YOUR PROPERTY, OUR PASSION

THE CREW

PROPERTY MANAGEMENT SERVICES

DUBAI REAL ESTATE MARKET REPORT: H1 2026

A Phase of Structural Maturity and Resilient Calibration

EXECUTIVE SUMMARY

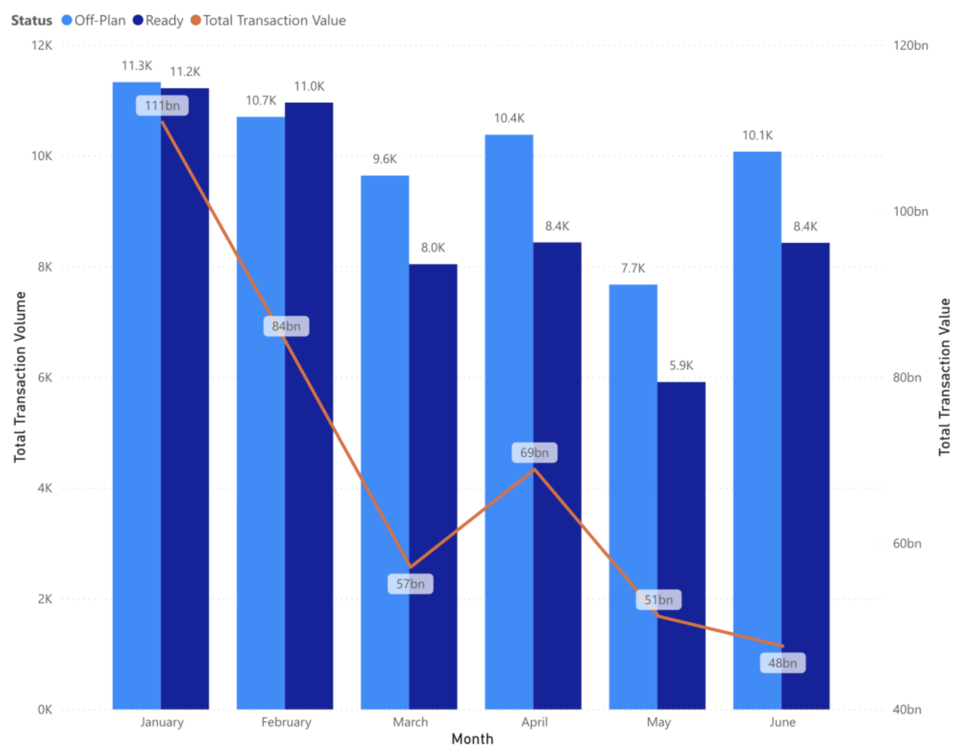
The first half of 2026 represents a pivotal transition for the Dubai real estate market. Moving away from the hyper-growth cycle of 2022–2025, the sector has entered a phase of strategic maturity. While aggregate transaction values reflect a controlled calibration compared to historic peaks, the market has demonstrated remarkable structural resilience.

Despite regional macroeconomic adjustments in Q1 2026 that introduced a temporary "wait-and-see" sentiment, the market rebounded swiftly in Q2. Current dynamics indicate a decisive shift from speculative volume to quality-driven, alpha-focused investment—supported by strong demographic tailwinds and deep institutional integration.

KEY PERFORMANCE INDICATORS (H1 2026)

- Total Market Turnover: AED 419.64 Billion across 112.77k total transactions
- Total Sales Value: AED 286.26 Billion across 85.95k deals
- Ready Property Value: AED 276.47 Billion across 52.98k deals
- Off-Plan Property Value: AED 143.17 Billion across 59.79k deals
- Foreign Capital Inflows: AED 148.35 Billion (+26% YoY) anchored by 30k+ first-time international buyers
- Institutional Banking Support: AED 102 Billion across 22k+ mortgage transactions

DUBAI TRANSACTION TREND (H1 2026)



