



# The Big Short

EPISODE 6

Dubai Real Estate Is Turning Red  
– The Great Slowdown Begins





## Sales – What is The Market Saying

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

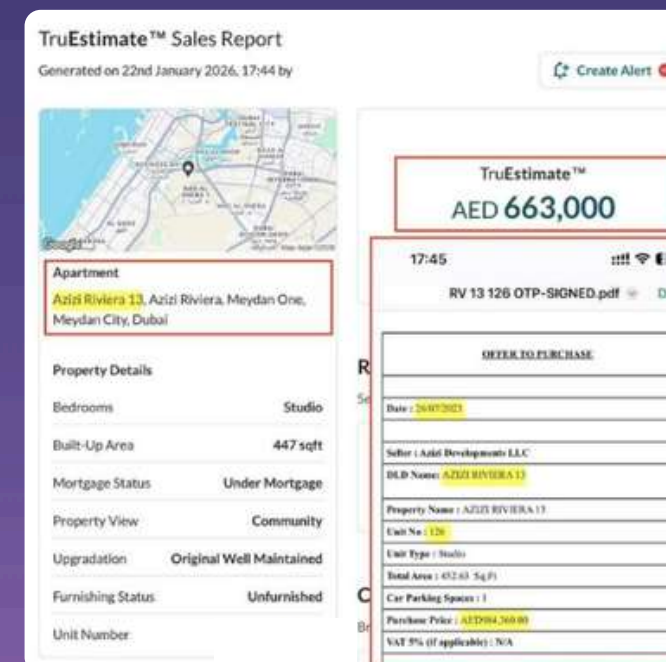
- Dubai Marina: **-10.7%** (AED 26,603/sqm)
- Dubai South: **-14.3%** (AED 15,747/sqm)

## Azizi Riviera Studio Value **-32.6%**:

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



Source: OfferBrief.com



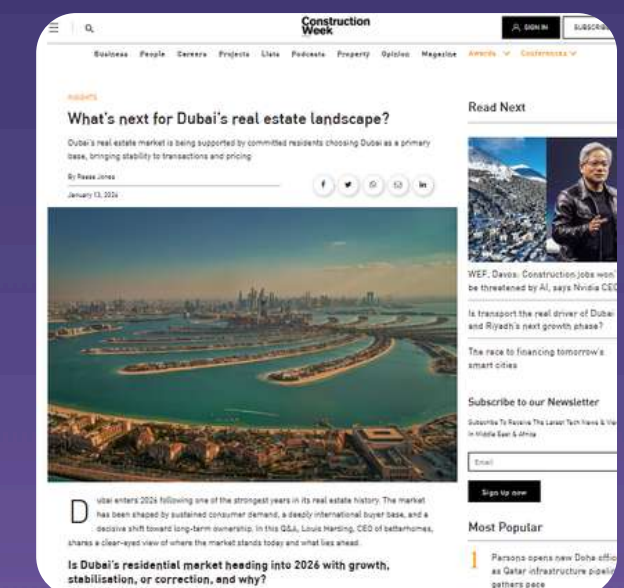
Source: TruEstimate



Source: Dubai Chronicle



Source: Property Monitor COO Zhann Jochinke



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 report's 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:

