

An aerial photograph of the Dubai skyline at sunrise. The Burj Khalifa is the most prominent building, standing tall on the left side of the frame. The city is densely packed with skyscrapers and lower-rise buildings, all bathed in the warm, golden light of the rising sun. The sky is a clear, pale blue, and the overall atmosphere is hazy and serene.

January 2026

# Dubai Residential Market Review

A monthly review of Dubai residential market's performance and key real estate trends

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- Accounting
- Mergers and Acquisitions
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## General Market

Dubai's real estate sector opened 2026 with a strong showing. January closed at AED 72.5 billion across 17,477 transactions, marking a 14.35 percent rise in value from December 2025, despite a 6.4 percent dip in volume. Year on year, value surged 63 percent from AED 44.6 billion in January 2025, with transactions up 23 percent from 14,247. The sharp jump in value was driven by robust villa and commercial sales, which together offset slower apartment activity. This sets a positive tone heading into the first quarter and reinforces Dubai's position as one of the most liquid global property markets.

## Apartments

Apartments recorded 12,819 sales in January worth AED 26.4 billion, down 10.5 percent in value and 15.5 percent in volume from December. The average apartment transaction came in just above AED 2 million, with pricing per square foot holding firm. JVC, Business Bay, and International City remained active, though reduced supply and higher resale pricing in premium zones like Downtown and Dubai Marina moderated volumes. Off-plan apartments made up over 70 percent of sales, driven by flexible developer incentives and ongoing interest from both investors and end-users.

## Villa/Townhouse

Villa transactions jumped to 3,445 deals worth AED 26.8 billion, a striking 69.6 percent increase in value month on month and the highest villa sales total in over a year. Off-plan dominated the segment with 2,610 sales totaling AED 20.7 billion, while ready villas added 835 sales at AED 6.2 billion. Popular communities like Dubai Hills Estate, Damac Hills 2, and Mirdif drew strong buyer interest, supported by lifestyle-driven decisions and population growth. The average villa ticket rose significantly, reflecting larger plot sizes and higher-end inventory entering the market.

## Commercial

Commercial transactions climbed to 821 deals worth AED 4.0 billion, a 48.2 percent spike in value from December. The boost was led by increased investor appetite for income-generating assets in prime business corridors like DIFC, Business Bay, and Dubai South. Offices and street-facing retail units remained the most active categories, with rising foot traffic and stable rents supporting valuations. The higher number of commercial leases signed also reinforced occupier confidence in the sector.

## Land

Land deals remained steady in January with 392 transactions totaling AED 15.3 billion, nearly unchanged from December. While volume was flat, demand stayed healthy for plots located in growth zones and within large master communities. Institutional players continued acquiring sites for long-term development, with interest particularly strong in coastal and suburban zones earmarked for large-scale projects. Strategic land banking and staging of new supply continues to support pricing across the broader development pipeline.

## Off-Plan

Off-plan sales carried the residential market again in January, accounting for nearly 72 percent of all transactions by volume and over 75 percent by value. A total of 11,649 off-plan sales were registered, contributing AED 40.4 billion, with an average transaction value of AED 3.47 million. Apartments led the segment, though villa sales accelerated sharply. Damac Island City, Dubai Islands, and Dubailand Residence topped the activity boards, signaling investor preference for well-located launches with structured payment options and lifestyle appeal. Despite fewer new launches than previous months, absorption remained high as buyers continued to prioritize flexibility, affordability, and future upside.

## Rental Transactions

Dubai's leasing market accelerated into the new year. January recorded 43,155 new rental contracts, a jump of nearly 23 percent from December. Apartments led with 23,506 leases, up 24.4 percent month on month, reflecting both renewed tenant movement and new residents arriving post-holidays. Villa leases climbed 20.7 percent to 2,496, signaling sustained family demand in well-connected suburban communities.

Commercial leasing rose 21.4 percent to 17,153 contracts, with office, retail, and staff accommodation all seeing a marked pickup. The rebound points to stronger relocation activity, early-year job growth, and firms securing operational space ahead of upcoming business cycles. Despite increasing new supply, occupancy rates held firm as demand remained broad-based across asset types and price points.

## Commercial Leasing Breakdown

The commercial segment began the year on solid footing. Retail leasing posted 2,335 new contracts in January, up 27.7 percent, with shops and showrooms seeing fresh interest from food, wellness, and service businesses.

Office leases rose to 8,691, a 13.7 percent increase, helped by continued SME expansion and early-year office launches offering efficient space. Industrial leasing reached 298 contracts, up 8.8 percent, with logistics and light manufacturing users still absorbing warehousing stock in key zones like Dubai South and Al Quoz. The "other" category surged again to 5,829 leases, up 32.8 percent, including staff housing and flexible-use units in fringe zones. The category continued to support overall momentum, balancing more muted growth in core office and industrial categories.

## Apartments

Apartments remained the market anchor in January with 12,819 units sold for AED 26.4 billion. Though down slightly from December in volume and value, off-plan activity continued to drive the segment, contributing over 9,000 deals worth AED 19.7 billion. Ready apartment sales totaled 3,780 units and AED 6.7 billion. Investors chased mid-market launches in hubs like JVC and Dubailand Residence, while end-users focused on ready stock in Downtown, Marina, and Business Bay. The average off-plan deal size rose to AED 3.47 million with price per square foot topping AED 2,020. New handovers added options, but pricing held up on the back of strong rental yields and healthy absorption.





