ENGEL&VÖLKERS



Residential Market Report

DUBAI | H1 2025

Overview



AED 266.3 Bn	92,910	AED 21.1 Bn	240,486
Total value sold	Total units sold	Total value rented	Total units rented
+37.0% YOY	+22.7% YOY	+3.7% YOY	-8.3% YOY

Source: Property Monitor

Dubai's real estate market entered 2025 with remarkable momentum, building on four consecutive years of growth. Despite an uncertain global outlook, H1 delivered record-breaking performance across sales volumes, values, and high-end transactions, underpinned by a rising population, expanding infrastructure, and a diversified economic base.

The emirate is on track to surpass 4 million residents this year, following its fastest annual population increase since 2018 (Dubai Statistics Centre). This has coincided with sustained confidence from both regional and international investors. The UAE is forecast to attract a record 9,800 relocating millionaires in 2025, more than any other country, reinforcing its status as a premier wealth haven (Henley & Partners). Tax advantages, lifestyle appeal, and the global repositioning of capital are driving this continued inflow.

The broader economic environment remains supportive of real estate growth. The UAE's GDP is projected to grow by 5.1% in 2025, up from 3.8% in 2024, led by tourism, trade, and technology (ICAEW). Dubai welcomed 5.3 million international visitors in Q1 alone (Department of Economy and Tourism), while major infrastructure projects, including the Dubai Metro Blue Line expansion and road upgrades, are reshaping connectivity and enabling the rise of new residential hubs across the city.

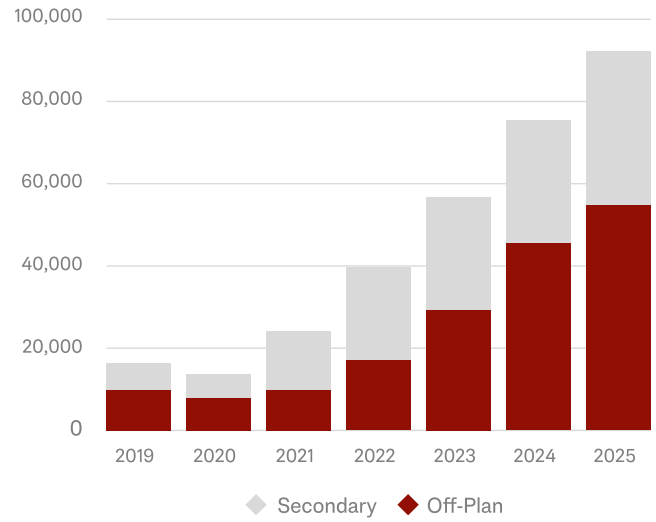
Dubai's positioning as a global centre of innovation continues to accelerate. The launch of the US–UAE AI Acceleration Framework, along with the rollout of MENA-focused AI platforms, reflects a growing alignment between long-term economic policy and global technology trends. These initiatives, alongside continued investment in digital infrastructure, are positioning the UAE as a magnet for global talent, entrepreneurs, and high-growth businesses, a trend that will continue to shape residential demand across key communities. The UAE also retained its position as the world's top destination for entrepreneurship in 2025 (Global Entrepreneurship Monitor), underscoring the strength of its regulatory environment and business ecosystem.

At the halfway mark of 2025, sales volumes have continued to rise across all asset classes, led by strong activity in the apartment segment and a surge in demand for villas and townhouses in emerging communities. Luxury sales have reached new highs, driven by a growing base of high-net-worth individuals relocating to the UAE. As we move into the second half of the year, Dubai's residential market is demonstrating the strength, resilience, and long-term opportunity that define truly global cities.

Sales transactions

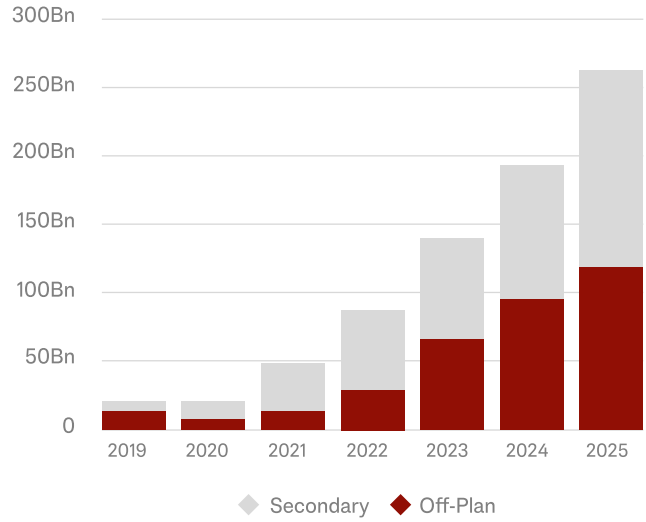
Dubai's residential market recorded a 22.7% increase in sales compared to the same period last year, with a sales volume more than six times that of H1 2020. Off-plan transactions grew by 19.9% year-on-year to reach 54,742, while secondary market sales rose by 26.8% to 38,168. In terms of market share, the secondary segment increased its H1 proportion of total transactions for the first time in several years, rising to 41.1%. Off-plan's share declined from 63% in 2024 to 58.9%, a shift that may reflect a more balanced market, supported by growing availability of ready properties and rising end-user confidence. Apartments remained the most active segment, accounting for 79% of transactions, a slight decrease from 81% in 2024.

