

**Hamptons**  
INTERNATIONAL

# New Chapter

## Dubai Residential Market Review

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**January 2025**

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

Hamptons International's Valuations & Research Division consists of a multi-disciplinary group of qualified professionals who have extensive local and international experience in the real estate industry.

The team of qualified valuers uses a range of comprehensive methods to provide clients with up-to-date and accurate valuations for all property types. This includes individual properties, property portfolios, and all types of asset classes.

The process is carried out by professional valuers who are members of both RICS (The Royal Institution of Chartered Surveyors) and RERA (Real Estate Regulatory Authority), ensuring both expertise and licensing compliance.

Valuation advice and reports are provided for a variety of purposes, which include the following:

- Mortgage Financing (Banks & Financial Institutions)
- Internal Purposes
- Accounting
- Mergers and Acquisitions
- Investment Due Diligence / Strategic Advice
- Government Programs (Golden Visa)

The team also provides Feasibility Studies and Development Appraisals for determining the highest and best use, which identify opportunities and assist investors and developers avoid potential pitfalls.



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# Report Highlights



## Market Stability

January 2025 witnessed a slight drop in transaction activity, with the total number of deals reaching 14,247, marking a 4.7% decline compared to December's 15,079. Despite the dip, the market still shows a strong start to the year, reflecting investor optimism and resilience.



## Market Momentum steadies

Following the seasonal slowdown in late 2024, January 2025 demonstrated strong market activity compared to January 2024. Renewed interest from both local and international buyers underscores Dubai's position as a global real estate hub, driven by economic stability and an attractive investment climate.



## Apartments Lead the Way

The apartment segment continued to outperform other property types in January, with 9,948 transactions—a decrease from December's 11,655. This segment's popularity is driven by affordability, diverse inventory, and broad appeal to buyers, including end-users and investors.



## Villa Market increase popularity

Villa transactions saw a notable increase in January, reaching 2,939 compared to December's 2,535. The growing demand for spacious, family-friendly homes in well-established communities highlights a shift towards properties that offer privacy, luxury, and lifestyle amenities.



## Off-Plan Sector booming

The off-plan market remained a key driver of activity in January, accounting for 65% of total transactions, closely aligning with December's 66%. This trend reflects strong investor confidence in Dubai's future growth and the appeal of cutting-edge developments. Secondary sales comprised the remaining 35% of transactions.



## Rental Market Remains Active

The rental sector remained buoyant in January, with 19,044 new apartment leases signed, indicating sustained demand. Villa rentals also remained active, with 2,265 new agreements, while commercial rentals totalled 18,526—all three sectors surpassing December's figures.

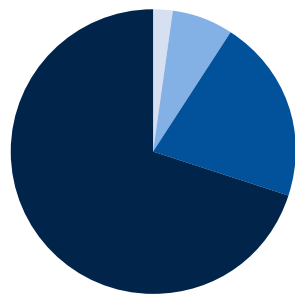


## Commercial Real Estate Highlights

**Office Spaces:** Office rentals continued to dominate the commercial segment, representing 54% of new leases, driven by the city's thriving corporate sector.

**Retail Spaces:** Retail shops and showrooms accounted for 13% of new commercial leases, demonstrating consistent interest in prime locations for retail and hospitality ventures.

# Sales Transactions – Graph



■ Apartments	70%
■ Villas	21 %
■ Plots	7%
■ Commercial	2 %



## Apartments

Apartment transactions in January 2025 dropped to 9,948 from December's 11,655, reflecting seasonal adjustments. Despite this, apartments remain the leading segment, with steady demand driven by both affordability and luxury options. Business Bay and Jumeirah Village Circle continue to attract buyers.



## Villas

Villa transactions rose to 2,939 from 2,535 in December, highlighting strong demand for spacious homes in established communities. High-net-worth individuals prioritise privacy, amenities, and high-end finishes. Upcoming villa projects in early 2025 are expected to further boost interest.



## Commercial

The sector remained strong, with office rentals accounting for 54% of new leases, driven by corporate expansions and Dubai's business-friendly environment. Retail spaces, including shops and showrooms, made up 13% of leases, maintaining demand in key areas such as Business Bay and Downtown.



## Plots (Land)

Land transactions continued to rise as investors sought prime locations for residential and commercial developments. This aligns with Dubai's long-term infrastructure and urban growth plans.



## Market Resilience and Outlook

The market demonstrated stability, with a 29% year-on-year increase in total transactions despite a slight monthly decline. The off-plan segment accounted for 65% of sales, reflecting investor confidence. Residential property prices are expected to rise by 5–10% in 2025, reinforcing market strength.