## Villas & Townhouses



Villa and townhouse sales surged in January, with 3,445 deals worth AED 26.8 billion, posting the biggest monthly gain across all segments. That's up nearly 70 percent in value from December. The lift was powered by 2,610 off-plan villa sales worth AED 20.7 billion and 835 ready sales totaling AED 6.2 billion. Demand stayed sharp in Dubai Hills Estate, Damac Hills 2, and Mirdif, where new supply phases were met with quick uptake. Lifestyle appeal, space needs, and rising rents in the secondary market all supported continued momentum. The segment's depth was visible across price bands—from luxury beachfront units to townhouses in emerging master plans—underscoring end-user focus and investor confidence alike.

## Commercial Properties

The commercial sector logged 821 sales in January with a total value of AED 4 billion, up 48.1 percent from December. Office transactions remained active in Business Bay, DIFC, and new strata developments, with investor appetite buoyed by rental resilience and high occupancy. Retail properties saw healthy deal flow as operators secured locations ahead of seasonal foot traffic and upcoming retail openings. Industrial sales stayed consistent, aided by sustained demand for small-scale logistics units. With AED 4 billion in transaction value, commercial properties started the year with one of their strongest months yet—signaling faith in Dubai's business outlook and a preference for income-generating assets.

## Land Plots

Land activity remained steady in January with 392 transactions worth AED 15.3 billion. While this marked a slight 0.7 percent dip in value from December, it followed an unusually active end to 2025 and still reflects solid market depth. Strategic acquisitions continued in development corridors such as Dubai South, Al Furjan, and emerging island projects. Builders and investors looked ahead to launches scheduled for mid-2026 and beyond, securing plots with infrastructure access and scalable layouts.

Prime areas with low remaining supply saw continued demand for redevelopment, while developers remained active in land banking for large-format projects. The land segment closed January with stability, underpinned by Dubai's long-term growth narrative and strong forward-looking sentiment.



# Sales Transactions

Month on Month | Dec 2025 - Jan 2026

	Dec Transactions	Dec Value (AED)	Jan Transactions	Jan Value (AED)	Value Change %
Apartments	15,177	29,500,000,000	12,819	26,400,000,000	-10.51%
Villas	2,419	15,800,000,000	3,445	26,800,000,000	69.62%
Commercial	732	2,700,000,000	821	4,000,000,000	48.15%
Plots	352	15,400,000,000	392	15,300,000,000	-0.65%
Total	18,680	63,400,000,000	17,477	72,500,000,000	14.35%