Sales volume by year (H1 2019-2025)



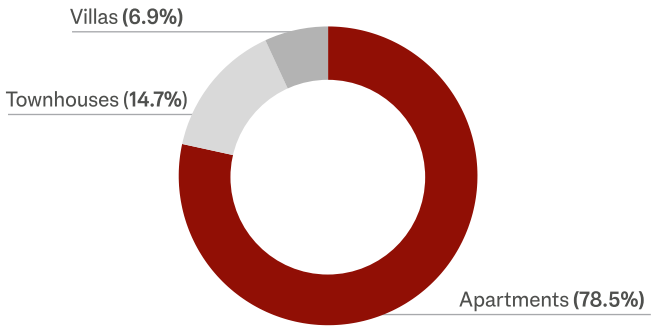
Source: Property Monitor

Sales value by year (AED | H1 2019-2025)



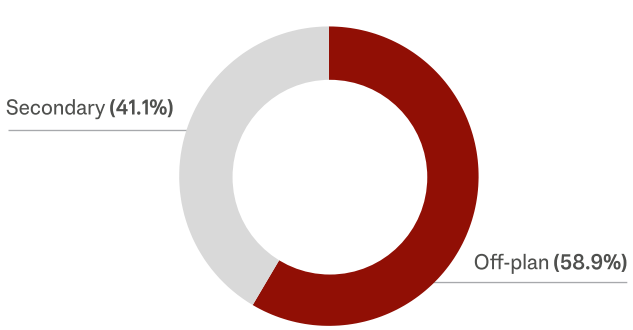
Source: Property Monitor

Sales by property type (H1 2025)



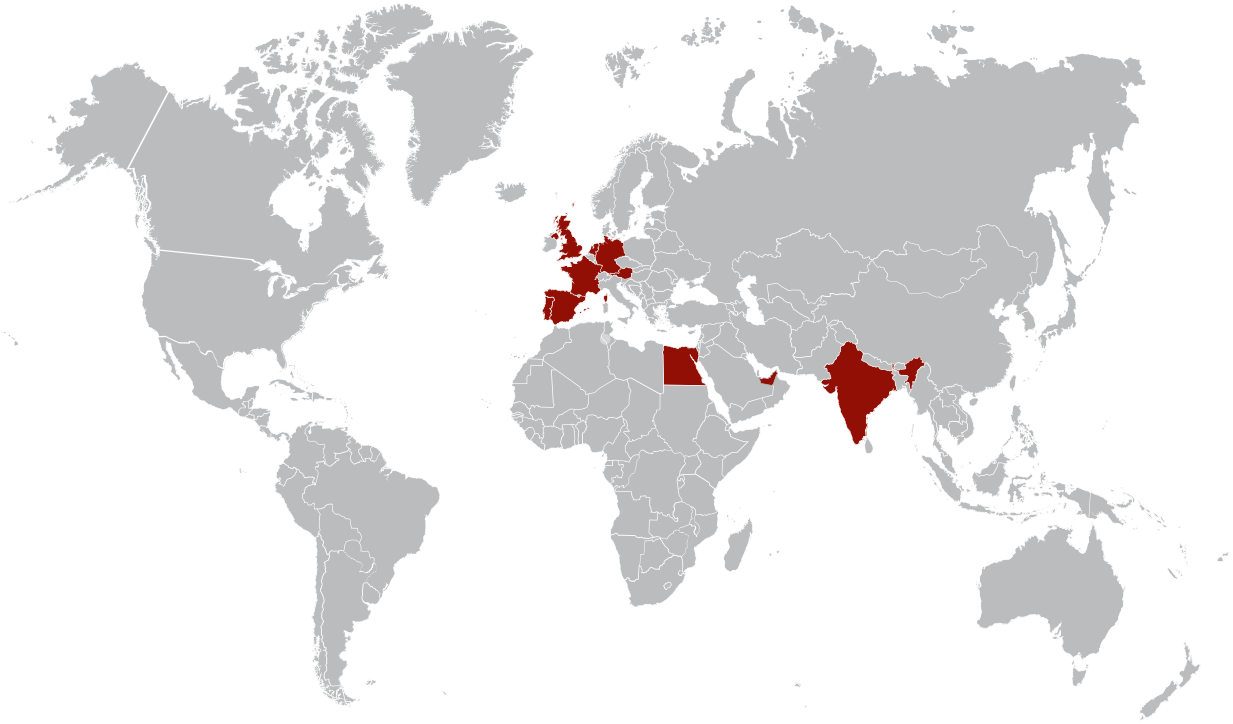
Source: Property Monitor

Off-plan vs secondary sales (H1 2025)



Source: Property Monitor

Top buyer's nationality at Engel & Völkers



1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th
INDIA	GERMANY	UK	PORTUGAL	EGYPT	SPAIN	AUSTRIA	NETHERLANDS	FRANCE	UAE

Our buyer nationality data reflects Dubai's continued appeal to international investors. Indian buyers ranked first, driven by a combination of lifestyle migration, business expansion, and long-term investment appetite. Demand from many European countries, such as the UK, Portugal, and Austria, also increased, with many of these countries home to well-established Engel & Völkers offices. This cross-border strength continues to fuel buyer confidence and create seamless transaction experiences.

Compared to the same period last year, we have seen a significant rise in buyers from India and key European markets, as well as continued interest from across the MENA region and North America. As Dubai grows in global prominence, our international footprint and local expertise position us uniquely to serve a diverse and discerning clientele, offering tailored guidance, language support, and cross-market insights every step of the way.

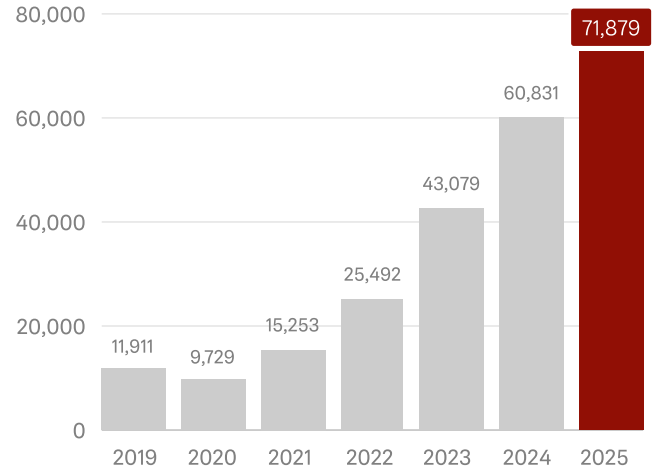


Apartments

Apartments remained the driving force behind Dubai's residential market in H1 2025, with sales volumes rising 18.2% year-over-year to reach 71,879 units. This segment accounted for nearly 79% of total transactions and 53% of total sales value. The off-plan market continued to dominate apartment activity, led by popular communities including Jumeirah Village Circle, Business Bay, and Dubai Production City.

