



• Q1 2025 (January – March)

Dubai Real Estate Q1 2025 Review

Comprehensive quarterly analysis of Dubai property market — transactions, prices, yields, and trends for January–March 2025.

~46K

TRANSACTIONS

AED 142B

TOTAL VALUE

~60%

OFF-PLAN SHARE

Dubai's real estate market opened 2025 with sustained momentum, recording approximately 46,000 property transactions worth an estimated AED 142 billion in Q1 — a 30% increase in value and roughly 20% rise in volume compared to Q1 2024. Off-plan sales maintained a dominant ~60% market share, driven by developer incentives and a wave of new project launches. Apartment prices in popular communities averaged AED 1,400–1,500 per square foot, while prime areas such as Downtown Dubai and Palm Jumeirah exceeded AED 3,000 per square foot, confirming Dubai's position as one of the world's most active property markets.

TOTAL TRANSACTION VALUE

AED 142B

+30% YoY

All property types (residential + commercial)

TOTAL TRANSACTIONS

~46,000

+20% YoY

Strongest Q1 on record

RESIDENTIAL SALES

~38,000

+18% YoY

Apartments + villas/townhouses

OFF-PLAN SHARE

~60%

+3pp YoY

Continued off-plan dominance

KEY HIGHLIGHTS

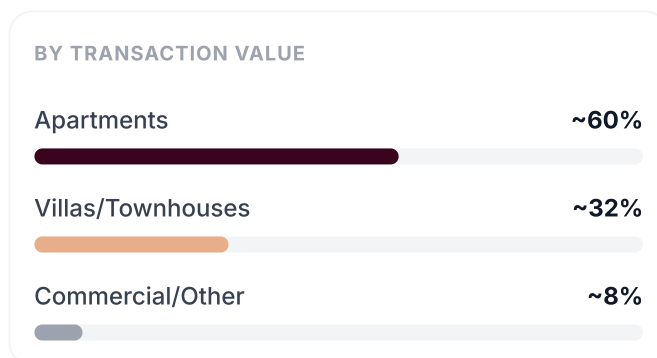
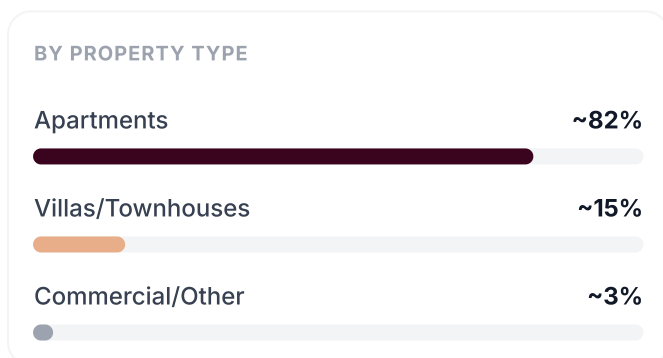
- Q1 2025 recorded approximately 46,000 transactions worth an estimated AED 142 billion — a 30% increase in value year-on-year.
- Off-plan sales maintained roughly 60% market share, driven by attractive payment plans and a wave of new project launches.
- Apartment prices averaged AED 1,400–1,500 per square foot in popular communities such as Dubai Marina, Business Bay, and Dubai Hills Estate.
- Villa demand remained strong in Dubai Hills Estate, Arabian Ranches, and DAMAC Hills, with prices rising 12–18% year-on-year.
- Gross rental yields for apartments averaged approximately 7.1%, continuing to outperform most global gateway cities.

Transaction Activity

Dubai's property market set a strong pace to start 2025, with Q1 recording approximately 46,000 transactions — a roughly 20% increase over Q1 2024's ~35,000 deals. Total transaction value reached an estimated AED 142 billion, reflecting a 30% year-on-year jump driven by rising unit prices and increased activity in higher-value segments. Off-plan transactions accounted for approximately 60% of total volume, supported by competitive payment structures from major developers.

TRANSACTION SUMMARY

Metric	Q1 2024	Q1 2025	Change
Total Transactions	~35,000	~46,000	+~31%
Total Value	~AED 108B	~AED 142B	+~31%
Residential Sales	~29,000	~38,000	+~31%
Off-Plan Transactions	~19,600	~27,600	+~41%
Ready/Secondary Sales	~15,400	~18,400	+~19%
Avg. Transaction Value	~AED 3.1M	~AED 3.1M	~0%



Source: Dubai Land Department (DLD) via DXB Interact, Bayut Q1 2025 Market Report, Knight Frank Research. Q1 2024 comparative figures are estimates based on published YoY growth rates.

Price Trends

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Dubai Real Estate Market — Q1 2025 Review — Q1 2025 (January – March)

Sales prices continued their upward trajectory across all segments in Q1 2025, with the affordable segment recording the strongest percentage gains. Apartment prices in popular communities averaged AED 1,400–1,500 per square foot, while premium locations commanded AED 2,000–3,200+ per square foot. Villa prices in sought-after communities like Dubai Hills Estate and Arabian Ranches appreciated 12–18% year-on-year, driven by limited ready supply and sustained end-user demand.