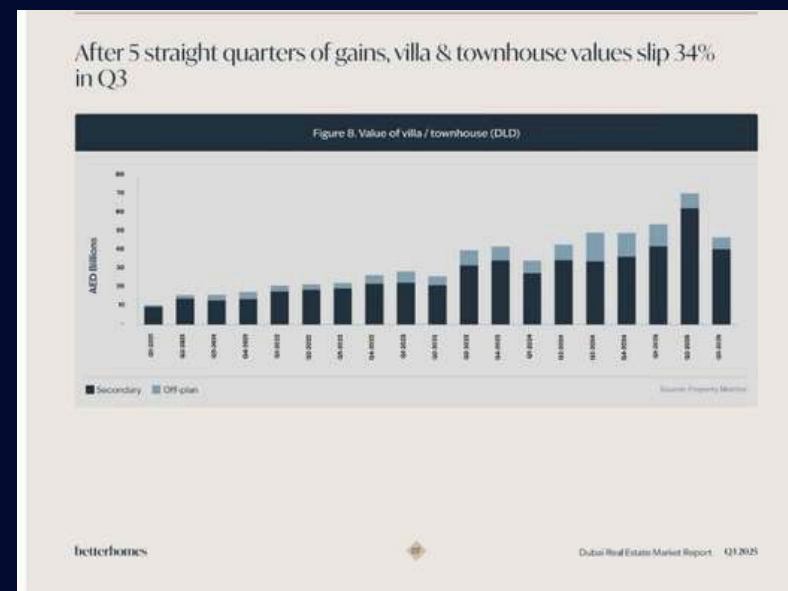
- Al Barari **-4.8%**
- Al Furjan **-0.2%**
- Arabian Ranches **-2.7%**
- Dubai Hills **-6.4%**
- Dubai South **-2.9%**
- Expo City **-3.8%**

Villa price performance (Q3 2025)			
Community	Q3 2025 average transacted price (AED psf)	3-month change	12-month change
Al Barari	2,078	-4.8%	10.6%
Al Furjan	1,703	-0.2%	22.8%
Arabian Ranches	2,239	-2.7%	34.2%
Damac Lagoons	1,202	2.3%	9.4%
District One	2,347	9.2%	15.7%
Dubai Hills Estate	3,005	-6.4%	24.7%
Emirates Hills	6,461	33.7%	33.2%
Jumeirah Golf Estates	2,398	1.7%	22.8%
Jumeirah Islands	4,367	0%	27.5%
Jumeirah Village Circle	1,098	0%	17.9%
Meydan City	1,757	7.3%	25.0%
Palm Jumeirah	6,754	0%	5.1%
La Mer	4,511	33.8%	54.8%
Dubai South	1,175	-2.9%	5.2%
Expo City	1,647	-3.8%	2.7%

Source: Knight Frank, REIDIN

### 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.



ESPACE  
REAL ESTATE





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%**

Apartment Market H2 YoY Transaction Volume/Average Price

Community	No. of Transactions			Average Sales Price		
	2024	2025	% Increase/Decrease	2024	2025	% Increase/Decrease
Bluewaters Island	41	50	▲+22%	AED11,409,350	AED10,979,014	▼-4%
City Walk	108	92	▼-15%	AED4,688,219	AED4,587,417	▼-2%
Downtown Dubai	1134	946	▼-17%	AED3,421,143	AED3,935,577	▲+15%
Dubai Marina	1579	1119	▼-29%	AED2,178,617	AED2,491,530	▲+14%
Emaar Beachfront	145	165	▲+14%	AED4,722,475	AED4,611,288	▼-2%
JBR	337	308	▼-9%	AED3,291,939	AED3,377,291	▲+3%
JLT	794	617	▼-22%	AED1,561,747	AED1,582,480	▲+1%
JVC	2425	2841	▲+17%	AED897,288	AED1,016,880	▲+13%
Palm Jumeirah	517	414	▼-20%	AED5,569,220	AED7,035,455	▲+26%
The Greens	201	181	▼-10%	AED1,525,451	AED1,715,775	▲+12%
The Views	153	110	▼-28%	AED2,058,572	AED2,364,018	▲+15%
TOTAL	7434	6843	▼-8%			

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%**

Villa/Townhouse Market H2 YoY Transaction Volume/Average Price

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	155	▼-66%	AED3,268,588	AED3,107,564	▼-4%
Emirates Hills	26	17	▼-35%	AED51,726,119	AED77,551,941	▲+50%
Green Community	42	34	▼-19%	AED5,846,426	AED7,814,938	▲+34%
Jumeirah Golf Estates	122	182	▲+49%	AED11,264,421	AED10,408,748	▼-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%
Mira Reem	83	57	▼-31%	AED3,164,619	AED3,532,474	▲+12%
Mudan	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 Ghal	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%
TOTAL	3319	2923	▼-12%			

