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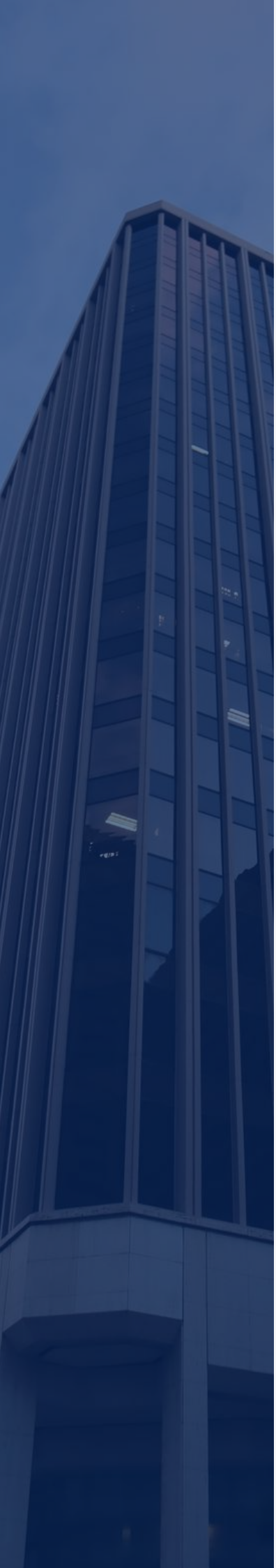
QUARTER 1

2026

UAE

Real Estate Market Report

Windmills Group is a leading valuation and building surveying services firm in the United Arab Emirates



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Executive Summary

Real Estate Outlook Quarter 1- 2026
Total Sales: AED 238B, leading the UAE and outperforming Abu Dhabi (AED 66B).

Market Momentum:

Strong start to 2026, building on record 2025 performance; off-plan projects and investor inflows remain key drivers.

Market Phase:

Transitioning to mature and sustainable growth — high transaction volumes with moderating price growth.

Supply & Affordability:

Tens of thousands of new units expected, improving choice and stabilizing prices.

Demand Drivers:

Population growth, international investment, and a shift toward end-user buyers underpin long-term fundamentals.

Trends:

Off-plan segment remains dominant due to flexible payment plans and attractive pricing.
Interest rising in master-planned communities and emerging areas like Dubai South, Palm Jebel Ali, and Dubai Islands.

Mega projects and infrastructure expansions strengthen long-term demand.
Outlook:Modest price growth expected, with prime and waterfront assets outperforming.
Secondary locations stabilizing.

Overall market remains high-volume on a yoy level, investment-driven, and resilient, solidifying Dubai as a global real estate hub.

UAE Macroeconomic Overview

Real GDP Growth:

Driven by robust non-oil sector expansion and ongoing infrastructure spending

~3.8% YoY

Non-Oil Sector Contribution:

Diversification led by real estate, tourism, and technology

~72% of GDP

Oil Production:

Adjusted in line with OPEC+ adjustments

~3.5 million bpd

Oil Prices:

Stable price support fiscal programs

USD 80–85 per barrel

Hydrocarbon Sector Contribution:

Decline share in GDP

~30% of GDP

Inflation Rate:

Moderated by subsidy controls

~2.7%

FDI Inflows:

Growth in real estate & tech investment

~USD 23 billion

Unemployment Rate:

low due to Emiratization efforts

~3.1%

Fiscal Balance:

Strong surplus from oil revenues

~3.0% of GDP (Surplus)

The UAE economy in Q1 2026 remains resilient with ~3.8% GDP growth, driven by a dominant non-oil sector (>72%), strong FDI inflows, low unemployment (~3.1%), and controlled inflation (~2.7%) despite housing pressures.