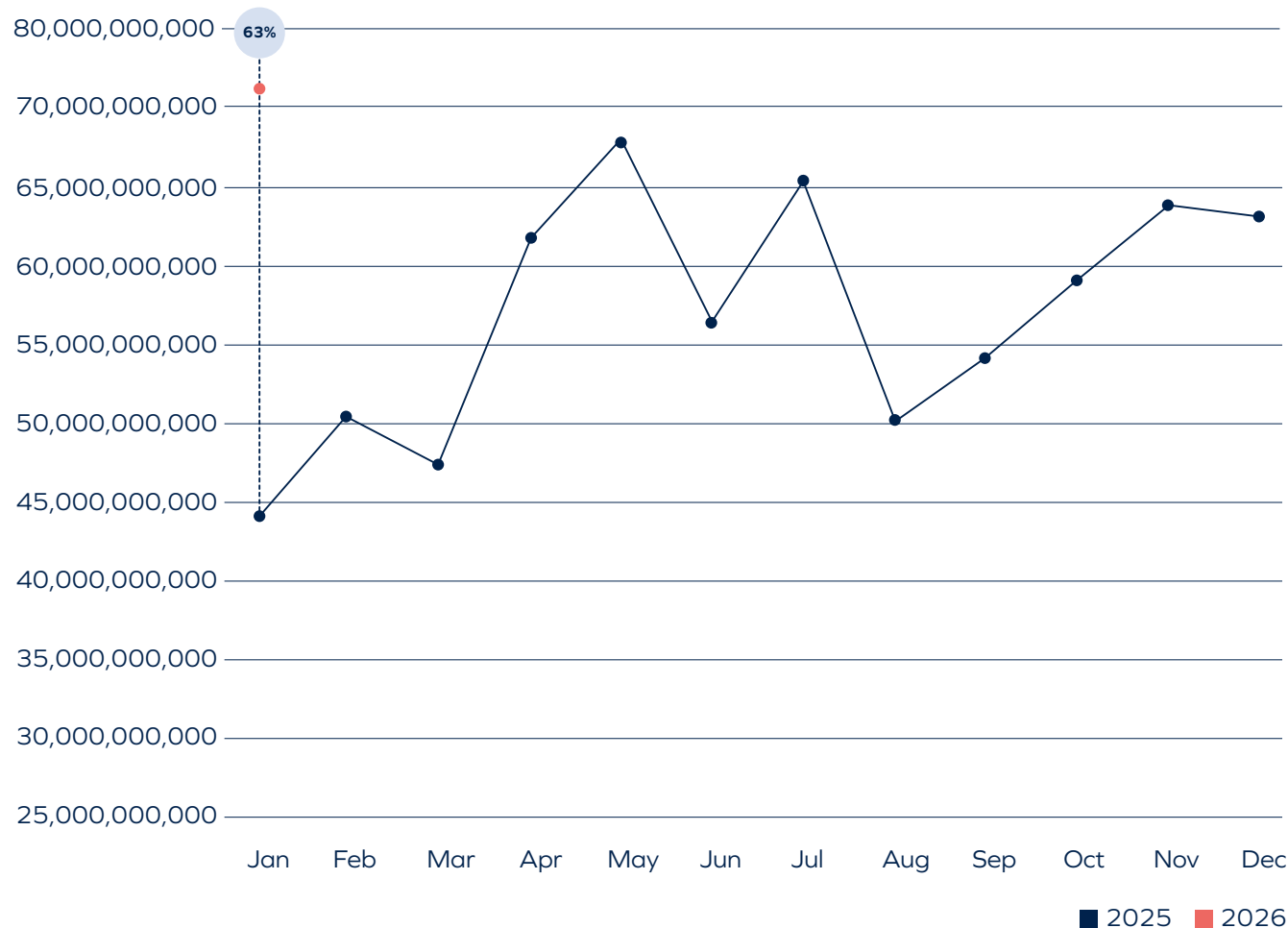


# Transactions Value - Graph

2024 v/s 2025



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January 2026 opened the year with AED 72.5 billion in total transaction value, a clear jump of 14.35 percent from December's AED 63.4 billion and a 63 percent gain over January 2025. The value spike was led by a sharp rise in villa transactions, which surged to AED 26.8 billion from AED 15.8 billion the month before, and a solid lift in commercial sales, which reached AED 4.0 billion.

Plots held steady at AED 15.3 billion, while apartment values dipped to AED 26.4 billion. Overall, villas carried the month on value, while plots and commercial deals added important support. This was the highest January on record by value, highlighting strong liquidity entering the new year.

# Transactions Value

2025 v/s 2026



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2025	Value	2026	Value
January	44,600,000,000	January	72,500,000,000
February	51,000,000,000	February	
March	47,300,000,000	March	
April	62,800,000,000	April	
May	66,900,000,000	May	
June	56,300,000,000	June	
July	65,100,000,000	July	
August	50,800,000,000	August	
September	54,700,000,000	September	
October	59,100,000,000	October	
November	64,800,000,000	November	
December	63,400,000,000	December	

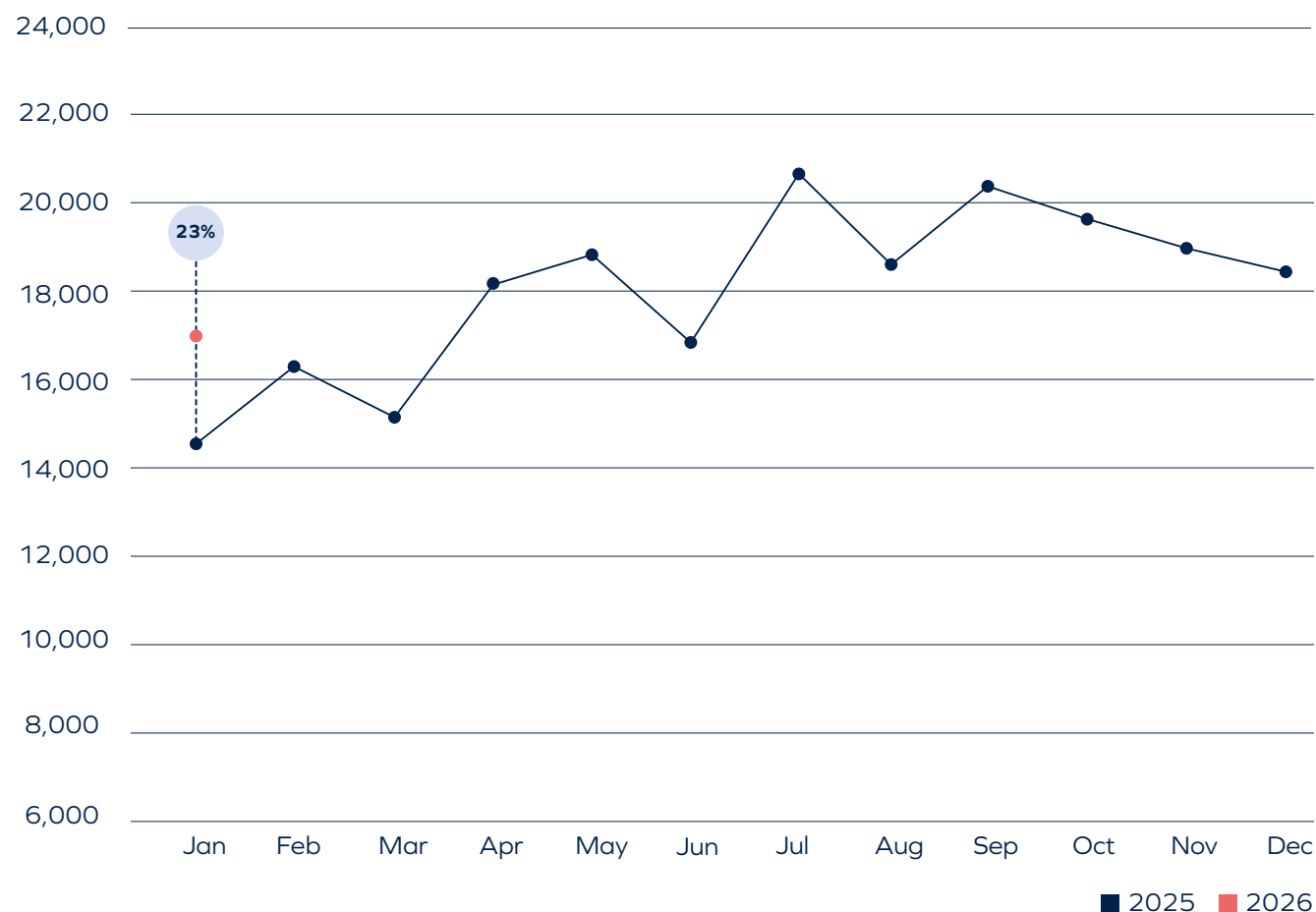


# Transactions Volume - Graph

2025 v/s 2026



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Dubai recorded 17,477 property transactions in January 2026, down from 18,680 in December but up 23 percent compared to January 2025. The slight monthly dip reflects slower apartment turnover, which fell from 15,177 in December to 12,819 in January. Villas moved in the opposite direction, with sales jumping from 2,419 to 3,445.