Source: ESPACE H2 2025 Report



# 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).

SOURCE: CAVENDISH MAXWELL & BETTERHOMES REPORT Q1 2025

#### MARKET SUMMARY – Q1 2025

##### Off-Plan vs Secondary:

- Off-Plan: 68.9% of transactions (=29,100)
- Secondary: 31.1% of transactions (=13,200)

##### Rental Contracts:

- 70% of all rental transactions in Q1 2025 were renewals
- Betterhomes** saw a 54% rise in listed Dubai rental properties YoY in Q1.

##### Transaction Activity:

Total Sales Transactions: 42,300 transactions

- Down 10% QoQ (vs Q4 2024)
- Up 23.1% YoY (vs Q1 2024)

##### Off-Plan Transactions:

- Down 12% QoQ

##### Secondary Market Transactions:

- Down 5.4% QoQ

The Big Short Episode 2



SOURCE: ESPACE H1 REPORT, ALLSOPP & ALLSOPP H1 2025

#### Rental Market Trends (Allsopp & Allsopp – H1 2025)

Lettings volume down:

- ↓ 28% vs. H2 2024
- ↓ 27% vs. H1 2024

#### Supply vs. Delivery Imbalance (Allsopp & Allsopp – H1 2025)

- 81,672 new units launched
- 16,744 units handed over
- 4.88:1 ratio → For every 1 unit completed, nearly 5 more are entering the pipeline

#### Sales Market Insights (Espace – H1 2025)

New property listings:

- ▲ Up 159% vs. H1 2024

Price reductions:

- ▲ Up 147% vs. H1 2024

Average sales price:

- ▼ AED 6,547,988 → Down 3% vs. H1 2024

The Big Short Episode 3



SOURCES: CAVENDISH MAXWELL, ARABIAN BUSINESS, DXB INTERACT

The Big Short Episode 2

#### NOT A TRICKLE – IT'S A FLOOD OF SUPPLY

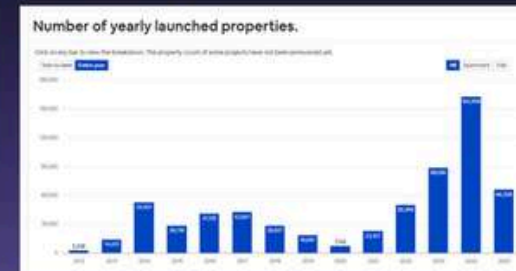
So far in 2025, over 66,000 units have already been launched (DXB Interact).

Dubai will add 73,000 residential units to its housing stock this year, with 300,000 units expected by the end of 2028, according to research from property consultant Cavendish Maxwell.

But that's just the beginning.

There are 170,000+ units already under construction, scheduled for handover by 2029. This isn't moderate growth.

It's aggressive expansion – and it's accelerating.



DXB Interact: 66,208 launches YTD 2025



# 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 Binghatti, 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 DUBAI 21°C GOLD/VOLX

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Business / Property

## Dubai: Penthouse at Bugatti Residences by Binghatti 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

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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 Binghatti's Chief Sales Officer Abdullah Binghatti, 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.

