Dubai Residential

Market Review | August 2026

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

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Market Highlights

General Market

August 2026 delivered a seasonally softer result, with total transaction value declining 18.6 percent to AED 28.8 billion across 12,082 deals though the headline contraction is substantially explained by a single extraordinary movement: the land market's 69.7 percent value collapse from July's cycle high of AED 6.6 billion to AED 2.0 billion, removing AED 4.6 billion from the month's aggregate. Stripping out plots, core residential and commercial value fell a more modest 7.0 percent a performance consistent with August's historically subdued seasonal pattern driven by peak summer heat, school holidays, and reduced transaction decision-making. Year-on-year, August 2026 recorded a value of 43.3 percent below August 2025's AED 50.8 billion and 34.7 percent below the year-ago volume of 18,493 transactions.

Against this seasonal backdrop, the structural positives stand out: the leasing market reached a new cycle high for the third consecutive month at 41,703 contracts, villa values continued their upward compositional drift, and Jebel Ali Downtown further consolidated its emergence as a dominant off-plan destination with 713 transactions up 33.5 percent from July's already-strong 534.

Apartments

Apartment transactions eased to 10,100 sales worth AED 16.0 billion in August, a 16.7 percent volume decline and 14.4 percent value contraction from July's 12,125 deals and AED 18.7 billion. The retreat reflects normal August seasonal softness rather than a structural demand reversal, with off-plan apartments accounting for 7,423 transactions (AED 11.35 billion) and ready stock contributing 2,677 deals (AED 4.7 billion). Azizi Venice maintained cycle leadership at 1,481 off-plan sales down from July's 1,963 but still the market's dominant single project—while Jebel Ali Downtown's growth to 713 transactions confirmed the corridor's deepening structural demand base. Off-plan pricing eased marginally to AED 1,840.8 per square foot from July's AED 1,850, remaining firmly within the AED 1,838–1,850 floor range that has held since May's trough.

JVC featured in both the off-plan top five (356 sales) and secondary market leadership (352 transactions), underlining its extraordinary dual-channel market depth.

Villas and Townhouses

The villa segment demonstrated continued resilience in August, with 1,391 transactions generating AED 8.6 billion a 1.5 percent volume increase and 4.9 percent value gain from July's 1,370 deals and AED 8.2 billion, extending the segment's consecutive positive months to three. Average villa transaction values rose further to approximately AED 6.18 million per deal from July's AED 5.99 million a 3.2 percent increase confirmin the ongoing compos-i tional shift toward higher-value inventory as entry- level villa buyers remain cautious. The financing composition reached a new extreme: mortgage buyers represented 85.4 percent of villa transactions (1,188 versus just 203 cash), the highest mortgage share of the cycle, indicating that cash-rich villa investors remain largely absent while end-user financed buyers are sustaining segment activity. Off-plan villas (800 units, AED 4.75 billion) led over ready transactions (591 units, AED 3.8 billion), with the ready market's 42.5 percent share marking a slight retreat from July's near-parity.

Market Highlights

Commercial

Commercial property produced August's most constructive reversal, with 425 transactions generating AED 2.2 billion a 19.5 percent volume decline from July's 528 deals but a 15.8 percent value increase from AED 1.9 billion. Average commercial deal size recovered sharply to AED 5.18 million from July's AED 3.60 million and June's AED 4.78 million, suggesting that larger-format commercial acquisitions are beginning to re-emerge after months of institutional absence. While the volume contraction reflects broader seasonal caution, the value recovery is a potentially significant leading indicator that institutional-grade commercial capital is selectively re-engaging. Commercial leasing eased 2.2 percent to 13,867 contracts, with all subcategories except 'others' contracting modestly as seasonal business activity normalised.

Land

Land transactions contracted sharply in August to 166 deals worth AED 2.0 billion a 30.8 percent volume decline and 69.7 percent value drop from July's exceptional AED 6.6 billion. The magnitude of the reversal confirms that July's plot total was elevated by a small number of large- format institutional land acquisitions rather than representing a structural shift in land demand. August's AED 2.0 billion is broadly consistent with the pre-July plot run-rate and reflects a return to normalised developer land activity rather than renewed deterioration. With September bringing increased residential supply of 904 apartments and 248 villas, developer attention is likely shifting toward project completion and upcoming launches rather than new site acquisitions in the near term.

Off-Plan

Off-plan sales registered 8,223 residential transactions valued at AED 16.1 billion in August a 15.0 percent volume decline and 7.7 percent value reduction from July's 9,674 deals and AED 17.45 billion. The segment's volume share held at 71.6 percent of residential transactions, consistent with July's 71.7 percent, with its value share at 65.4 percent of residential totals. Average off-plan transaction values rose to AED 1.957 million from July's AED 1.803 million a meaningful 8.5 percent increase indicating a shift toward higher-value off-plan products, with average price per square foot easing marginally to AED 1,840.8. Jebel Ali Downtown's off-plan surge to 713 transactions, combined with City of Arabia's 803 and Azizi Venice's 1,481, confirms that project-level launches continue to provide disproportionate structural support to the segment's volumes.

Rental Transactions

Rental Transactions

Dubai's leasing market set a new disruption-cycle high for the third consecutive month, with 41,703 new rental contracts registered in August a 2.8 percent increase from July's 40,556. Apartment leases reached 24,685 contracts, another new cycle high and the first time the segment has crossed the 24,000 threshold in the current period, while villa rentals advanced 2.2 percent to 3,151 contracts. Commercial leasing eased modestly 2.2 percent to 13,867 contracts. The leasing market's continued expansion setting new cycle highs across consecutive months despite the sales market's summer softness provides the most durable evidence that Dubai's underlying population and business demand dynamics are operating independently of the broader disruption cycle.

Commercial Leasing Breakdown

Commercial leasing registered 13,884 new contracts in August (per breakdown data), with all subcategories except 'others' contracting seasonally. Retail and showroom registrations declined 17.6 percent to 1,634 deals as consumer activity normalised from June's summer peak, while industrial leasing eased 14.5 percent to 288 contracts.

Office leases contracted a further 5.9 percent to 6,179, extending the deceleration from July's sharp 23.9 percent drop though at a more modest pace suggesting the office leasing correction may be finding a floor. The 'others' category advanced 8.5 percent to 5,783 leases now representing 41.6 percent of total commercial leasing as flexible and accommodation-type demand continues to absorb a growing share of the commercial occupier base, a structural trend that appears to be persisting beyond the immediate disruption period.