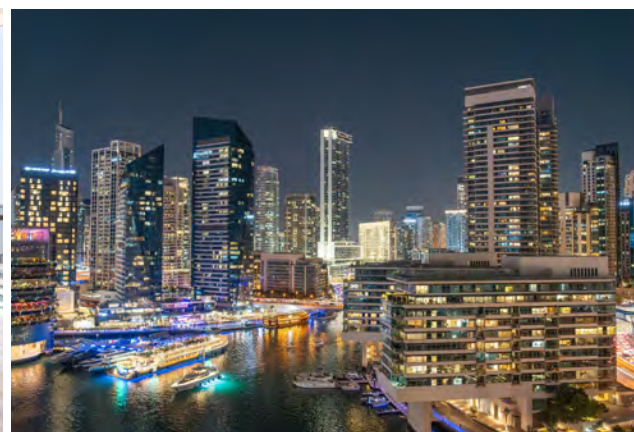
# Dubai Transactions

Month on Month | Dec 2024 - Jan 2025



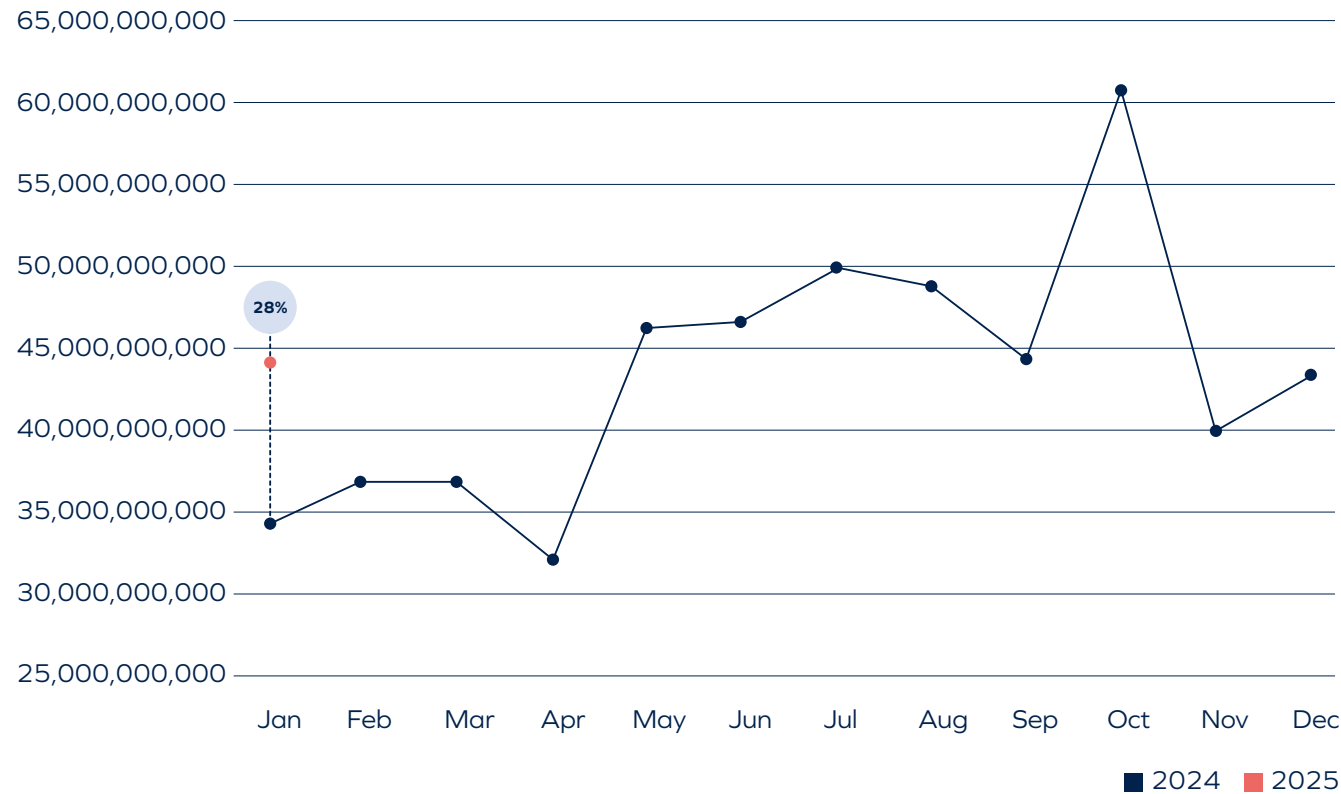
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JAN 2025

	Dec Transactions	Dec Value (AED)	Jan Transactions	Jan Value (AED)	Value Change %
<b>Apartments</b>	11,655	20,700,000,000	9,948	18,200,000,000	-12.08%
<b>Villas</b>	2,353	12,300,000,000	2,939	15,900,000,000	29.27%
<b>Commercial</b>	334	905,600,000	371	1,400,000,000	54.59%
<b>Plots</b>	555	8,700,000,000	989	9,200,000,000	5.75%
<b>Total</b>	15,079	42,605,600,000	14,247	44,600,000,000	4.68%



# Transactions Value - Graph

2024 v/s 2025



Dubai's real estate market grew steadily in 2024. Transaction values climbed month by month, reaching a high in October. In November, there was a small dip, but the market bounced back slightly in December.