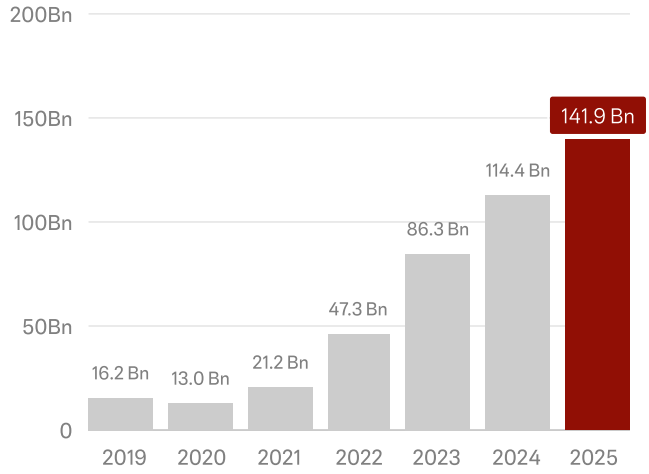
In the secondary market, demand was concentrated in established areas such as Dubai Marina, Downtown Dubai, and MBR City. Apartment sales have more than doubled since H1 2022 and risen sevenfold since 2020, reflecting sustained investor interest, both locally and internationally, attractive price points, and the continued release of new mid-market and premium supply across Dubai.

Apartment sales volume (H1 2019-2025)



Source: Property Monitor

Apartment sales value (AED | H1 2019-2025)



Source: Property Monitor

Off-plan | Apartment sales (H1 2025)

Community	Units sold
Jumeirah Village Circle	5,587
Business Bay	3,299
Dubai Residence Complex	2,997
Dubai Production City	2,061
Motor City	2,048
Dubai Islands	1,895

Secondary | Apartment sales (H1 2025)

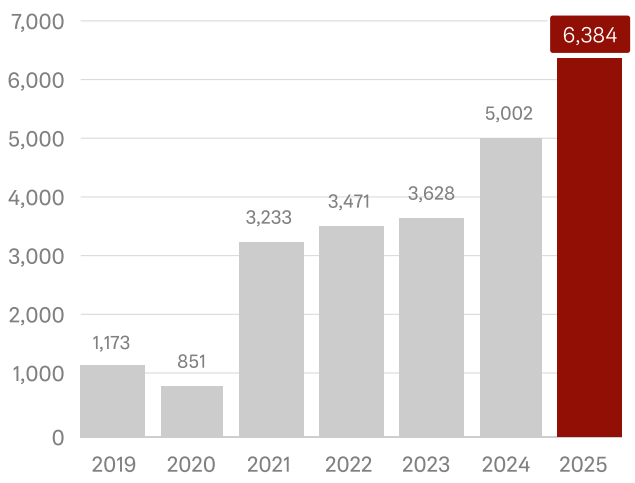
Community	Units sold
Jumeirah Village Circle	2,462
Business Bay	1,694
Dubai Marina	1,410
Downtown Dubai	1,153
MBR City	995
International City	977

Villas

Villa sales rose by 27.6% year-on-year in H1 2025, reflecting a continued surge in demand for spacious, family-oriented homes. The total value of villa sales climbed to AED 78.3 billion, a 53.5% increase compared to the same period last year. Much of this growth was driven by off-plan transactions in newly launched communities on the outskirts of the city, including The Oasis, Grand Polo Club, and The Valley.

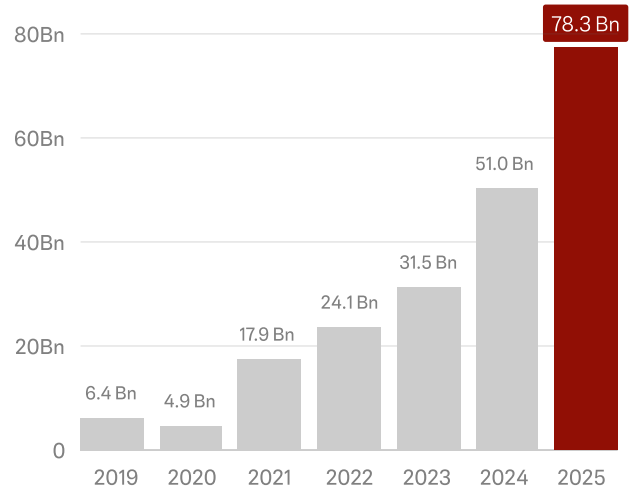
These master-planned developments are attracting end-users and investors alike with contemporary designs, community amenities, and relatively competitive price points. In the secondary market, established areas such as Damac Hills, Dubai Hills Estate, and MBR City continued to perform well, supported by limited ready supply and strong resale demand.

