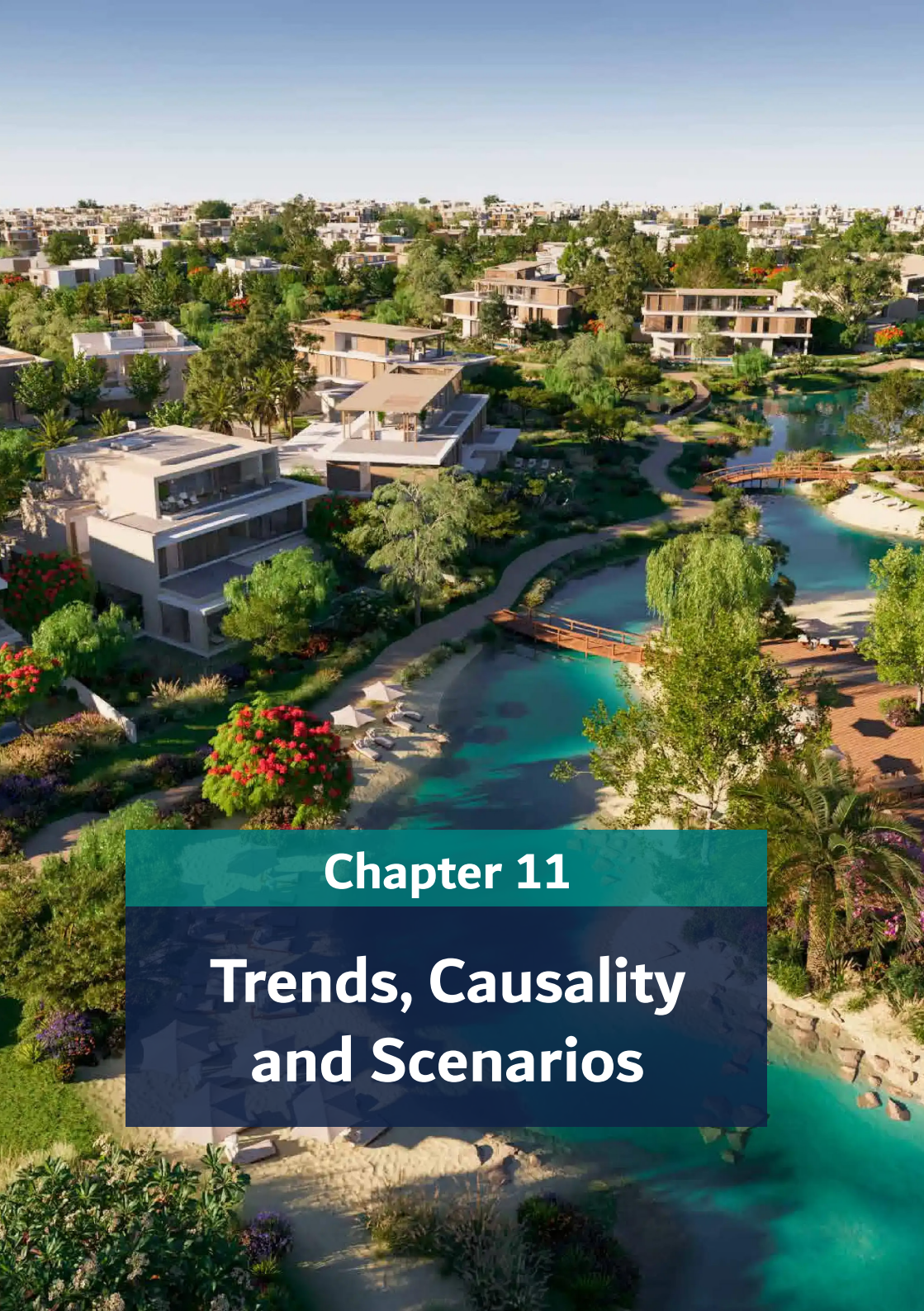
News 10: Continued Momentum in the Launch and Sale of Landmark Projects in March 2026

Publication date: 29 March 2026 | Source: WAM | Category: Supply

News flow at the end of March indicated continued sales of new projects, additional launches, and the presence of very large transactions. This suggests that the primary-market engine was not confined to January, but remained active throughout the quarter.