This shift pushed the average ticket size higher, helping lift overall market value despite softer headline volumes. The uptick in villa demand reflects both seasonal buying patterns and increasing confidence from end-users entering the market at the start of the year.



# Transactions Volume

2025 v/s 2026

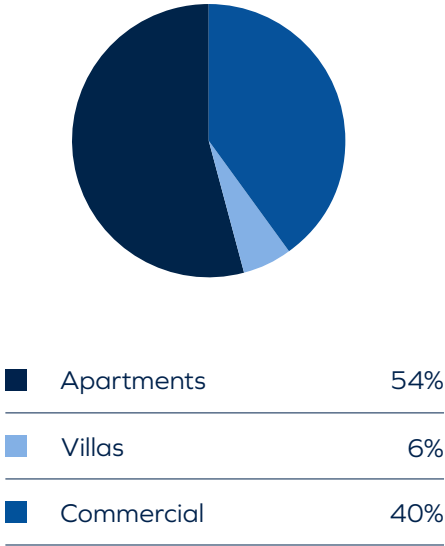


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2025	Volume	2026	Volume
January	14,247	January	17,477
February	16,106	February	
March	15,150	March	
April	18,044	April	
May	18,697	May	
June	16,765	June	
July	20,322	July	
August	18,493	August	
September	20,360	September	
October	19,852	October	
November	19,024	November	
December	18,680	December	



# New Rental Transactions



	Dec	Jan	Volume Change %
Apartments	18,900	23,506	24.37%
Villas	2,068	2,496	20.70%
Commercial	14,133	17,153	21.37%
Total	35,101	43,155	22.95%

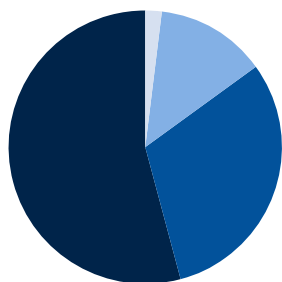
Leasing activity rebounded in January with 43,155 new contracts signed, up 22.95 percent from December. Apartments accounted for the bulk of the growth, climbing to 23,506 new leases — a 24.4 percent gain month on month — as population growth, new handovers, and seasonal relocations supported demand.

Villas saw 2,496 leases, up 20.7 percent, with family communities seeing increased interest after a quieter December. Commercial leasing improved 21.4 percent to 17,153 contracts, pointing to continued business formation and retail activity.

# Commercial Rental Breakdown



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Shops/Showroom	13%
Office	51%
Industrial	2%
Others	34%

	Dec	Jan	Volume Change %
Shops/Showroom	1,829	2,335	27.67%
Office	7,641	8,691	13.74%
Industrial	274	298	8.76%
Others	4,389	5,829	32.81%
Total	14,133	17,153	21.37%

Leasing across commercial segments picked up in January. Shops and showrooms rose 27.7 percent to 2,335 deals, backed by retail openings in emerging corridors and active franchise rollouts. Office leases increased to 8,691, a 13.7 percent lift, showing firm demand for well-fitted spaces in central business districts.

Industrial contracts reached 298, up 8.8 percent, while the "other" bucket surged 32.8 percent to 5,829, driven by utility, warehouse-adjacent, and multiuse spaces. The leasing mix reflects an economy with broad-based momentum and stronger seasonal starts across key sectors.

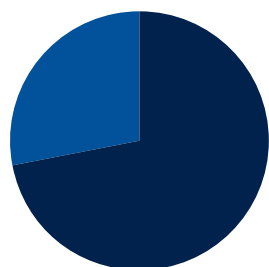
# Residential Off Plan v/s Secondary Sales



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Sales Volume	Off-Plan	11,649
	Ready	4,615

Residential Breakdown	Off Plan	Ready
Apartments	9,039	3,780
Villas	2,610	835

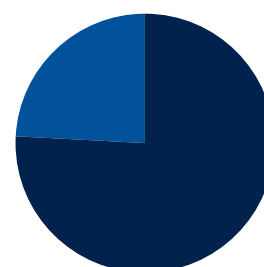


Off-Plan	72%
Ready	28%

Off-plan sales remained the market driver in January, with 11,649 transactions compared to 4,615 ready deals. That puts off-plan at over 71 percent of residential volume and AED 40.4 billion in value more than triple the AED 12.9 billion recorded for ready properties.