Sales Transactions

Apartments

The apartment segment recorded 10,100 transactions totalling AED 16.0 billion in August, with off-plan accounting for 73.5 percent of volume (7,423 deals, AED 11.35 billion) and the ready market contributing 2,677 units (AED 4.7 billion). The ready apartment market's 26.5 percent volume share represents a sustained expansion from July's 25.8 percent and June's 22.0 percent, reflecting progressive absorption of the significant handover pipeline delivered through Q2. Off-plan pricing edged down marginally to AED 1,840.8 per sqft from July's AED 1,850 remaining within the floor range established over the past three months while ready stock softened to AED 1,681.8 per sqft. Azizi Venice maintained its position as the cycle's defining project at 1,481 transactions, City of Arabia strengthened to 803 sales, and Jebel Ali Downtown grew to 713 its third consecutive month of rising absorption. JVC featured simultaneously in off-plan (356 sales) and secondary (352 transactions) top fives, confirming its extraordinary bilateral demand depth.

Villa & Townhouses

Villa transactions advanced modestly to 1,391 deals worth AED 8.6 billion in August, with off-plan leading at 800 units (AED 4.75 billion) over ready transactions at 591 units (AED 3.8 billion).

Average villa transaction values continued their upward drift to approximately AED 6.18 million per deal the highest of the current cycle as volume growth is being driven by a premium-skewed buyer mix. The villa financing structure reached a new extreme, with mortgage buyers representing 85.4 percent of transactions (1,188 versus just 203 cash) the highest mortgage penetration in any residential segment across any month of the current cycle. This near-absence of cash villa buyers reflects the sustained withdrawal of discretionary international investor capital, leaving the market almost entirely dependent on end-user financed buyers to sustain transaction flow. Damac Hills 2 retained villa rental leadership at 312 contracts, with Arabian Ranches 3 (184) and Dubai Hills Estate (147) demonstrating broad premium community demand.

Commercial Properties

Commercial sales registered 425 transactions worth AED 2.2 billion in August a volume decline of 19.5 percent from July's 528 deals offset by a 15.8 percent value gain. The improvement in average deal size to AED 5.18 million per transaction up from July's AED 3.60 million is the most constructive commercial data point of the recovery period, suggesting larger-format and institutional-grade assets are beginning to attract buyer interest.

While the commercial sector's recovery remains incomplete, the progressive improvement in deal quality (May: AED 8.66M, June: AED 4.78M, July: AED 3.60M, August: AED 5.18M) indicates the institutional market floor may be forming around the AED 4–5 million average deal range. The Jebel Ali Industrial area's continued prominence in the off-plan market is expected to support commercial sales momentum in the logistics corridor as handovers begin.

Land Plots

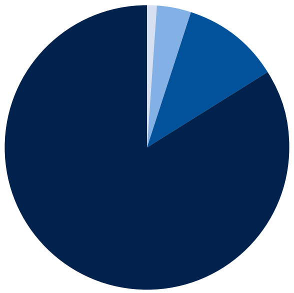
Land transactions declined to 166 deals registering AED 2.0 billion in August a normal-isation from July's cycle-high AED 6.6 billion that confirms the prior month's exceptional land performance was concentrated in a small number of large institutional acquisitions rather than representing a sustained trend.

The return to AED 2.0 billion is consistent with the April-June plot value range and reflects a market where opportunistic developer land banking occurred in July followed by a return to steady-state activity. With September's supply pipeline increasing to 904 apartments and 248 villas, developer attention is expected to focus on project execution and sales launch preparation rather than new site acquisition in the near term.

Sales Transactions

Month on Month | July 2026 - August 2026

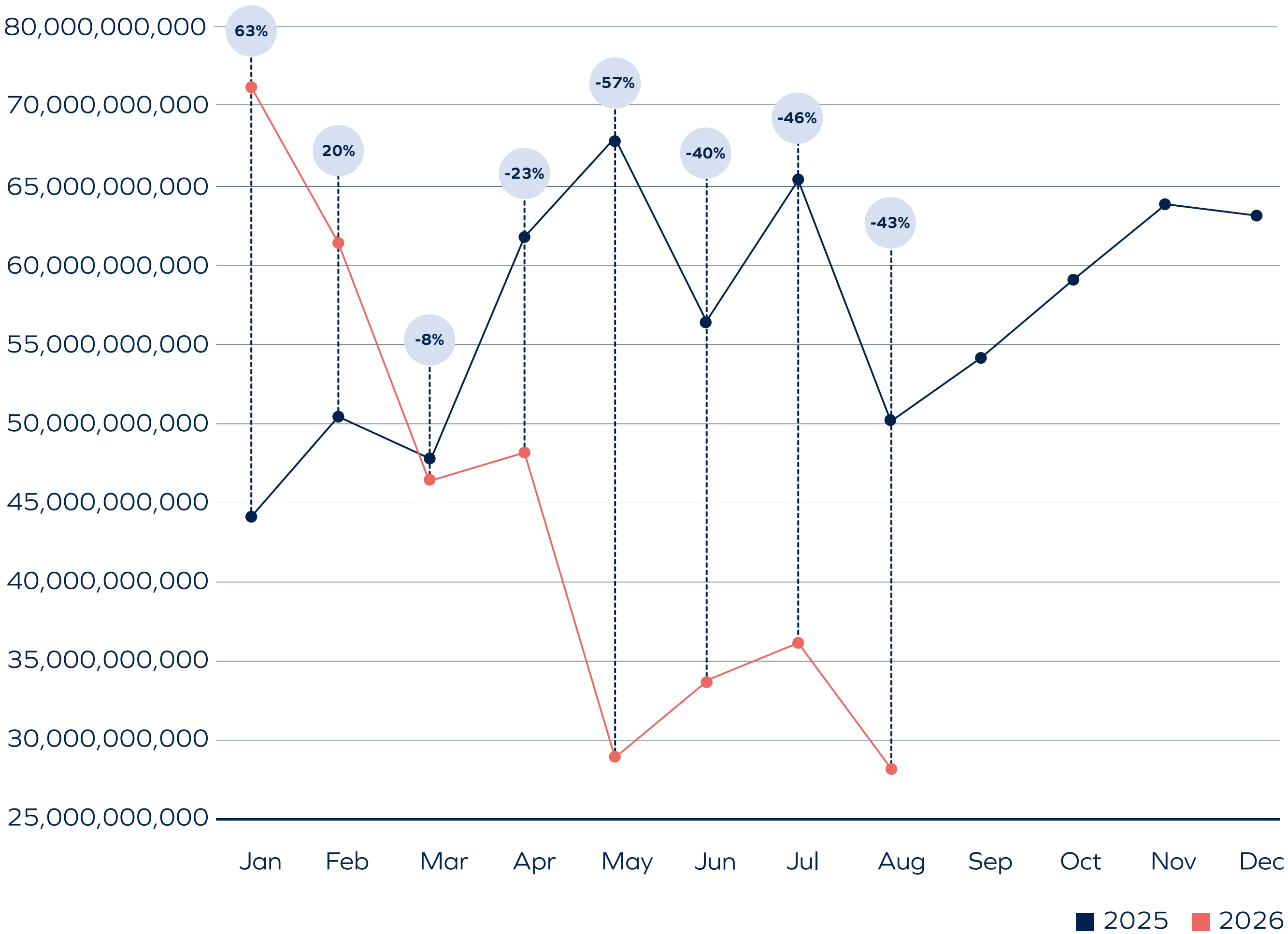
	Jul Transactions	Jul Value (AED)	Aug Transactions	Aug Value (AED)	Value Change %
Apartments	12,125	18,700,000,000	10,100	16,000,000,000	-14.44%
Villas	1,370	8,200,000,000	1,391	8,600,000,000	4.88%
Commercial	528	1,900,000,000	425	2,200,000,000	15.79%
Plots	240	6,600,000,000	166	2,000,000,000	-69.70%
Total	**14,263**	**35,400,000,000**	**12,082**	**28,800,000,000**	**-18.64%**