News chapter conclusion: The dominant pattern in this quarter's news flow shows three themes as especially important: first, geopolitical risk and the operational disruptions associated with it; second, the continued pull of the primary market; and third, the strengthening of demand fundamentals through population growth and rental-market activity. A professional reading of the market must distinguish between the real shock itself and the full reflection of that shock in this quarter's transaction data.





Chapter 11

Trends, Causality and Scenarios

11.1. Key Trends and Drivers

- The first trend is the continued dominance of the primary market. During this period, the primary market's share reached 69.9% by volume and 69.8% by value. This concentration shows that new supply and direct developer sales remain the market's main engine.
- The second trend is the divergence between transaction volume and transaction value. Total transactions declined 16.9% versus the previous comparable period, while total transaction value rose 2.0%. This divergence usually signals a change in the mix toward larger, more expensive, or more premium assets.
- The third trend is more moderate pricing pressure in apartments and greater stability in villas within the secondary market. Median prices in the secondary market reached around AED 1,622 per sq ft for apartments and AED 1,503 per sq ft for villas.
- The fourth trend is the growing importance of demand-support variables. Population growth, rental-market strength, and high occupancy levels—especially in mid-market and end-user-oriented segments—constitute a more important fundamental support than headline-driven news alone. Alongside these variables, the quarter-end geopolitical risk should be seen as an external factor shaping investor behaviour, not as definitive proof explaining every recorded change in the period.





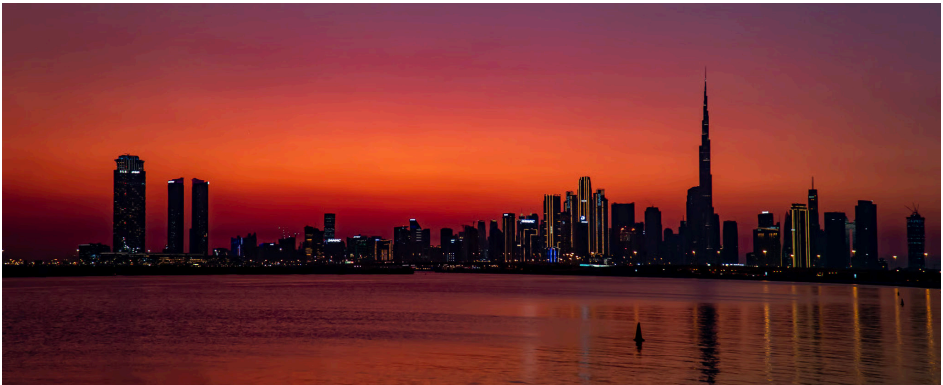
11.2. Causality Analysis

- The rise in total market value alongside a quarterly decline in transaction count does not, in itself, prove broad-based price growth across the market. A substantial part of this pattern may result from a shift in the transaction mix toward more expensive assets or specific projects.
- The strong rise in primary market value, together with the concentration of sales among major developers, indicates that developer brand, product quality, and project timing played a more decisive role this quarter than any uniform distribution of demand.
- In the secondary market, growth in price per square foot is visible across many clusters, but at the area level the effects of sample size, asset-quality differences, and changes in transaction mix must always be considered. For that reason, the tables in Chapter 7 should be read as analytical reference points, not as definitive judgments on every sub-market.
- The alignment of rental-market growth with high occupancy levels strengthens the hypothesis of active end-user and residential demand. However, because occupancy data is available only with a time lag relative to the current quarter, this part of the picture should be interpreted with a degree of caution.
- The combined message of interest rates and mortgage share is that the market has not yet become fully mortgage-driven. Changes in this period were therefore likely driven more by investor liquidity and direct project sales than merely by cheaper financing.