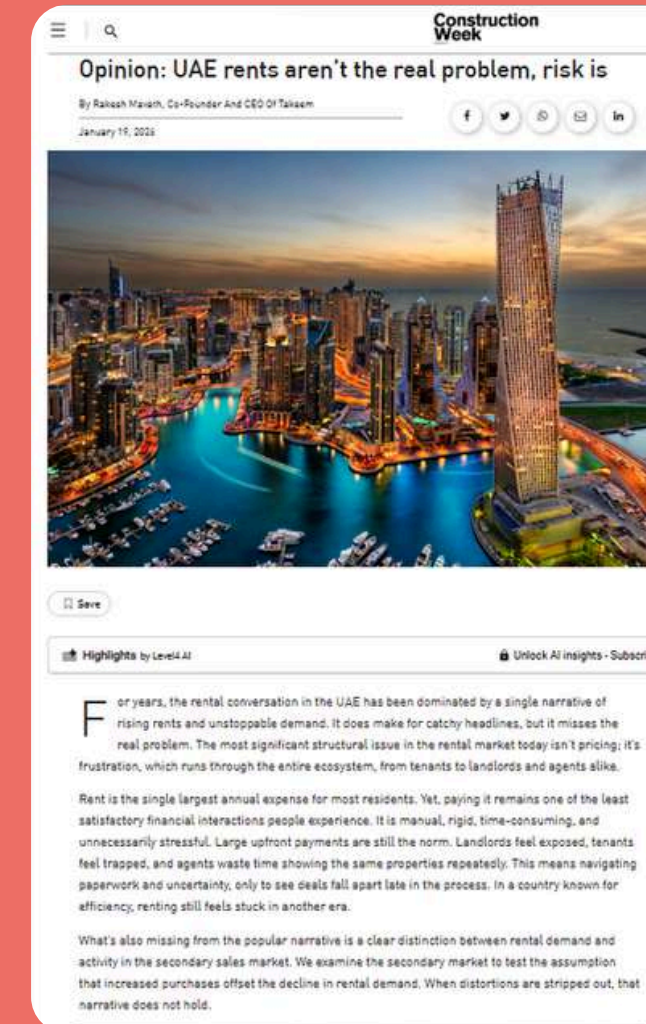


## Sources: Property Monitor, Espace, Constructionweek

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



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

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

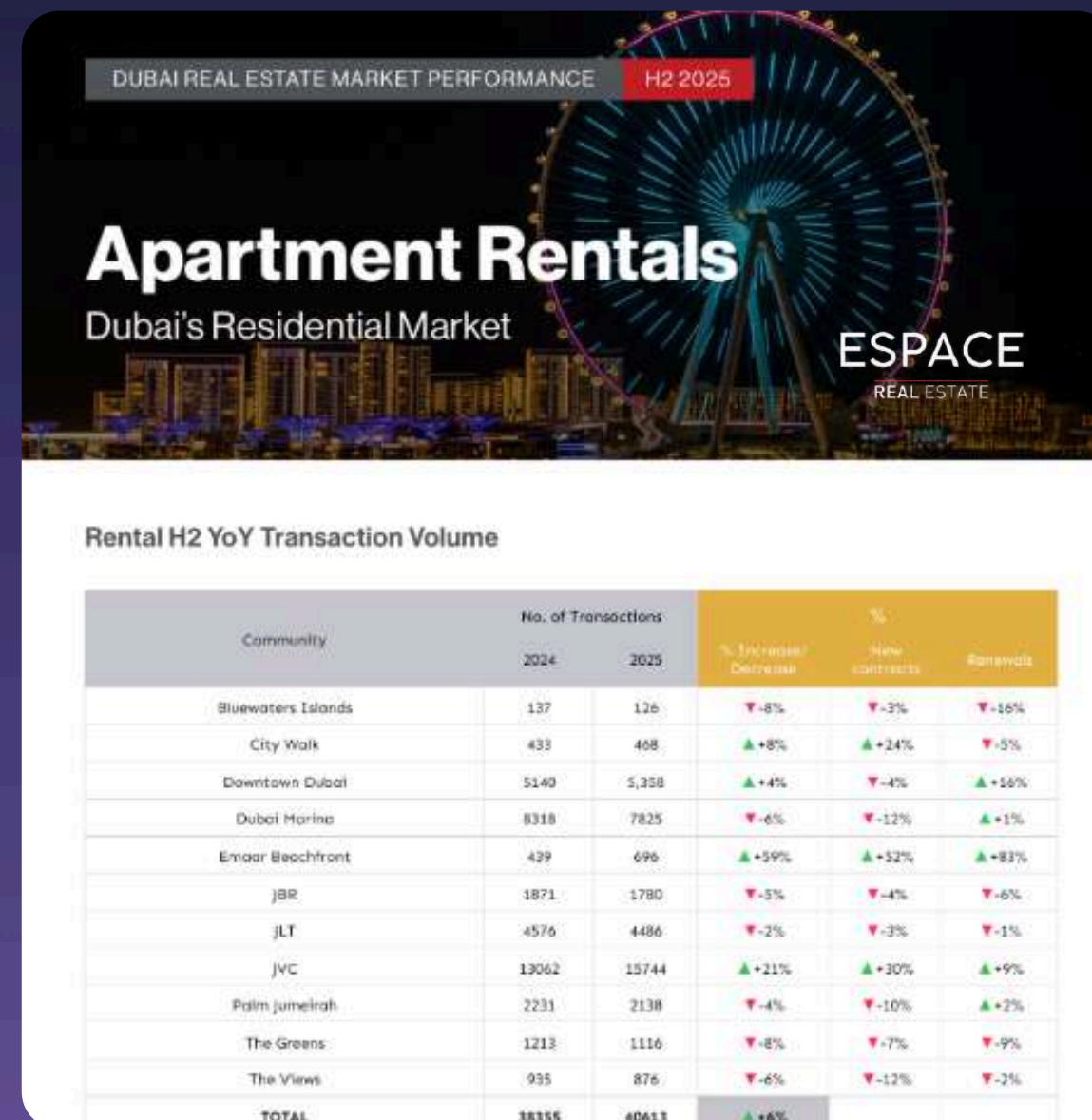
## VILLA

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

