



● 2025 Annual Review

# Dubai Real Estate 2025 Annual Review

A record-breaking year for Dubai real estate.

Comprehensive analysis of transactions, prices, yields, and market outlook based on official DLD data.

**AED 917B**

TOTAL VALUE

**270K+**

TRANSACTIONS

**~7%**

AVG. APT YIELD

Dubai's real estate market delivered a record-breaking performance in 2025, with total transaction values reaching AED 917 billion across more than 270,000 transactions — a roughly 20% increase year-on-year. The residential sector led the charge with over 205,000 sales transactions worth AED 540 billion. Apartment sales accounted for approximately 83% of transaction volume and 62% of total value. Price growth was broad-based but most pronounced in the affordable and mid-market segments, with apartments seeing up to 29% appreciation and villas up to 28%. Rental yields remained attractive at approximately 7% gross for apartments and 5% for villas, continuing to outperform most global gateway cities.

### TOTAL TRANSACTION VALUE

**AED 917B**

**+20% YoY**

All property types (residential + commercial)

### TOTAL TRANSACTIONS

**270,000+**

**+18% YoY**

New all-time record

### RESIDENTIAL SALES

**205,100**

**+18.3% YoY**

Apartments + villas/townhouses

### RESIDENTIAL VALUE

**AED 540B**

**+24.7% YoY**

Strongest growth in value

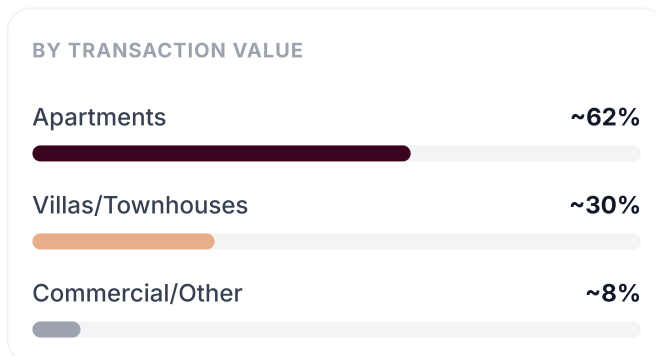
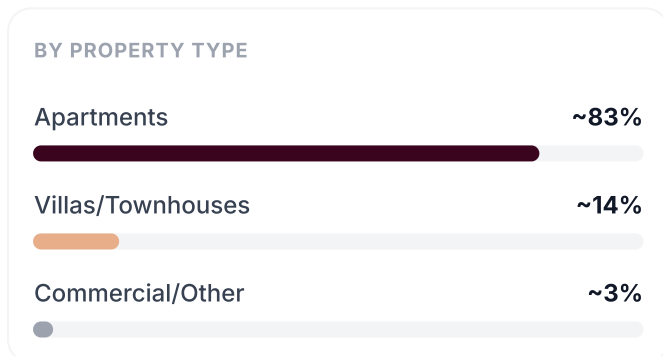
### KEY HIGHLIGHTS

- Dubai registered its highest-ever annual transaction volume and value, surpassing the 2024 record.
- Apartment prices surpassed prior-cycle (2014) highs for the first time, while villa prices are now over 200% above pandemic-era lows.
- The affordable segment saw the strongest price growth, driven by end-user demand and improved mortgage accessibility.
- Off-plan sales continued to dominate, accounting for a significant share of total transactions as developers launched new projects.
- Population growth, economic diversification, and favorable borrowing conditions were the primary demand drivers.

Dubai's property market broke all previous records in 2025. Total transactions exceeded 270,000, with residential sales alone accounting for over 205,000 deals. The first half of 2025 set the pace with 125,538 transactions worth AED 431 billion — a 26% increase in volume and 25% in value compared to H1 2024. The momentum carried through the second half, cementing 2025 as the strongest year in Dubai real estate history.