Villa sales volume (H1 2019-2025)



Source: Property Monitor

Villa sales value (AED | H1 2019-2025)



Source: Property Monitor

Off-plan | Villa sales (H1 2025)

Community	Units sold
The Oasis	763
Grand Polo Club	759
The Valley	569
Palm Jebel Ali	537
Damac Islands	243
The Acres	217

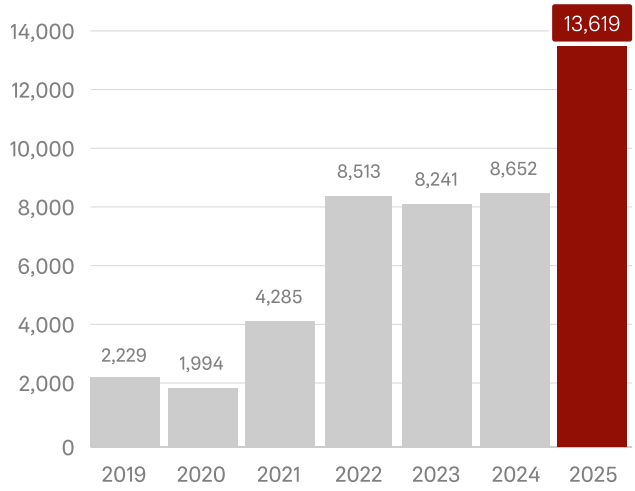
Secondary | Villa sales (H1 2025)

Community	Units sold
Damac Hills 2	141
Damac Hills	125
Dubai Hills Estate	124
Tilal Al Ghaf	123
MBR City	115
Emirates Living	109

Townhouses

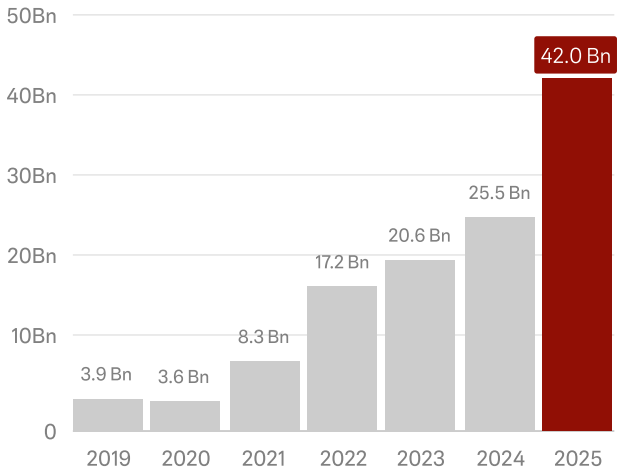
Townhouse sales surged by 57.4% year-on-year in H1 2025, reaching 13,619 transactions — the strongest half-year performance on record for the segment. The total sales value increased to AED 42.0 billion, up 64.7% from H1 2024. Much of this growth came from newly launched off-plan neighbourhoods such as Damac Islands, Damac Hills 2, and The Valley, where townhouses offer space, privacy, and community amenities at comparatively affordable price points. These emerging districts continue to attract a growing number of end-users seeking attainable, family-friendly living. In the secondary market, mature areas like Emirates Living, Al Furjan, and Reem remained popular, supported by steady demand and limited resale inventory.

Townhouse sales volume (H1 2019-2025)



Source: Property Monitor

Townhouse sales value (AED | H1 2019-2025)



Source: Property Monitor

Off-plan | Townhouse sales (H1 2025)

Community	Units sold
Damac Islands	3,615
Damac Hills 2	1,607
The Valley	1,359
Damac Lagoons	752
Emaar South	602
Reportage Village	482

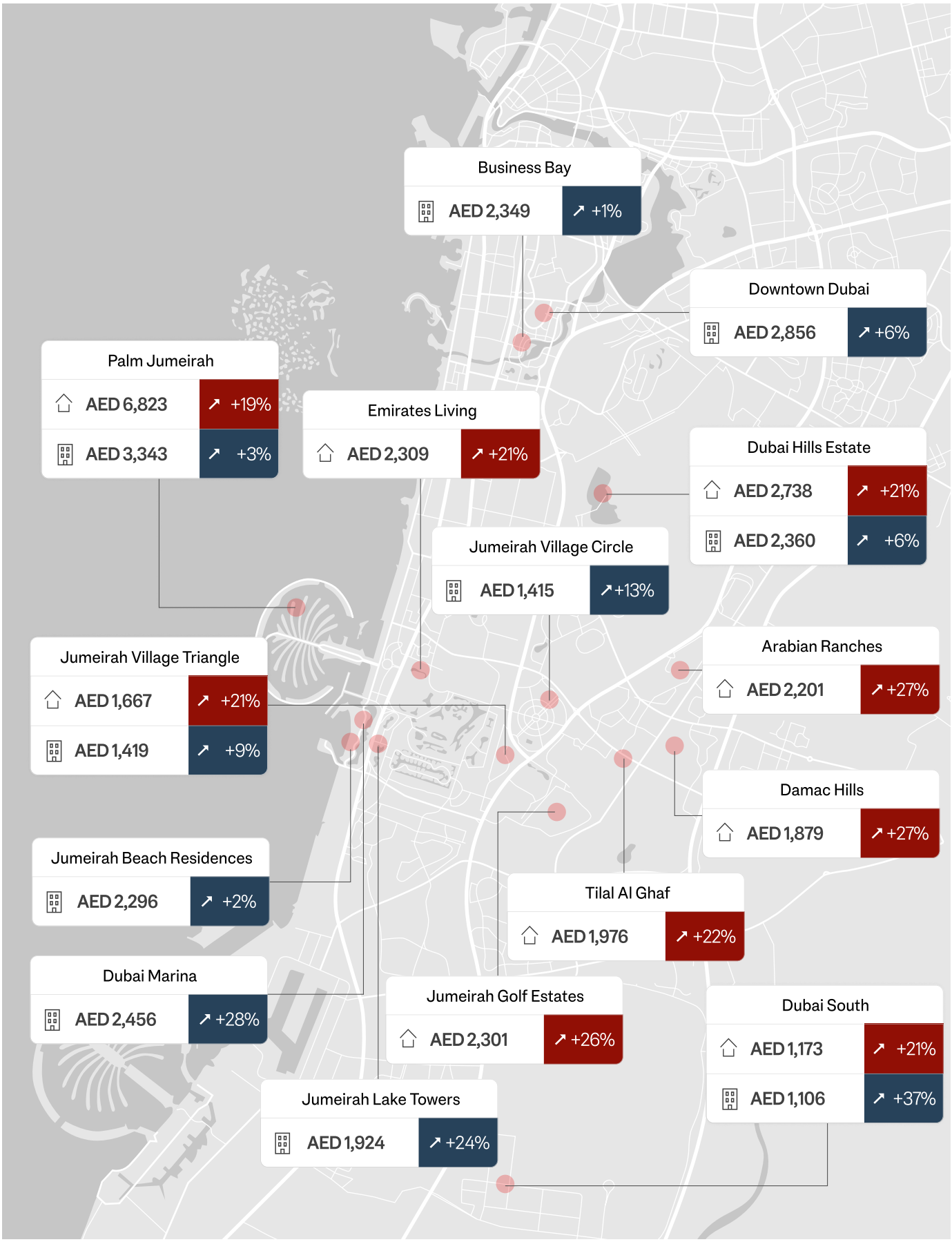
Secondary | Townhouse sales (H1 2025)