Sales Value (AED)	Off-Plan	40,400,000,000
	Ready	12,900,000,000

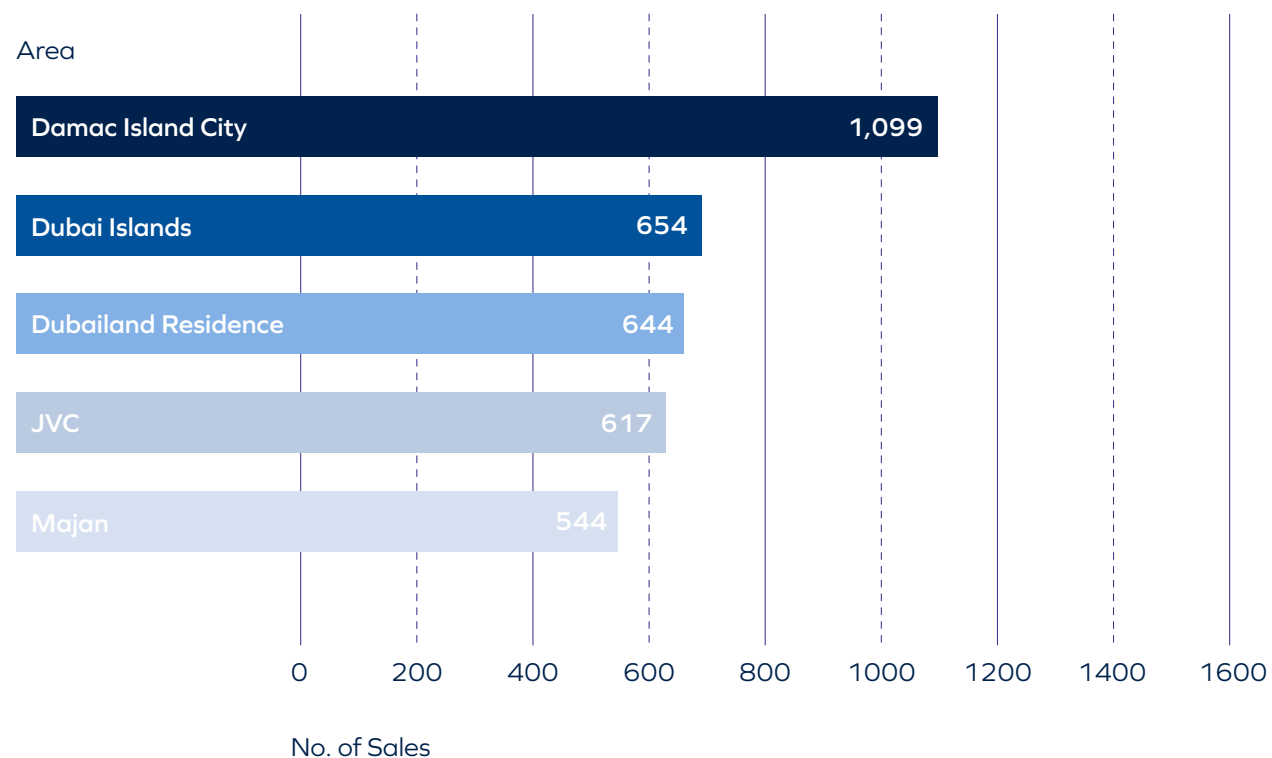
Residential Breakdown	Off Plan	Ready
Apartments	19,700,000,000	6,700,000,000
Villas	20,700,000,000	6,200,000,000



Off-Plan	76%
Ready	24%

Apartment launches continued to dominate, offering flexible payment terms and appealing pricing, especially in large master plans. Meanwhile, the ready market stayed active in prime areas but was limited by tighter inventory and firm asking prices.

# Top 5 Performing Areas - Off Plan Sales

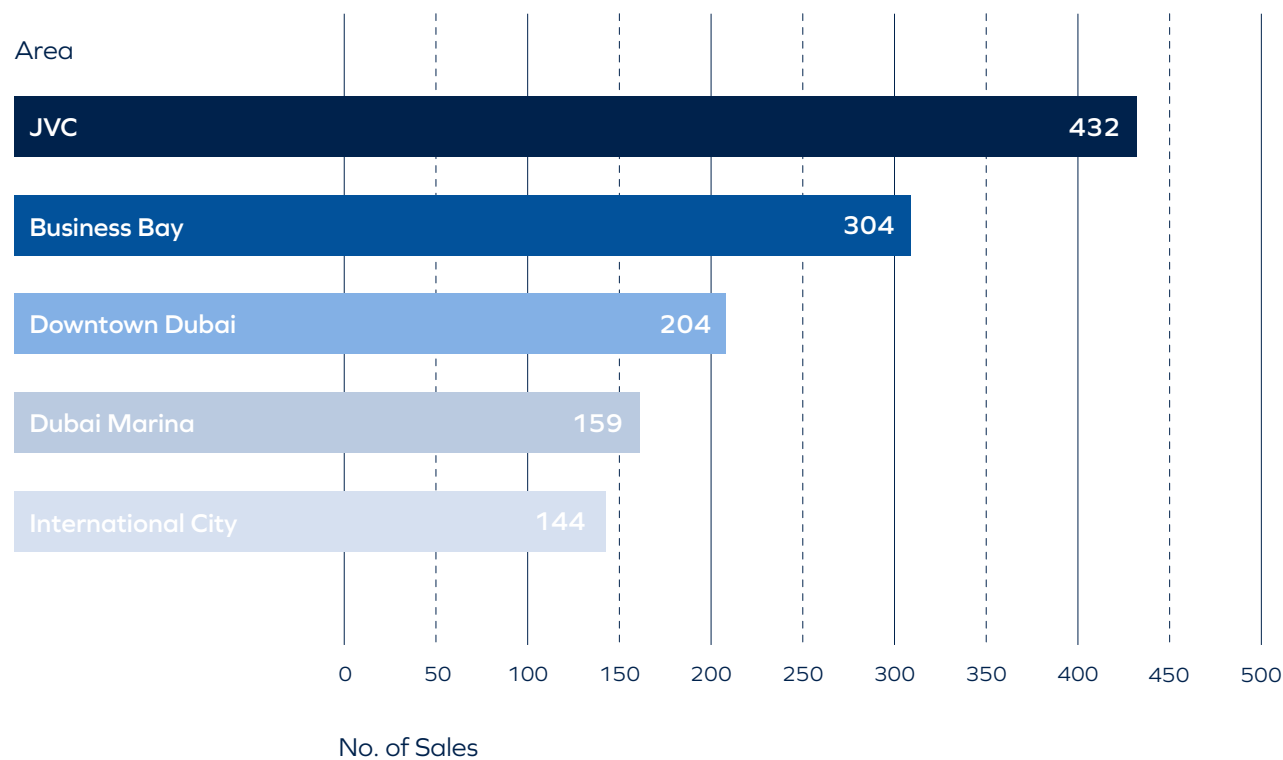




# Top 5 Performing Areas - Secondary Sales



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# Residential Breakdown



Apartments accounted for the bulk of residential activity again in January. There were 12,819 apartment sales totaling AED 26.4 billion, with 9,039 of those off-plan worth AED 19.7 billion, and 3,780 ready transactions reaching AED 6.7 billion. In the villa segment, sales jumped to 3,445 from December's 2,419, with total value rising sharply to AED 26.8 billion.