As 2025 began, January remained strong, showing that buyers and investors still have confidence in the market. Even with the usual seasonal slowdown, Dubai's real estate sector continues to attract interest and show resilience.

This steady growth proves that Dubai remains a top choice for investment and a city with a bright future.

# Transactions Value

2024 v/s 2025

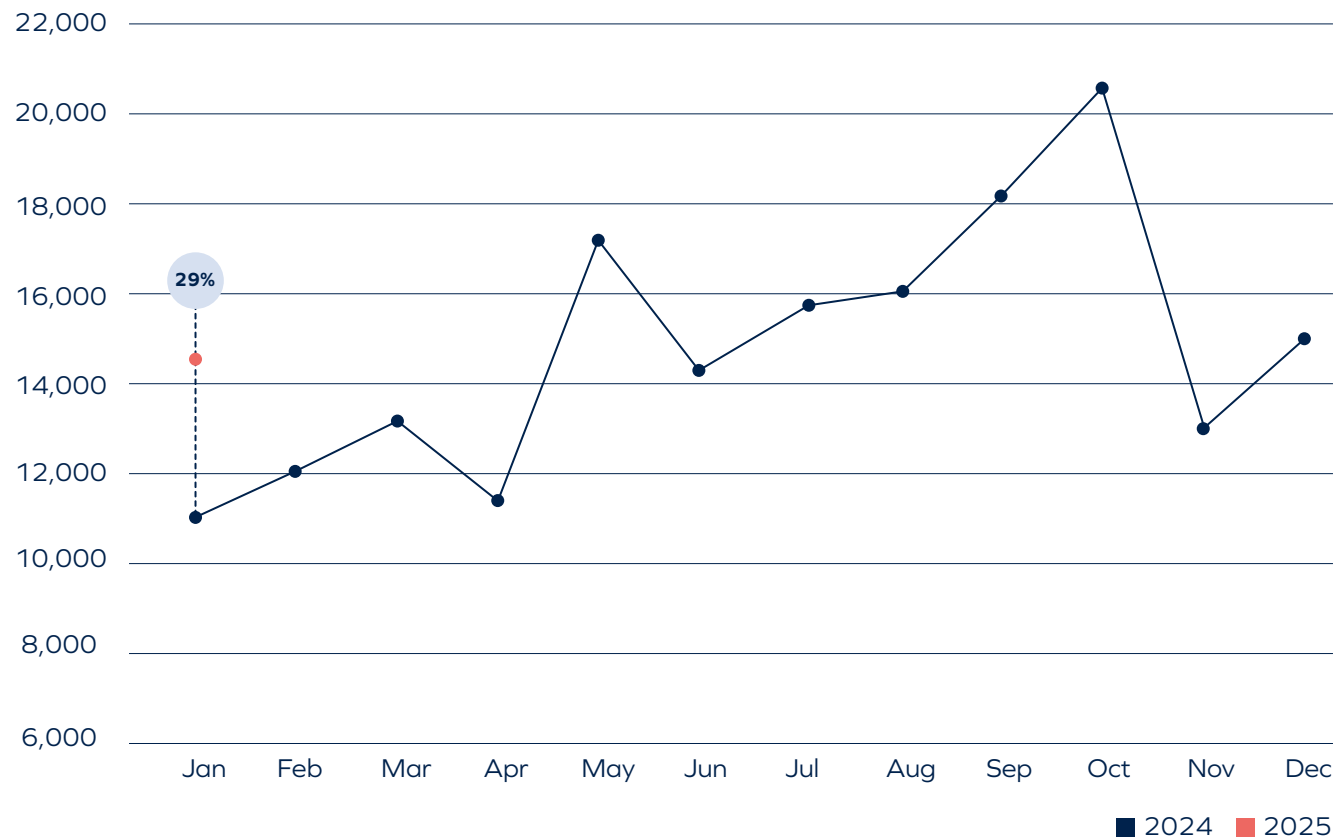


2024	Value	2025	Value
January	34,800,000,000	January	<b>44,600,000,000</b>
February	36,700,000,000	February	
March	36,600,000,000	March	
April	32,000,000,000	April	
May	45,800,000,000	May	
June	46,400,000,000	June	
July	49,600,000,000	July	
August	47,300,000,000	August	
September	44,597,000,000	September	
October	60,731,000,000	October	
November	40,000,000,000	November	
December	42,600,000,000	December	



# Transactions Volume - Graph

2024 v/s 2025



In January 2025, there were 14,247 real estate transactions - a 4.7% drop from December.

