



# The Big Short

EPISODE 6

Dubai Real Estate Is Turning Red  
– The Great Slowdown Begins



Sources: Dubai Chronicle (Sterling Capital Real Estate), Construction Week, Property Monitor (Zhann Jochinke – LinkedIn), OfferBrief (LinkedIn data visual)

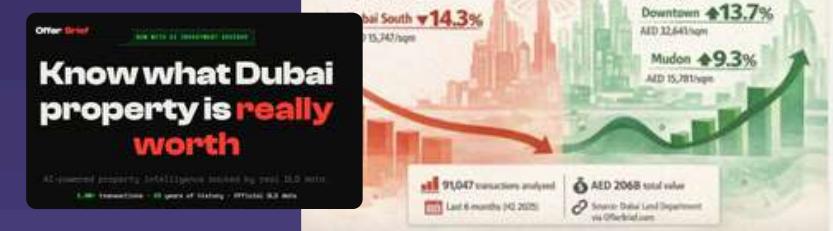
# THE DUBAI PROPERTY BOOM IS OVER! PRICES ARE COOLING AND SUPPLY IS FLOODING IN

Property Monitor COO Zhann Jochinke

- Describes current conditions as a shift from “acceleration to absorption.”
- *“Prices are cooling, volumes remain strong, and supply is expanding rapidly; clear signs of a market moving from acceleration to absorption”*

## LinkedIn post Quoting Offer Brief. Buyers' Market

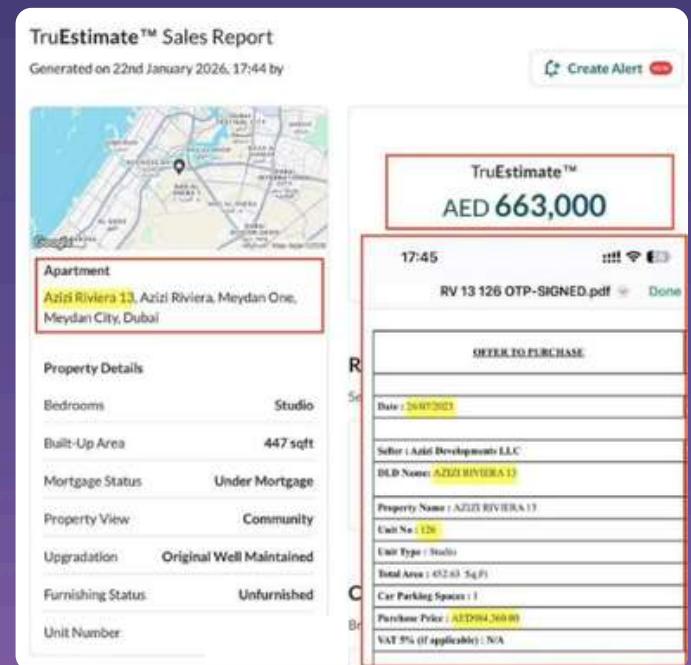
- Dubai Marina: **-10.7%** (AED 26,603/sqm)
- Dubai South: **-14.3%** (AED 15,747/sqm)



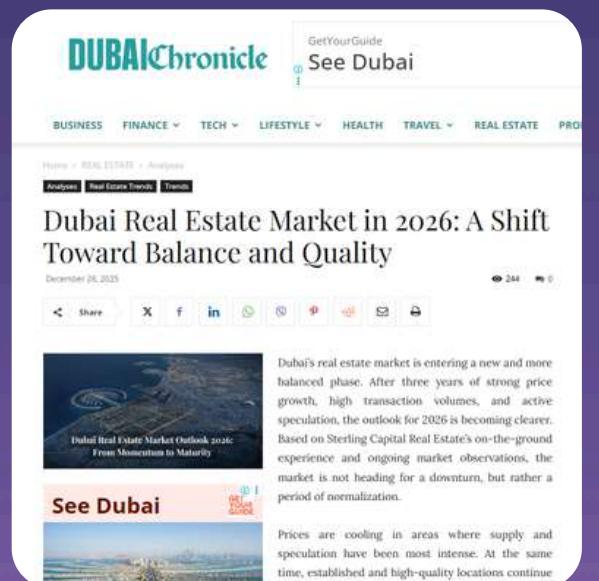
Source: OfferBrief.com

## Azizi Riviera Studio Value -32.6%:

- Purchase Price: AED 984K
- Post Purchase Valuation: AED 663K



Source: TruEstimate



Source: Dubai Chronicle



Source: Construction Week





## Dubai Real Estate Market | Sales Value & Volume

Sources: Property Monitor December 2025 Report & AirDXB Q4 2025 Report

# THE MARKET IS BLEEDING DUBAI REAL ESTATE TURNS RED

According to Property Monitor December 2025 Report:

- The Dynamic Price Index fell **-0.17%** in December after **-0.42%** in November to AED 1,673 per sq ft.
- Property Monitor December Report also reports a **-0.46%** quarter-on-quarter change, confirming softening momentum

AirDXB Q4 2025 Report:

- **Q3 → Q4 2025:** Transaction volumes declined **-3.4%**, confirming softer quarter-end activity

AirDXB Q4 2025 Report Two-Year Q4 Comparison:

- **Transaction volume growth:** **-74%** (Q4 '23-'24 vs Q4 '24-'25)
- **Transaction value growth:** **-25%** (Q4 '23-'24 vs Q4 '24-'25)



Source: Property Monitor December Report



Source: AirDXB Q4 2025 Report, data sourced from Property Monitor



Source: AirDXB Q4 2025 Report, data sourced from Property Monitor



Sources: REIDIN - Data Analytics

## ACTUAL SALES ONLY ACCOUNT FOR 57.3% OF TOTAL RESALE VALUE

Reidin debt and rebirth report examined the mortgage market and refinancing in ready (resale) sales. While headlines tout record numbers for sales, the numbers beneath the surface tell a different story.