Of these, 2,610 were off-plan villas worth AED 20.7 billion, while 835 were ready sales at AED 6.2 billion. This strong start to the year was supported by rising average prices — off-plan apartments hit AED 2,021 per square foot and an average ticket of AED 3.47 million. Developers capitalized on momentum with high-profile launches, while ready buyers remained focused on quality family communities with limited resale options.



# Top Performing Areas – January 2026



## Off-Plan Sales

January saw a strong off-plan showing led by Damac Island City, which recorded 1,099 sales as waterfront projects continued to draw interest. Dubai Islands followed with 654 transactions, reflecting growing demand for lifestyle-led coastal development. Dubailand Residence registered 644 deals, JVC added 617, and Majan posted 544. These areas are all anchored by large-scale master plans offering phased releases and flexible buyer terms, helping keep absorption high despite rising average prices.

## Secondary Sales

The ready market stayed anchored in familiar locations. JVC once again led with 432 resale deals, followed by Business Bay with 304. Downtown Dubai and Dubai Marina held third and fourth with 204 and 159 transactions, respectively, and International City rounded out the top five with 144. These areas offer a mix of end-user and investor appeal, supported by strong rental fundamentals and established infrastructure.

## New Apartment Rentals

Leasing picked up across the board in January. JVC led the apartment segment with 1,844 new leases, followed by International City with 1,556. Business Bay logged 906, Dubai Marina 825, and Silicon Oasis 547. These corridors offer a blend of affordability, access, and amenities, keeping them popular with both newcomers and relocating tenants.

## New Villa Rentals

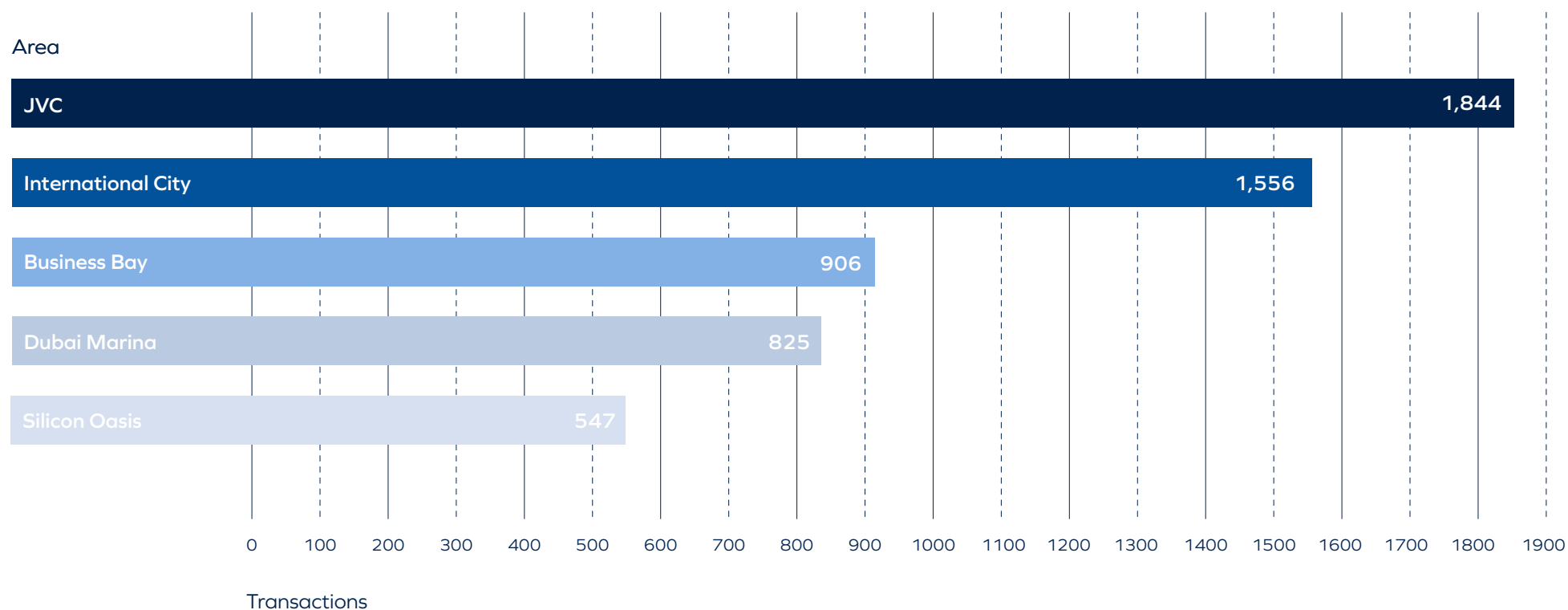
In the villa segment, Damac Hills 2 took the lead with 219 new leases, supported by its expansive layouts and growing amenity base. Mirdif followed with 110, Mudon logged 98, Dubai Hills Estate registered 92, and Villanova posted 79. Most of these communities appeal to families prioritizing space, schools, and community infrastructure, and leasing strength points to a still-tight rental market in well-served locations.