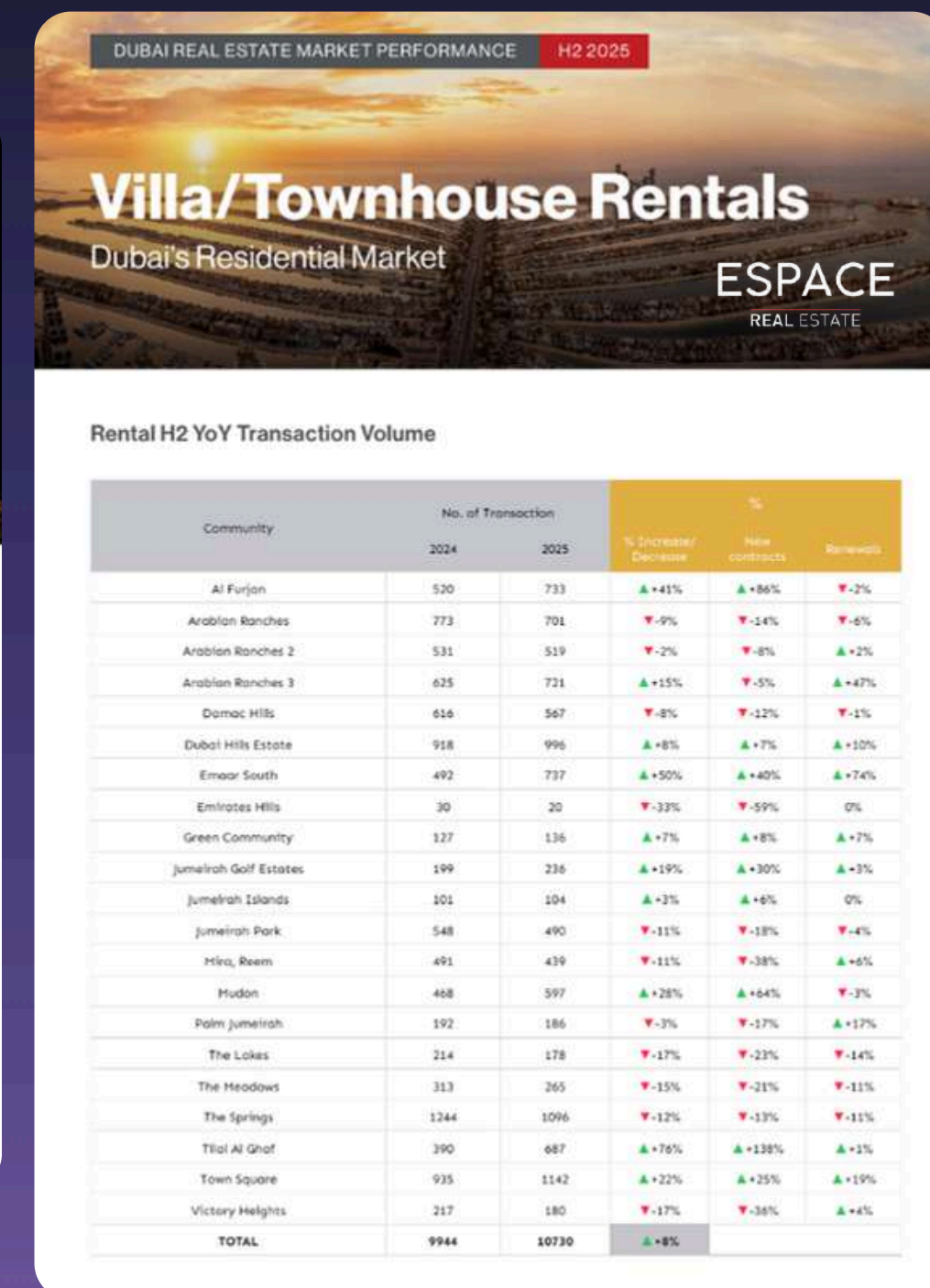
## APARTMENTS

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



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



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

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



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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