Apartments	84%
Villas	11%
Commercial	4%
Plots	1%

Transactions Value - Graph

2025 v/s 2026



August 2026 recorded AED 28.8 billion in total transaction value, an 18.6 percent decline from July's AED 35.4 billion but 43.3 percent below August 2025's AED 50.8 billion. The monthly contraction was almost entirely driven by the land market's AED 4.6 billion value reversal from July's exceptional level; excluding plots, core residential and commercial value declined a more modest 7.0 percent.Year-to-date 2026 cumulative value stands at AED 353.5 billion across the first eight months, trailing 2025's equivalent AED 444.8 billion by 20.5 percent. The value trajectory through 2026 strong Q1 start, Q2 trough, partial Q3 recovery reflects the disruption cycle's shape: an extreme event followed by stabilisation at a materially lower level, with the path to 2025 parity dependent on sustained H2 normalisation.

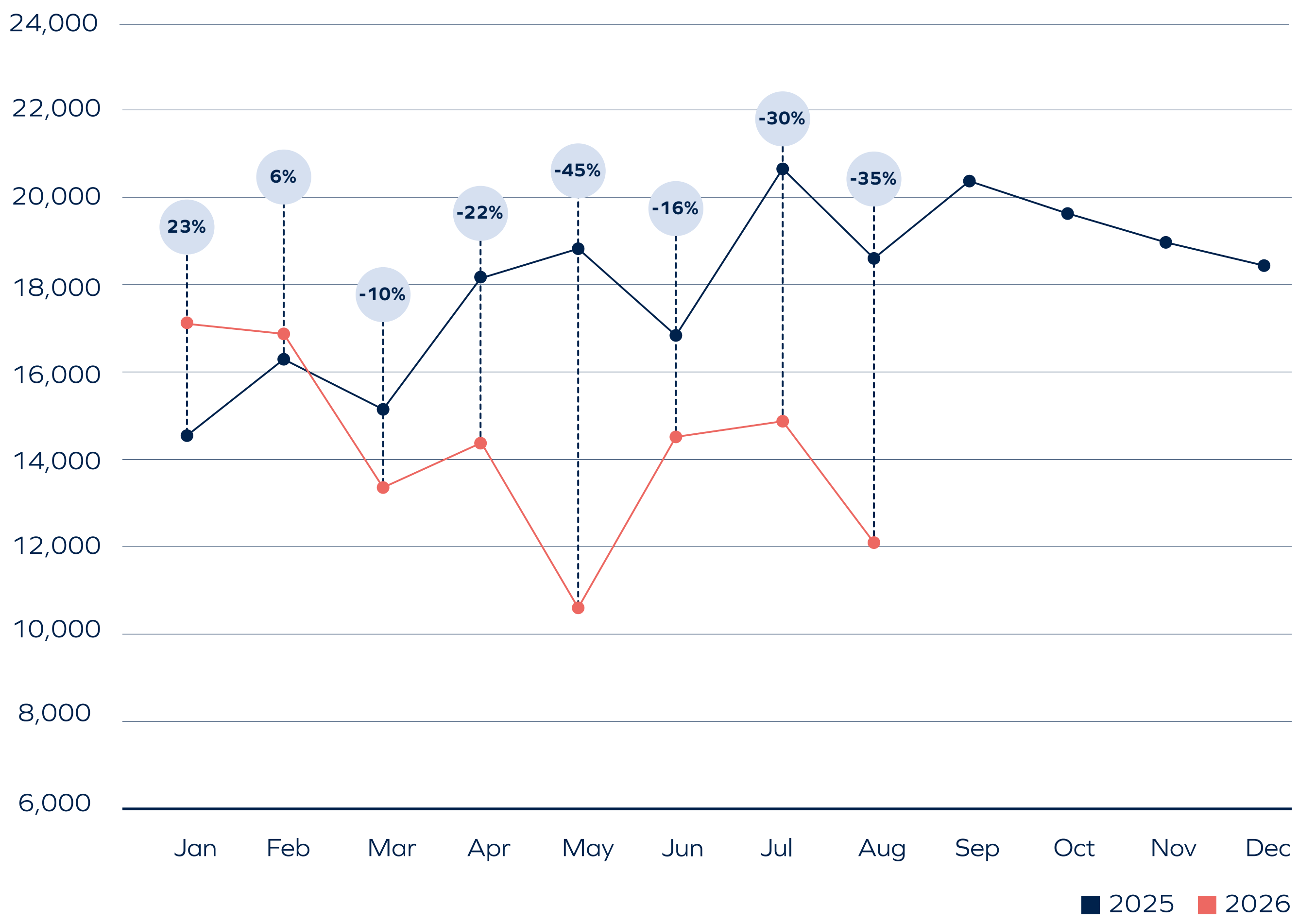
Transactions Value

2025 v/s 2026

2025	Value	2026	Value
January	44,600,000,000	**January**	**72,500,000,000**
February	51,000,000,000	**February**	**61,400,000,000**
March	47,300,000,000	**March**	**43,700,000,000**
April	62,800,000,000	**April**	**48,600,000,000**
May	66,900,000,000	**May**	**29,100,000,000**
June	56,300,000,000	**June**	**34,000,000,000**
July	65,100,000,000	**July**	**35,400,000,000**
August	50,800,000,000	**August**	**28,800,000,000**
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



Dubai registered 12,082 property transactions in August 2026, down 15.3 percent from July's 14,263 deals and 34.7 percent below August 2025's 18,493 transactions. The year-on-year volume gap widened from July's 29.8 percent, reflecting August's softer seasonal baseline and the absence of the Azizi Venice mega-launch volumes that supported June and July.

