



Hamptons
INTERNATIONAL

Dubai Residential Market Review

February 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

February 2025 saw an increase in transaction activity, with the total number of deals reaching 16,106—a 13% rise from January's 14,247. This growth highlights sustained investor confidence and market resilience, reinforcing Dubai's strong momentum early in the year.



Market Momentum Steadies

February 2025 maintained strong market momentum, building on January's performance and surpassing February 2024 levels. Continued demand from both local and international buyers underscores Dubai's resilience as a global real estate hub, driven by economic stability, investor-friendly policies, and sustained confidence in the market.



Apartments Lead the Way

The apartment segment remained the top-performing property type in February, recording 11,371 transactions, up from 9,948 in January. Its continued popularity is driven by affordability, diverse inventory, and strong demand from both end-users and investors.



Villa Market Increase Popularity

Villa transactions saw a significant surge in February, reaching 3,947 sales, up from 2,939 in January. The rising demand for spacious, family-friendly homes in established communities reflects a growing preference for privacy, luxury, and lifestyle-oriented living.



Off-Plan Sector Booming

In February 2025, the off-plan market remained a key driver of activity, accounting for 69% of total transactions, with 10,654 deals. This trend reflects strong investor confidence in Dubai's future growth and the appeal of cutting-edge developments. Secondary sales made up the remaining 31% of deals.



Rental Market Remains Active

The rental sector remained active in February, with 17,800 new apartment leases, 1,993 villa rentals, and 17,400 commercial agreements. While slightly lower than January's figures, demand across all segments continues to reflect a stable and resilient leasing market in Dubai.

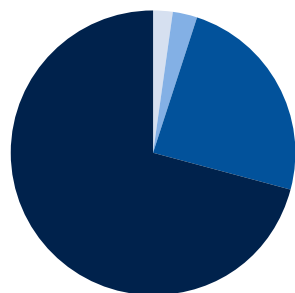


Commercial Real Estate Highlights Office Spaces:

Office rentals continued to lead the commercial segment, accounting for 53% of new leases, with 9,265 agreements signed. This sustained demand is driven by Dubai's thriving corporate sector and its strategic position as a global business hub.

Retail spaces, including shops and showrooms, represented 13% of new commercial leases, totalling 2,177 agreements, indicating consistent interest in prime locations for retail and hospitality ventures. This trend aligns with projections forecasting a 6% increase in retail sales between 2025 and 2027, reflecting a robust retail sector.

Sales Transactions – Graph



■ Apartments	71%
■ Villas	24%
■ Commercial	3%
■ Plots	2%



Apartments

The apartment segment remained the most active, with 11,371 transactions, marking a 14% increase from January's 9,948. This growth is driven by a mix of affordability and luxury offerings catering to both investors and end-users. Areas such as Business Bay, Jumeirah Village Circle, and Dubai Marina continue to attract buyers due to their strong rental yields and lifestyle amenities.

The increasing availability of flexible payment plans and attractive mortgage options has also supported transaction volumes.



Villas

Villa sales surged in February, reaching 3,947 transactions—up 34% from January's 2,939. The rising demand for villas underscores a shift towards larger living spaces, with buyers prioritising privacy, community amenities, and premium finishes. Established villa communities like Dubai Hills Estate, Arabian Ranches, and Palm Jumeirah remain in high demand, with limited inventory pushing prices higher. As developers launch new villa projects in response to this demand, the segment is expected to see further growth in the coming months.



Commercial

Dubai's commercial real estate sector remained resilient, with steady demand for office and retail spaces. Office rentals accounted for 53% of new leases, driven by corporate expansion and an influx of international businesses setting up in Dubai. Key commercial hubs like Downtown Dubai, DIFC, and Business Bay remain sought after for office spaces, benefiting from the emirate's strong economic fundamentals.

Retail rentals made up 13% of new leases, reflecting consistent interest from businesses in hospitality, F&B, and retail. The ongoing development of lifestyle and entertainment destinations continues to drive demand for commercial properties.