- Headlines Jan - Oct 2025 claimed total ready (resale) sales value of **AED 220.7B**
- But this figure includes **AED 20.3B** in gift transactions – properties transferred with no money changing hands
- It also double-counts mortgages: one property can be counted as both a resale unit and additionally as a mortgage unit
- After removing gifts and double counting, real ready (resale) sales totalled AED 126.46B – **42.7%** lower than reported

Nearly half of “record-breaking” secondary market activity wasn’t real transaction value



Source: Debt and Rebirth Report Reidin



## What Other Market Reports Say About Sales Volume & Value

Sources: Espace H2 2025 Report, REIDIN, Betterhomes Q3 Report, Knight Frank Q3 Report

### Knight Frank – Q3 2025 Dubai Residential Market Review

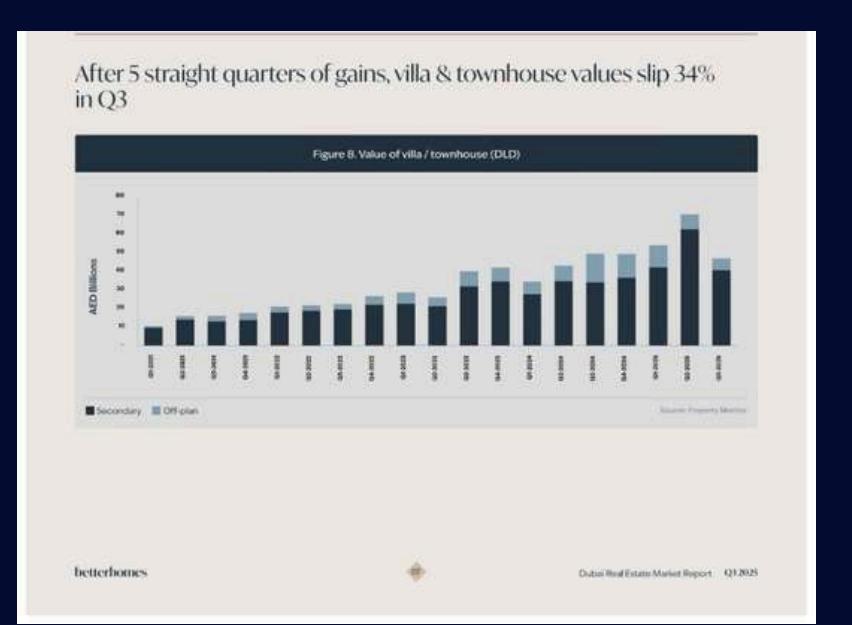
6 villa estates recorded price declines over the last 3 months:

- Al Barari **-4.8%**
- Al Furjan **-0.2%**
- Arabian Ranches **-2.7%**
- Dubai Hills **-6.4%**
- Dubai South **-2.9%**
- Expo City **-3.8%**



### Betterhomes – Q3 2025 Report

- After five consecutive quarters of gains,
- Villa and townhouse values declined by **34%** in Q3 2025.
- Reinforces early signs of pricing pressure in larger-ticket segments.
- Market Insight (Industry Commentary)



### Senior sales leaders note that agents

*"who have only worked in a rising market (2020 onward) will now need to adapt, as the market shifts from momentum-driven to skill-driven real estate."*

Source: LinkedIn





## Property Monitor (December Report), Espace Real Estate (H2 2025 Report), Construction Week (Takeem – Rakesh, CEO & Founder)

### According to Property Monitor (December Report):

- Off-plan activity strengthened into year-end, reaching a **73.3%** adjusted market share, further outweighing resale activity.

### According to Property Monitor (December Report):

- Resale transactions totalled **5,233** in December, down **-1.8%** M-o-M, with resale accounting for **28.2%** of total market transactions.

### According to Espace Real Estate (H2 2025 Report):

#### Total Sales Across The Secondary Market

#### VALUE AED 117B

- +9%** increase when compared to H2 2024
- 17%** decrease when compared to H1 2025

#### VOLUME 32,301

- 1%** decrease when compared to H2 2024
- 13%** decrease when compared to H1 2025

← Volume reveals real market participation and liquidity!

### According to Espace Real Estate (H2 2025 Report):

- Secondary market volume reached **32,301** transactions, down **-1%** year-on-year and **-13%** compared to H1 2025, signalling softer liquidity.

### According to Rakesh, CEO & Founder of Takeem (via Construction Week):

- When non-economic transactions such as refinancing, family transfers, and internal restructurings are excluded, **secondary-market activity has declined year-on-year for two consecutive quarters**, indicating a recalibration following several years of rapid growth.





Sources: **Espace Real Estate H2 2025 Report**

## LETS BREAK THIS DOWN BY AREAS IN DUBAI AND PROPERTY TYPE:



### Key areas resale apartments in the red

- Downtown Dubai **-17%**
- Dubai Marina **-29%**
- Palm Jumeirah **-20%**
- JBR **-9%**

Community	No. of Transactions			% Increase/Decrease
	2024		2025	
Bluewaters Island	41	50		▲ +22%
City Walk	108	92		▼ -15%
Downtown Dubai	1134	946		▼ -17%
Dubai Marina	1579	1119		▼ -29%
Emaar Beachfront	145	165		▲ +14%
JBR	337	308		▼ -9%
JLT	794	617		▼ -22%
JVC	2425	2841		▲ +17%
Palm Jumeirah	517	414		▼ -20%
The Greens	201	181		▼ -10%
The Views	153	110		▼ -28%
<b>TOTAL</b>	<b>7434</b>	<b>6843</b>		▼ -8%

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Community	No. of Transactions			Average Sales Price		
	2024	2025	% Increase/Decrease	2024	2025	% Increase/Decrease
Al Furjan	379	305	▼ -20%	AED4,768,401	AED5,685,295	▲ +19%
Arabian Ranches	197	185	▼ -6%	AED6,746,311	AED8,165,052	▲ +21%
Arabian Ranches 2	89	66	▼ -26%	AED5,191,425	AED6,138,886	▲ +18%
Arabian Ranches 3	158	149	▼ -6%	AED3,914,335	AED4,792,458	▲ +22%
Damac Hills	288	239	▼ -17%	AED5,603,374	AED5,931,372	▲ +6%
Dubai Hills Estate	243	246	▲ +1%	AED14,557,609	AED16,518,568	▲ +13%
Emaar South	450	355	▼ -22%	AED5,268,588	AED3,107,564	▼ -41%
Emirates Hills	36	17	▼ -53%	AED51,726,119	AED77,551,941	▲ +50%
Green Community	42	34	▼ -19%	AED5,846,426	AED7,814,938	▲ +24%
Jumeirah Golf Estates	122	182	▲ +49%	AED11,264,421	AED10,406,748	▼ -8%
Jumeirah Islands	57	57	0%	AED19,589,553	AED23,366,219	▲ +19%
Jumeirah Park	116	91	▼ -22%	AED7,838,665	AED9,660,275	▲ +23%
Mirdif Reem	83	57	▼ -31%	AED3,164,619	AED3,532,474	▲ +12%
Mirdif	98	221	▲ +126%	AED3,471,929	AED3,913,051	▲ +13%
Palm Jumeirah	116	70	▼ -40%	AED37,093,776	AED43,444,714	▲ +17%
The Lakes	47	25	▼ -47%	AED9,162,128	AED10,406,600	▲ +14%
The Meadows	95	62	▼ -35%	AED9,709,197	AED11,471,516	▲ +18%
The Springs	248	227	▼ -8%	AED3,992,705	AED4,435,043	▲ +11%
Tilal Al Ghaf	173	232	▲ +34%	AED13,318,162	AED12,511,981	▼ -6%
Town Square	202	240	▲ +19%	AED2,524,583	AED2,912,497	▲ +15%
Victory Heights	90	63	▼ -30%	AED5,692,628	AED8,671,905	▲ +52%
<b>TOTAL</b>	<b>3319</b>	<b>2923</b>	<b>▼ -12%</b>			

