

CONFIDENCE MEETS CAUTION

Dubai's Property Market Enters Its Next Phase

Dubai remains structurally strong, but the market is becoming increasingly selective. The next phase will reward asset selection, entry price, developer quality, community fundamentals and holding discipline.



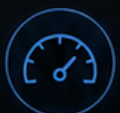
COVER INSIGHT

The Dubai opportunity remains — but the easy market is becoming a more selective market.

MARKET PULSE



SUPPLY
EXPANDING



MOMENTUM
COOLING



EXISTING PRICING
RESILIENT



OFF-PLAN UNITS
SOFTER



LUXURY DEMAND
STRONG



EXTERNAL RISK
ELEVATED

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INTELLIGENCE.



INSIGHT.



IMPACT.



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BOARDROOM BRIEF

The Market in One Page

Dubai completed 104 real estate projects worth more than AED 111 billion during H1 2026, while 24,537 residential units were delivered. Luxury demand and office fundamentals remain strong, but DPI historical analysis shows transaction activity cooling from 2025's exceptional levels.



COMPLETED
PROJECTS

104

H1 2026



RESIDENTIAL
DELIVERIES

24,537

+36% YoY



LUXURY \$10M+
SALES

296

H1 2026



OFFICE RENTS

+13% YoY

Q2 2026

DPI MARKET ASSESSMENT

CONSTRUCTIVE — BUT INCREASINGLY SELECTIVE



Supply

EXPANDING



Transaction
momentum

COOLING



Existing pricing

RESILIENT



Off-plan units

SOFTER



Luxury demand

STRONG



External risk

ELEVATED

MR.LTMAO INDEX™

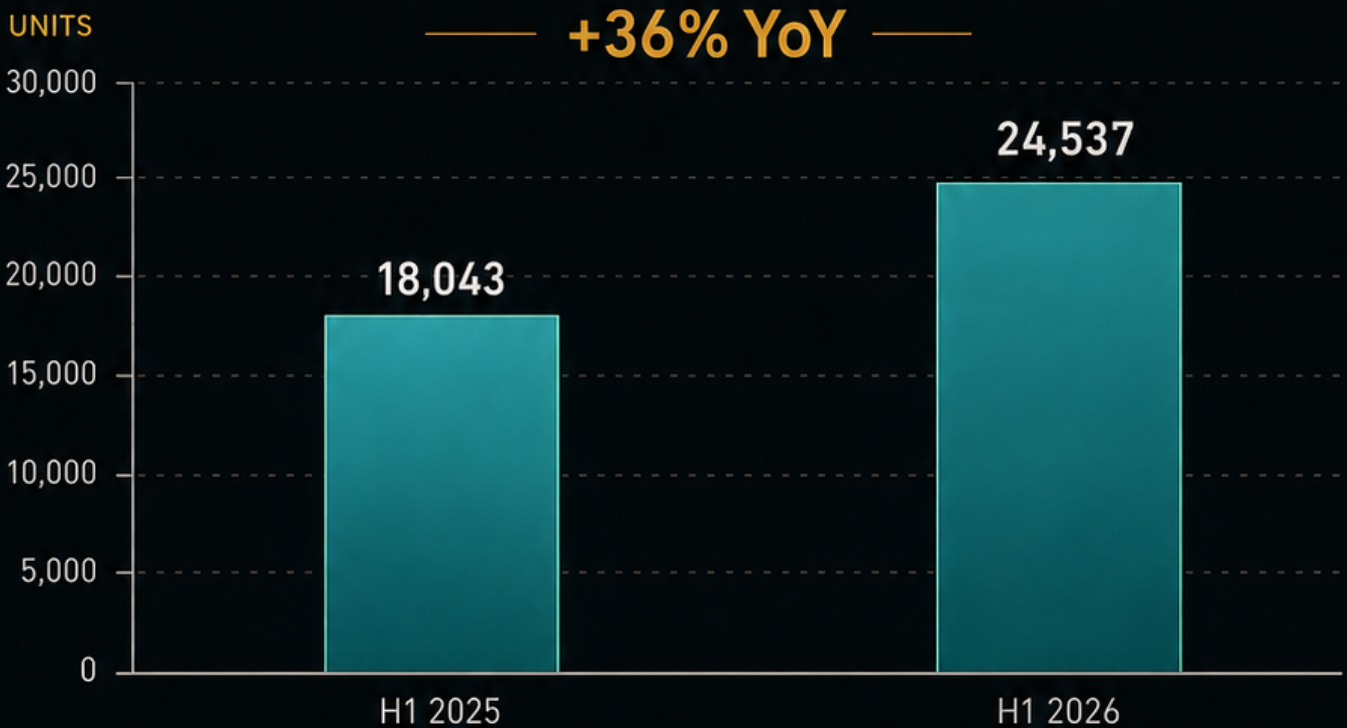
QUALITATIVE ASSESSMENT ONLY

Numerical calibration remains in progress.
DPI will not publish an arbitrary score until
the historical baseline is defensible.