## TRANSACTION SUMMARY

Metric	2024	2025	Change
Total Transactions	~226,000	270,000+	+~20%
Total Value	~AED 760B	AED 917B	+~20%
Residential Sales	173,300	205,100	+18.3%
Residential Value	AED 433B	AED 540B	+24.7%
H1 Transactions	~99,600	125,538	+~26%
H1 Value	~AED 345B	AED 431B	+~25%



**Source:** Dubai Land Department (DLD) via DXB Interact, Bayut Annual Market Report 2025, Khaleej Times. 2024 comparative figures are estimates based on published YoY growth rates.

Prices continued their upward trajectory across all segments in 2025. The affordable segment led the gains with the highest percentage increases, driven by strong end-user demand and first-time buyers benefiting from improved mortgage conditions. Notably, apartment prices surpassed their previous cycle peak (2014) for the first time, while villa prices have more than tripled since the pandemic-era lows of 2020.



## INDICATIVE PRICES BY KEY AREAS — APARTMENTS

Area	Type	Avg. Price (AED)	AED/sq.ft	YoY
Dubai Marina	Apartment	1.2M–2.5M	1,500–2,200	+15–20%
Downtown Dubai	Apartment	1.8M–3.5M	2,000–3,000	+12–18%
JVC	Apartment	600K–1.2M	850–1,100	+22–29%
Business Bay	Apartment	1.0M–2.2M	1,400–1,900	+16–22%
JLT	Apartment	800K–1.8M	1,100–1,500	+18–24%
Dubai Hills Estate	Apartment	1.0M–2.0M	1,200–1,700	+15–20%
International City	Apartment	300K–600K	600–850	+25–29%
Palm Jumeirah	Apartment	3.0M–8.0M+	2,500–4,000+	+10–15%

**Source:** Dubai Land Department (DLD), Bayut/dubizzle Market Reports, Knight Frank Research. Prices shown as indicative ranges based on average transacted values; actual prices vary by unit size, floor, view, and condition.

Transaction volume was concentrated in established communities with strong transport links and amenity infrastructure. JVC continued its dominance as the most transacted area for apartments, while Dubai Hills Estate and Damac Hills led villa sales. The data reflects the growing preference for suburban, family-friendly communities with competitive pricing.

## TOP AREAS — APARTMENTS (BY TRANSACTION VOLUME)

#	Area	Transactions	Avg. Price	Yield
1	Jumeirah Village Circle	Highest	~AED 800K	~8.0%
2	Business Bay	Very High	~AED 1.4M	~6.5%
3	Dubai Marina	Very High	~AED 1.7M	~6.0%
4	Downtown Dubai	High	~AED 2.3M	~5.5%
5	Jumeirah Lake Towers	High	~AED 1.1M	~7.0%
6	Dubai Hills Estate	High	~AED 1.3M	~6.2%
7	International City	High	~AED 420K	~10.0%
8	Dubai South (Expo)	Moderate-High	~AED 650K	~7.5%

## TOP AREAS — VILLAS/TOWNHOUSES (BY TRANSACTION VOLUME)

#	Area	Transactions	Avg. Price	Yield
1	Dubai Hills Estate	Highest	~AED 3.5M	~5.0%
2	Damac Hills	Very High	~AED 2.2M	~5.5%
3	Arabian Ranches	High	~AED 4.0M	~4.5%
4	Town Square	High	~AED 1.5M	~6.0%
5	Villanova	Moderate-High	~AED 2.0M	~5.5%
6	Tilal Al Ghaf	Moderate	~AED 5.0M+	~4.0%

**Source:** Dubai Land Department (DLD) via DXB Interact, Bayut/dubizzle Annual Market Report 2025. Transaction volumes shown as relative rankings. Yield figures are gross estimates based on average advertised rents and sale prices.

Dubai's rental market remained robust in 2025, with strong demand across all segments. Average gross rental yields for apartments stood at approximately 7%, significantly outperforming global gateway cities like London (3–4%), New York (3–4%), and Hong Kong (2–3%). The highest yields were found in affordable communities such as International City and Discovery Gardens, while premium locations offered lower yields but stronger capital appreciation.