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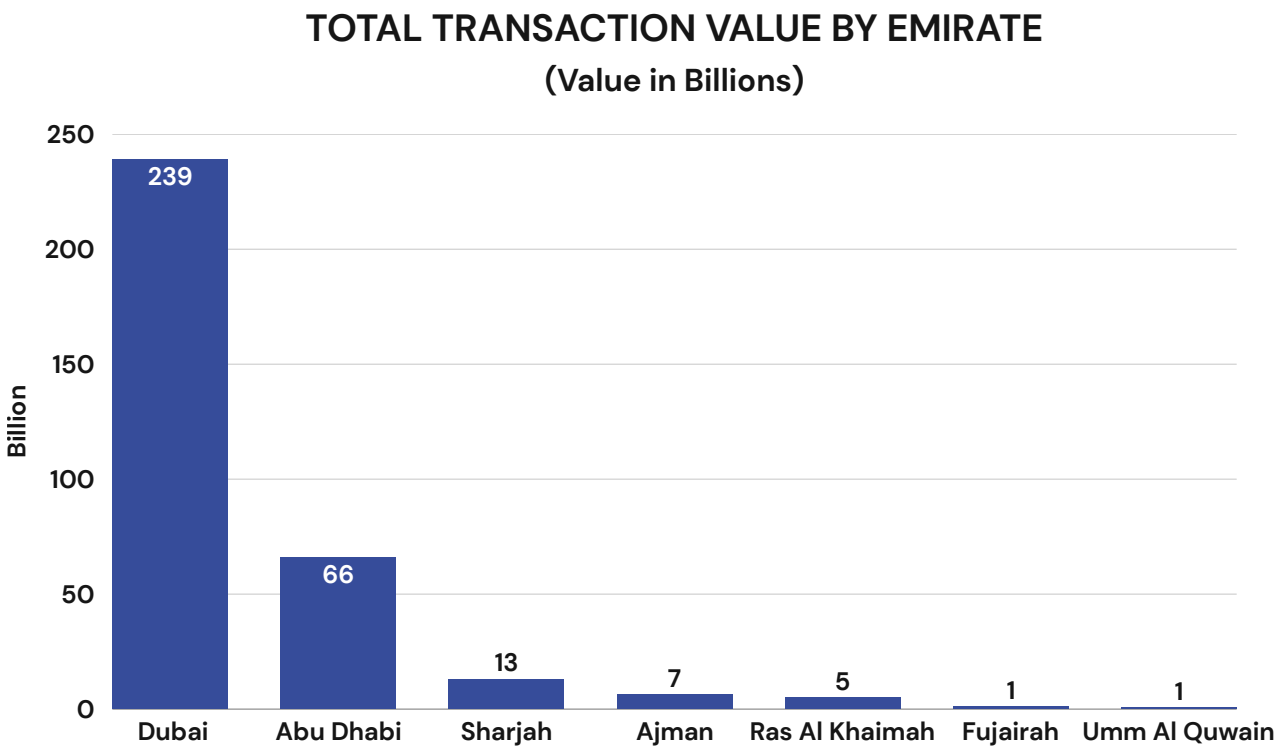
SOURCE: ARABIAN BUSINESS, GULF BUSINESS, MEED, STATISTIC BUREAU

UAE Real estate Market Overview – Q1 2026



Market Outlook – Q1 2026

- Dubai continues to dominate the UAE real estate market with AED 238B in sales, reinforcing its position as the primary investment hub, while Abu Dhabi's strong AED 66B reflects growing institutional and end-user demand.
- Meanwhile, Sharjah, Ajman, and Ras Al Khaimah show steady momentum driven by affordability and new developments, with smaller emirates like Fujairah and Umm Al Quwain contributing modest but gradually expanding activity.

Emirate-wise Snapshot

- Strong momentum continues across the UAE real estate market.
- High buyer demand and robust off-plan activity drive growth.
- Luxury and branded residential sales dominate in major markets.
- Mid-market and emerging segments show steady growth in Sharjah, Ajman, and Ras Al Khaimah.

SOURCE: WINDMILLS, DARI, ADREC, SHARJAH RE, AJMAN RE, REIDIN

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Nationalities Driving Property Purchases in Dubai 2025

Country	Country Name	Ranking
	India	1
	UK	2
	KSA	3
	Pakistan	4
	Canada	5
	Russia	6
	China	7
	USA	8
	France	9
	Afghanistan	10

SOURCE: REIDIN, DLD

Dubai Real Estate Property Type and Ticket Size Distribution

Real Estate Transactions Type inluding Sales & Mortgage

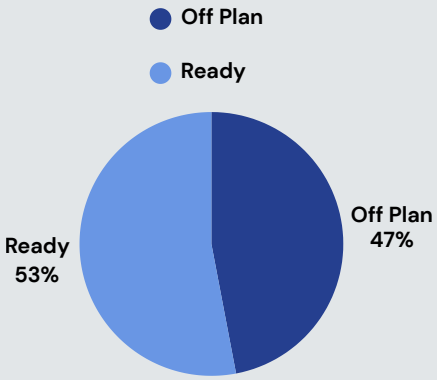
Off-Plan 47%:

Strong demand continues driven by flexible payment plans and investor appetite, with developers capitalizing on future supply pipelines despite emerging pricing sensitivity.

Ready Properties 53%:

End-user demand remains stable, supported by rental yields and immediate occupancy benefits, though price growth is moderating amid increased secondary market listings.

Dubai Ready and Off-Plan properties%



Dubai Real Estate Ticket Size Distribution – 2026

Price Bracket	Number of Transactions	Total Value
< 30M AED	208,304	281.6 Bn
> 30 M AED	57,716	583.3 Bn

Dubai Real Estate Ticket Size Distribution – Q1 2026

Price Bracket	% of Transactions
< 1 M AED	~23.9 %
1–3 M AED	~51.2 %
3–5 M AED	~12.9 %
5–10 M AED	~7.2 %
> 10 M AED	~4.8 %