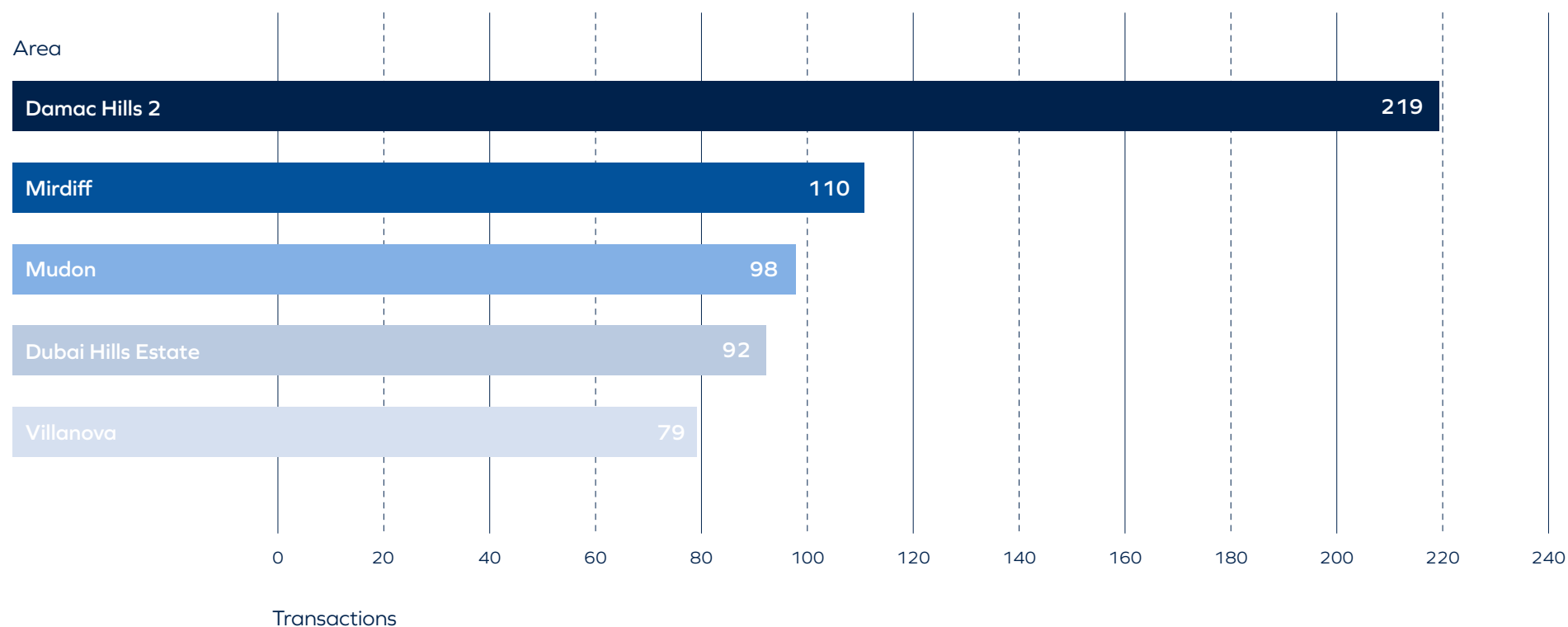
# Top 5 Performing Areas - New Apartment Rentals



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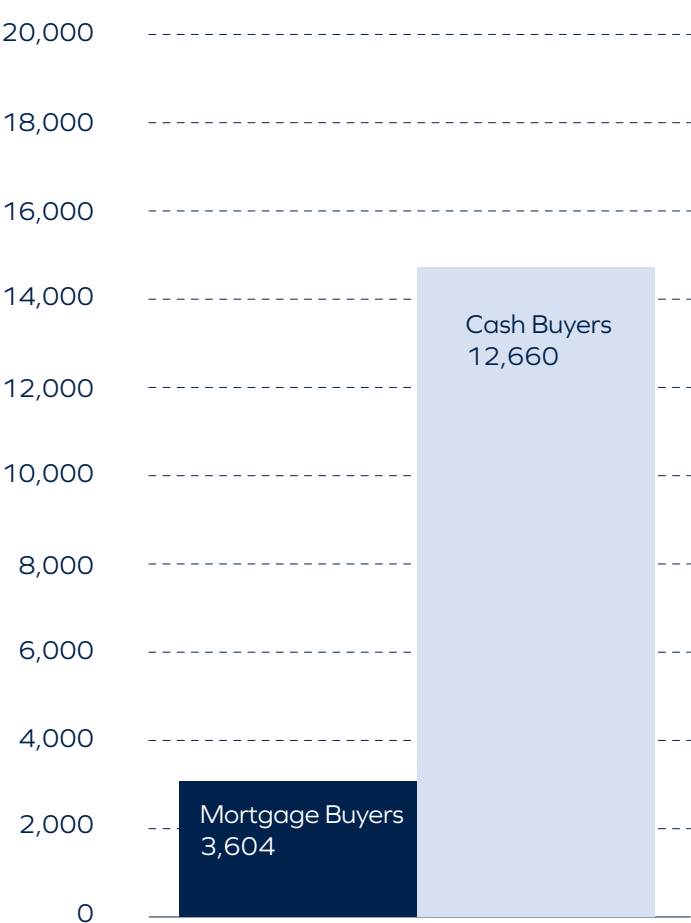


# Top 5 Performing Areas - New Villa Rentals





# Residential Mortgage Buyers v/s Cash Buyers



	Mortgage Sales	Cash Sales
Apartments	2,481	10,338
Villas	1,123	2,322

Mortgage Transaction Value: AED 8,600,000,000



# Mortgage Buyers v/s Cash Buyers



Cash remained the dominant form of transaction in January, accounting for 78 percent of residential deals. Out of 16,264 recorded apartment and villa sales, 12,660 were completed in cash, while 3,604 used mortgage financing. Mortgage transaction value came in at AED 8.6 billion, giving an average loan size of roughly AED 2.38 million — slightly higher than recent months, reflecting a larger share of villa financing.