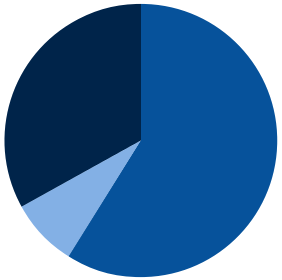
Volume remains broadly consistent with the Q3 2026 baseline of 12,000–14,000 monthly transactions that has characterised the market's stabilisation phase. Year-to-date 2026 transaction volume stands at 112,998 against 2025's equivalent 137,824 an 18.0 percent shortfall concentrated in the Q2 disruption period.

Transactions Volume

2025 v/s 2026

2025	Volume	2026	Volume
January	14,247	**January**	**17,477**
February	16,106	**February**	**17,120**
March	15,150	**March**	**13,565**
April	18,044	**April**	**14,086**
May	18,697	**May**	**10,301**
June	16,765	**June**	**14,104**
July	20,322	**July**	**14,263**
August	18,493	**August**	**12,082**
September	20,360	**September**	
October	19,852	**October**	
November	19,024	**November**	
December	18,680	**December**	

New Rental Transactions



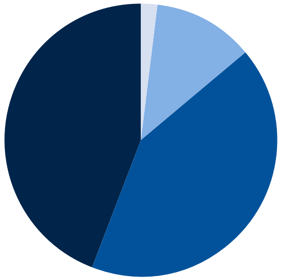
Apartments		59%
Villas		8%
Commercial		33%

	Jul	Aug	Volume Change %
Apartments	23,287	24,685	6.00%
Villas	3,084	3,151	2.17%
Commercial	14,185	13,867	-2.24%
Total	**40,556**	**41,703**	**2.83%**

Leasing registered 41,703 new contracts in August a 2.8 percent increase from July's 40,556 and the third consecutive new disruption cycle high. Apartment leases reached 24,685 contracts, crossing the 24,000 threshold for the first time in the current cycle, while villa rentals advanced 2.2 percent to 3,151 contracts. Commercial leasing eased 2.2 percent to 13,867 contracts in line with seasonal patterns.

The leasing market's sustained expansion new highs in three consecutive months despite the sales market's seasonal softness is the cycle's most structurally compelling evidence that Dubai's population growth and occupier demand are operating on a trajectory entirely independent of the transaction market's disruption-driven volatility.

Commercial Rental Breakdown



■	Shops/Showroom	12%
■	Office	44%
■	Industrial	2%
■	Others	42%

	Jul	Aug	Volume Change %
Shops/Showroom	1,983	1,634	-17.60%
Office	6,569	6,179	-5.94%
Industrial	337	288	-14.54%
Others	5,328	5,783	8.54%
Total	**14,217**	**13,884**	**-2.34%**

Commercial leasing registered 13,884 new contracts in August, easing 2.3 percent from July, with seasonal softness affecting most subcategories. Retail and showroom registrations declined 17.6 percent to 1,634 deals as consumer-facing business activity normalised from summer peaks. Industrial leasing contracted 14.5 percent to 288 contracts, and office leases fell a further 5.9 percent to 6,179 a shallower decline than July's 23.9 percent drop and potentially indicating the office correction is approaching a floor.

The 'others' category continued its structural expansion, rising 8.5 percent to 5,783 leases now representing 41.6 percent of total commercial leasing activity. The growing dominance of flexible and accommodation-type leasing within the commercial segment reflects a sustained structural shift in how Dubai's business occupier base is accessing workspace, a trend that is likely to persist as hybrid and flexible formats become embedded in corporate real estate strategy.

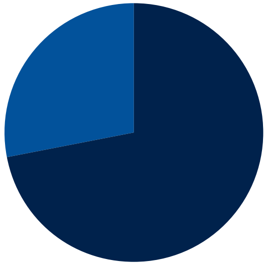
Residential Off Plan v/s Secondary Sales

Sales Volume		
	Off-Plan	8,223
	Ready	3,268

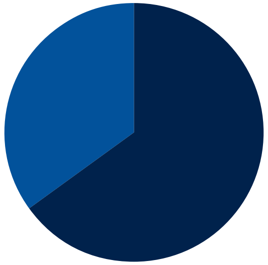
Sales Value (AED)		
	Off-Plan	16,100,000,000
	Ready	8,500,000,000

Residential Breakdown	Off Plan	Ready
Apartments	7,423	2,677
Villas	800	591

Residential Breakdown	Off Plan	Ready
Apartments	11,350,000,000	4,700,000,000
Villas	4,750,000,000	3,800,000,000