Community	Units sold
Emirates Living	253
Al Furjan	218
Reem	206
Jumeirah Village Circle	164
Emaar South	148
Arabian Ranches 3	137

Average sales prices

YOY change (AED/sq.ft.) for H1 2024 vs H1 2025

◆ Villas & Townhouses ◆ Apartments



Mortgages

Dubai's mortgage market remained active throughout H1 2025, with demand supported by competitive rates, strong lender appetite, and the continued appeal of property ownership over rising rental costs. While fixed mortgage rates remained relatively stable, with 5-year options available from as low as 3.99% (with salary transfer), the biggest change came following a regulatory update from the UAE Central Bank.

As of February, buyers can no longer include Dubai Land Department (DLD) fees and agent commissions within their mortgage financing. This change does not affect the total cost of buying a property, but it does increase the amount of upfront cash buyers must have available. As a result, some buyers revised their budgets or extended their timelines, though overall market activity remained very strong.

Despite the shift, Dubai's mortgage market remains attractive by international standards. Banks remain highly active and competitive, offering a wide range of fixed-rate options tailored to both residents and overseas buyers. With global interest rates expected to ease only slightly in the second half of the year, buyers seeking to avoid rising property prices and capitalise on favourable exchange rates may find early action to be a prudent choice.

The recent launch of Dubai's First Home Buyer Programme is another positive development. Backed by five major banks, the initiative could lead to exclusive mortgage rates and processing fee discounts, enhancing affordability for first-time buyers. This is expected to stimulate further mortgage demand and continued growth in H2 2025.

Best available fixed rates

Fixed-Rate Period	Without Salary Transfer	With Salary Transfer
2-Years	3.94%	3.89%
3-Years	4.1%	3.99%
5-Years	4.24%	3.99%

"Even with the regulatory changes earlier this year, buyer demand has stayed remarkably consistent. Clients are adapting, not delaying, and lenders are stepping up with more flexible options and competitive rates. The outlook for the second half of the year is very encouraging."

Rosie Patterson

Senior Mortgage Consultant, Engel & Völkers Dubai

Get in touch

Luxury market

APARTMENT (SECONDARY)

Four Seasons Private Residences, Dubai Water Canal

AED 140 Million

4 Bedrooms

APARTMENT (OFF-PLAN)

Peninsula Dubai Residences, Jumeirah

AED 170 Million

5 Bedrooms

VILLA (SECONDARY)

Sector E, Emirates Hills

AED 425 Million

5 Bedrooms

VILLA (OFF-PLAN)

EOME, Palm Jumeriah

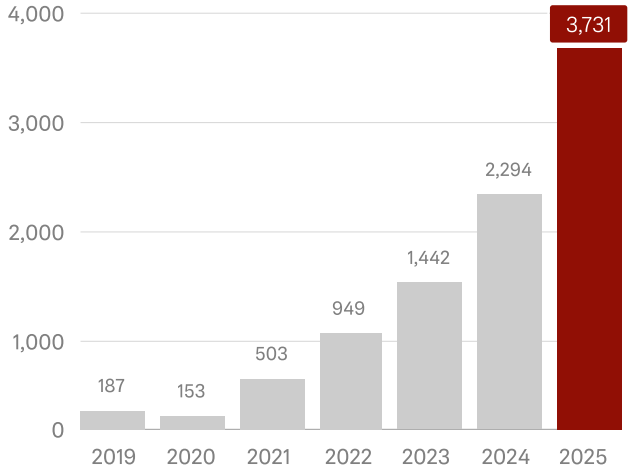
AED 300 Million

6 Bedrooms

Dubai's luxury real estate segment continued to break records in H1 2025, with 3,731 properties transacting above AED 10 million - a 62.7% increase compared to the same period last year.