Plots (Land)

Land transactions dropped in February to 340 deals. However, demand for prime plots in areas such as Dubai South, Meydan, and Al Furjan remains strong, driven by upcoming mixed-use and residential developments. As Dubai continues to expand its urban footprint, land transactions are expected to play a crucial role in shaping the future supply of residential and commercial projects.



Market Resilience and Outlook

Dubai's real estate market demonstrated resilience and strong performance in February 2025, with overall transaction volumes up year-on-year. The off-plan sector accounted for 69% of total sales. With strong government initiatives, visa reforms, and sustained economic stability, Dubai's property market is set for continued growth, with prices projected to rise between 5-10% in 2025.

Dubai Transactions

Month on Month | Jan 2025 - Feb 2025



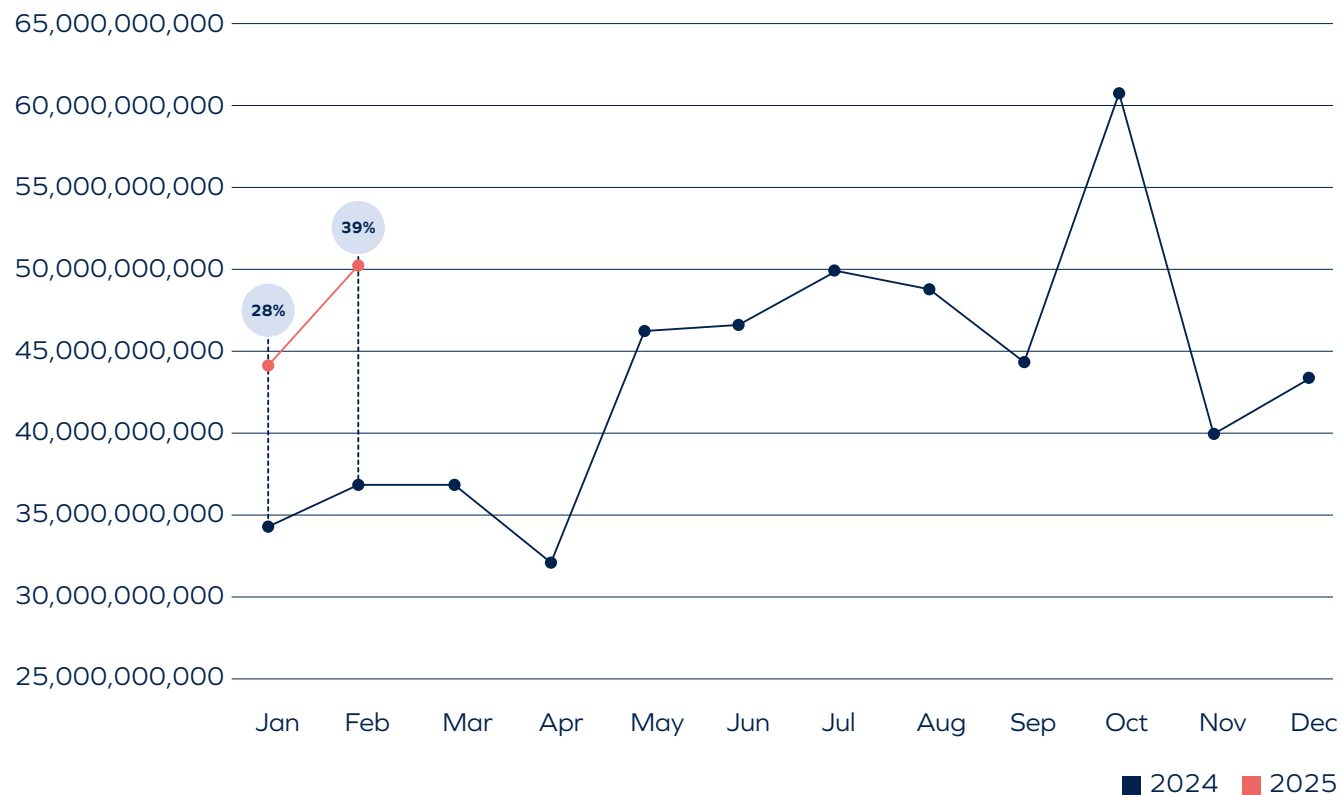
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FEB 2025