11.3. Scenarios and Outlook

A) Base Case

In the base case, the market is expected to remain active in the next comparable period, but with a more selective pace of growth. In this scenario, the primary market retains its dominant share, although part of demand is likely to make decisions more cautiously. If geopolitical risk remains at current levels without further escalation, the market can preserve a significant part of its strength, even if absorption slows somewhat relative to the most accelerated quarters of the recent past.



B) Optimistic Case

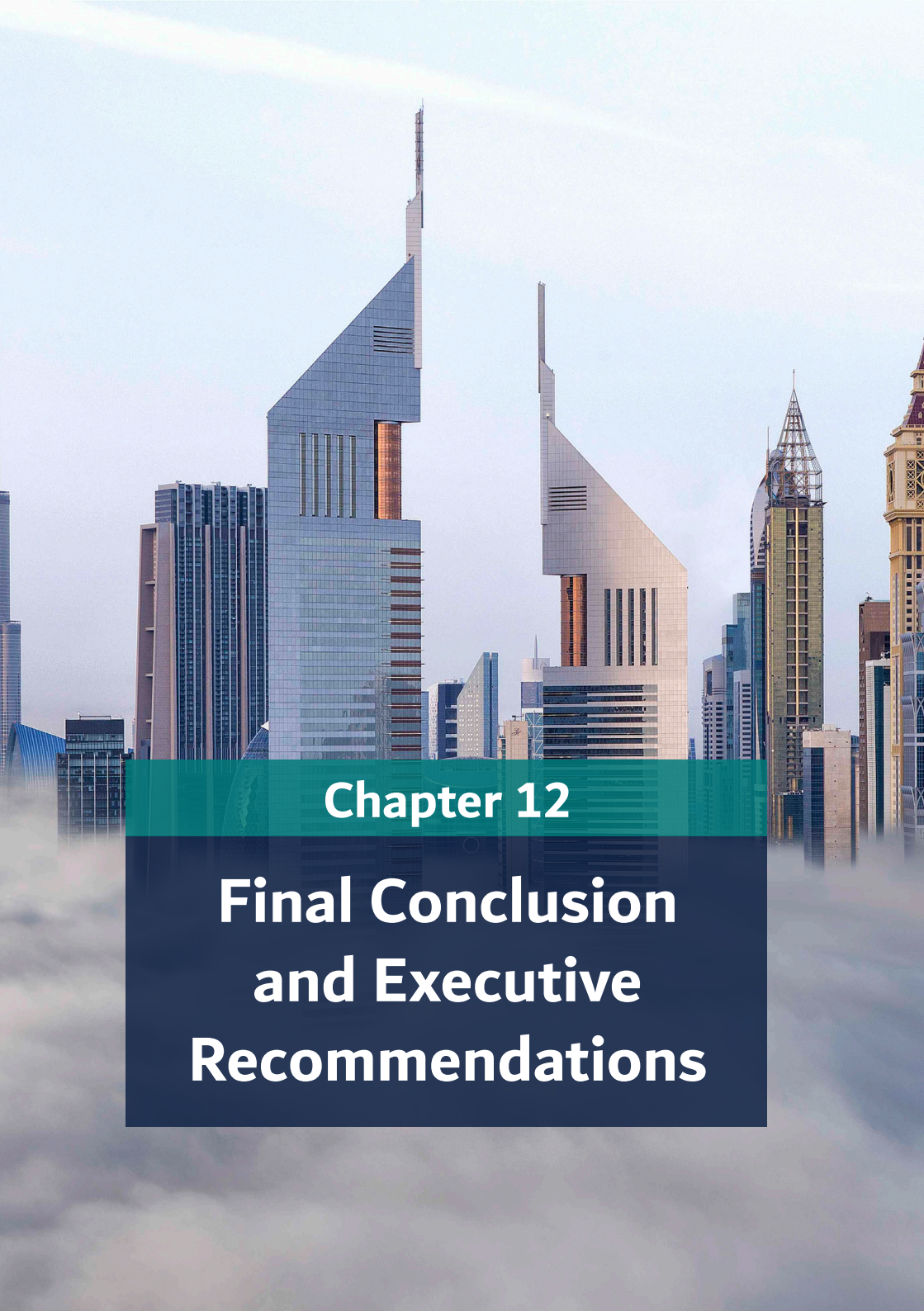
In the optimistic case, population growth, rental-market absorption, and continued new-project sales reinforce one another, allowing the market to sustain a high level of transaction value without a major drop in volume. In this setting, the primary market remains strong, while part of the positive momentum is transmitted into the secondary market and its reference prices as well. High-quality assets in areas with deep demand, and projects backed by major developers, would stand to benefit the most.