## APARTMENTS

**~7.0%**

Average Gross Yield

Average Annual Rent

**AED 65,000–85,000/year (1BR average)**

## VILLAS / TOWNHOUSES

**~5.0%**

Average Gross Yield

Average Annual Rent

**AED 130,000–200,000/year (3BR average)**

## TOP AREAS BY RENTAL YIELD

Area	Type	Avg. Rent (AED/yr)	Avg. Price (AED)	Gross Yield
International City	Apartment	~42,000	~420,000	~10.0%
Discovery Gardens	Apartment	~48,000	~550,000	~8.7%
Al Sufouh	Apartment	~70,000	~800,000	~8.7%
JVC	Apartment	~62,000	~800,000	~7.8%
Dubai South	Apartment	~45,000	~600,000	~7.5%
JLT	Apartment	~75,000	~1,100,000	~6.8%
Dubai Marina	Apartment	~95,000	~1,700,000	~5.6%
Downtown Dubai	Apartment	~110,000	~2,300,000	~4.8%

**Source:** Bayut/dubizzle Annual Rental Market Report 2025, Knight Frank Dubai Residential Market Review Q4 2025. Yields are gross estimates based on average advertised rents and transacted sale prices. Actual net yields will vary after deducting service charges, maintenance, and vacancy periods.

Looking ahead to 2026, the market faces a significant new supply wave with an estimated 70,000–100,000 residential units scheduled for completion. While this raises potential oversupply concerns in certain sub-markets, historical completion rates in Dubai typically fall below initial projections. Continued population growth, economic diversification, and infrastructure development are expected to absorb much of the new supply.

**70–100K**

UNITS EXPECTED IN 2026

**~5%**

UAE GDP GROWTH (IMF EST.)

**3.8M+**

DUBAI POPULATION (EST.)

## MARKET OUTLOOK



### Population Growth Continues

Dubai's population continues to grow driven by economic opportunity, favorable visa policies (Golden Visa, freelancer visas), and quality of life improvements.



### Infrastructure Investment

Ongoing metro expansion, new road networks, and community infrastructure will enhance connectivity and support property values in emerging areas.



### Price Growth Moderation Expected

After multiple years of strong growth, price increases are expected to moderate in 2026, particularly in segments that have already seen significant appreciation.



### Off-Plan Dominance to Continue

Developer incentives (post-handover payment plans, DLD fee waivers) will continue to drive off-plan demand, though buyer selectivity is increasing.



### Supply Pressure in Select Areas

Communities with heavy delivery schedules may experience temporary oversupply, leading to rental softening and slower capital appreciation in those micro-markets.

## KEY RISK FACTORS

- Global economic slowdown or geopolitical instability could reduce foreign investment inflows.
- Significant new supply delivery in 2026–2027 may create temporary oversupply in mid-market segments.
- Interest rate environment and global monetary policy changes could impact mortgage affordability.
- Concentration of demand in specific communities creates vulnerability to local oversupply.

## DATA SOURCES & METHODOLOGY

- Transaction data is sourced from the Dubai Land Department (DLD) as reported via DXB Interact and aggregated by industry platforms including Bayut/dubizzle and Property Finder.
- Price data represents average transacted values as reported by DLD and verified against Knight Frank and Bayut research publications.
- Rental yield calculations use gross methodology: annual rent divided by purchase price. Service charges, maintenance, vacancy, and agency fees are not deducted.
- Year-on-year comparisons use publicly reported figures from 2024 as the baseline. Where 2024 figures are not directly published, they are back-calculated from published growth rates.
- Area-level data is based on published rankings and ranges rather than exact figures, as community-level transaction data varies by source and methodology.
- Population and GDP estimates are from IMF World Economic Outlook and Dubai Statistics Center.

## DISCLAIMER

This report is prepared by Real Estate Club Dubai for informational purposes only. The data and analysis presented are based on publicly available information from the Dubai Land Department (DLD), DXB Interact, and other cited sources. While every effort has been made to ensure accuracy, Real Estate Club Dubai makes no representations or warranties regarding the completeness or accuracy of the information contained herein. This report does not constitute financial, investment, or legal advice. Past performance is not indicative of future results. Readers should conduct their own due diligence and consult qualified professionals before making any investment decisions. All figures are in AED unless otherwise stated.



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