	Jan Transactions	Jan Value (AED)	Feb Transactions	Feb Value (AED)	Value Change %
Apartments	9,948	18,200,000,000	11,371	21,400,000,000	17.58%
Villas	2,939	15,900,000,000	2,939	20,500,000,000	28.93%
Commercial	371	1,400,000,000	448	1,300,000,000	-7.14%
Plots	989	9,100,000,000	340	7,800,000,000	-14.29%
Total	14,247	44,600,000,000	16,106	51,600,000,000	15.7%



Transactions Value - Graph

2024 v/s 2025



Dubai's real estate market has experienced a 39% increase in transaction values in February 2025 compared to February 2024. A combination of favourable economic conditions and strategic initiatives has contributed to this positive shift, making the market look even more promising as it continues to expand.

Transactions Value

2024 v/s 2025

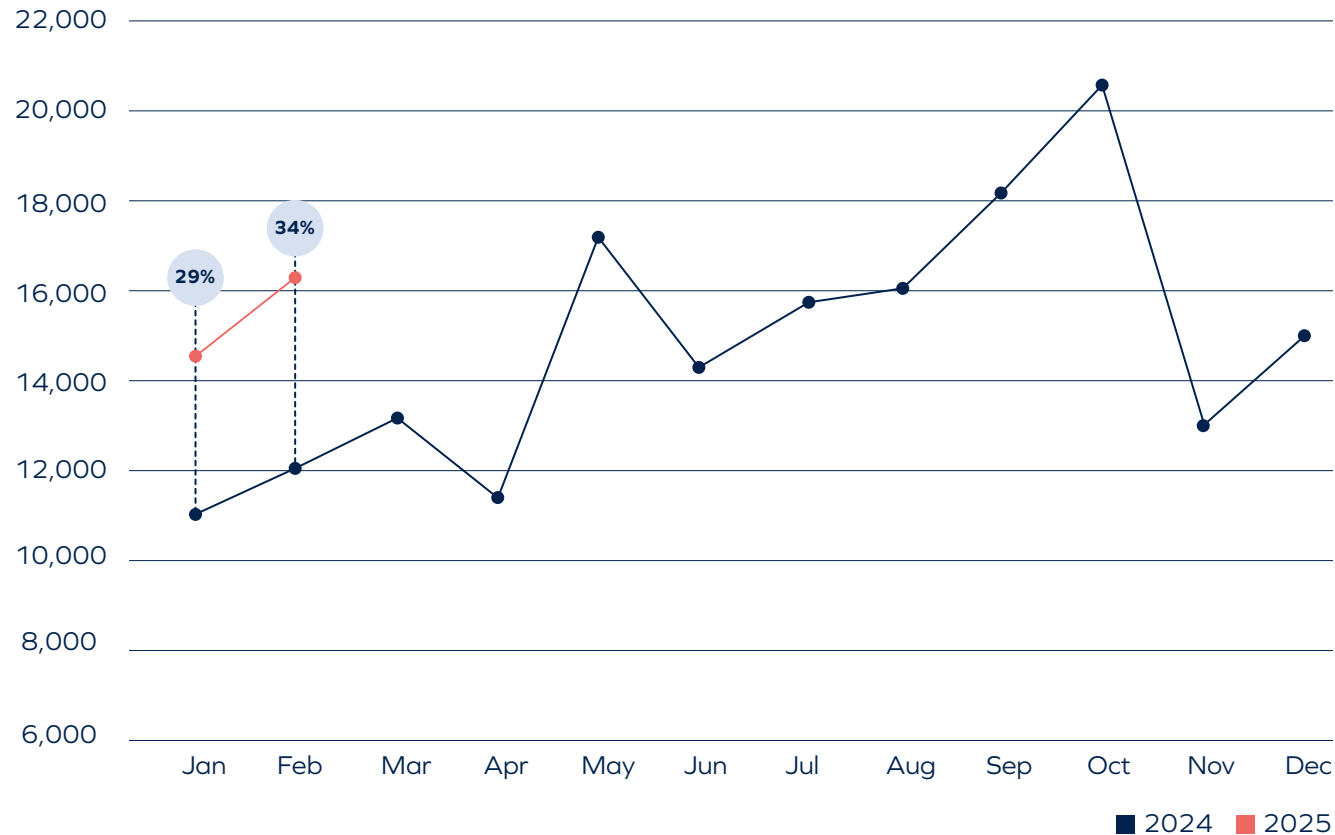


2024	Value	2025	Value
January	34,800,000,000	January	44,600,000,000
February	36,700,000,000	February	51,000,000,000
March	36,600,000,000	March	
April	32,000,000,000	April	
May	45,800,000,000	May	
June	46,400,000,000	June	
July	49,600,000,000	July	
August	47,300,000,000	August	
September	44,597,000,000	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



There was a substantial 34% year-on-year increase in transaction volume in February 2025 compared to February 2024, marking a significant rise in market activity. This growth, alongside a 29% increase in January 2025 compared to January 2024, demonstrates a strong upward trend in Dubai's real estate sector. Favourable economic conditions and strategic initiatives continue to fuel this momentum.