C) Conservative Case

In the conservative case, the market enters a phase of filtering and selectivity: transaction value may remain elevated, but transaction count could soften, while price growth in some sub-markets becomes more dependent on transaction-mix shifts. If geopolitical risk remains open or if operational disruptions in travel and logistics continue, investor caution is likely to increase, making asset quality, developer brand strength, and the depth of local demand even more important.

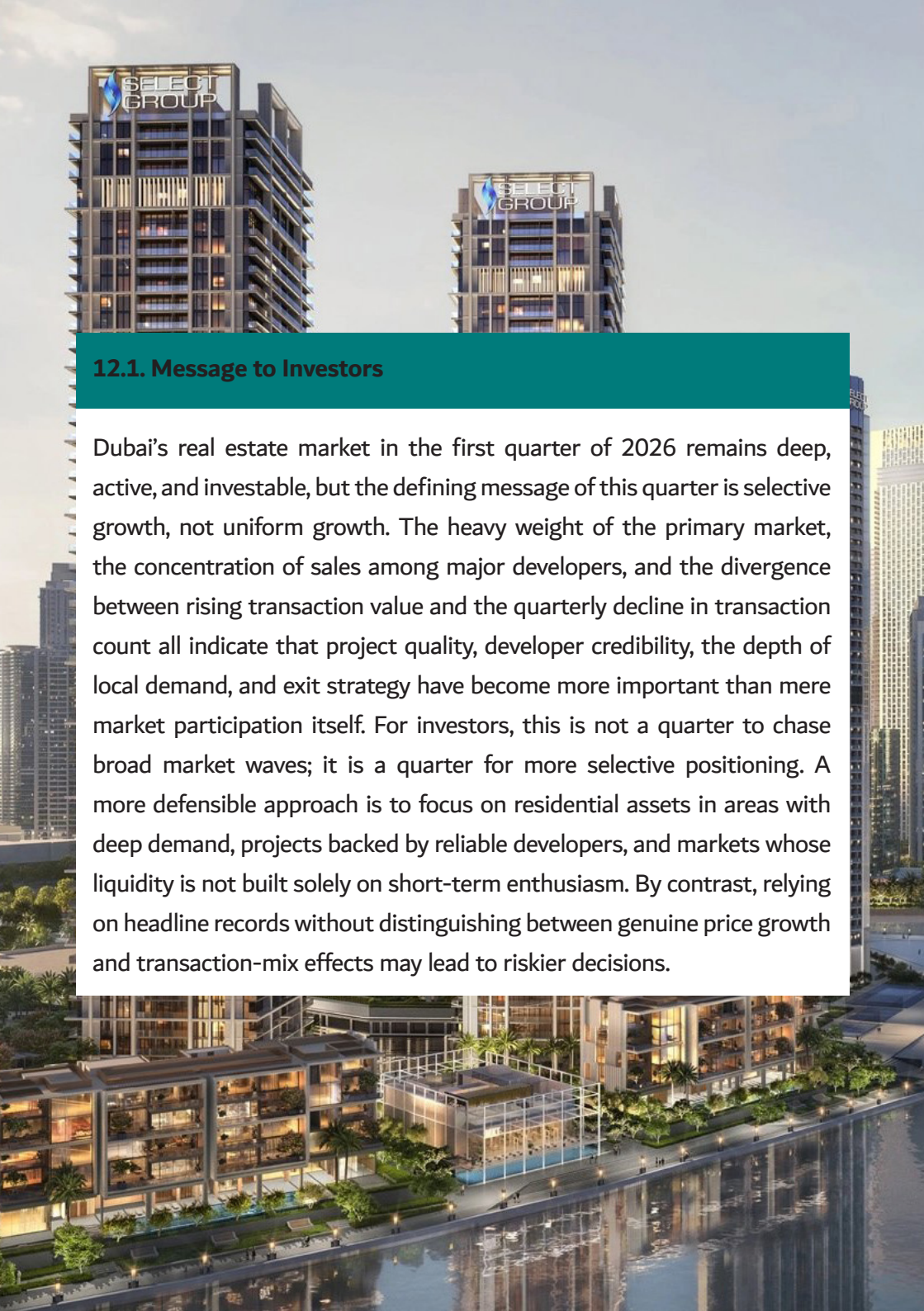
Scenario conclusion: Across all three scenarios, the common point is that the market is not moving uniformly. For professional decision-making, the choice of asset type, developer quality, the depth of regional demand, and reliance on the registered data for April and May 2026 will all be highly important. In this version, technology and tokenisation news has not been incorporated into the main scenario framework because the period does not yet provide sufficient supporting data for that step.