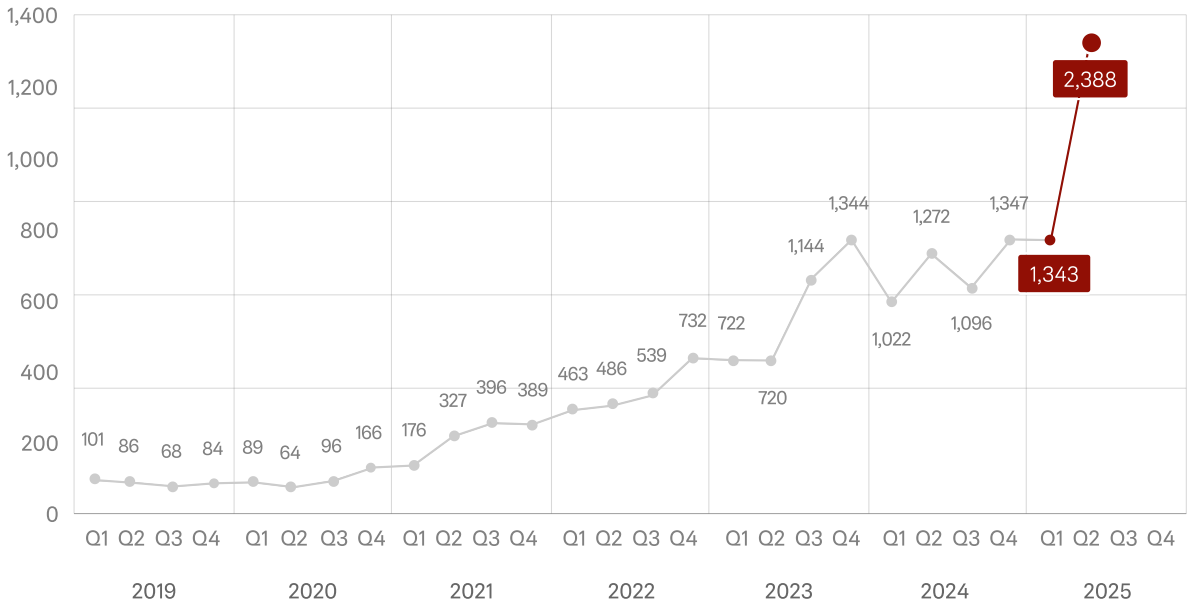
The pace of activity accelerated sharply in Q2, which alone accounted for 2,388 of these sales, the highest quarterly total ever recorded. Sales transactions exceeding AED 10 million now account for over 4% of the total market volume, up from 1.1% in 2020, reflecting the sustained influx of high-net-worth buyers and the increasing availability of premium inventory. The top sales of the half included a secondary market villa in Emirates Hills that sold for a remarkable AED 425 million, alongside an off-plan beachfront villa at EOME on Palm Jumeirah for AED 300 million.

Sales transactions above AED 10M (H1 2019-2025)

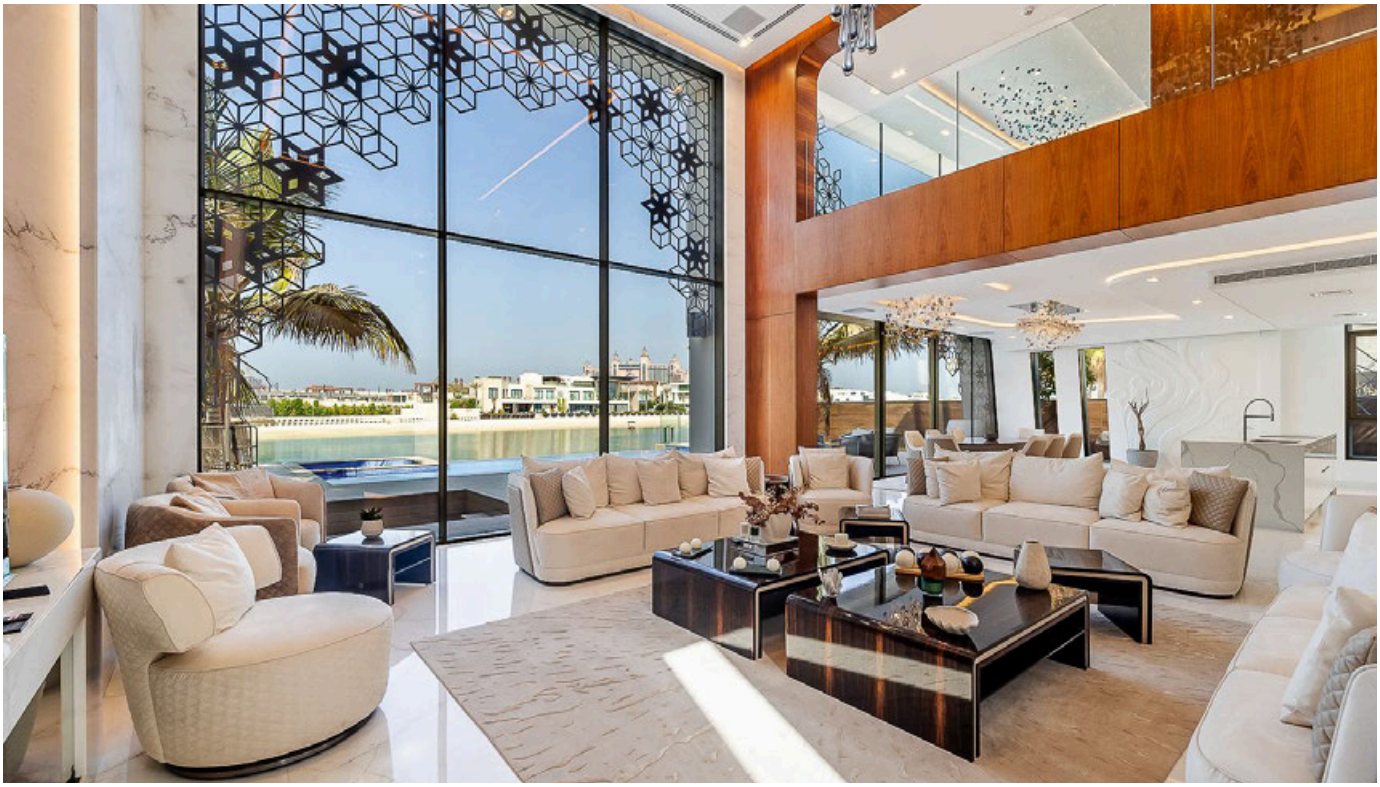


Source: Property Monitor

Quarterly luxury sales trend (AED 10m+)



Source: Property Monitor



While Palm Jumeirah has consistently led Dubai's luxury market in recent years, it ranked fourth in H1 2025 for transactions above AED 10 million. This shift does not reflect declining demand but rather limited available inventory and the rise of new luxury destinations. The Oasis and Palm Jebel Ali, both home to expansive, contemporary villas, led activity in this price bracket, followed by MBR City and Palm Jumeirah, which continue to attract high-end buyers with waterfront living and lifestyle appeal.