TRANSACTION LANDSCAPE

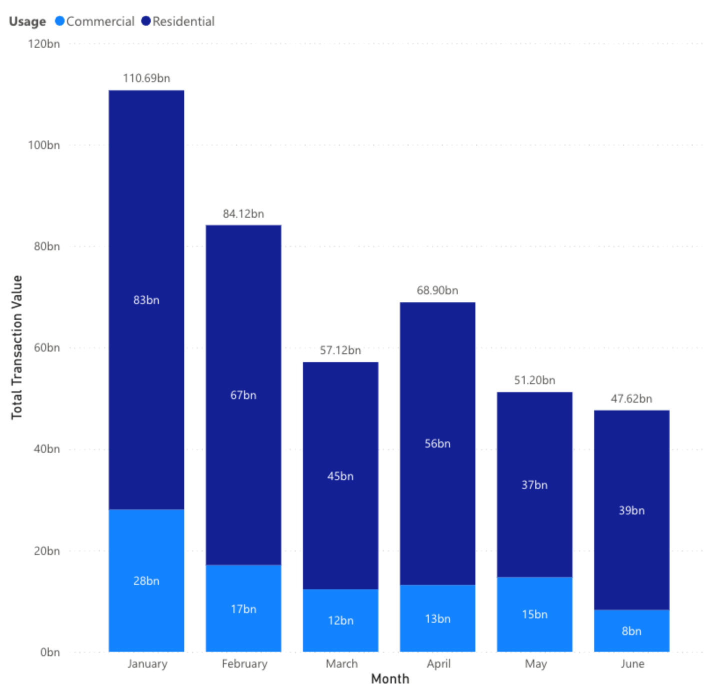
MACRO MOMENTUM & MONTHLY PATTERNS

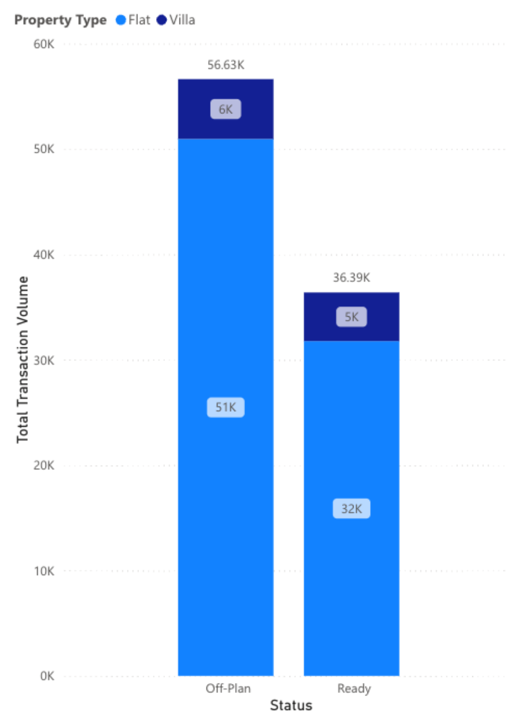
- The H1 2026 narrative is defined by a macro cycle of normalization and resilient calibration. January commenced with significant momentum, but the market faced a localized stress test in Q1. Regional geopolitical tensions and a broader global shift in monetary policy expectations contributed to a temporary contraction, bottoming out through the spring.
- However, the subsequent activity pattern reflects broad institutional absorption. This cyclicality is vital for stakeholders to understand: Dubai’s market now reacts rationally to global events, displaying a "safe-haven" quality that allows it to decouple from short-term geopolitical noise. Unlike the 2022–2023 period, where growth felt uniform, 2026 is a market of selection, where buyer discipline and financing sensitivity are becoming the primary drivers of deal velocity.

ASSET CATEGORIES: OFF-PLAN VERSUS COMPLETED

The structural bifurcation between off-plan and ready properties remains a core pillar of the current landscape:

- Off-Plan Volume Lead: 59.79k transactions worth AED 143.17 billion underscore the success of developer payment plans in absorbing mid-market demand. Residential off-plan is heavily led by flats (51k deals) compared to villas (6k deals).
- Ready Asset Value Floor: 52.98k transactions generating AED 276.47 billion in value confirm that institutional investors and high-net-worth individuals (HNWIs) anchor core capital in established assets. Residential ready inventory comprises 32k flat deals and 5k villa deals.