Source: ESPACE H2 2025 Report

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Source: ESPACE H2 2025 Report

Key villa communities also in the red for resale

- All of the Arabian Ranches: with Arabian Ranches 2 a massive **-26%**
- Emaar south which is the next big area down a whopping **-66%**
- Palm Jumeirah **-40%**
- Emirates Hills **-35%**

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## Early Warning Signals | Key Indicators the Market Was Shifting (2025)

**Sources: Property Monitor, Allsopp & Allsopp (Q1 2025), Cavendish Maxwell, Betterhomes, DXB Interact, ValueStrat**

### SALES VOLUME

#### According to Property Monitor:

- Sales volume declined **-26%** between October 2024 and March 2025, marking one of the earliest signs of slowing momentum (Episode 1).

#### According to Property Monitor:

- January 2025 recorded a **-4.95%** month-on-month decline in sales volume, reinforcing early softening (Episode 1).

#### According to Betterhomes (Q1 2025 Report):

- Sales volume fell **-10%** quarter-on-quarter in Q1 2025 (Episode 2).

### SALES VALUE

#### According to Allsopp & Allsopp (Q1 2025 Report):

- Total sales value declined **-2%** quarter-on-quarter in Q1 2025, indicating pricing pressure beginning to emerge (Episode 2).



### POPULATION VS RENTAL DEMAND DISPARITY

#### According to ValueStrat (H1 2025):

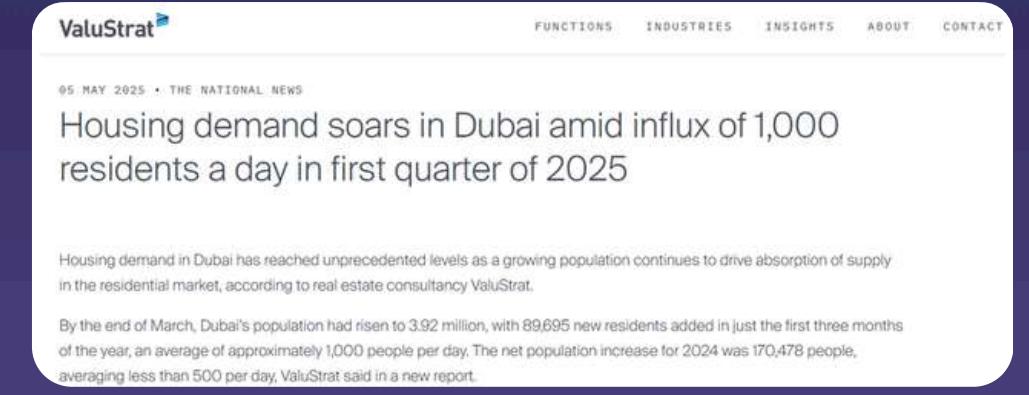
- Dubai's population continued to grow at approximately 1,000 new residents per day.

#### According to Property Monitor:

- Long-term rental contracts declined **-43%** between October 2024 and April 2025, highlighting a widening gap between population growth and rental absorption (Episode 1).

#### According to Cavendish Maxwell (H1 2025):

- Transaction split showed **70%** off-plan (64.5k) versus **29%** ready properties (27.4k), pointing to weakening secondary-market depth.





## Early Warning Signals | Key Indicators the Market Was Shifting (2025)

**Sources: Property Monitor, Allsopp & Allsopp (Q1 2025), Cavendish Maxwell, Betterhomes, DXB Interact, ValueStrat**

### LONG-TERM RENTALS

#### According to Betterhomes:

- Listed rental properties increased +54% in Q1 2025 vs Q1 2024, signalling rising supply (Episode 2).

#### According to Cavendish Maxwell (Q1 2025):

- Renewals accounted for 70.1% of contracts, up from 61.1% in Q4 2024, indicating reduced tenant mobility.

#### According to Allsopp & Allsopp (Q1 2025 Report):

- Long-term rental transaction volume declined **-14%** quarter-on-quarter (Episode 2).

#### According to Espace Real Estate (H1 Report):

- Rental values across villas, townhouses, and apartments declined year-on-year, which we described as the "freefall of long-term rentals" (Episode 3).

### LAUNCHES & HANDOVERS

#### According to DXB Interact:

- Over 66,000 properties were launched in H1 2025 (Episode 2).

#### According to Allsopp & Allsopp (H1 Report):

- A widening supply imbalance emerged, with nearly 5 units entering the market for every 1 unit launched, intensifying absorption pressure (Episode 3).



## THE OUTLIERS THAT SKEW THE DATA

### Sources: Gulf News, Property Monitor

December's highest recorded transaction was a 6-bedroom apartment at Bugatti Residences by Binhatti, Business Bay, selling for AED 550M an exceptional, ultra-luxury outlier.

In contrast, Property Monitor's 2025 data shows that the bulk of market activity is concentrated in the mid-to-low segment:

- **20.9%** of transactions were studios
- **37.2%** were 1-bedroom units
- **48.7%** of all transactions were priced below AED 1.5M

**Key takeaway:** While landmark luxury deals capture headlines, market depth and liquidity in 2025 are driven by lower-mid market transactions, dominated by smaller, more affordable units.



## GULF NEWS

### BUSINESS

BANKING & INSURANCE AVIATION PROPERTY TAX NEWS CORPORATE TAX ANALYSIS

Business / Property

### Dubai: Penthouse at Bugatti Residences by Binhatti sells for record Dh550 million

This is the highest price ever paid for a penthouse in the Middle East.