SUPPLY IS ACCELERATING

H1 RESIDENTIAL DELIVERIES



COMPLETED PROJECT INVESTMENT

AED 73B → AED 111B+ | +52% YoY

KEY QUESTION

Is absorption keeping pace with delivery?



DPI INTERPRETATION

More supply is not automatically bearish; the important question is whether demand can absorb the additional stock — and where.



IN PLAIN ENGLISH

Dubai is building considerably more homes. Buyers therefore have more choice, which makes location, quality and price matter more.



#001 SUPPLY



#002 SEGMENTATION



#003 COMMUNITIES

What is entering the market → how the market is behaving → where that behavior is occurring



Source: WAM / Dubai Land Department reporting • H1 2026

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Dubai Is **Not One** Market

Transaction volume is cooling, while pricing resilience varies sharply by segment.

01 | VOLUME VS PRICE



AUG 2026
SALES TRANSACTIONS

12,200

MoM

-12.4%

YoY

-33.3%

vs 12M Avg (15,840)

-23.0%



SALES VALUE

AED 28.85B

-17.3% MoM

-42.9% YoY



OVERALL
MEDIAN PSF

AED 1,701

YoY **-0.6%**



INSIGHT

Activity cooled
much more
than pricing.

02 | SEGMENT DIVERGENCE

OFF-PLAN UNITS



AED 1,745

median PSF

YoY **-9.2%**

EXISTING UNITS



AED 1,454

median PSF

YoY **+7.0%**

VILLAS



AED 1,557

median PSF

YoY **+10.7%**



EDITORIAL INSIGHT

Dubai is not one single property market. The evidence points to cooling transaction momentum, softer off-plan unit pricing, and stronger resilience in existing homes and villas.



IN PLAIN ENGLISH

People are still buying property in Dubai, but not all parts of the market are moving the same way. Off-plan units are softer, while existing homes and villas are holding up better.



CONFIDENCE: **HIGH**

#001 Supply → #002 Segmentation → #003 Communities
What is entering the market → how the market is behaving → where that behavior is occurring



Source: Dubai Land Department / Dubai Pulse historical transactions dataset.
Data window: Sep 2023 – Aug 2026. Latest month: Aug 2026. DPI analysis.

TOP INTELLIGENCE STORIES

What matters — and why

01 DELIVERY CAPACITY IS RISING



Dubai completed 104 projects in H1 2026, while residential deliveries rose to 24,537 units.



WHY IT MATTERS: More completed stock improves buyer choice but makes absorption analysis increasingly important.

02 LUXURY DEMAND REMAINS STRONG



Dubai recorded 296 residential transactions above US\$10M in H1 2026.



WHY IT MATTERS: Prime strength is significant, but should not be used as evidence that every segment is equally strong.

03 OFFICE FUNDAMENTALS REMAIN TIGHT



Dubai office rents rose 13% YoY in Q2, with occupancy around 94%.



WHY IT MATTERS: This supports the wider story of continued business demand and economic activity.

04 THE MARKET IS MORE SEGMENTED



DPI analysis shows off-plan, existing units and villas moving differently.



WHY IT MATTERS: Market-wide averages are becoming less useful; segmentation is essential.



IN PLAIN ENGLISH

More homes are being delivered, prime demand is firm, offices are tight, and the market is moving in different directions across segments.



CSO TAKE

"Nuance beats noise. The winners are those who understand where the real strength is — and where the risks sit."

– Chief Strategy Officer, DPI

Source: WAM • Knight Frank • CBRE • DPI analysis



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WHERE THE MARKET IS MOVING

Opportunity • Resilience • Risk

Latest 12 months: Sep 2025–Aug 2026 vs Previous 12 months: Sep 2024–Aug 2025



1. MOMENTUM LEADERS

Areas showing the strongest combination of activity growth and supportive pricing.



Palm Deira



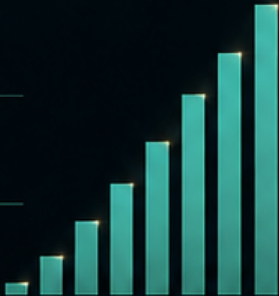
Transactions
+64.7% YoY



Median PSF
+19.4% YoY



Off-plan share
~98%



★ Strong launch-led momentum



Madinat Al Matar



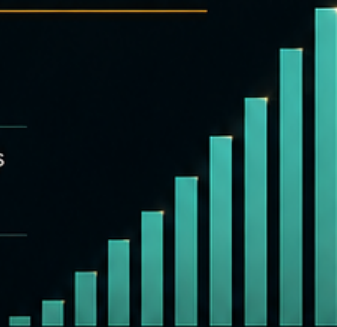
Transactions
+61.1% YoY



Latest 12m transactions
16,348



Off-plan share
~90%



★ Volume leader



2. RESILIENT MATURE AREAS

Activity may cool while pricing still holds firm.