Off-Plan	72%
Ready	28%

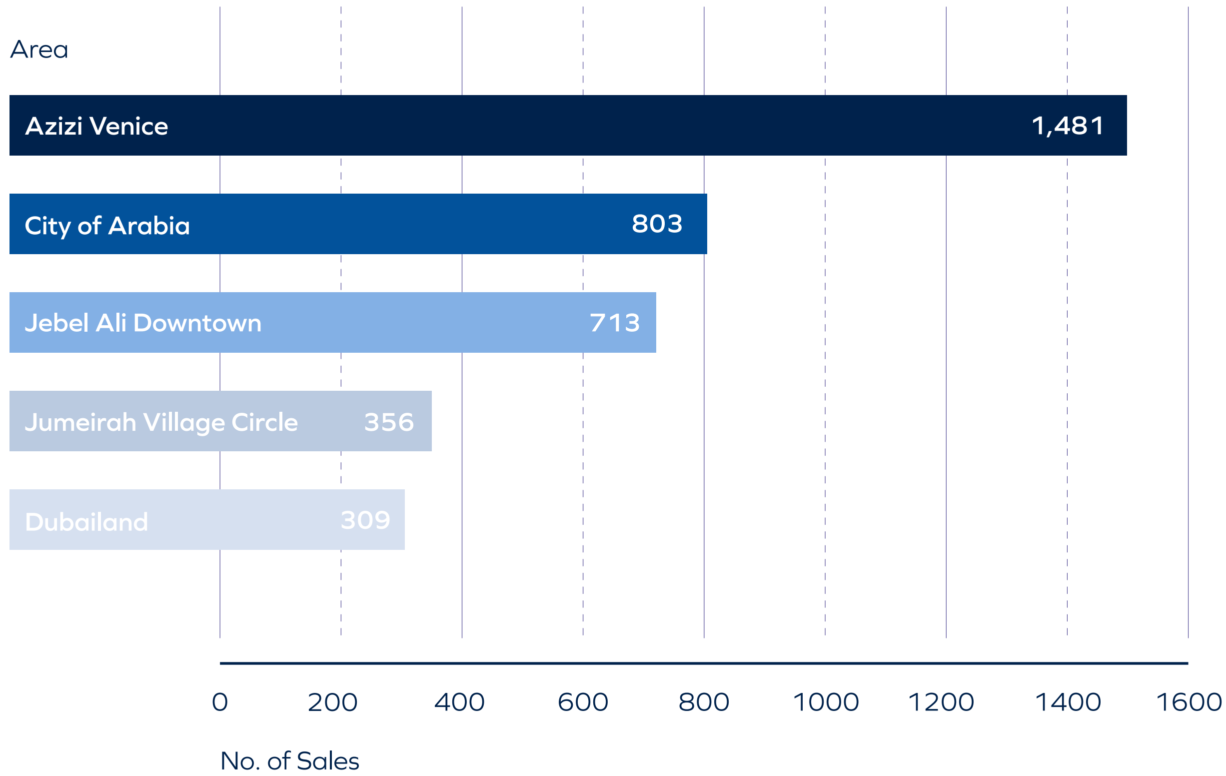


Off-Plan	65%
Ready	35%

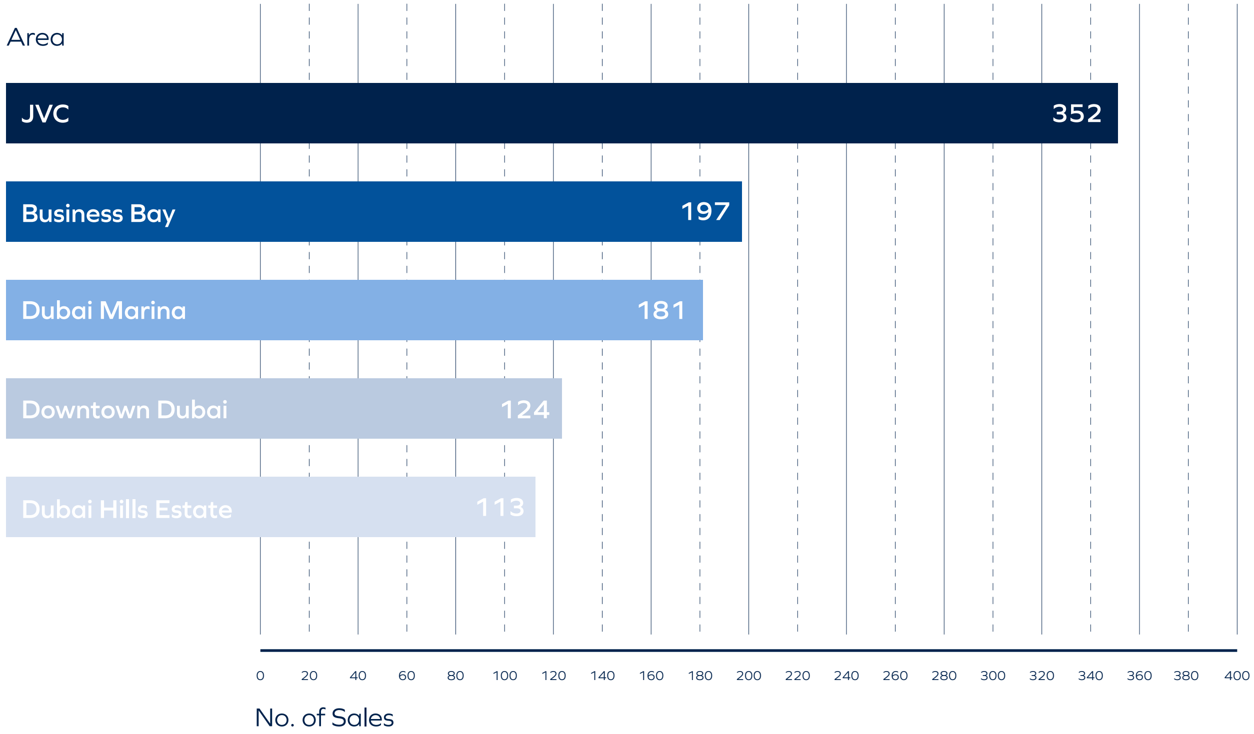
Off-plan sales registered 8,223 residential transactions valued at AED 16.1 billion versus 3,268 ready sales worth AED 8.5 billion. Off-plan volume share held stable at 71.6 percent consistent with July's 71.7 percent while its value share of 65.4 percent maintained near July's 64.8 percent. Average off-plan transaction values rose 8.5 percent to AED 1.957 million from July's AED 1.803 million, reflecting the launch mix shifting toward higher-value products in the Jebel Ali corridor and City of Arabia.

Cash buyers retained overall market dominance at 70.7 percent (8,126 cash versus 3,365 mortgage), with mortgage participation at 29.3 percent broadly consistent with July's 29.5 percent and confirming that financial institutions have sustained their restored lending appetite through the seasonal slowdown.

Top 5 Performing Areas - Off Plan Sales



Top 5 Performing Areas - Secondary Sales



Residential Breakdown

Apartments led August's residential activity with 10,100 transactions totalling AED 16.0 billion, split between 7,423 off-plan deals (AED 11.35 billion) and 2,677 ready transactions (AED 4.7 billion). Villas registered 1,391 deals worth AED 8.6 billion, comprising 800 off-plan sales (AED 4.75 billion) and 591 ready transactions (AED 3.8 billion).