Last updated: December 12, 2025 | 22:30

Karishma H. Nandkeolyar, Assistant Online Editor

2 MIN READ



Supplied

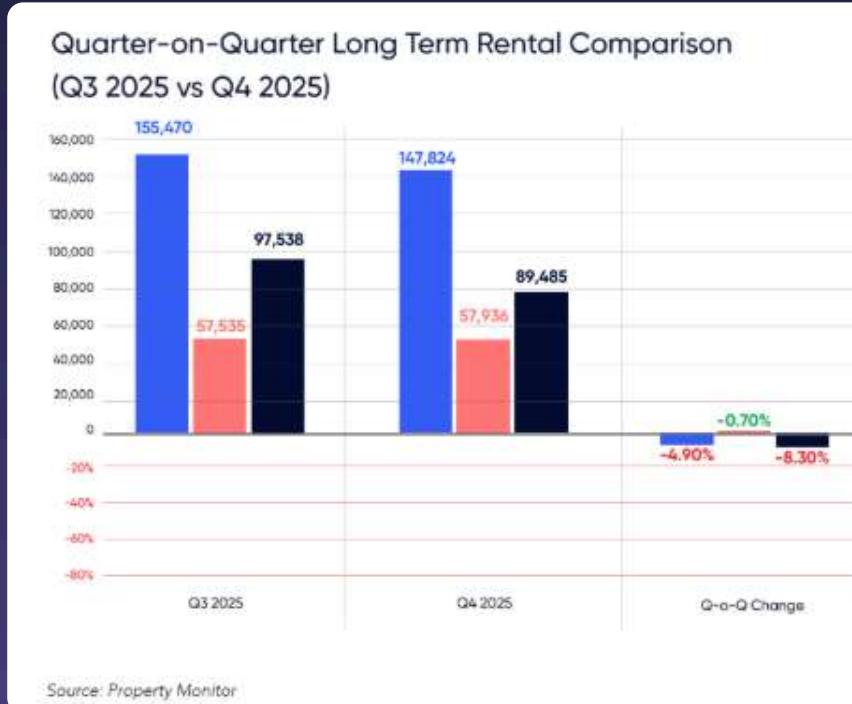
The Bugatti Residences in Business Bay has set a new record, with a penthouse selling for Dh550 million — the highest price ever achieved for such a property in both Dubai and the Middle East, signalling significant shifts within the city's premium real estate sector.

Executed under the direction of Binhatti's Chief Sales Officer Abdullah Binhatti, the transaction has also set a new maximum in Business Bay for price per square foot — Dh11,650. The sale underscores the city's influence in global luxury real estate circles.



## Sources: Property Monitor, Espace, Constructionweek

Property Monitor shows year-on-year and quarter-on-quarter declines across total contracts and renewals, with new leasing offering only limited relief.



Source: Property Monitor, with additional analysis in the AirDXB Q4 Report



Opinion: UAE rents aren't the real problem, risk is

By Rakesh Manek, Co-Founder And CEO Of Talasem

January 19, 2025

**F**or years, the rental conversation in the UAE has been dominated by a single narrative of rising rents and unstoppable demand. It does make for catchy headlines, but it misses the real problem. The most significant structural issue in the rental market today isn't pricing; it's frustration, which runs through the entire ecosystem, from tenants to landlords and agents alike. Rent is the single largest annual expense for most residents. Yet, paying it remains one of the least satisfactory financial interactions people experience. It is manual, rigid, time-consuming, and unnecessarily stressful. Large upfront payments are still the norm. Landlords feel exposed, tenants feel trapped, and agents waste time showing the same properties repeatedly. This means navigating paperwork and uncertainty, only to see deals fall apart late in the process. In a country known for efficiency, renting still feels stuck in another era.

What's also missing from the popular narrative is a clear distinction between rental demand and activity in the secondary sales market. We examine the secondary market to test the assumption that increased purchases offset the decline in rental demand. When distortions are stripped out, that narrative does not hold.

We examine the secondary market to test the assumption that increased purchases offset the decline in rental demand. When distortions are stripped out, that narrative does not hold.

On the rental side, duplicate listings, clearly unrealistic pricing that never transacts, temporary periods during which tenants pay rent on two properties during moves, and a growing share of long-term rental stock being absorbed by short-term rental operators are all dynamics that inflate headline figures.

Source: Property Monitor via Construction Week



## What The Market Is Saying | Rentals

**Sources: Property Monitor, Espace Real Estate H2 Report, REIDIN (December 2025 Report), Khaleej Times (Sitr Programme), Takeem (Rental Report 2025)**

Espace Real Estate H2 report shows declines in many key areas rental contracts new and renewals