Above $10 million, Palm Jumeirah remained the clear leader with 62 transactions, nearly three times more than any other community. La Mer saw growing interest with its collection of ultra-luxury four to seven-bedroom apartments at Jumeirah Asora Bay, while Emirates Living and Downtown Dubai also saw strong activity. The result is a more diverse luxury market, with a wider choice of properties appealing to global ultra-high-net-worth buyers.

Transactions over AED 10 million (H1 2025)

Community	Units sold
The Oasis	754
Palm Jebel Ali	537
MBR City	194
Palm Jumeirah	192
Dubai Harbour	183
Downtown Dubai	156
Nad Al Sheba	142

Transactions over USD 10 million (H1 2025)

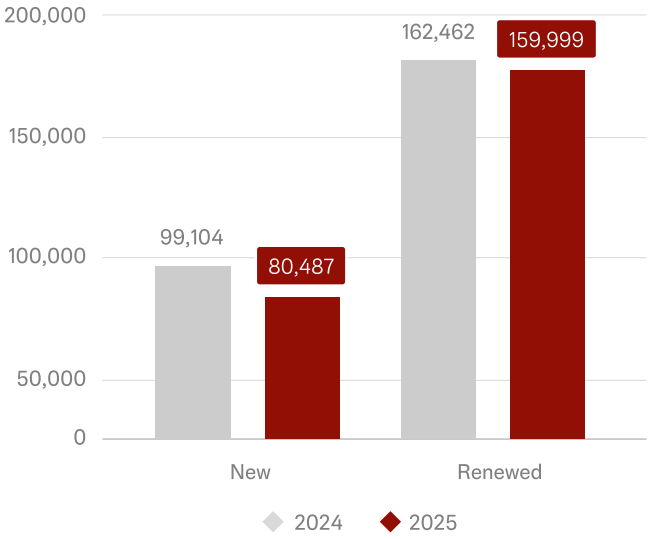
Community	Units sold
Palm Jumeirah	62
La Mer	22
Emirates Living	18
Downtown Dubai	18
Dubai Hills Estate	16
Tilal Al Ghaf	13
Business Bay	12

Residential leasing

Dubai's rental market remained active in H1 2025, though new lease registrations declined to 80,487 down from 99,104 in the same period last year, while renewals remained relatively steady. This moderation in new contracts may reflect a combination of rising renewal rates, limited availability of affordable properties, and a growing number of tenants transitioning to homeownership.

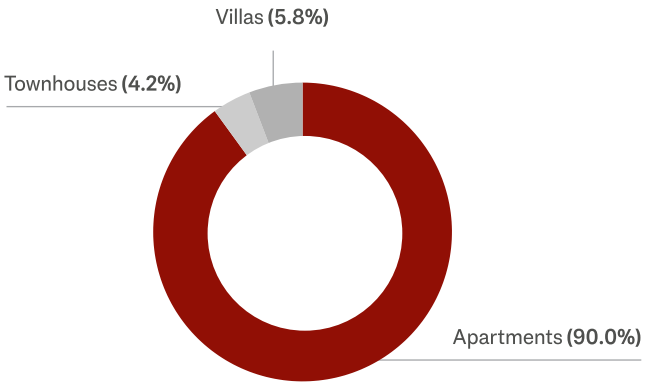
Apartments continued to dominate, accounting for 90% of all contracts. Jumeirah Village Circle, Business Bay, and Dubai Marina were among the most transacted apartment communities, offering a mix of accessibility, amenities, and lifestyle appeal. Villas and townhouses accounted for the remaining 10%, underscoring the ongoing demand for family-friendly housing in suburban locations. Communities like Damac Hills 2, Emirates Living, and Town Square continued to attract tenants seeking space and value in well-established or emerging districts. With population growth set to continue, rental price pressures are likely to persist into the second half of the year.

New & renewed contracts (H1 2024 vs 2025)



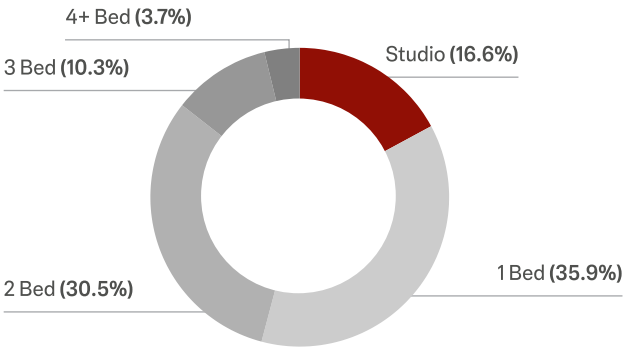
Source: Property Monitor

Property type mix (H1 2025)



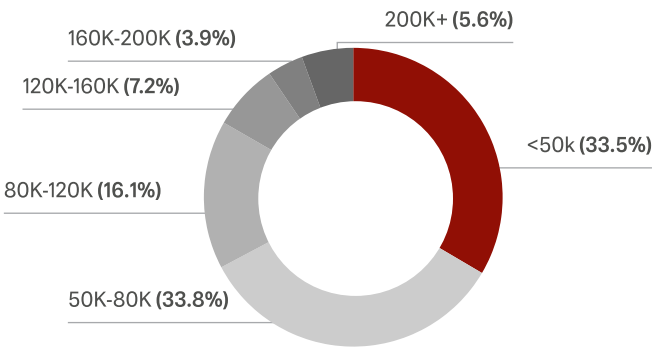
Source: Property Monitor

Bedroom mix (H1 2025)



Source: Property Monitor

Rental price mix (AED - H1 2025)