WEALTH DISTRIBUTION & INVENTORY STRUCTURE

LIQUIDITY AND BANKING DEPLOYMENT

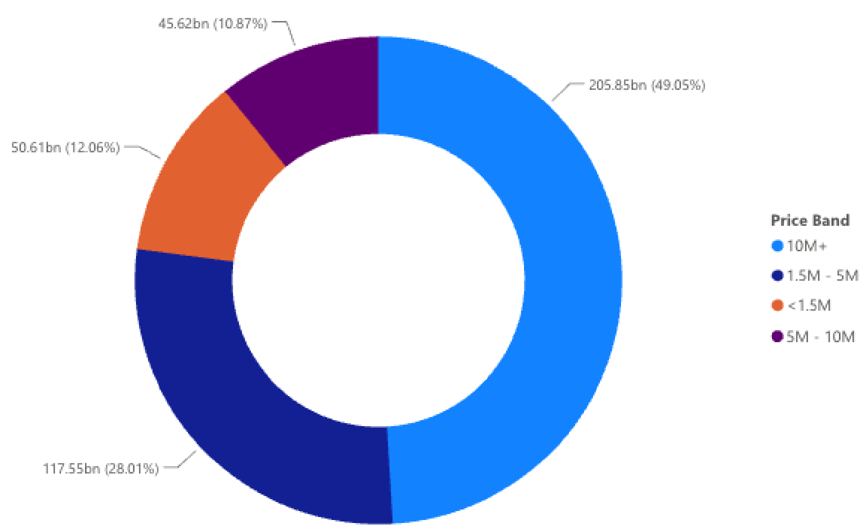
A core hallmark of the H1 2026 market is the powerful dual engine of un-leveraged cash and institutional credit. Traditional bank lending contributed AED 102 billion across more than 22,000 mortgage deals, proving that credit-vetted buyers remain central to market velocity. Simultaneously, the heavy share of outright cash deployment highlights global wealth looking to Dubai as a secure wealth-preservation sanctuary.

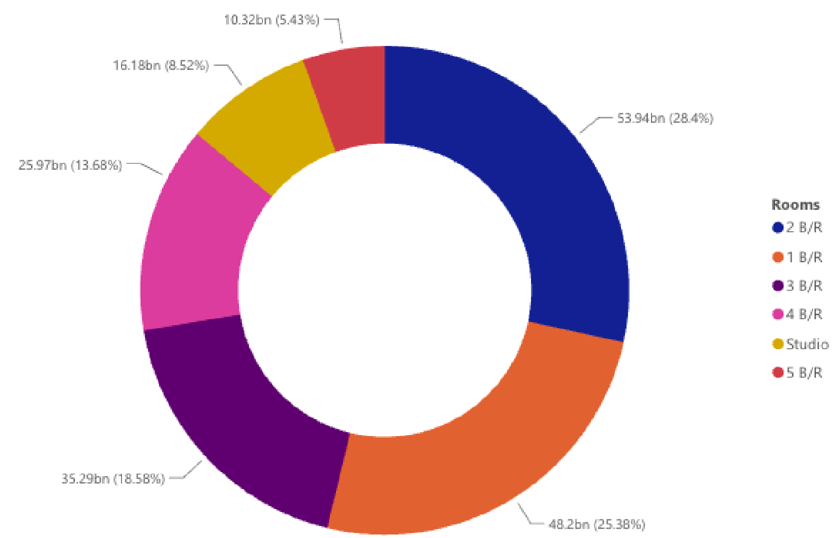
PRICE BAND DISTRIBUTION

- The most crucial insight for any stakeholder is the price band distribution. With AED 205.85 billion—nearly 50% of the market value—concentrated in the 10M+ segment, the luxury market acts as a structural shock absorber.
- Even if the mid-market experiences localized price stabilization due to supply inflows, the ultra-prime segment remains insulated, supported by global wealth migration and limited supply in core districts like Palm Jumeirah and Jumeirah Bay.

ASSET CLASS & BEDROOM BREAKDOWN

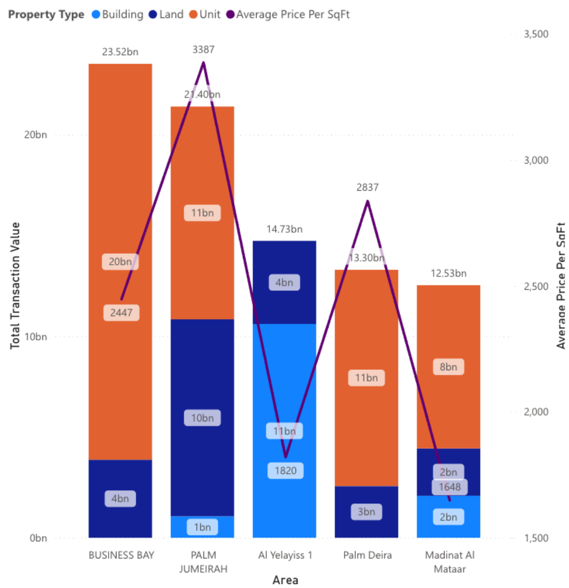
- The distribution of properties across asset classes (Building: AED 38.71B | Land: AED 198.2B | Units: AED 182.74B) reveals deep institutional confidence. The massive allocation to land indicates that developers are aggressively banking inventory for the 2027–2030 project cycles.
- Regarding bedroom types, the dominance of 1BR (38.84k) and 2BR (25.42k) units confirms that Dubai's residential market is fundamentally underpinned by a growing professional expat population. This is not a market driven by idle holiday homes; it is driven by the 4-million-plus resident demographic that requires functional, commute-friendly living.