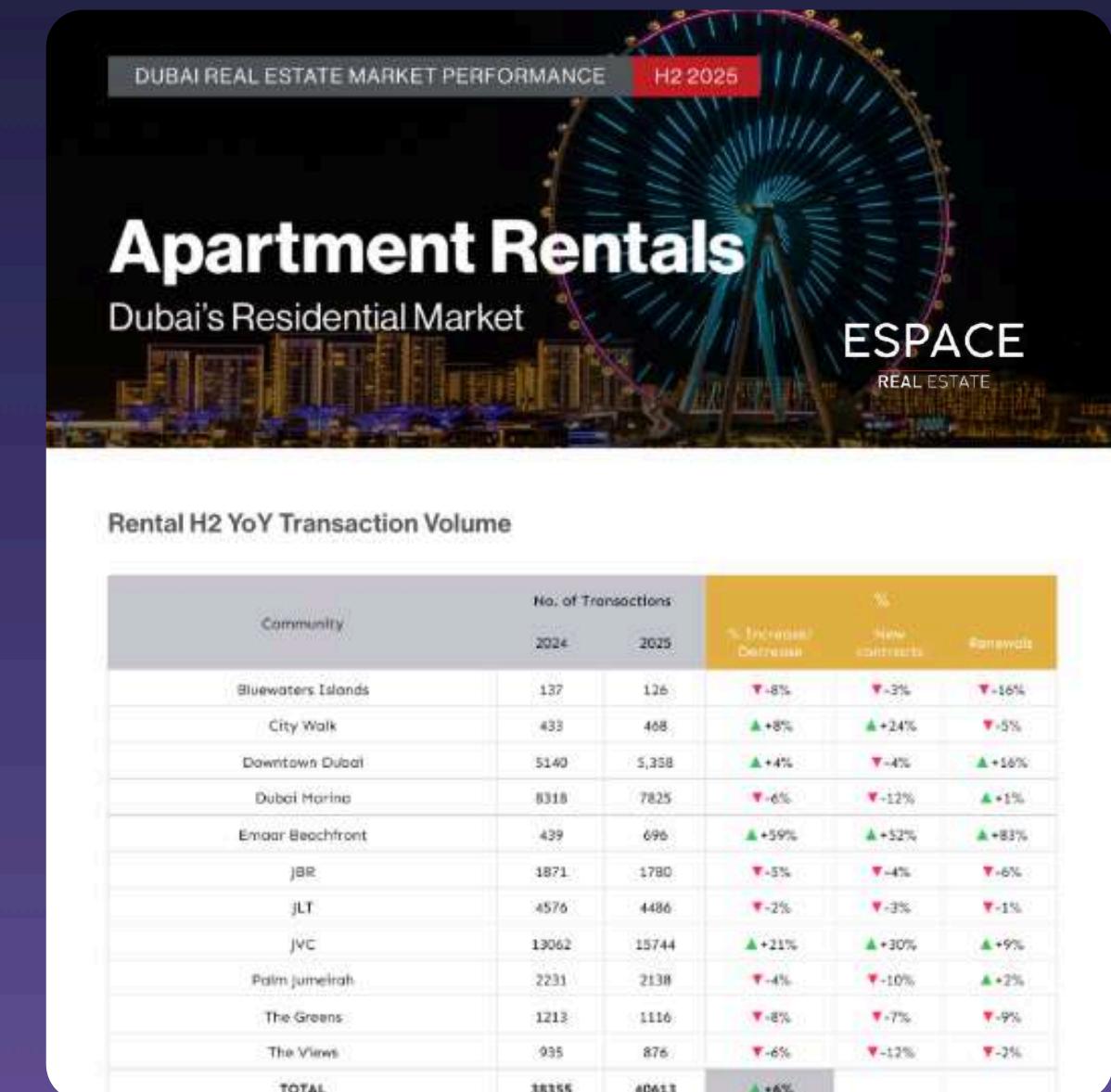
### VILLA

Area	New Contracts	Renewals
Palm Jumeirah	-17%	17%
Arabian Ranches	-14%	-6%
The Springs	-13%	-11%
The Meadows	-21%	-11%

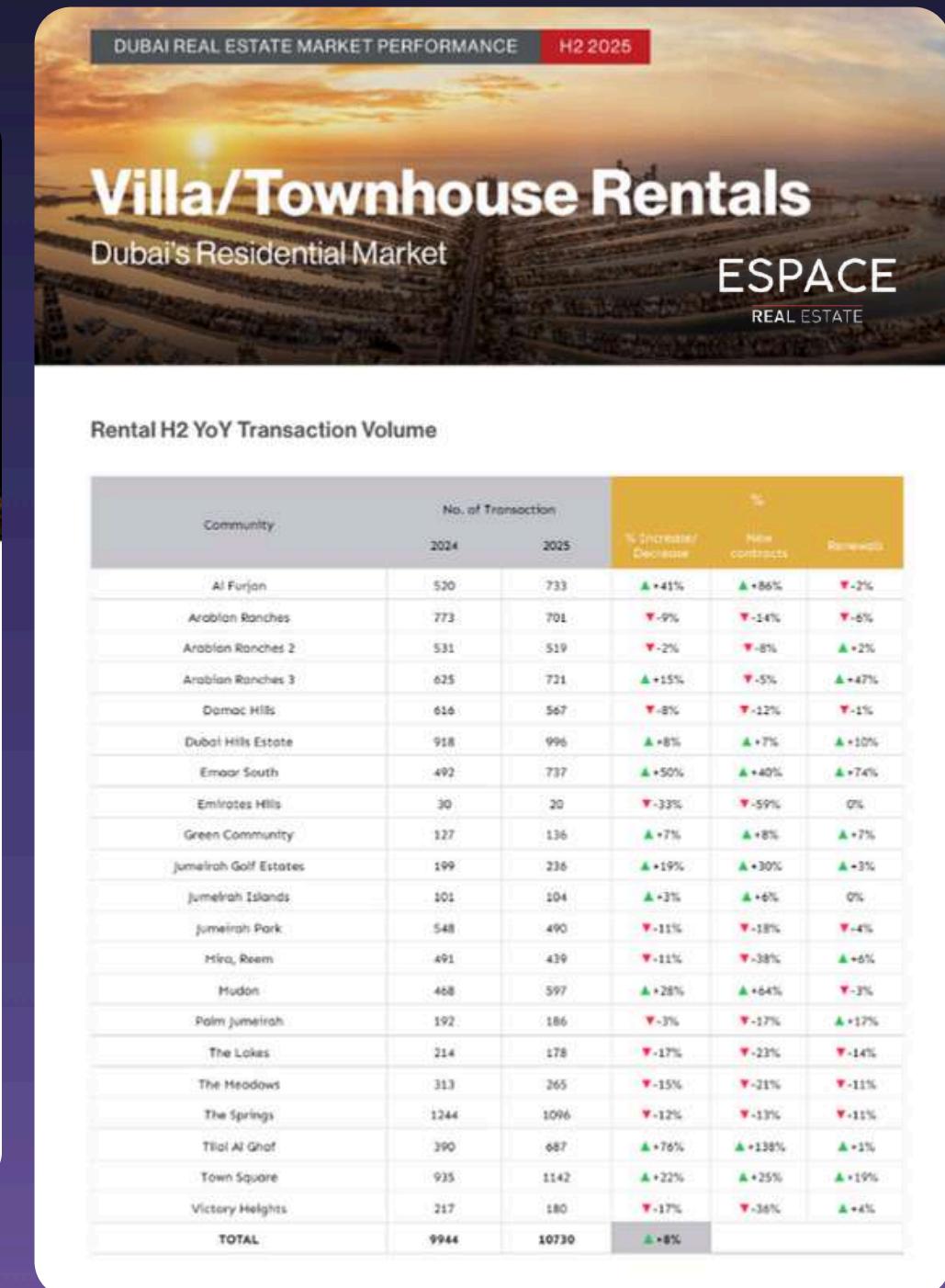
### APARTMENTS

Area	New Contracts	Renewals
Bluewater's	-3%	-16%
Dubai Marina	-12%	1%
JBR	-4%	-6%
JLT	-3%	-1%

Source: Espace H2 2025 Report



Source: Espace H2 2025 Report



Source: Espace H2 2025 Report



**Sources: Property Monitor, Espace Real Estate H2 Report, REIDIN (December 2025 Report), Khaleej Times (Sitr Programme), Takeem (Rental Report 2025)**

**According to REIDIN (December 2025):**

Dubai villa rents declined **-0.74%** month-on-month, signalling early softening in higher-ticket rental segments.

**According to Khaleej Times:**

- Dubai has launched a new programme called **Sitr to assist families struggling with rental dues**
- Dubai has earmarked Dh10 million to deal with unpaid rents and it is a sharp warning sign for the long-term rental market.
- The new initiative will clear rental arrears, settle court enforcement cases and secure the release of tenants detained over defaults. In total, 232 families will receive support, 111 detainees will be released and 187 cases closed.
- **Positioned as a family-support measure, the move quietly exposes a deeper issue:** rising rents and a long-term leasing model that many residents can no longer sustain.