Key Indicators Dubai Quarter 1 2026

Sales Volume
48,158
Transactions
6% Increase YoY
16.5% decrease QoQ

Sales Value
177.6 B
AED
19% Increase YoY
5.5% decrease QoQ

RESIDENTIAL

Sales Volume
45,208
Transactions
4% Increase YoY

Sales Value
137.3 B
AED
19% Increase YoY

LAND

Sales Volume
882
Transactions
14% Increase YoY

Sales Value
29.9 B
AED
24% Increase YoY

COMMERCIAL

Sales Volume
2,054
Transactions
68% Increase YoY

Sales Value
10.3 B
AED
178% Increase YoY

Dubai Project Launches – Quarter 1

93 **Projects Launched**

Quarter 1- 2026

Total Units Launched

32,000

Average Launch Price

AED 2,110

Per Square Feet

Price Range

1,025-7,700

Per Square Feet

Asset Type

Apartment	Villas
78	15

Project Breakdown – Top 5 Communities

Area	No of Projects/Units
Meydan	8 Projects- 5,685 Units
Dubai Land	4 Projects- 2,767 Units
Majan	3 Projects- 2,434 Units
Dubai Land Residence Complex	4 Projects- 1,722 Units
Dubai Islands	8 Projects- 1,545 Units

SOURCE: REIDIN

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Dubai Real Estate Scenario Analysis (2026–2027)

Market Outlook – Strategic Scenarios

Base Case (55–60%) – Stable Growth

- Prices: +3% to +6%
- Rents: +4% to +7%
- Yields: Stable (6.5%–8%)
- Volumes: Flat to +5%
- Summary: Balanced market with sustainable growth and steady investor confidence.

Bull Case (20–25%) – Upside Expansion

- Prices: +8% to +12%
- Rents: +7% to +10%
- Yields: Slight compression
- Volumes: +10% to +20%
- Summary: Strong growth driven by rate cuts and capital inflows (mini-boom cycle).

Bear Case (15–20%) – Market Correction

- Prices: -5% to -10%
- Rents: 0% to -3%
- Yields: Slight expansion
- Volumes: -15% to -25%
- Summary: Short-term correction due to oversupply and external risks.

Key Strategy Takeaways

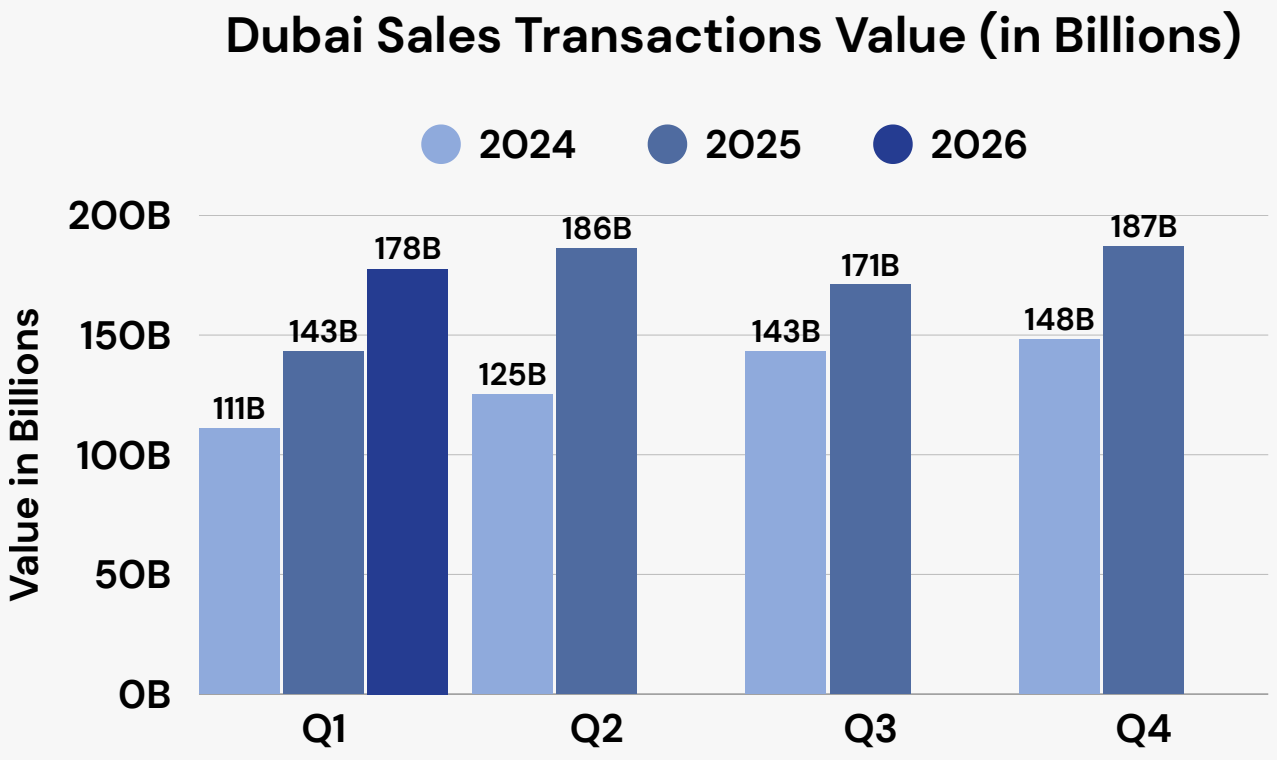
- Base case most likely → soft landing scenario
- Upside linked to global liquidity + investor inflows
- Downside risk mainly from supply, not demand collapse
- Focus on mid-market, high-demand communities for resilience

Dubai Real Estate Market Overview Q1 2026

Dubai's real estate sales market continued its strong upward trajectory in 2026, with a total of 239 Billion transactions in total comprising 178 Billion as sales transactions and 61 Billion as mortgage transactions.