However, the market still showed strong growth compared to the previous year. The off-plan sector and villa market remained key drivers, boosted by new project launches, investor perks, and government reforms.

These changes aim to make the market more transparent and stable for the long run.



# Transactions Volume

2024 v/s 2025



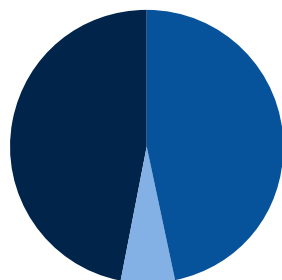
2024	Volume	2025	Volume
January	11,029	January	<b>14,247</b>
February	12,025	February	
March	13,394	March	
April	11,608	April	
May	17,539	May	
June	14,370	June	
July	15,994	July	
August	16,159	August	
September	18,045	September	
October	20,315	October	
November	13,509	November	
December	15,079	December	



# New Rental Transactions



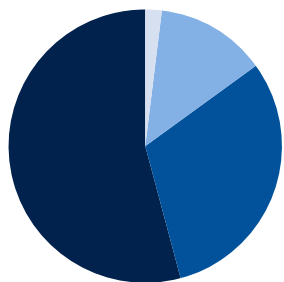
New apartment rental transactions in January 2025 increased to 19,044, surpassing December's figures and indicating sustained tenant demand. Villa rental transactions also remained active, reaching 2,265, up from December's 1,799, reflecting growing interest in spacious residential properties.



Commercial	48%
Apartments	46%
Villas	6%

	Dec Transactions	Jan Transactions	Volume Change %
<b>Apartments</b>	18,328	19,044	3.91%
<b>Villas</b>	1,799	2,265	25.90%
<b>Commercial</b>	16,051	18,526	15.42%
<b>Total</b>	36,178	39,835	10.11%

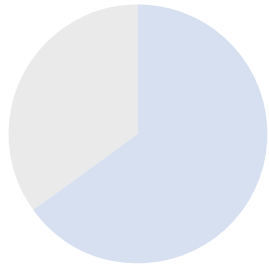
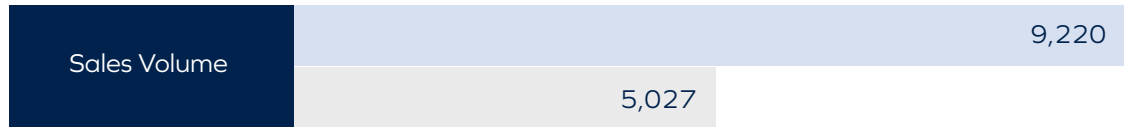
# New Commercial Rental Breakdown



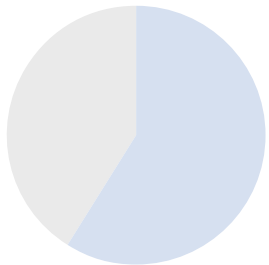
Office	54%
Others	31%
Shops/Showroom	13%
Industrial	2%

	Dec Transactions	Jan Transactions	Volume Change %
Shops/Showroom	1,838	2,445	33.03%
Office	8,904	10,069	13.08%
Industrial	253	311	22.92%
Others	5,090	5,701	12.00%
<b>Total</b>	<b>16,085</b>	<b>18,526</b>	<b>15.18%</b>