INDICATIVE PRICES BY KEY AREAS — APARTMENTS

Area	Type	Avg. Price (AED)	AED/sq.ft	YoY
Dubai Marina	Apartment	1.1M–2.3M	1,450–2,100	+14–19%
Downtown Dubai	Apartment	1.7M–3.2M	1,950–2,850	+12–17%
JVC	Apartment	550K–1.1M	850–1,100	+20–25%
Business Bay	Apartment	950K–2.0M	1,350–1,800	+15–20%
JLT	Apartment	750K–1.6M	1,050–1,400	+16–22%
Dubai Hills Estate	Apartment	900K–1.8M	1,200–1,600	+14–18%
International City	Apartment	280K–550K	580–820	+22–27%
Palm Jumeirah	Apartment	2.8M–7.5M+	2,500–3,800+	+10–14%

Source: Dubai Land Department (DLD), Bayut/dubizzle Q1 2025 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.

Top Performing Areas

JVC retained its position as the most transacted community for apartments in Q1 2025, driven by relative affordability and attractive gross yields exceeding 8%. Business Bay and Dubai Marina followed closely, appealing to a mix of end-users and investors. For villas, Dubai Hills Estate led in both volume and price appreciation, while Arabian Ranches and DAMAC Hills attracted sustained buyer interest from families seeking established communities.

TOP AREAS — APARTMENTS (BY TRANSACTION VOLUME)

#	Area	Transactions	Avg. Price	Yield
1	Jumeirah Village Circle	Highest	~AED 780K	~8.2%
2	Business Bay	Very High	~AED 1.35M	~6.6%
3	Dubai Marina	Very High	~AED 1.55M	~6.1%
4	Downtown Dubai	High	~AED 2.2M	~5.4%
5	Dubai Hills Estate	High	~AED 1.15M	~6.3%
6	Jumeirah Lake Towers	High	~AED 1.0M	~7.1%
7	International City	High	~AED 400K	~10.0%
8	Dubai South (Expo)	Moderate-High	~AED 575K	~7.7%

TOP AREAS — VILLAS/TOWNHOUSES (BY TRANSACTION VOLUME)

#	Area	Transactions	Avg. Price	Yield
1	Dubai Hills Estate	Highest	~AED 3.4M	~5.1%
2	DAMAC Hills	Very High	~AED 2.1M	~5.5%
3	Arabian Ranches	High	~AED 3.9M	~4.6%
4	Town Square	High	~AED 1.45M	~6.0%
5	Villanova	Moderate-High	~AED 2.0M	~5.5%

Source: Dubai Land Department (DLD) via DXB Interact, Bayut/dubizzle Q1 2025 Market Report. 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 Q1 2025, with steady tenant demand across all segments. Average gross rental yields for apartments stood at approximately 7.1%, significantly outperforming global gateway cities such as London (3–4%), New York (3–4%), and Hong Kong (2–3%). The highest yields were concentrated in affordable communities, while premium locations offered lower yields but stronger capital appreciation potential. Rental demand was supported by continued population growth, corporate relocations, and a strong jobs market.

APARTMENTS

~7.1%

Average Gross Yield

Average Annual Rent

AED 60,000–80,000/year (1BR average)

VILLAS / TOWNHOUSES

~5.0%

Average Gross Yield

Average Annual Rent

AED 125,000–190,000/year (3BR average)

TOP AREAS BY RENTAL YIELD

Area	Type	Avg. Rent (AED/yr)	Avg. Price (AED)	Gross Yield
International City	Apartment	~40,000	~400,000	~10.0%
Discovery Gardens	Apartment	~46,000	~525,000	~8.8%
JVC	Apartment	~62,000	~780,000	~7.9%
Dubai South	Apartment	~44,000	~575,000	~7.7%
JLT	Apartment	~72,000	~1,000,000	~7.2%
Dubai Marina	Apartment	~92,000	~1,550,000	~5.9%
Business Bay	Apartment	~78,000	~1,350,000	~5.8%
Downtown Dubai	Apartment	~105,000	~2,200,000	~4.8%

Source: Bayut/dubizzle Q1 2025 Rental Market Report, Knight Frank Dubai Residential Market Review Q1 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.

The outlook for the remainder of 2025 is broadly positive, underpinned by strong economic fundamentals, population growth, and continued global investor interest. An estimated 45,000–55,000 residential units are scheduled for delivery during 2025, though actual completion rates historically fall 30–40% below projections. Transaction volumes are expected to remain elevated, with full-year 2025 projections exceeding 2024 levels.

45–55K

UNITS EXPECTED IN 2025

~5%

UAE GDP GROWTH (IMF EST.)

3.7M+

DUBAI POPULATION (EST.)

MARKET OUTLOOK



Strong Population Growth

Dubai's population continues to grow driven by Golden Visa uptake, corporate relocations, and quality of life improvements — supporting sustained housing demand.



Global Investor Appetite

International buyers from India, Russia, UK, and China continue to view Dubai as a safe haven with attractive yields and no income tax.



Off-Plan Dominance to Continue

Developer incentives including 60/40 and 70/30 post-handover payment plans will continue to drive off-plan demand throughout 2025.



Price Growth May Moderate

After sustained price appreciation, gains are expected to moderate in H2 2025 as affordability constraints emerge in some segments.



Supply Pressure in Select Areas

Communities with heavy delivery schedules may experience temporary oversupply, leading to rental softening and slower capital appreciation.

KEY RISK FACTORS

- New supply pipeline of 45,000–55,000 units may create localized oversupply in mid-market segments.
- Price appreciation outpacing rental growth could compress yields further in premium locations.
- Global interest rate uncertainty affecting mortgage-dependent purchases.
- Geopolitical tensions in the wider MENA region impacting investor sentiment.

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 Q1 2024 figures as the baseline. Where exact 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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