Residential Sales: Property type wise

Property Type	Apartment	Villa / Townhouse	Villa Plot
Total Volume	36,667	8,545	77
Total Value	AED 77.2 Billion	AED 60.7 Billion	AED 75 Million

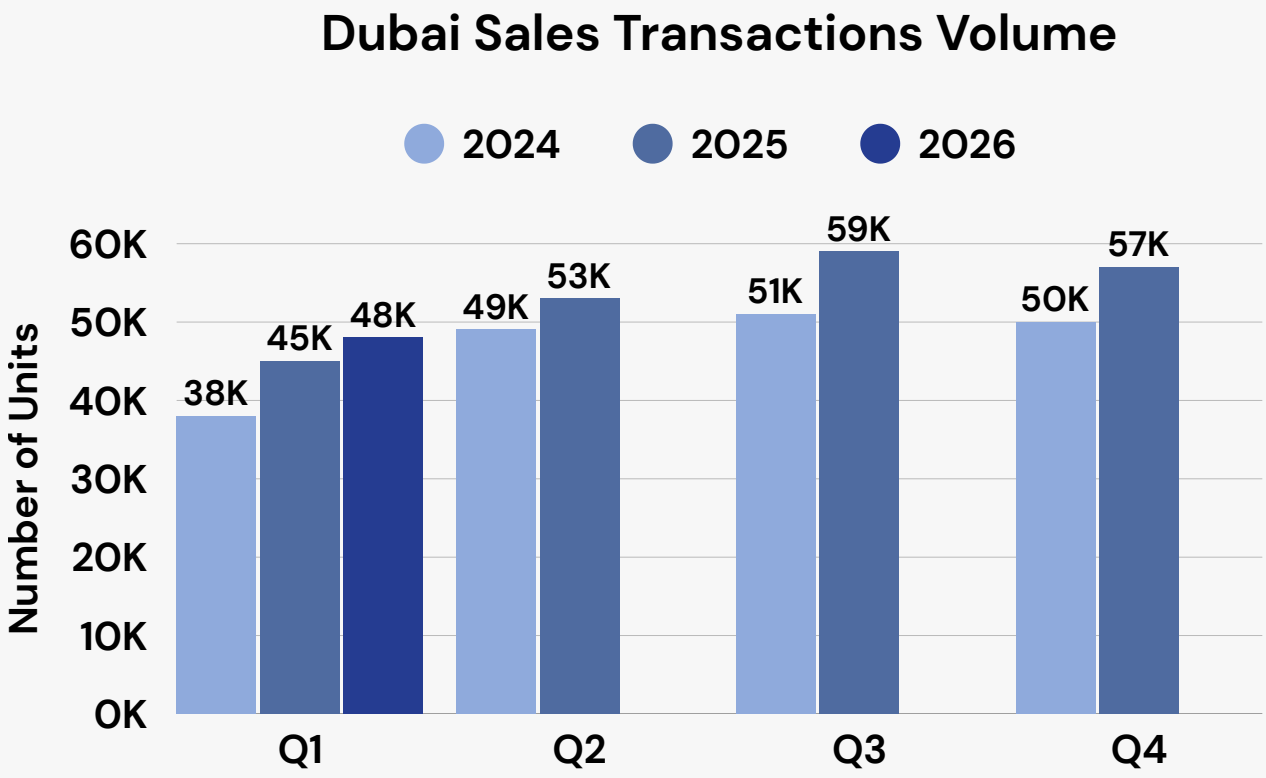


Dubai sales transactions are projected to reach AED 177.6B in Q1 2026, up from AED 143B in Q1 2025, reflecting a strong 24.2% year-on-year growth.

SOURCE: REIDIN

Dubai Real Estate Market Overview Q1 2026

This continued increase builds on the already robust performance in 2025 and highlights sustained investor confidence, strong off-plan activity, and steady end-user demand. The upward trajectory indicates that the market remains in a solid expansion phase, supported by population growth and ongoing new project launches.



Outlook

The strong Q1 2026 performance signals continued momentum in overall sales activity, with demand expected to remain resilient in the near term. If this trend continues, 2026 is likely to witness elevated transaction volumes, reinforcing Dubai's position as a high-growth real estate market.