**When the system needs AED10 million to patch rent defaults, something is off!**

**According to Takeem (Rental Report 2025):**

Most tenants are choosing to renew rather than move (**61%** of all contracts), and the sharp drop in Q4 renewals (**-13.09%**) shows where affordability pressure really shows up.



Source: Reidin UAE residential property price report: December 2025



Source: Khaleej Times

**New vs Renew: The Split**

Renewals represent 61% of activity, meaning the dominant market behavior is staying put rather than moving. Landlords attracted new tenants, but in late 2025, the pressure point is less about "new leasing excitement" and more about renewal stress, affordability ceilings, tenant confidence, and/or availability of alternatives.

**NEW: +1.17%**  
39% of Market

**RENEW: -0.89%**  
61% of Market

**Q4 Renewal Collapse: -13.09% YoY**  
Existing tenants being priced out at renewal, affordability ceiling signal, renewals signal tenant stress before it shows in headlines

Takeem

WWW.TAKEEM.AI

Source: Takeem

Sources: Property Monitor (December Report), REIDIN (December 2025), Knight Frank (Supply & Demand Outlook)

## LAUNCHES

### According to Property Monitor (December Report):

- New supply accelerated sharply in 2025, with 167,000+ units launched,
- equivalent to **one new project every 13.5 hours**.
- According to Property Monitor (December Report):
- December alone saw 37 new launches, introducing 10,029 residential units with an estimated value of AED 30.2B.

### According to Property Monitor (December Report):

- Apartments dominated supply, accounting for 93.4% of units and 61.0% of total value.
- Villas represented 6.6% of volume, but a disproportionately high 39.0% of value.

### According to REIDIN (December 2025):

- December launches were priced below typical 2025 levels, with most new supply aimed at the mid-market.
- 6,835 units launched at an average AED 1,861 per sq ft
- Approximately 9% lower than the 2025 average of AED 2,055 per sq ft

### What this suggests:

- Developers are adjusting pricing to sustain absorption, with competitive pressure emerging first in less differentiated, mid-market projects.

**New supply accelerates sharply, with 167K+ units launched in 2025—equivalent to a new project every 13.5 hours**

**Mortgage activity softens (-19.8%), driven by transaction mix as apartment sales ease while villa demand remains steady**

state market continued to ease in marginal declines following the peak for Dynamic Price Index (DPI) slipped November, bringing average prices to rents signal a cooling in monthly price

... ▾



**PROPERTY MONITOR**  
**MONTHLY MARKET REPORT**  
December 2025

**From Acceleration to Absorption: Dubai's Housing Market Evolves**  
High transaction volumes persist as pricing, supply, and buyer behavior recalibrate

5d • 0  
Dubai Cools, Abu Dhabi Sprints, Supply Looms

It's time for our weekly READ - Real Estate Analysis in Dubai (January 11-17, 2026).

This week we cover:

- Price Momentum Diverges
- Launch Prices Reset
- 2026 Delivery Reality
- Liquidity Flows
- Industrial Tightness Holds

**1 Price Momentum Diverges**  
REIDIN's December read shows Dubai cooling while Abu Dhabi accelerates.  
↳ Dubai sales prices: +0.66% month-on-month, +12.88% year-on-year; Dubai villa rents: -0.74% month-on-month.  
↳ Abu Dhabi sales prices: +2.61% month-on-month, +31.59% year-on-year; yields compressed from 6.40% to 6.32%.

**What it means:** When yields stop rising but pricing keeps moving, underwriting has to shift from "exit upside" to "in-place income quality."

**2 Launch Prices Reset**  
December launches priced below the 2025 run-rate, with supply skewing mid-market.  
↳ 6,835 units launched at AED 1,861 per sq ft, about 9% below the 2025 average of AED 2,055 per sq ft.  
↳ 48% of units sat in AED 1,000-1,800 per sq ft; only 3% priced below AED 1,000 per sq ft.

**What it means:** Developers are buying velocity, and the pinch shows up first where product is least differentiated.

REIDIN Data Analytics



Sources: Knight Frank Via Dubai Eye 103.8

## HANOVERS

### According to Knight Frank:

- Between 2026 and 2030, approximately 350,000 homes are currently scheduled for delivery.

### According to Knight Frank:

- Delivery has historically fallen short:
  - Only 60% of promised units delivered over the past three years
  - In 2025, just 46% of planned supply was completed

### Knight Frank's adjusted assumption:

- 70% delivered on time
- 30% delivered the following year
- Resulting in approximately 331,000 homes delivered over five years
- Equivalent to around 66,000 homes per year

This annual delivery rate would be more than double Dubai's average completion rate over the past 20 years.

## Demand, Absorption & Risk

### According to government forecasts:

- Dubai's population is expected to reach 5.8 million by 2040, implying **~2.5%** annual growth over the next 15 years.
- Population growth reached 5.7% last year, well above long-term requirements.

### According to Knight Frank:

- Demand is also supported by high-net-worth individuals, with 55% of global HNWIs viewing Dubai as a preferred location for a second or holiday home.

### Construction & market risk:

- Developers are accelerating construction cycles
- Oversupply risk is expected to be location-specific, not city-wide

### Areas to watch

- Jumeirah Village Circle (JVC) may absorb **~10%** of the entire 350,000-unit pipeline
- Price growth in JVC is expected to flatten rather than fall sharply as supply comes online



Source: Kinight Frank on Dubai Eye

**Sources: Construction Week (Takeem), Dubai Eye (Mackenzie Jones Middle East), REIDIN (2026 Delivery Analysis), The National / Emirates (Population Data), Khaleej Times (Labour Migration)**

### According to (Rakesh, CEO of Takeem via Construction Week):

- Rental market vulnerability is increasing as employment shocks – restructurings, layoffs, and business closures – translate more quickly into rental arrears, disputes, and vacancy risk.

### According to Takeem:

- Many tenants have limited financial buffers, meaning income disruption impacts rental stability faster than in previous cycles.
- In this environment, rental performance depends less on headline pricing and more on income security and tenant quality.