Transactions Volume

2024 v/s 2025



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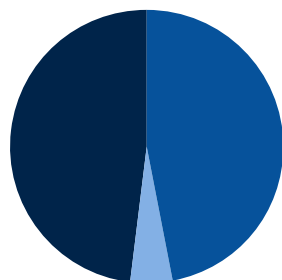
2024	Volume	2025	Volume
January	11,029	January	14,247
February	12,025	February	16,106
March	13,394	March	
April	11,608	April	
May	17,539	May	
June	14,370	June	
July	15,994	July	
August	16,159	August	
September	18,045	September	
October	20,315	October	
November	13,509	November	
December	15,079	December	



New Rental Transactions



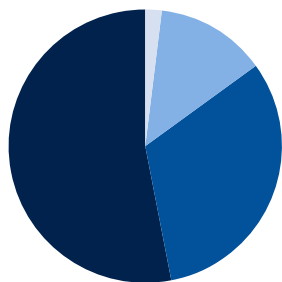
New apartment rental transactions in February 2025 saw an increase, totalling 17,800, although this was a decrease compared to January's figures. Villa rental transactions also remained active, despite a drop from January's numbers, reaching 1,993.



■ Apartments	48%
■ Commercial	47%
■ Villas	5%

	January	February	Volume Change %
Apartments	19,044	17,800	-6.53%
Villas	2,265	1,993	-12.01%
Commercial	18,526	17,400	-6.08%
Total	39,835	37,193	-6.63%

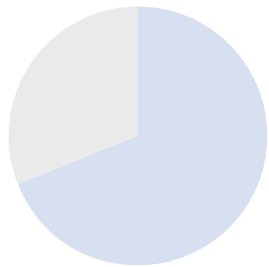
New Commercial Rental Breakdown



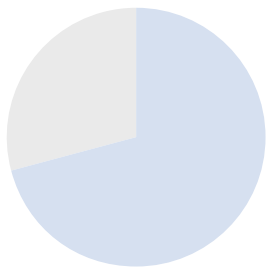
Office	53%
Others	32%
Shops/Showroom	13%
Industrial	2%

	January	February	Volume Change %
Shops/Showroom	2,445	2,177	-10.96%
Office	10,069	9,265	-7.98%
Industrial	311	327	5.14%
Others	5,701	5,626	-1.32%
Total	18,526	17,395	-6.10%