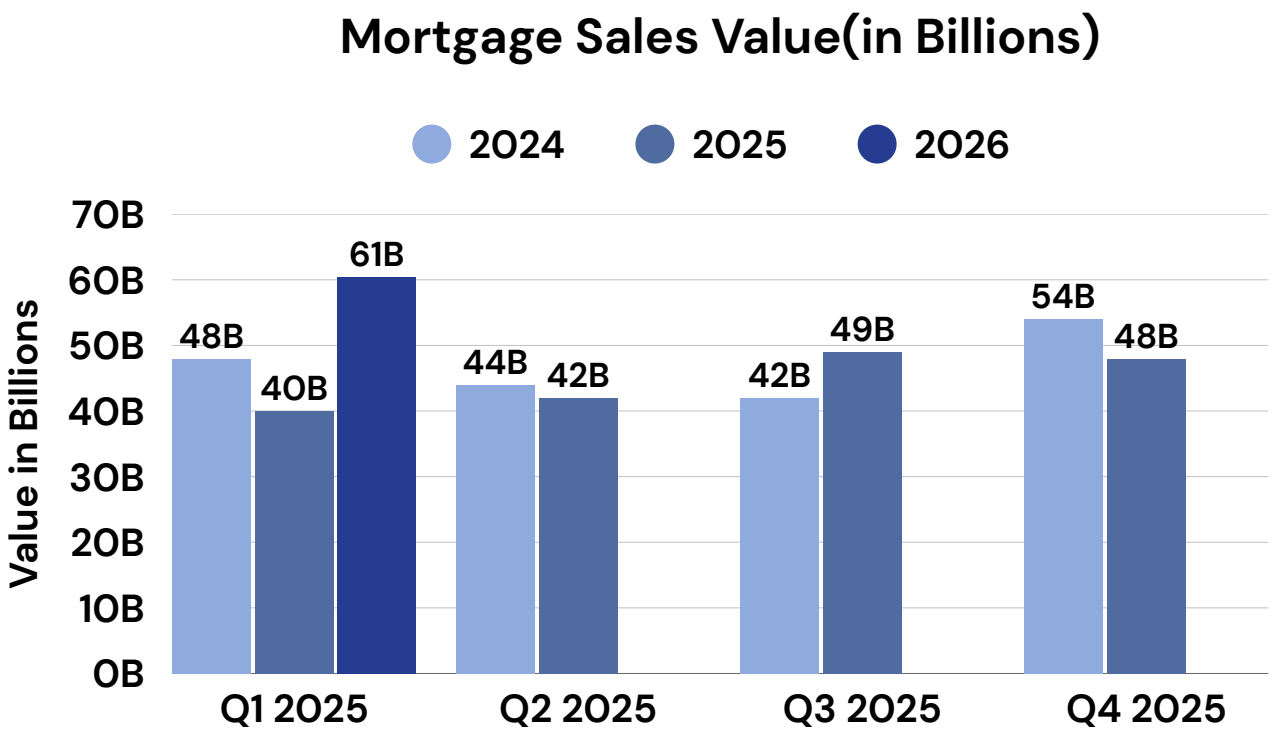
SOURCE: REIDIN

Dubai Real Estate Market Overview Q1 2026

Mortgage Sales

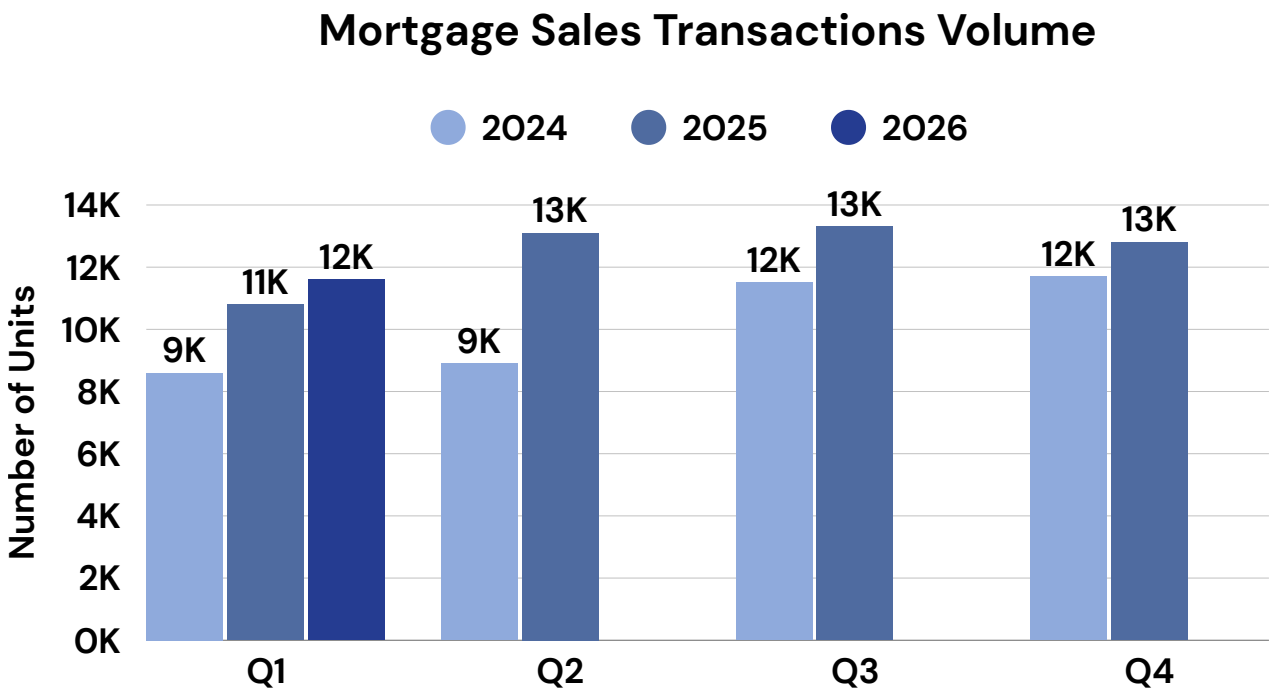
Mortgage sales transactions are projected to see a strong rebound in Q1 2026, reaching AED 61B, compared to AED 40B in Q1 2025—a significant 52.5% year-on-year increase.