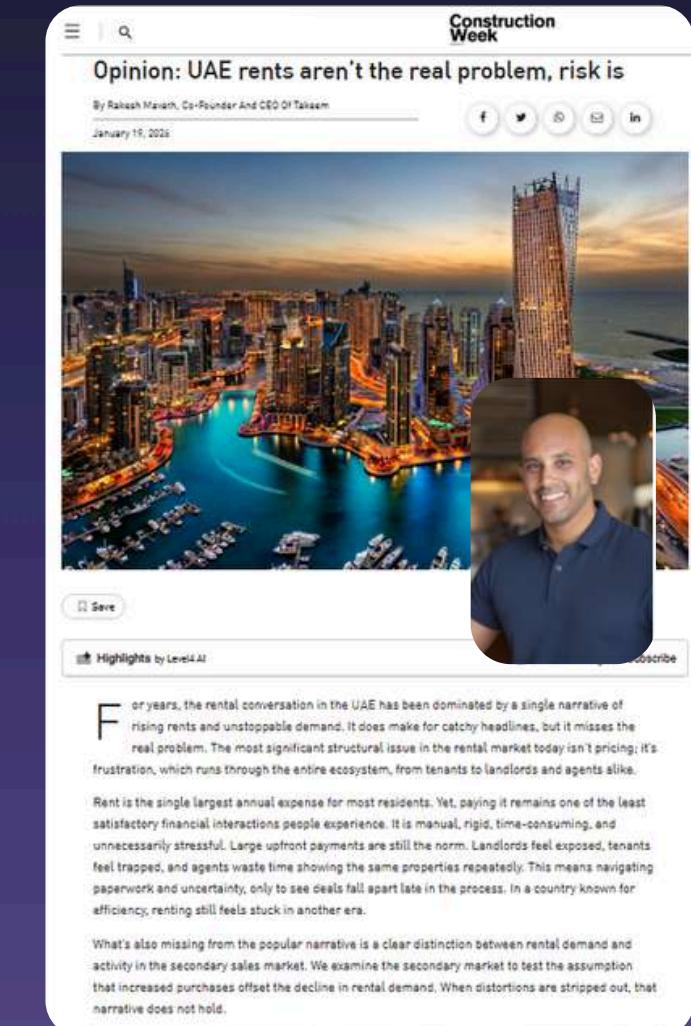
### Recruitment & Wage Conditions

#### According to Dubai Eye (David MacKenzie, MD – Mackenzie Jones Middle East):

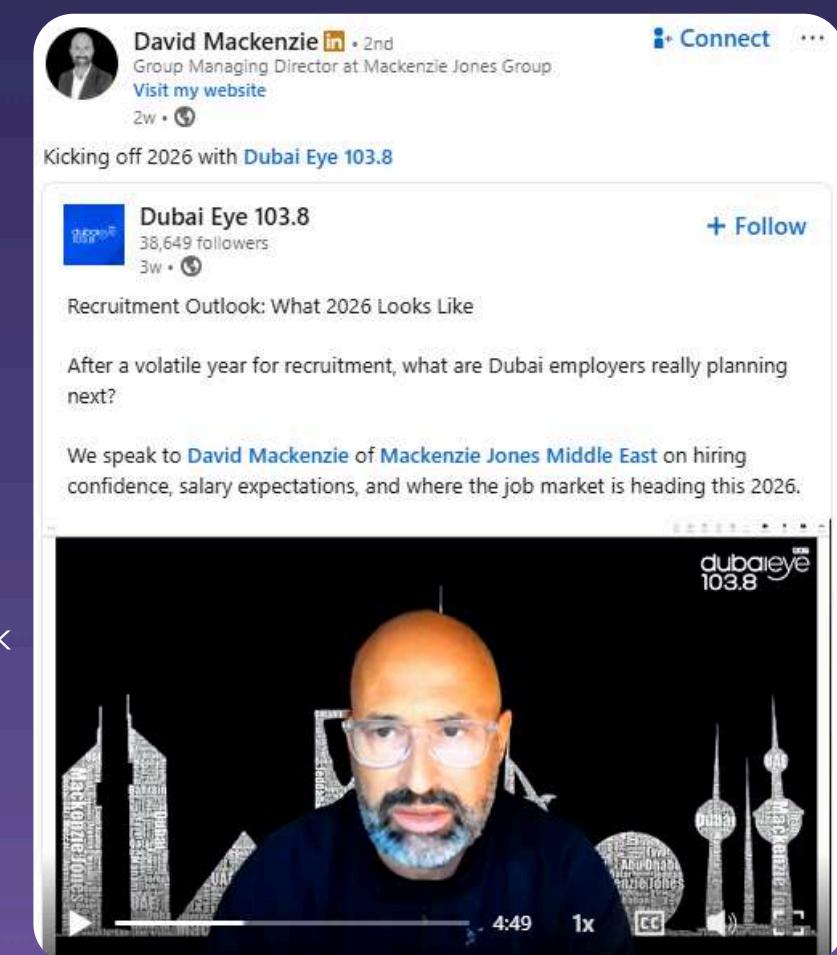
- The hiring market in Dubai is uneven rather than expanding.
  - Q1 2026 has been slow for recruitment, with improvement expected in Q2
  - Employers are prioritising specialist roles, not broad-based hiring
  - Nationalisation policies continue to reshape workforce composition
  - Salary growth remains muted, supported by a deep talent pool

### Implication:

- Rental affordability remains constrained, particularly in mid-market segments where tenants are most sensitive to employment and wage conditions.



Source: Takeem in Construction Week



Source: Mackenzie Jones on Dubai Eye

## Sources: Construction Week (Takeem), Dubai Eye (Mackenzie Jones Middle East), REIDIN (2026 Delivery Analysis), The National / Emirates (Population Data), Khaleej Times (Labour Migration)

### DELIVERY RISK & SUPPLY REALITY

- According to REIDIN (2026 Delivery Reality):
- Only **~34,740** units are expected to be delivered in 2026, versus 71,613 originally forecast, implying a sub **-50%** realisation rate.

#### According to REIDIN:

- 2027 poses greater risk, with 70,537 units forecast, heavily concentrated in:
  - Jumeirah Village Circle (JVC)
  - Business Bay
  - Azizi Venice

#### Implication:

- Delivery delays can distort cash flows and returns, even if pricing remains stable.
- Completion risk must now be explicitly priced into investment decisions.