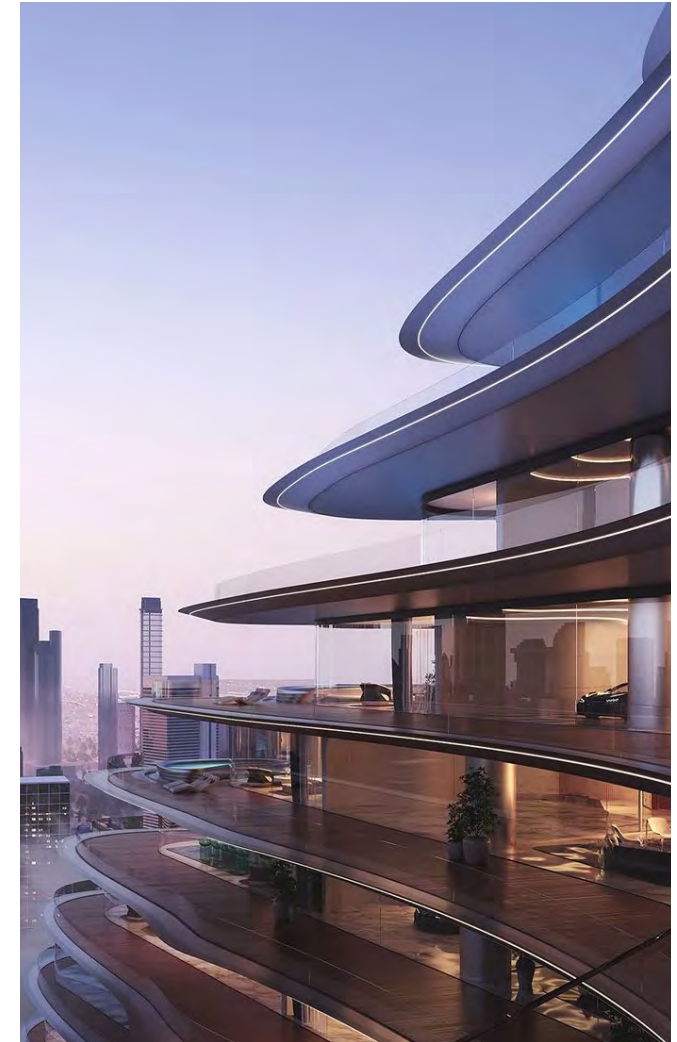
# Off Plan v/s Secondary Sales Transactions