This sharp growth highlights a clear recovery in market sentiment, supported by improved financing conditions and renewed buyer activity. The surge also indicates that the market is moving decisively out of its earlier slowdown phase and entering a new expansion cycle.



SOURCE: REIDIN

Dubai Real Estate Market Overview Q1 2026



Sharp growth highlights a clear recovery in market sentiment, supported by improved financing conditions and renewed buyer activity. The surge also indicates that the market is moving decisively out of its earlier slowdown phase and entering a new expansion cycle.

If current trends persist, transaction volumes are likely to remain elevated, positioning 2026 as a potential peak year for mortgage-backed real estate activity.

SOURCE: REIDIN

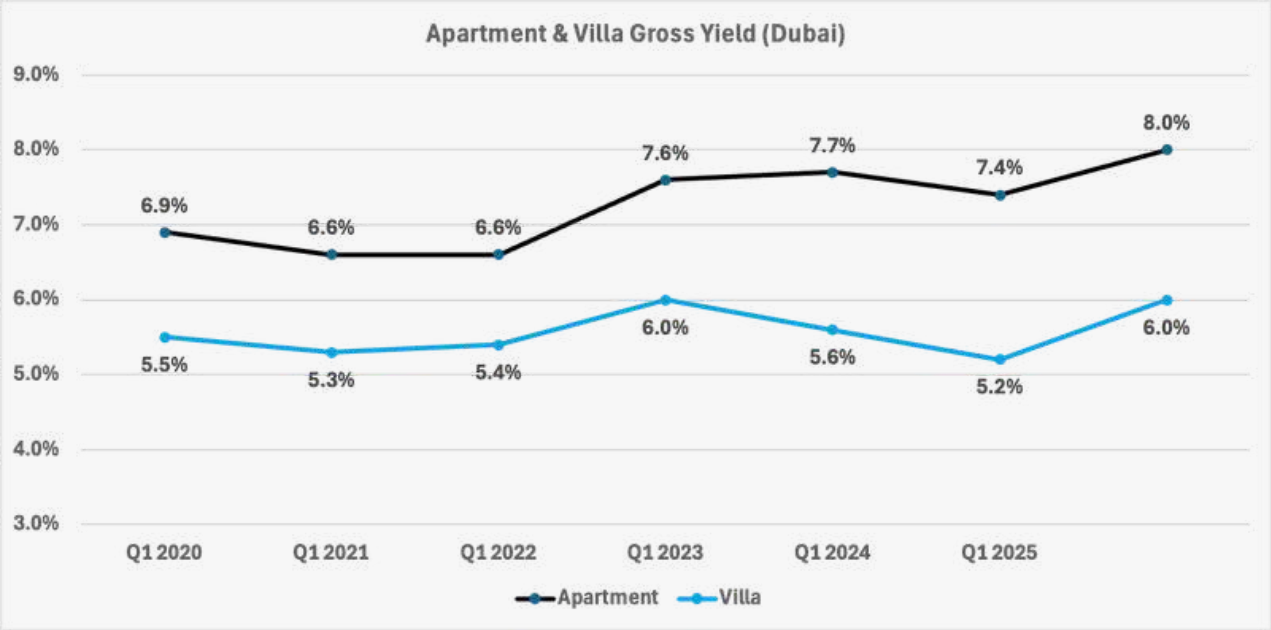
Top Performing Areas Dubai Q1 2026

Dubai's top-performing areas in Q1 2026 are driven by high volumes and competitive pricing. Dubai Land leads with 16,267 transactions at AED 1,400/sq. ft, dominating the affordable segment. Dubai South follows with 9,819 transactions at AED 1,389/sq. ft, positioning itself as a strong value-driven corridor, while Jumeirah Village Circle remains a key performer.