Apartments accounted for 87.9 percent of residential volume while villas, at 12.1 percent of volume, continued to generate a disproportionate 35.0 percent of residential value a reflection of the segment's elevated average transaction values. Off-plan pricing eased marginally to AED 1,840.8 per square foot while ready stock softened to AED 1,681.8 per square foot both representing modest seasonal adjustments within the broader pricing stabilisation trend.

Top Performing Areas – August 2026

Off-Plan Sales

August's off-plan market reinforced the community concentration trends established in recent months. Azizi Venice retained cycle leadership at 1,481 transactions its third consecutive month above 1,400 sales and a demonstration of the project's sustained structural demand depth. City of Arabia accelerated to 803 sales from July's 702, its strongest month of the cycle, confirming consistent master-plan community demand independent of individual project launch spikes. Jebel Ali Downtown's growth to 713 transactions from July's 534 represents a 33.5 percent month-on-month increase a significant acceleration suggesting the corridor is entering a self-sustaining demand phase rather than relying on isolated launch events. JVC entered the off-plan top five with 356 sales while simultaneously leading the secondary market, and Dubailand contributed 309 transactions. The top five collectively accounted for 3,662 transactions 44.5 percent of total off-plan volume.

Secondary Sales

The ready market registered 3,268 residential transactions in August a modest 14.5 percent seasonal easing from July's cycle-high 3,821, but still the third-highest secondary market volume of the current cycle.

JVC maintained decisive leadership at 352 transactions, sustaining its position as Dubai's most liquid secondary market community. Business Bay followed with 197 deals, and Dubai Marina contributed 181 transactions both communities sustaining their improved positions from recent months. Downtown Dubai recorded 124 transactions and Dubai Hills Estate contributed 113 deals, confirming the broadening of secondary market demand into premium communities that has been a feature of the Q3 recovery. The secondary market's stability around the 3,200–3,800 transaction range over recent months signals that the ready market has established a new, higher equilibrium floor compared to Q2's depressed levels.

New Apartment Rentals

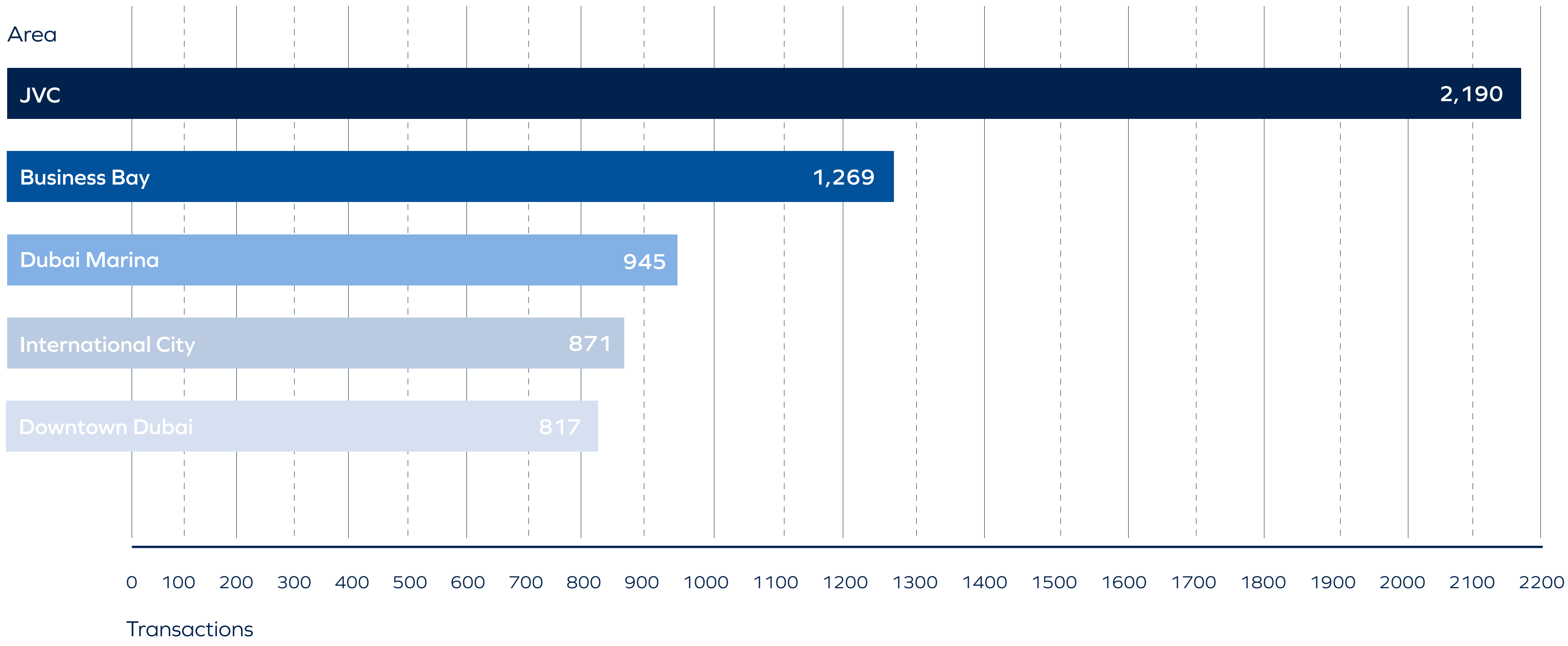
Apartment rental registrations reached 24,685 contracts in August another new cycle high and the fourth consecutive month of improvement led by JVC's 2,190 new leases, its strongest monthly performance of the cycle and a 12.5 percent advance from July's 1,946. Business Bay extended its strong run with 1,269 contracts, while Dubai Marina eased slightly to 945 leases from July's 1,008 in a minor seasonal adjustment.

International City contributed 871 contracts, and Downtown Dubai entered the top five with 817 leases the latter's appearance reflecting growing premium rental demand in established central communities. The progressive strengthening of both JVC and Business Bay now jointly dominating the top two positions across multiple consecutive months underscores the structural depth of mid-market to corporate residential rental demand in Dubai's primary leasing corridors.