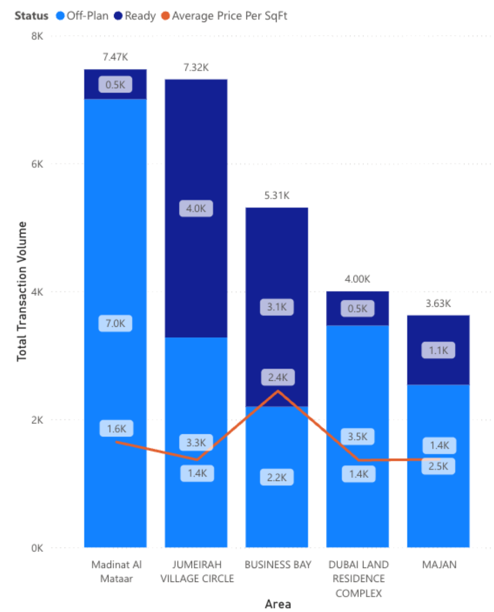


TOP AREAS & PRICE PERFORMANCE

HIGHEST PERFORMING AREAS – BY SALES VALUE (H1 2026)



AREAS WITH HIGH SALES VOLUME (TRANSACTION COUNT)



MARKET STRATIFICATION: THE PRICE-PER-SQFT HIERARCHY

The H1 2026 data reveals a clear tiered market structure. We categorize these into three performance tiers, which serve as a guide for risk-adjusted investment:

Market Tier	Representative Areas	Avg. Price (AED/SqFt)	Investment Logic
Ultra-Prime	Island 2, Jumeirah Second, Jumeirah Bay	AED 6,051 – 12,424	Scarcity-led; absolute capital preservation.
Core Prime	Business Bay, Palm Jumeirah, Dubai Marina	AED 2,447 – 4,203	High liquidity; central business utility & luxury yield.
Growth/Mass	Madinaat Al Mataar, Al Yelayiss 1, Palm Deira	AED 1,648 – 2,837	Volume-driven absorption corridors; infrastructure upside.

This broad pricing spectrum—from AED 1,648 in Madinaat Al Mataar up to AED 12,424 in Island 2—reflects a healthy, multi-dimensional ecosystem catering to everyone from institutional land-bankers to retail end-users.

MARKET EVOLUTION & H2 2026 OUTLOOK

THE SHIFT TO ALPHA: THE 2022–2025 VS. 2026

- Evaluating 2026 requires looking back at the preceding era. Between 2022 and 2025, Dubai operated as a "Beta" market where rising tides elevated every asset uniformly.
- Today, the environment has shifted to an "Alpha" market. The phase of purchasing any speculative off-plan layout expecting automatic double-digit gains has passed. Official registry data reveals that purchasers now meticulously assess construction standards, parking provisions, public transit access, and service overheads. Furthermore, foreign capital reaching AED 148.35 billion via nearly 30,000 first-time international buyers proves that demand is anchored by organic global wealth migration instead of short-term speculation.

STRATEGIC DIRECTIONS FOR H2 2026

The second half of the year favors participants pivoting away from speculative flipping toward professional asset management, guided by two main imperatives:

- Strict Developer Selectivity
  - Amid a substantial delivery pipeline, investors must back master developers with unblemished execution records inside established, supply-restricted micro-markets.
- Operational Efficiency
  - As rental appreciation levels out, properties backed by institutional property management will outperform secondary alternatives by meeting rising tenant demands for maintenance and amenities.

CONCLUSION

- Dubai's real estate sector is successfully cementing its transition into a mature, resilient global hub. Registering AED 419.64 billion in overall turnover, it retains its position as the region's most transparent investment destination. For buyers and builders alike, the rulebook for late 2026 is unambiguous: prioritize liquidity, verify delivery track records, and target residential spaces tailored to the foundational professional workforce. The focus has decisively shifted from sheer volume growth to long-term asset resilience.
- Data Disclaimer: This overview relies on primary registration records from the Dubai Land Department (DLD) for H1 2026.