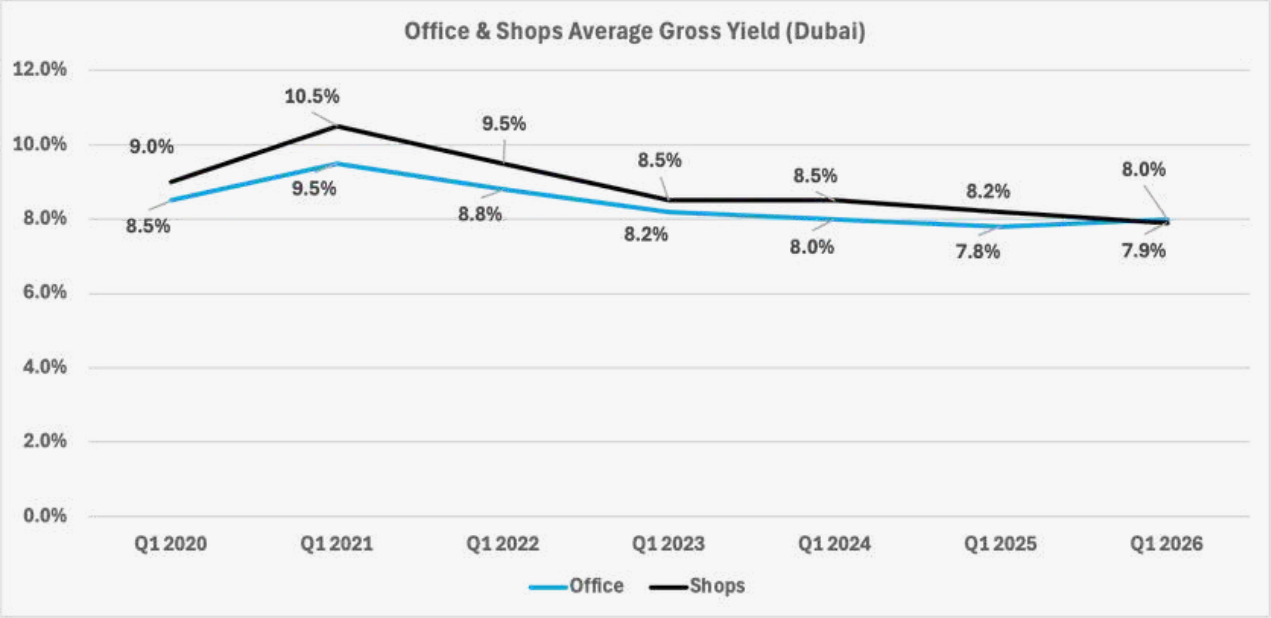
Top Areas of Dubai Q1 2026		
Community	**Number of Transactions**	**Average price per sq. ft**
Dubai Land	16,267	1,400
Jumeirah Village Circle (JVC)	4,145	1,400
Dubai South	**9,819**	**1,389**
MBR City	**3,776**	**2,300**
Dubai Residence Complex	**3,356**	**1,500**
Business Bay	**2,942**	**2,400**
Jumeirah Village Triangle (JVT)	**1,245**	**1,600**
Motor City	**1,200**	**1,600**
Dubai Science Park	**481**	**1,700**

Rental Performance : Dubai

In Dubai, Q1 2026 shows a strong upward shift in residential yields, with apartment yields rising +8.1% YoY to 8.0% and villa yields increasing +15.4% YoY to 6.0%, indicating a clear yield expansion driven by rental growth outpacing prices.



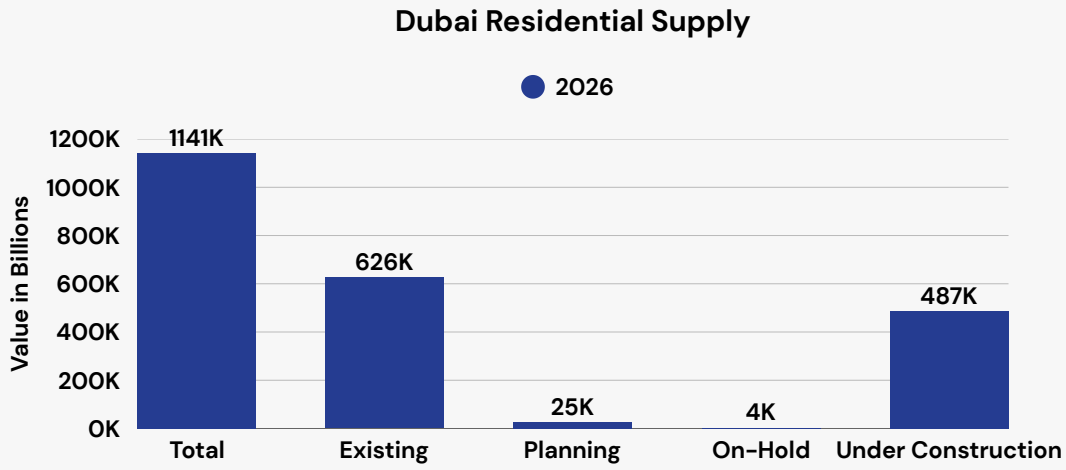
In Dubai, Q1 2026 indicates a mixed trend in commercial yields, with office yields showing a modest +2.6% YoY increase to 8.0%, while retail/shop yields slightly declined by -3.7% YoY to 7.9%, reflecting stabilization in offices but mild pressure in the retail segment.