Off Plan v/s Secondary Sales Transactions



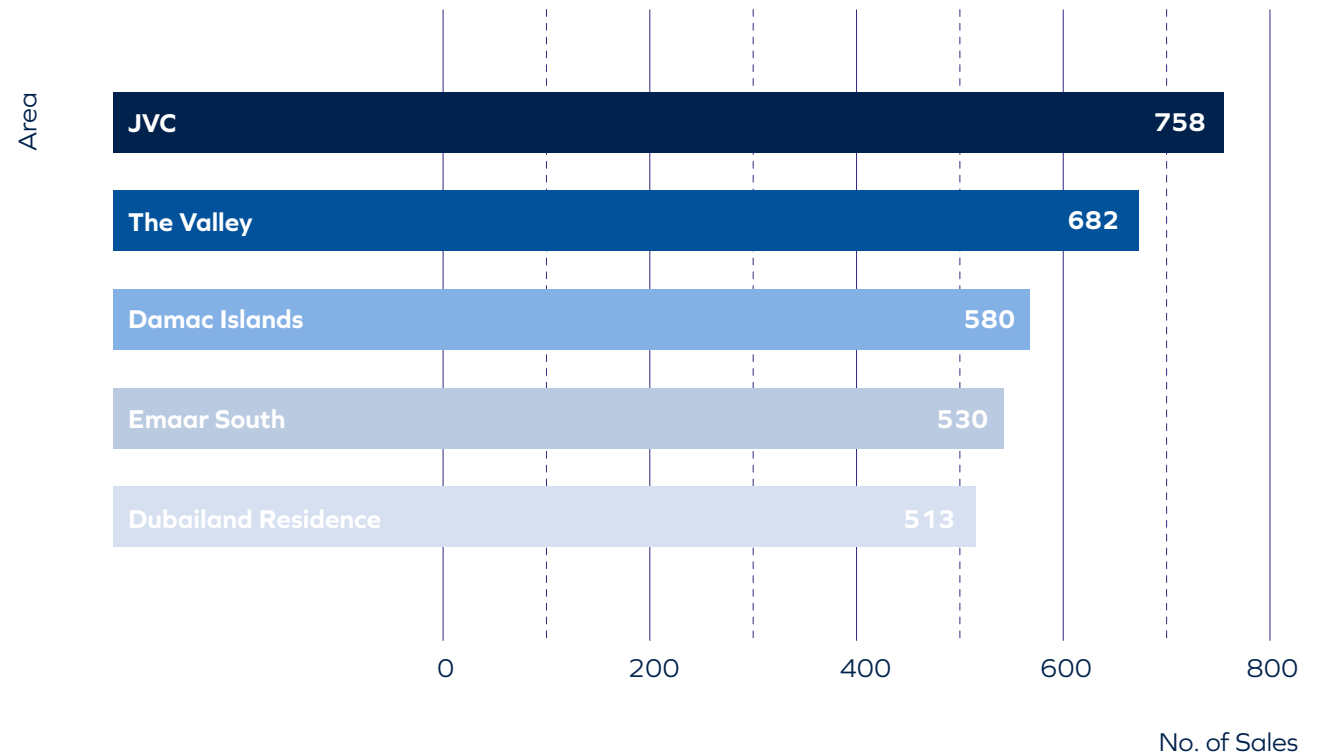
Off-Plan	69%
Ready	31%