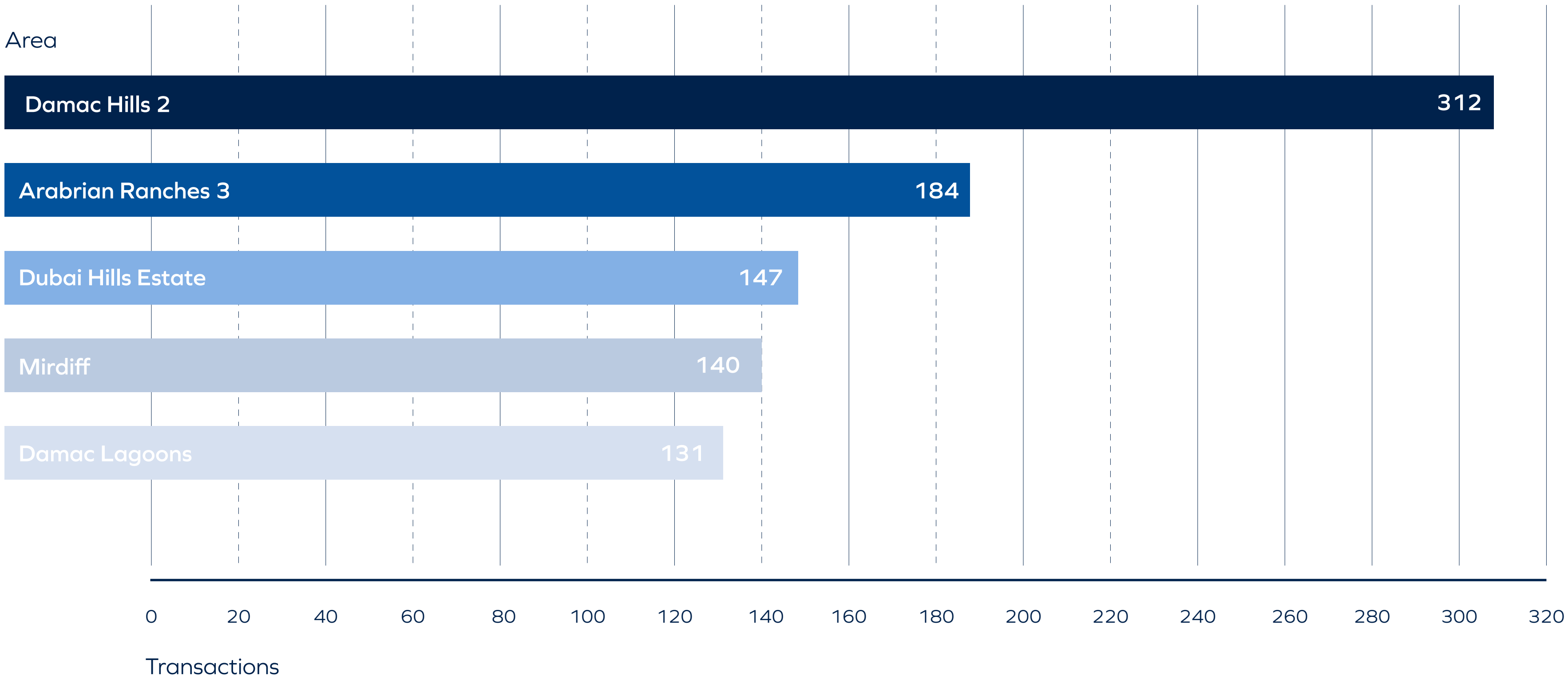
New Villa Rentals

Villa rental registrations advanced 2.2 percent to]3,151 contracts in August, continuing the segment's uninterrupted monthly growth since May now at its highest level of the current cycle. Damac Hills 2 led at 312 new leases, sustaining its consistent dominance, while Arabian Ranches 3 strengthened to 184 contracts and Dubai Hills Estate advanced to 147 leases. Mirdiff contributed 140 contracts as its affordability proposition continued to attract family occupiers, and Damac Lagoons registered 131 leases its second consecutive top-five appearance, confirming growing family appetite for resort-integrated community living. With September delivering 248 villa units against a leasing market running at 3,151 monthly contracts, the villa rental supply-demand balance remains acutely tight heading into Q4.

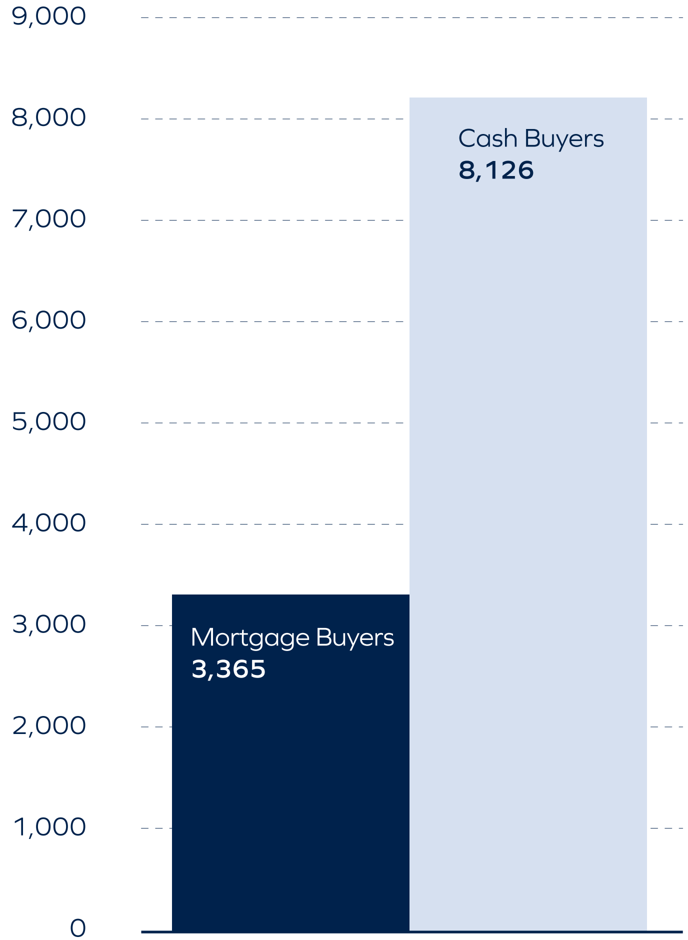
Top 5 Performing Areas - New Apartment Rentals



Top 5 Performing Areas - New Villa Rentals



Residential Mortgage Buyers v/s Cash Buyers



	Mortgage Sales	Cash Sales
Apartments	2,177	7,923
Villas	1,188	203

Mortgage Transaction Value: AED 7,100,000,000

Mortgage Buyers v/s Cash Buyers

Cash transactions maintained overall market leadership at 70.7 percent of residential purchases (8,126 cash versus 3,365 mortgage), broadly consistent with July's 70.5 percent split and confirming that mortgage market participation has stabilised in the 29–30 percent range. Total mortgage activity reached 3,365 transactions worth AED 7.1 billion, with an average loan size of approximately AED 2.11 million. Apartment financing recorded 2,177 mortgage transactions against 7,923 cash deals a 21.6 percent mortgage rate consistent with prior months.