Chapter 12

Final Conclusion and Executive Recommendations



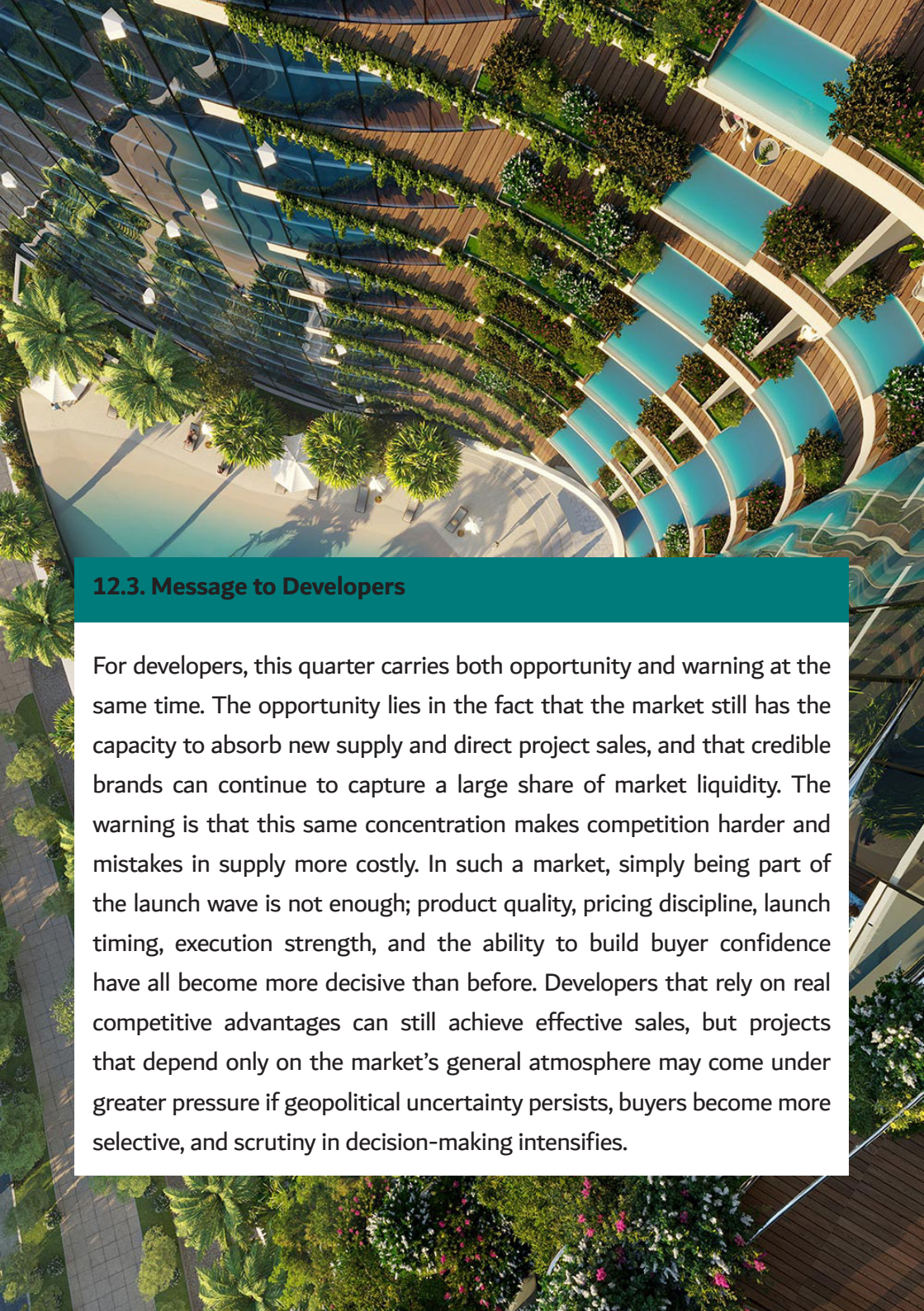
12.1. Message to Investors

Dubai's real estate market in the first quarter of 2026 remains deep, active, and investable, but the defining message of this quarter is selective growth, not uniform growth. The heavy weight of the primary market, the concentration of sales among major developers, and the divergence between rising transaction value and the quarterly decline in transaction count all indicate that project quality, developer credibility, the depth of local demand, and exit strategy have become more important than mere market participation itself. For investors, this is not a quarter to chase broad market waves; it is a quarter for more selective positioning. A more defensible approach is to focus on residential assets in areas with deep demand, projects backed by reliable developers, and markets whose liquidity is not built solely on short-term enthusiasm. By contrast, relying on headline records without distinguishing between genuine price growth and transaction-mix effects may lead to riskier decisions.



12.2. Message to Real Estate Agencies, Managers, and Property Advisers

For organisations, managers, and property advisers, the message of this quarter is that both the analytical model and the narrative model now need to be significantly sharper than before. It is no longer possible to support credible decision-making with broad statements such as ‘the market is hot’ or ‘prices are still rising’. The current market requires a layered reading: a distinction between the primary and secondary markets, between apartments and villas, between deep and shallow areas, and between defensible price growth and mere shifts in transaction mix. From an execution standpoint, the main recommendation is that market monitoring in the coming weeks and months should focus more closely on the registered data for April and May, on secondary-market behaviour, and on how demand responds to prevailing risk conditions. In sensitive periods, professional advantage lies not in market rhetoric, but in analytical precision and the speed with which the narrative can be recalibrated.