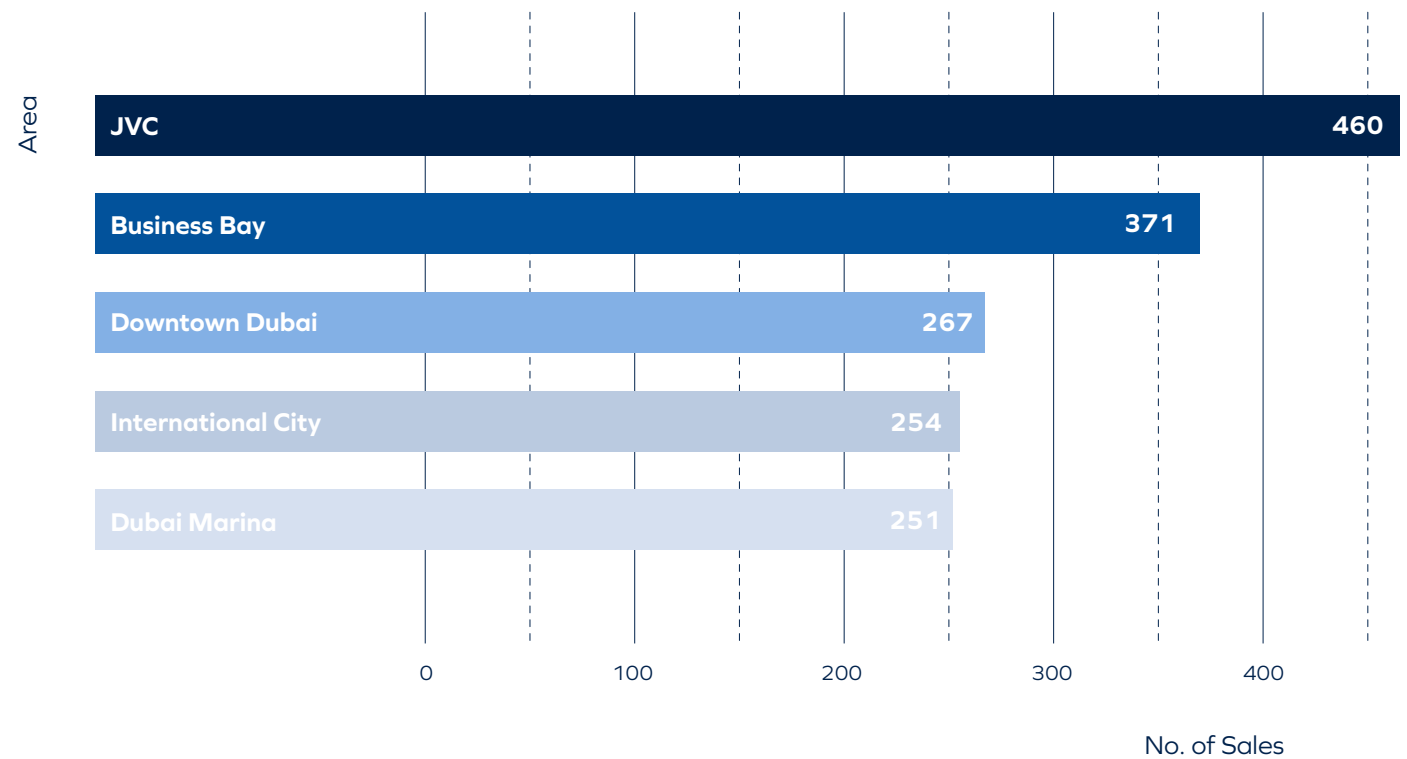
Off-Plan	71%
Ready	29%



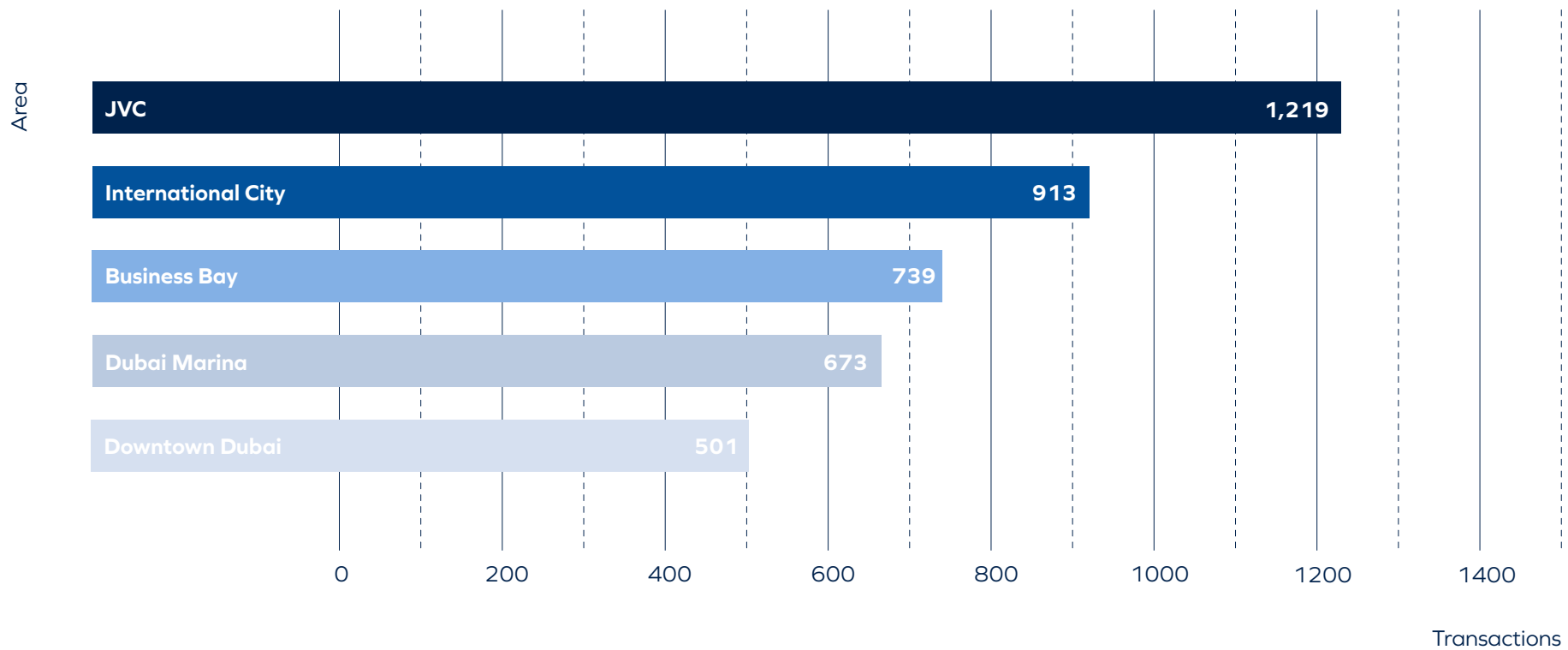