Business Bay



Transactions
-28.3% YoY



Median PSF
+10.1% YoY

✓ Volume cooled, pricing stayed resilient



3. WATCHLIST AREAS

Areas requiring extra caution and deeper due diligence.



Marsa Dubai



Transactions
-53.2% YoY



Sales value
-49.2% YoY



Median PSF
-5.6% YoY

✓ Broad-based softening



Wadi Al Safa 4



Transactions
+55.8% YoY



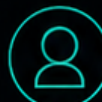
Median PSF
-4.1% YoY

✓ Volume up, pricing softer.



KEY TAKEAWAY

Community divergence is widening. The strongest activity is concentrated in highly off-plan locations, while mature areas such as Business Bay continue to show pricing resilience. Strong transaction growth does not always mean stronger pricing.



IN PLAIN ENGLISH

Some Dubai communities are growing fast, some are holding value well, and some need caution. The market is moving in different directions depending on the area.



Source: Dubai Land Department / Dubai Pulse • Community analytics derived from validated sales transactions
PSF based on procedure_area, converted from sqm to sq.ft., with broad outlier filtering

INTELLIGENCE & DECISION SUPPORT

Beyond the headlines. Clarity for smarter decisions.

RUMOR

VS

REALITY



"Too much supply means Dubai property is about to crash."



Supply is rising, but existing units, villas and different communities are behaving differently. The evidence supports normalisation and divergence — not a uniform collapse.

VERDICT: **NORMALISATION** ≠ **COLLAPSE**

“



CSO TAKE

Dubai remains compelling, but investors should stop treating Dubai as one trade. The next phase requires the correct community, property type, developer, entry price and holding horizon.

”

MARKET MOMENTUM

24-month trend in monthly property sales transactions.

— Transactions (Monthly) — 12-Month Monthly Average



12-month monthly average: 15,840

August is 23% below trend

WHAT IT TELLS US

Transaction activity has cooled materially from 2025's exceptional levels. August 2026 was 33% below August 2025 and 23% below the trailing 12-month average. This supports DPI's normalisation thesis, but does not by itself indicate a market collapse.



IN PLAIN ENGLISH

Fewer properties changed hands in August than last year. Prices are not falling at the same rate, which tells us buyers are becoming more selective rather than simply disappearing.

MARKET RISK MONITOR



SUPPLY RISK

MODERATE / RISING



TRANSACTION MOMENTUM

COOLING



EXISTING PRICING

RESILIENT



OFF-PLAN UNIT PRICING

SOFTER



LUXURY DEMAND

STRONG



EXTERNAL MACRO RISK

ELEVATED

ADVISOR QUESTIONS



What competing supply is coming?



Is the area off-plan or existing led?



Is PSF moving because of mix?



How liquid is resale?



What happens if the client exits early?



What is the developer's delivery history?



Data shows direction.



Context drives clarity.



Decisions create results.



TRUSTED. VERIFIED. INTELLIGENT.

Every insight is backed by data.
Every conclusion has context.



SOURCE: DPI HISTORICAL
AND COMMUNITY ANALYTICS



DATA AS OF
31 AUGUST 2026

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ACTION PAGE

From intelligence to impact. Your next move, informed.



ADVISOR TOOLKIT

WHAT TO SAY. WHAT TO DO. TODAY.



1. STOP SELLING 'DUBAI'

Sell the specific investment case.



2. COMPARE OFF-PLAN vs EXISTING

Price, payment plan, rentability, completion risk, liquidity.



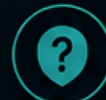
3. USE COMMUNITY DATA

A citywide number is increasingly insufficient.



4. SEPARATE VOLUME FROM PRICE

More transactions do not automatically mean higher prices.



5. RESPECT UNCERTAINTY

Unsupported certainty is more dangerous than acknowledged uncertainty.



TOMORROW'S WATCHLIST

KEY ITEMS TO MONITOR OVER THE NEXT 24 HOURS.

01



SUPPLY ABSORPTION

Track handovers, completions, and true absorption across key communities.

02



OFF-PLAN UNIT PRICING

Monitor new launch pricing, payment structures, and incentives.

03



EXISTING MARKET RESILIENCE

Watch resale liquidity, days on market, and price stability.

04



COMMUNITY DIVERGENCE

Identify outperforming and underperforming micro-markets early.

05



FINANCING CONDITIONS

Track rates, loan-to-value limits, and lending appetite.



EDITORIAL NOTE

Better property decisions require better context — not more noise. DPI exists to measure carefully, verify independently, explain clearly and acknowledge uncertainty.



IN PLAIN ENGLISH

Dubai's property market is growing, but not all areas are the same. Some communities do well, others lag behind. Smart investors focus on real data, strong locations, and long-term value — not just headlines. The best choices come from knowing the facts and planning ahead.

“Trust is earned
one verified insight
at a time.”

— DPI



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RESEARCH



VERIFIED
DATA



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PERSPECTIVE



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