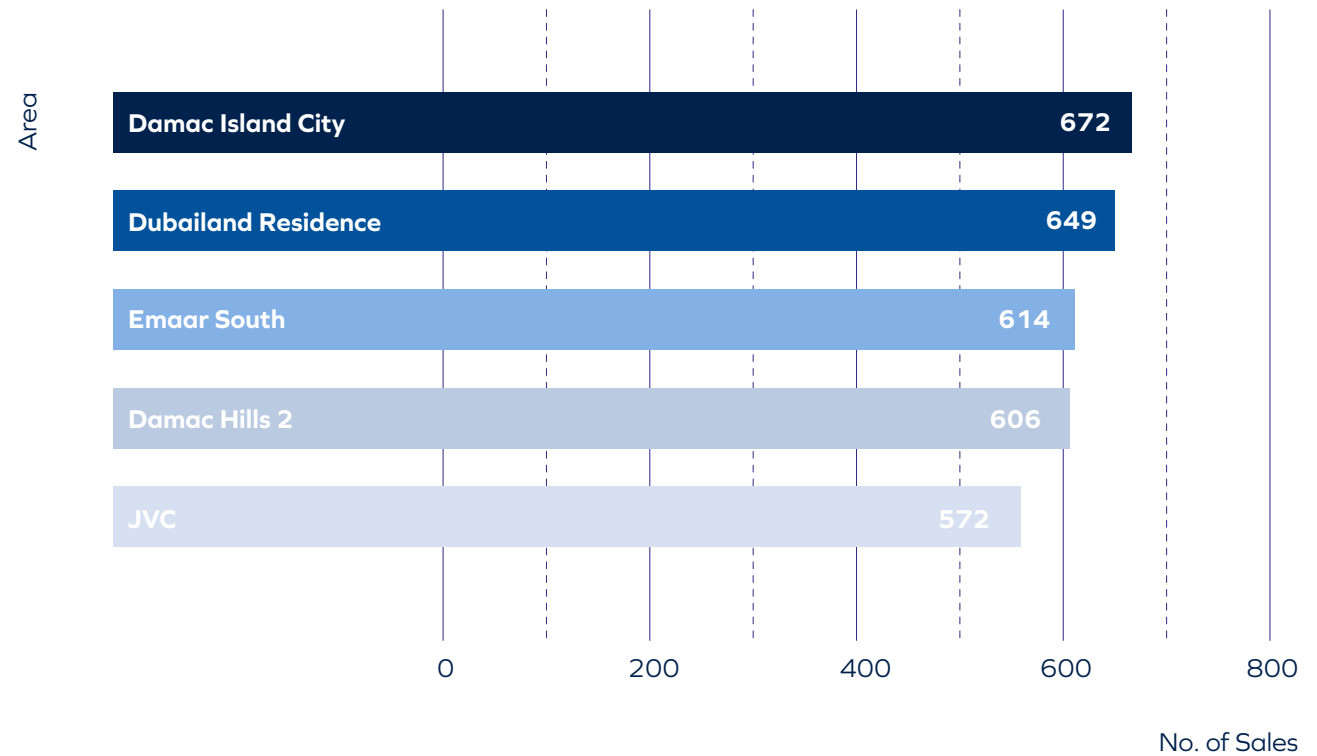
Off-Plan	65%
Ready	35%



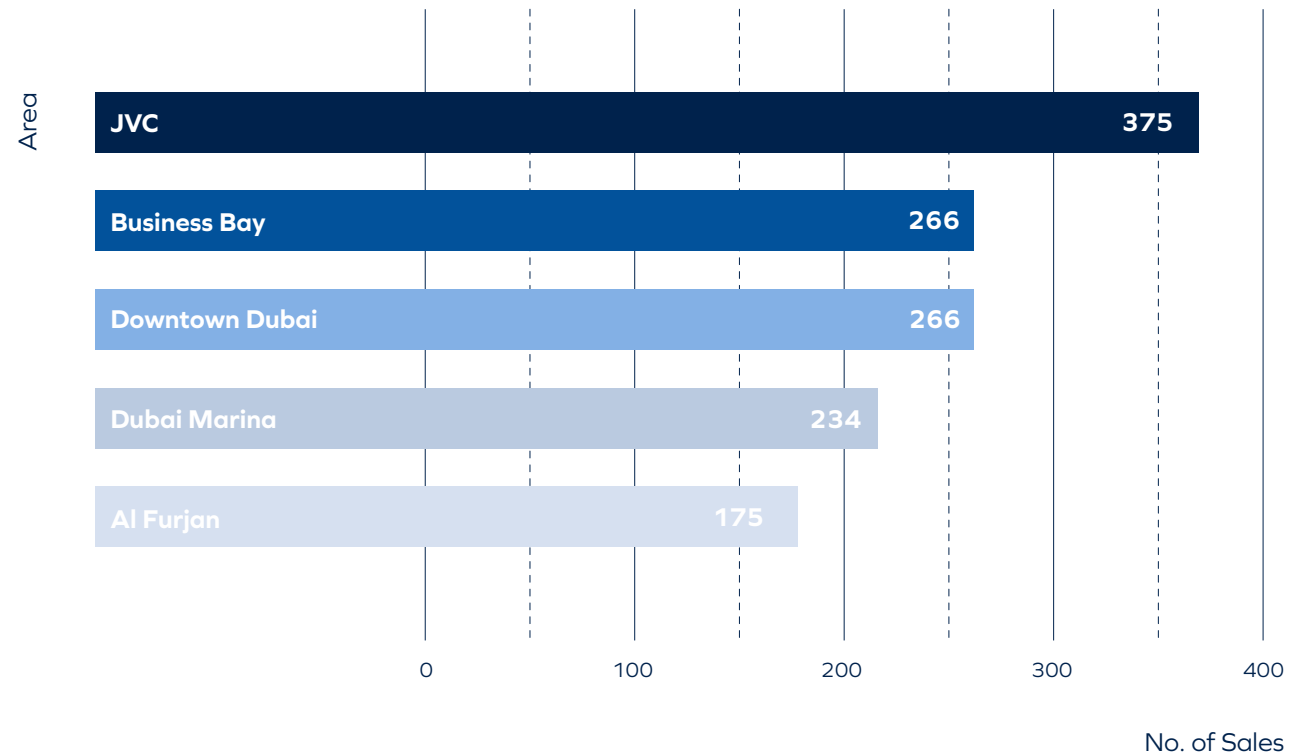
Off-Plan	59%
Ready	41%