Top 5 Performing Areas - Off Plan Sales



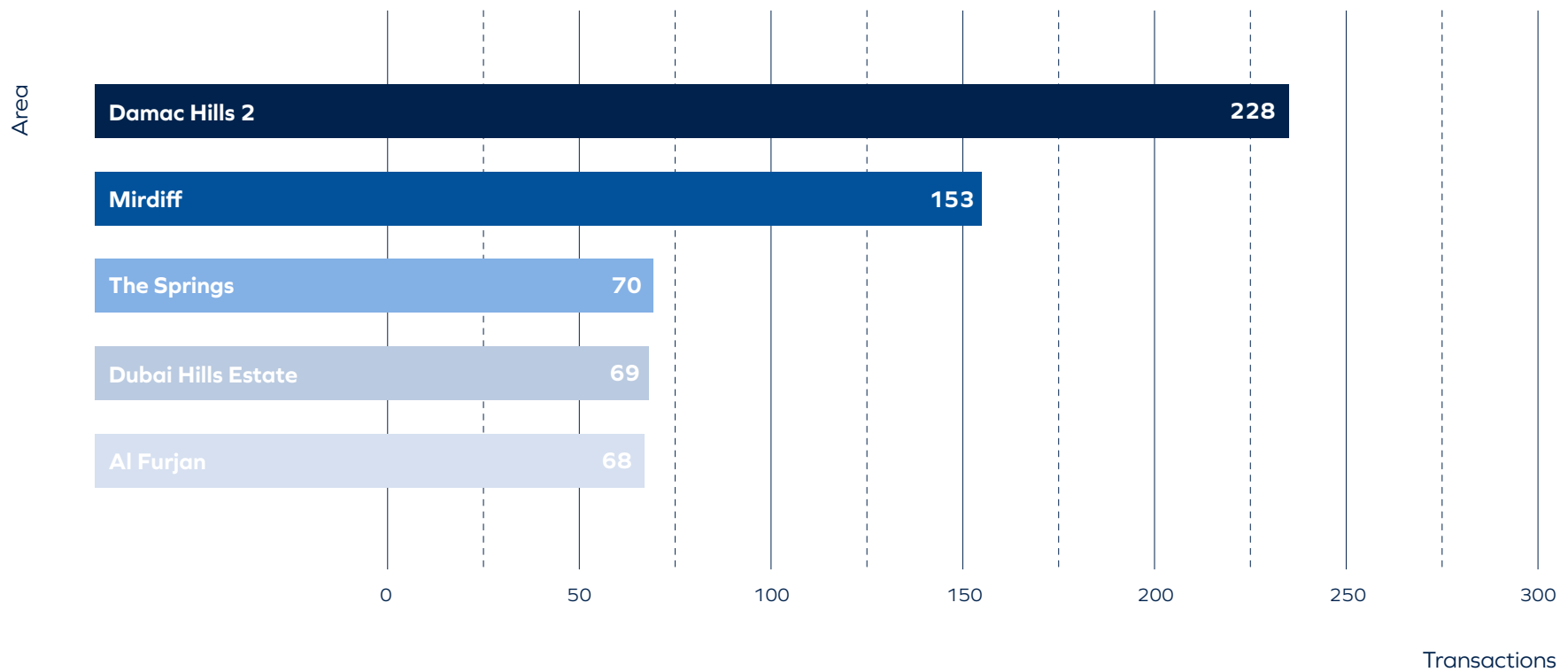
Top 5 Performing Areas - Secondary Sales