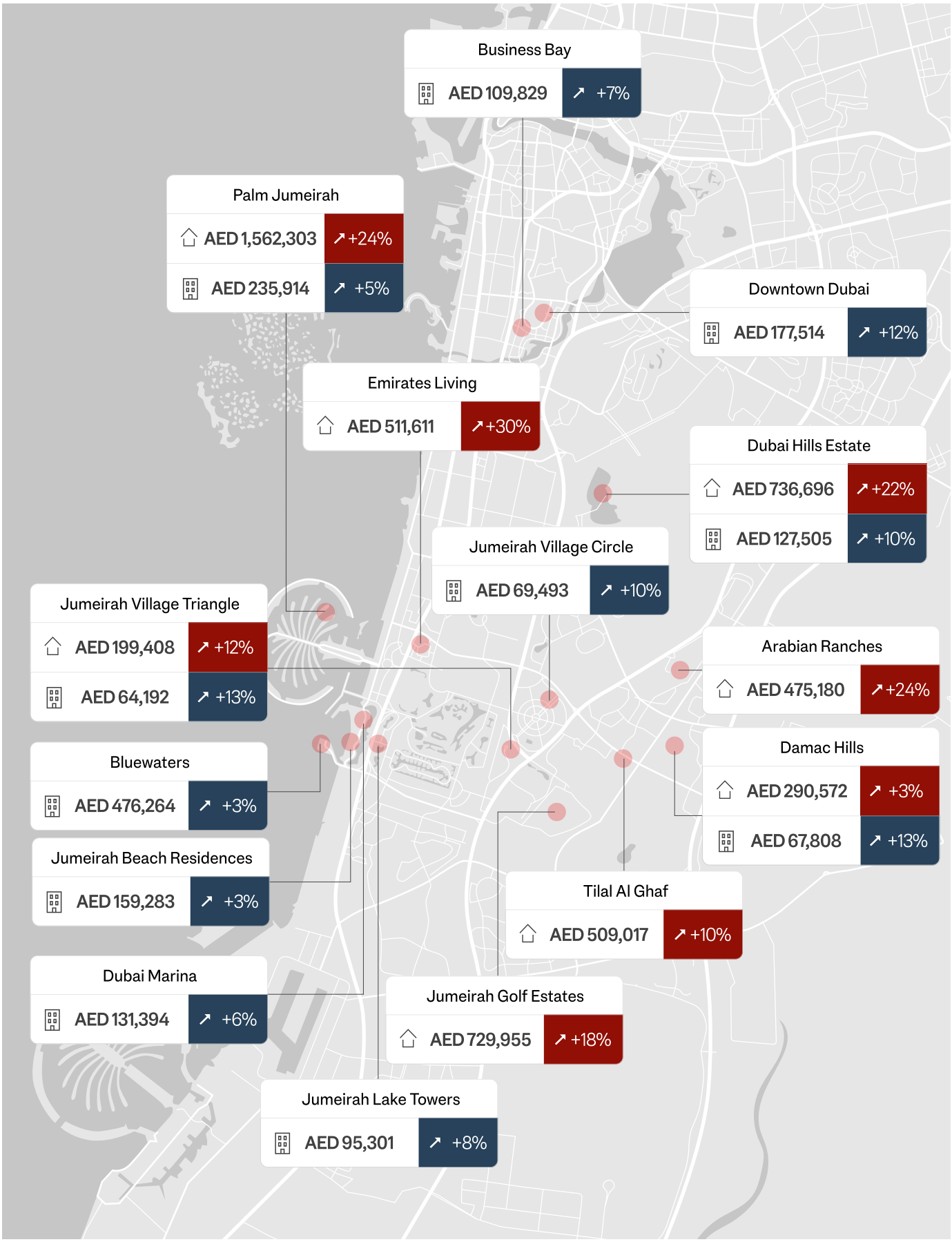


Source: Property Monitor

Average leasing prices

YOY change (AED/year) for H1 2024 vs H1 2025

◆ Villas & Townhouses ◆ Apartments



Outlook: 2025



The outlook for the second half of 2025 remains firmly positive. Dubai continues to attract international businesses, high-net-worth individuals, tourists, and top global talent, reinforcing its position as one of the world's most desirable cities to live, work, and invest.

While regional geopolitical tensions remain, current indicators suggest that Dubai is well-positioned to navigate and grow through potential disruptions, supported by its reputation for stability, security, and global neutrality. Similarly, while some global economic uncertainty persists, particularly regarding U.S. foreign policy, there is little indication of market disruption or concern about near-term economic performance in the UAE.

Dubai's fundamentals remain compelling: a growing population, a diversified economy, world-class infrastructure, and a rising reputation as a centre for innovation and entrepreneurship. The launch of the First Home Buyer Programme, backed by major developers and banks, is expected to provide further stimulus in H2, particularly among resident buyers.

With strong demand across all segments and no significant supply risks on the horizon, Dubai's residential market appears well-placed to carry its momentum into the second half of the year and beyond.

A global network with local market experts

For over 45 years, we have specialized in the brokerage of residential and commercial property in the premium segment. As a leading real estate platform, we operate across 5 continents, providing specialized local knowledge on a global scale.

> 35
COUNTRIES
Ensure our presence across five continents

> 45
YEARS
Successful in global real estate since 1977

> 200
AGENTS
Professional real estate consultants in Dubai

> 16,700
PEOPLE
Work under the brand around the world

> €1.2 Bn
REVENUE
The total turnover (gross) in 2024

> 1,000
LOCATIONS
Provide local market expertise from experts

Methodology

Our market experts have taken a holistic approach to provide a comprehensive overview of Dubai's residential real estate market for H1 2025. We have used the Property Monitor Intelligence Platform, which contains detailed DLD transaction information, alongside our internal sales and leasing data, to build a full picture of market trends and dynamics. This rigorous analysis ensures an in-depth understanding of the residential real estate market in Dubai.



Meet the team



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