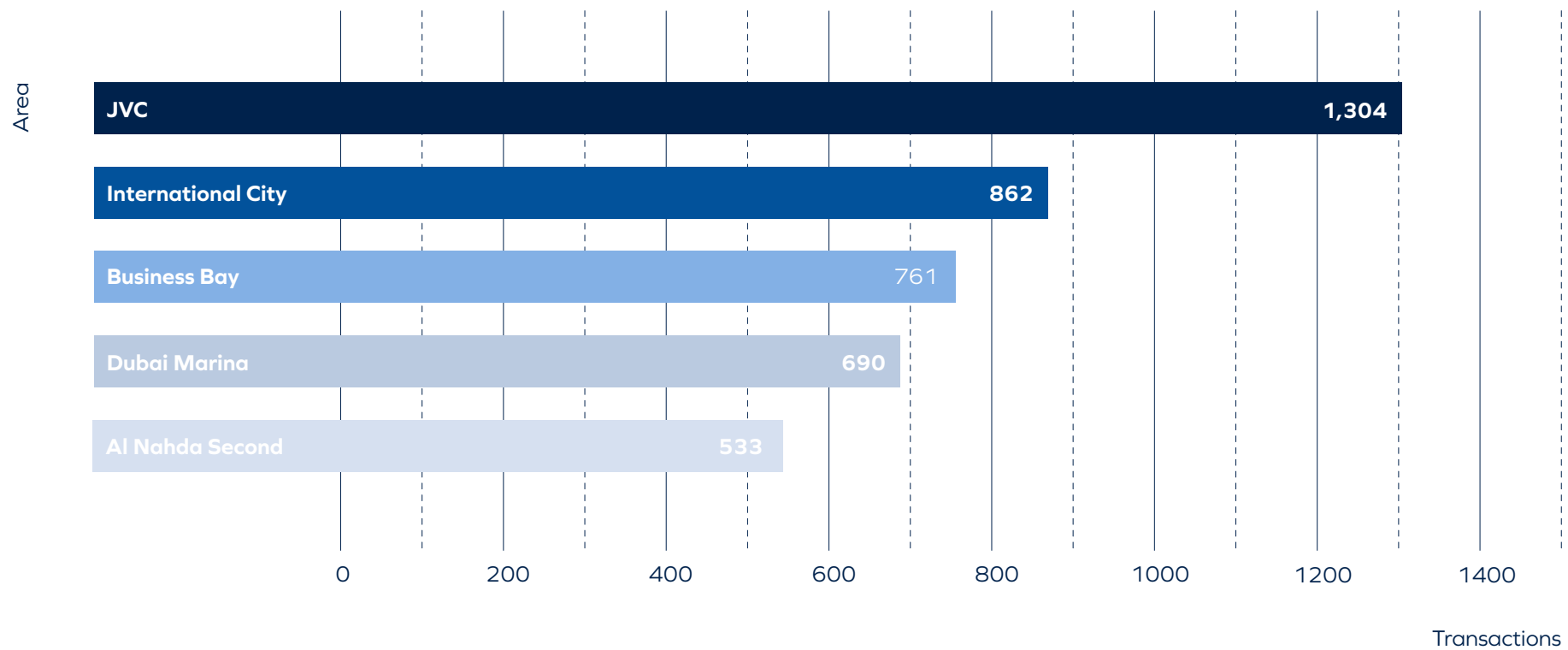
# Top 5 Performing Areas - Off Plan Sales



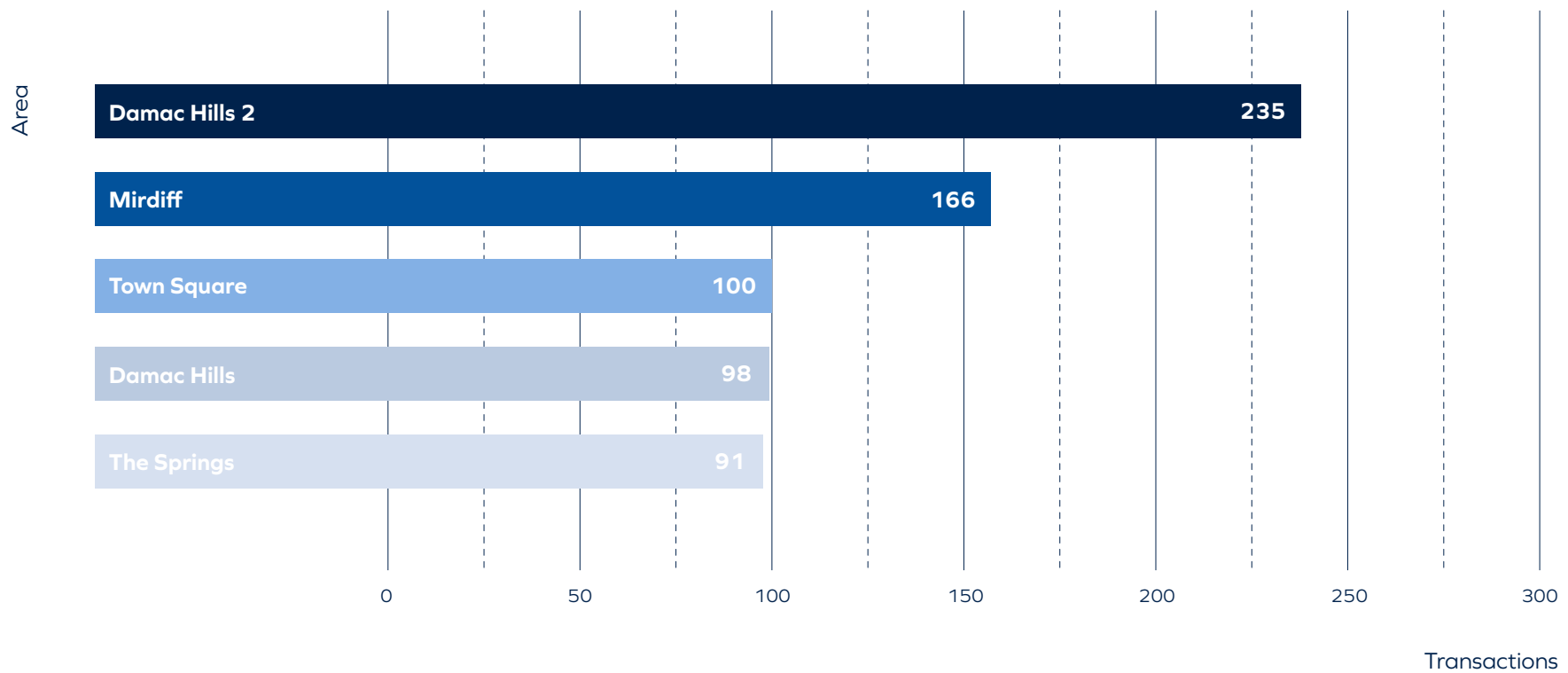
# Top 5 Performing Areas - Secondary Sales