Top 5 Performing Areas - New Apartment Rentals



Top 5 Performing Areas - New Villa Rentals

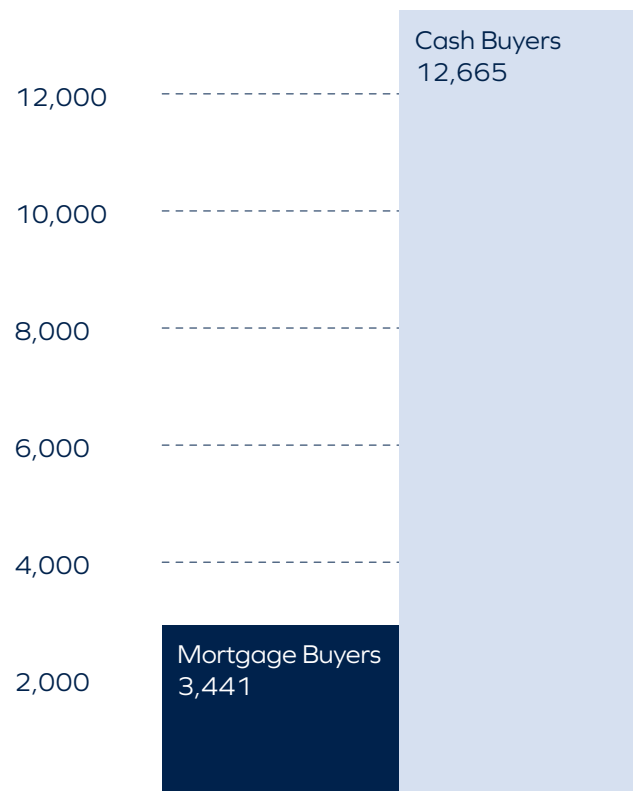


Mortgage Buyers v/s Cash Buyers

February 2025



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Mortgage transactions amounted to 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 Due in February 2025



City	Community	Property	Type	Status	Start Date	Due Date
Dubai	Dubai Studio City	Beach Oasis	Apartment	Under Construction	Q4 2022	Q1 2025
Dubai	Jumeirah Village Circle	Alif Noon Residence	Apartment	Under Construction	Q4 2023	Q1 2025
Dubai	Jumeirah Village Circle	Daytona XI	Apartment	Under Construction	Q2 2022	Q1 2025
Dubai	Jumeirah Village Circle	Rain Residence	Apartment	Under Construction	Q2 2020	Q1 2025
Dubai	Living Legends	Alibaba Tower	Apartment	Under Construction	Q3 2022	Q1 2025
Dubai	Majan	Barari Views	Apartment	Under Construction	Q1 2022	Q1 2025
Dubai	Majan	Sherena Residences 2	Apartment	Under Construction	Q1 2023	Q1 2025
Dubai	Tilal Al Ghaf	Aura	Apartment	Under Construction	Q2 2020	Q1 2025
Dubai	Tilal Al Ghaf	Elysian Mansions	Villa	Under Construction	Q1 2023	Q1 2025
Dubai	Villanova	La Violeta 2	Villa	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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