### POPULATION & LABOUR INFLOWS

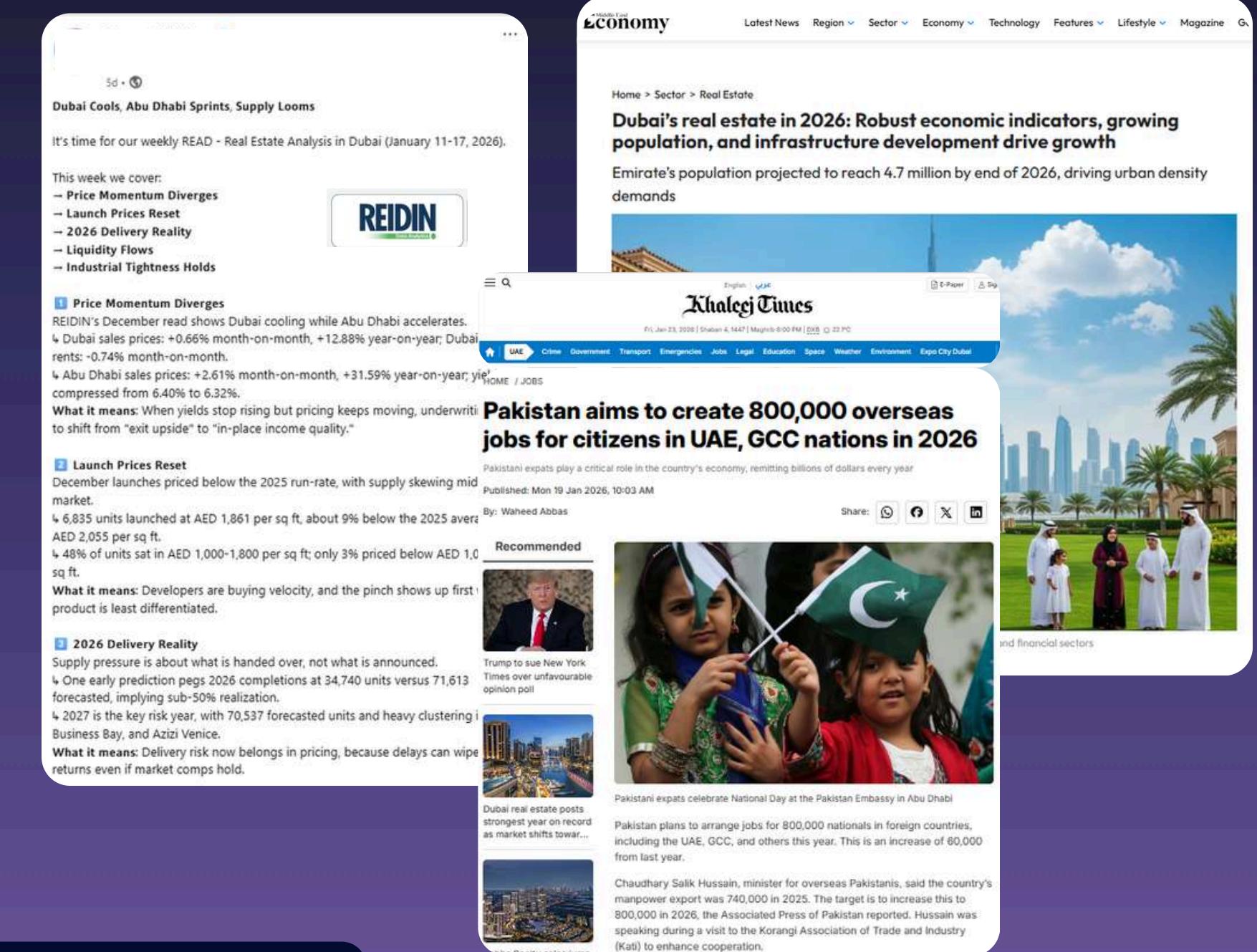
#### According to Emirates / National data:

- Dubai's population is projected to reach 4.7 million by the end of 2026.

#### According to Khaleej Times:

- Pakistan plans to place 800,000 overseas workers across the UAE and GCC in 2026.
- The UAE already hosts over 1.7 million Pakistani workers, reinforcing continued labour inflows.

**Rental risk in the next phase won't come from pricing alone – it will come from employment stability, delivery timing, and tenant resilience.**



**REIDIN (2026 Delivery Analysis):**

**Dubai Cools, Abu Dhabi Sprints, Supply Looms**

It's time for our weekly READ - Real Estate Analysis in Dubai (January 11-17, 2026).

This week we cover:

- Price Momentum Diverges
- Launch Prices Reset
- 2026 Delivery Reality
- Liquidity Flows
- Industrial Tightness Holds

**Price Momentum Diverges**

REIDIN's December read shows Dubai cooling while Abu Dhabi accelerates.

↳ Dubai sales prices: +0.66% month-on-month, +12.88% year-on-year; Dubai rents: -0.74% month-on-month.

↳ Abu Dhabi sales prices: +2.61% month-on-month, +31.59% year-on-year; yields compressed from 6.40% to 6.32%.

**What it means:** When yields stop rising but pricing keeps moving, underwriting shifts from "exit upside" to "in-place income quality."

**Launch Prices Reset**

December launches priced below the 2025 run-rate, with supply skewing mid market.

↳ 6,835 units launched at AED 1,861 per sq ft, about 9% below the 2025 average AED 2,055 per sq ft.

↳ 48% of units sat in AED 1,000-1,800 per sq ft; only 3% priced below AED 1,000 per sq ft.

**What it means:** Developers are buying velocity, and the pinch shows up first for the product is least differentiated.

**2026 Delivery Reality**

Supply pressure is about what is handed over, not what is announced.

↳ One early prediction pegs 2026 completions at 34,740 units versus 71,613 forecasted, implying sub-50% realization.

↳ 2027 is the key risk year, with 70,537 forecasted units and heavy clustering in Business Bay, and Azizi Venice.

**What it means:** Delivery risk now belongs in pricing, because delays can wipe out returns even if market comps hold.

**Middle East Economy:**

**Dubai's real estate in 2026: Robust economic indicators, growing population, and infrastructure development drive growth**

Emirate's population projected to reach 4.7 million by end of 2026, driving urban density demands

**Khaleej Times:**

**Pakistan aims to create 800,000 overseas jobs for citizens in UAE, GCC nations in 2026**

Pakistani expats play a critical role in the country's economy, remitting billions of dollars every year

Published: Mon 19 Jan 2026, 10:03 AM

By: Waheed Abbas

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Pakistani expats celebrate National Day at the Pakistan Embassy in Abu Dhabi

Pakistan plans to arrange jobs for 800,000 nationals in foreign countries, including the UAE, GCC, and others this year. This is an increase of 60,000 from last year.

Chaudhary Salik Hussain, minister for overseas Pakistanis, said the country's manpower export was 740,000 in 2025. The target is to increase this to 800,000 in 2026, the Associated Press of Pakistan reported. Hussain was speaking during a visit to the Korangi Association of Trade and Industry (Kati) to enhance cooperation.