# Top 5 Performing Areas - New Apartment Rentals



# Top 5 Performing Areas - New Villa Rentals



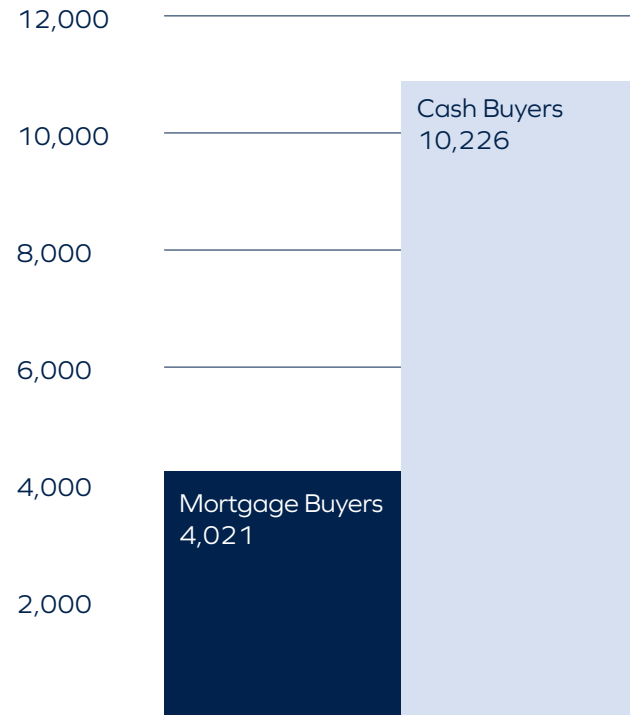


# Mortgage Buyers v/s Cash Buyers

January 2025



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Mortgage transactions totalled 4,021 in January, marking an increase on December 2024 figures. Cash buyers accounted for more than half of all transactions in January, with 10,226 opting to purchase with cash.



# Projects Delivered in January 2025



City	Community	Property	Type	Status	Start Date	End Date
Dubai	Dubai Sports City	Amal Tower	Apartment	Under Construction	Q3 2022	Q1 2025
Dubai	Jebel Ali First	Gardenia Townhomes II - Wasl Gate	Villa	Existing	Q1 2022	Q1 2025
Dubai	Al Furjan	Nadine 2 Residence	Apartment	Under Construction	Q1 2023	Q1 2025
Dubai	Jumeirah Village Triangle	The Cloud Towers	Apartment	Under Construction	Q2 2020	Q1 2025

Dubai's real estate market began 2025 with strong momentum, recording 14,247 transactions in January—a 4.7% decline from December but a year-on-year increase. This stability reinforces Dubai's position as a global real estate hub, supported by economic resilience, world-class infrastructure, and investor confidence.

Apartments remained the dominant segment, with 9,948 transactions, slightly down from December's 11,655. Demand remains high due to affordability, attractive rental yields, and diverse offerings in areas such as Business Bay and Jumeirah Village Circle. The villa market experienced notable growth, reaching 2,939 transactions, up from 2,535 in December. The increasing demand for spacious homes with privacy and lifestyle amenities continues to drive interest in communities such as Dubai Hills Estate, Arabian Ranches, and Tilal Al Ghaf.

The off-plan sector accounted for 65% of total transactions, reflecting sustained investor trust. The rental market also performed well, with 19,044 new apartment leases, 2,265 villa rentals, and 18,526 commercial leases, all surpassing December's figures.

Office rentals led the commercial segment, comprising 54% of new leases, while retail spaces accounted for 13%, highlighting continued interest in business districts.



Significant developments and policy shifts are set to enhance Dubai's real estate landscape. The introduction of the Smart RERA Index, a real-time market trend tool, aims to improve transparency. Dubai's focus on sustainability is driving new regulations that promote green building practices and energy efficiency.

Upcoming projects such as Palm Jebel Ali, Expo City Dubai's residential expansion, and Dubai Creek Harbour's mixed-use developments are expected to attract further investment.

With residential prices projected to rise by 5–10%, ongoing infrastructure expansions, and government-led initiatives fostering economic diversification, Dubai's real estate sector remains on a strong growth path, reaffirming its global appeal.



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