Apartments continued to skew cash-heavy. Of 12,819 apartment transactions, 10,338 were settled in cash and 2,481 were financed, keeping the split at around 81 percent cash to 19 percent mortgage. This reflects the segment's lower ticket sizes and faster sales cycles, especially in off-plan communities and investor-driven areas.

Villas showed the reverse pattern, with mortgage usage playing a larger role. Out of 3,445 villa sales, 2,322 were paid in cash and 1,123 used financing, putting the mortgage share at roughly 33 percent. While cash still led, the higher percentage of mortgages aligns with larger price points and longer holding horizons typical in family neighborhoods. The overall mix continues to reflect a liquidity-driven market with strong investor appetite, particularly in apartments, while end-user demand in villas maintains meaningful financing activity.



# Price Trends and New Supply



Dubai's residential sales prices started 2026 on a firmer footing. Off-plan rates averaged AED 2,021.5 per square foot in January, up 19 percent from the AED 1,694.3 recorded a year earlier. Ready property prices also pushed higher, averaging AED 1,695.7 per square foot, a modest rise from AED 1,609.1 in January 2025. This dual increase reflects strong buyer demand, limited prime stock, and developers leaning into higher-end launches. The off-plan segment continues to lead pricing growth, with developers commanding premiums for phased payment plans, lifestyle-focused master communities, and branded residences. Most of the price inflation is concentrated in new-build projects targeting upper mid-market and luxury tiers. On the ready side, pricing remains more stable, with sharper gains limited to sought-after districts where resale supply is tight.

Looking ahead, February brings 9,069 new apartment units and 2,062 villas to market, adding meaningful supply at a time when buyer interest remains high. While this influx may ease upward pressure in select areas, the overall pipeline is expected to be absorbed efficiently given continued population growth and strong investor sentiment. The price trend points to a mature market adjusting in line with quality, location, and end-user value.

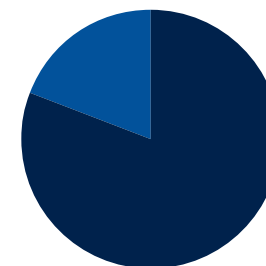


## Sales Price Trend (AED per sq.ft.)



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2025	Off-plan	Ready	2026	Off-plan	Ready
January	1,694.3	1,609.1	January	2,021.50	1,695.7
February	1,782.2	1,600.7	February		
March	1,938.0	1,651.4	March		
April	1,903.0	1,674.8	April		
May	1,912.1	1,656.8	May		
June	1,914.7	1,693.7	June		
July	2,010.9	1,611.5	July		
August	2,024.1	1,698.3	August		
September	2,009.0	1,613.8	September		
October	2,001.5	1,659.7	October		
November	2,064.5	1,669.0	November		
December	2,015.1	1,706.2	December		



February Residential Supply

■ Apartments	9,069
■ Villa	2,062

Dubai's real estate market opened 2026 on a strong footing, with AED 72.5 billion in total sales value across 17,477 transactions in January. That's a 14.4 percent rise in value from December and a 63 percent jump compared to January 2025. Volumes also grew 23 percent year on year, marking the highest January on record. The month's performance was anchored by a surge in villa transactions and a strong showing in the commercial segment.

Villas were the standout story. January saw 3,445 villa deals worth AED 26.8 billion, up nearly 70 percent in value from December. This included a sharp increase in off-plan villa sales, with master planned communities driving activity across new phases. Demand was driven by both end users and investors targeting larger homes in well-serviced locations. Popular areas included Dubai Hills Estate, Mirdif, and Villanova. Apartments remained the volume leader with 12,819 sales totaling AED 26.4 billion. Off-plan continued to dominate this segment, accounting for over 70 percent of apartment transactions. Buyer focus stayed on mid-market hubs like JVC, Business Bay, and Dubailand Residence.

Price resilience was supported by strong absorption of new launches and a steady investor appetite, especially with off-plan prices crossing AED 2,000 per square foot for the first time.

Commercial properties posted 821 transactions worth AED 4 billion, a gain of over 48 percent in value month on month. The lift came from both office and showroom activity, with interest concentrated in DIFC, Business Bay, and Dubai South. Industrial units also saw modest growth, consistent with light logistics demand and SME expansion.

Leasing activity rebounded strongly. January registered 43,155 new rental contracts, up nearly 23 percent from December. Apartment leases rose to 23,506, villas climbed to 2,496, and commercial contracts hit 17,153. This sharp pickup reflects fresh demand from new residents, early-year relocations, and business formations. Office leasing improved notably with demand for efficient space in established districts.

Off-plan remained the engine of the market, accounting for 11,649 of all residential sales and AED 40.4 billion in value. The average off-plan price reached AED 2,020 per square foot, while average deal size topped AED 3.47 million. Launch momentum stayed firm, and buyer appetite was supported by flexible terms and rising rents in mid-tier communities.

Cash transactions continued to dominate, covering 78 percent of sales, though mortgage use ticked up with higher villa financing. The average mortgage reached AED 2.38 million, up from December, reflecting the strong shift toward larger properties. The market heads into February with solid tailwinds. Population growth, elevated rental yields, and continued developer confidence all point to further expansion. While supply will rise through the year, especially in the apartment segment, disciplined launches and deep demand fundamentals are expected to keep pricing supported in most areas. January's data confirms that Dubai's real estate sector has entered the year with momentum and resilience.





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