An aerial, top-down view of a modern architectural complex. The building features a prominent green roof with multiple levels of terraces, each planted with various tropical plants and palm trees. A large, curved swimming pool with clear blue water is visible on the right side of the building. The pool is surrounded by wooden decking and lounge areas. The building's facade is made of glass, reflecting the surrounding environment. The overall scene is bright and sunny, with shadows cast by the trees and building elements.

12.3. Message to Developers

For developers, this quarter carries both opportunity and warning at the same time. The opportunity lies in the fact that the market still has the capacity to absorb new supply and direct project sales, and that credible brands can continue to capture a large share of market liquidity. The warning is that this same concentration makes competition harder and mistakes in supply more costly. In such a market, simply being part of the launch wave is not enough; product quality, pricing discipline, launch timing, execution strength, and the ability to build buyer confidence have all become more decisive than before. Developers that rely on real competitive advantages can still achieve effective sales, but projects that depend only on the market's general atmosphere may come under greater pressure if geopolitical uncertainty persists, buyers become more selective, and scrutiny in decision-making intensifies.

The final conclusion is that Dubai's market has not yet entered an erosion phase, but neither can entry into every segment still be justified by the simpler logic of earlier cycles. Rather than offering a case for broad-based buying, this quarter asks the professional reader to become more selective, more disciplined, and more sensitive to risk. In a market where growth still exists, but is no longer uniform, the greatest mistake is to confuse signals of market strength with immunity across all sub-segments.



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