The villa segment's financing structure reached a new cycle extreme at 85.4 percent mortgage (1,188 versus 203 cash) the lowest cash villa buyer share of the entire disruption cycle confirming that discretionary cash-rich villa investors remain effectively absent from the market, with transaction flow sustained almost entirely by end-user mortgage buyers. This structural concentration in financed villa buyers has material implications for segment liquidity and pricing flexibility heading into Q4.

Price Trends and New Supply

Dubai's residential pricing softened modestly in August in line with seasonal patterns. Off-plan rates eased 0.5 percent to AED 1,840.8 per square feet from July's AED 1,850 remaining within the AED 1,838–1,850 floor range that has held for four consecutive months, the most sustained pricing stability of the current cycle. Ready property values declined 2.0 percent to AED 1,681.8 per square foot from July's AED 1,716, continuing the seasonal softening pattern as prior months' handover deliveries work through the secondary market.

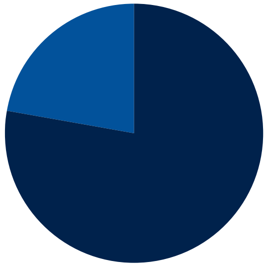
Year-on-year, off-plan pricing sits 9.1 percent below August 2025's AED 2,024.1, while ready stock is 0.9 percent below August 2025's AED 1,698.3 the year-on-year ready market gap narrowing to near-parity and suggesting structural pricing support is building in established communities. The four-month off-plan pricing stabilisation, even through seasonal weakness, provides increasing confidence that the AED 1,838 level represents a genuine floor rather than a temporary pause.

September's incoming residential supply of 904 apartments and 248 villas marks a return to more normal delivery volumes after August's extreme tightness, though both figures remain below historical monthly averages. The apartment delivery of 904 units against a leasing market registering 24,685 monthly contracts and a secondary market sustaining 3,000-plus monthly transactions suggests the new supply will be absorbed efficiently without materially disrupting the pricing stabilisation trend.

The villa delivery of 248 units, while a significant increase from August's 40-unit handover, remains far below the 3,151 monthly villa leases being registered a supply-demand dynamic that should continue supporting villa rental rates and providing a floor for villa capital values heading into Q4.

Sales Price Trend (AED per sq.ft.)

2025	Off-plan	Ready	2026	Off-plan	Ready
January	1,694.3	1,609.1	**January**	**2,021.5**	**1.695.7**
February	1,782.2	1,600.7	**February**	**2,030.8**	**1,647.9**
March	1,938.0	1,651.4	**March**	**2,032.6**	**1,648.6**
April	1,903.0	1,674.8	**April**	**2,085.0**	**1,786.8**
May	1,912.1	1,656.8	**May**	**1,838.0**	**1,732.0**
June	1,914.7	1,693.7	**June**	**1,848.8**	**1,754.6**
July	2,010.9	1,611.5	**July**	**1,850.0**	**1,716.0**
August	2,024.1	1,698.3	**August**	**1,840.8**	**1,681.8**
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**		



August Residential Supply

■	Apartments	904
■	Villa	248

Expert Insights

August 2026 delivered a seasonally softer result that, read carefully, contains more structural positives than the headline 18.6 percent value decline suggests. The land market's AED 4.6 billion reversal from July's exceptional AED 6.6 billion itself elevated by a small cluster of large institutional acquisitions accounts for the majority of the month's aggregate contraction.

Excluding plots, core residential and commercial value fell just 7.0 percent: a performance consistent with August's historical seasonal pattern in Dubai and a material improvement on the disruption-driven contractions of Q2. The market is not weakening further; it is behaving seasonally, which itself represents a form of normalisation.

The villa segment's continued outperformance warrants particular attention. Three consecutive months of value growth with average deal sizes rising from AED 5.15 million in June to AED 5.99 million in July and AED 6.18 million in August while overall volumes remain modestly positive suggests a structural demand composition change rather than a cyclical fluctuation.

With 85.4 percent of villa transactions mortgage-financed and cash buyers representing just 203 transactions, the market is currently sustained by end-user demand at a level that, while thin in cash buyer participation, is producing higher average values. When discretionary international cash buyers return as regional normalisation progresses the villa segment's value trajectory has significant upside potential from current levels.

Jebel Ali Downtown's consistent acceleration 534 transactions in July, 713 in August, a 33.5 percent month-on-month increase is the most important forward-looking signal in the August data. Combined with City of Arabia's growth to 803 transactions and Jebel Ali Industrial's prior-month entry, the Jebel Ali corridor is establishing itself as a structural demand pillar rather than a one-cycle phenomenon.

The port corridor's off-plan strength directly reflects the recovery of Jebel Ali Port's operational confidence, the community-building momentum it represents positions this area as a significant contributor to Dubai's next residential supply cycle.

The leasing market's third consecutive cycle high at 41,703 contracts including apartment leases crossing 24,000 for the first time provides the most durable demand validation available in the dataset. JVC's 2,190 apartment leases and Damac Hills 2's 312 villa leases demonstrate that both mid-market and premium community demand is broad-based and accelerating simultaneously. With September's supply delivering 904 apartments and 248 villas against a leasing market running at 41,703 monthly contracts, the demand-supply arithmetic remains fundamentally supportive of pricing stability and improving yields.

Expert Insights

For the Q4 outlook, the convergence of four factors positions the market constructively: a confirmed off-plan pricing floor around AED 1,838–1,850 per square foot; a secondary market that has established a 3,000-plus monthly transaction baseline; a leasing market at sustained cycle highs; and an incoming supply pipeline that remains measured relative to demand.

The primary variable is the pace and completeness of regional normalisation, which will determine whether the year-on-year gap currently 43.3 percent on value and 34.7 percent on volume can be meaningfully closed before year-end. The internal market fundamentals are aligned for recovery; the catalyst remains external.

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