REIDIN

#### 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.



Sources: Knight Frank Via Dubai Eye 103.8

## HANDOVERS

### 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:

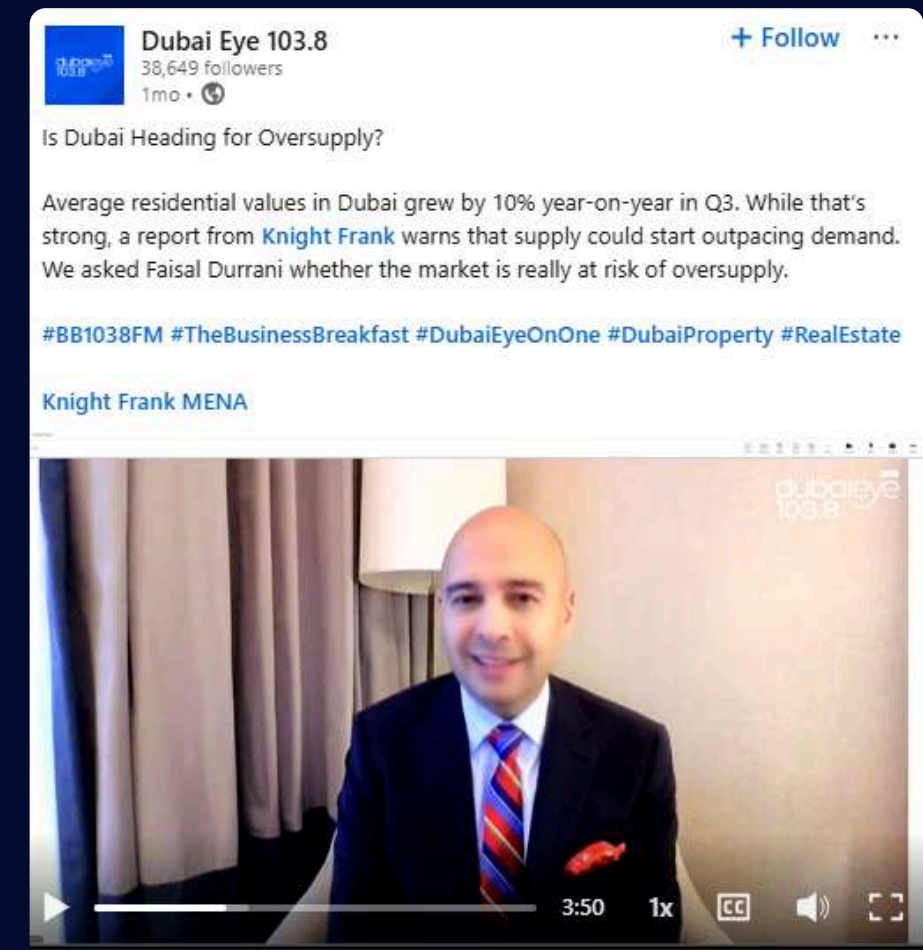
- Demand is also supported by high-net-worth individuals, with 55% of global HNWLs viewing Dubai as a preferred location for a second or holiday home.

### 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: Knight 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):

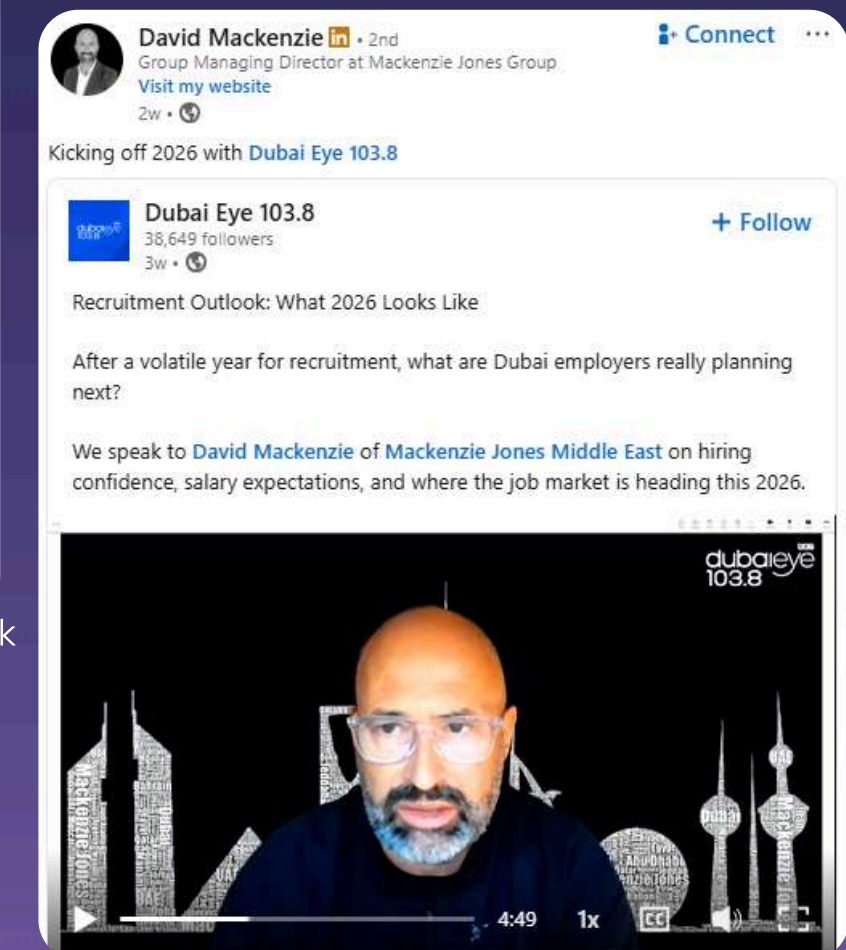
- The hiring market in Dubai is uneven rather than expanding.
  - Q1 2026 has been slow for recruitment, with improvement expected in Q2
  - Employers are prioritising specialist roles, not broad-based hiring
  - Nationalisation policies continue to reshape workforce composition
  - Salary growth remains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