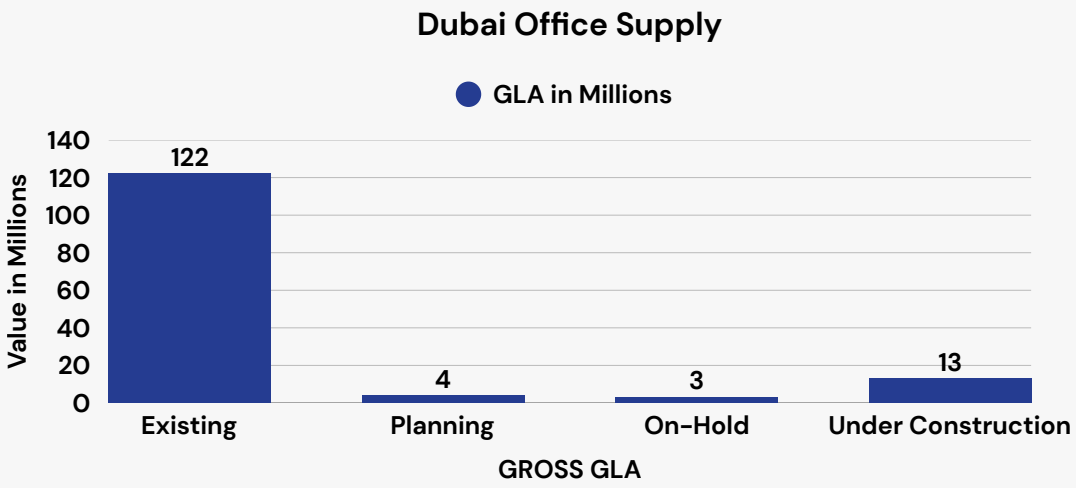


Dubai Real Estate Market Overview Q1 2026

Overall Supply Overview

Gross leasable area is increased in 2026 to 487K in underconstruction segment as compared 2025.



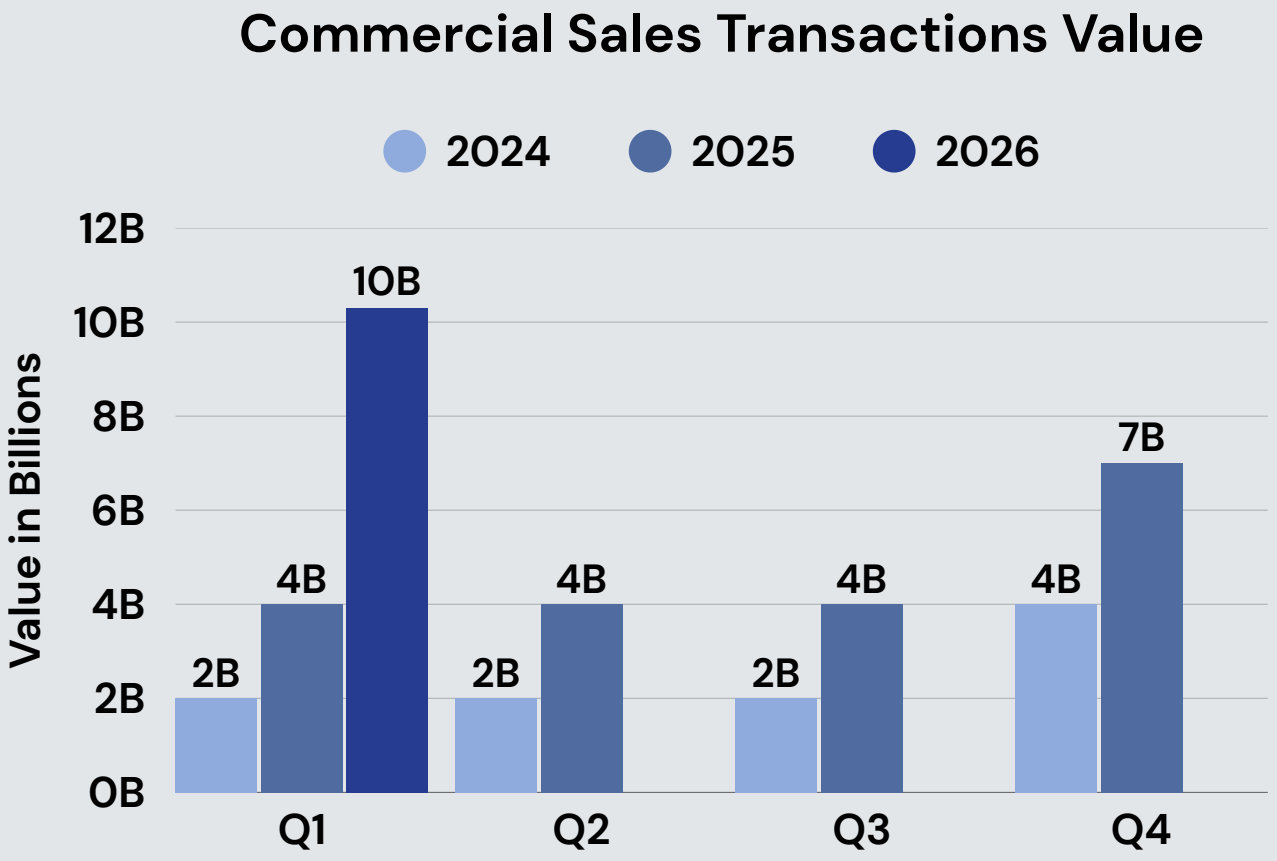


SOURCE: REIDIN

Commercial Real Estate Performance Q1 2026

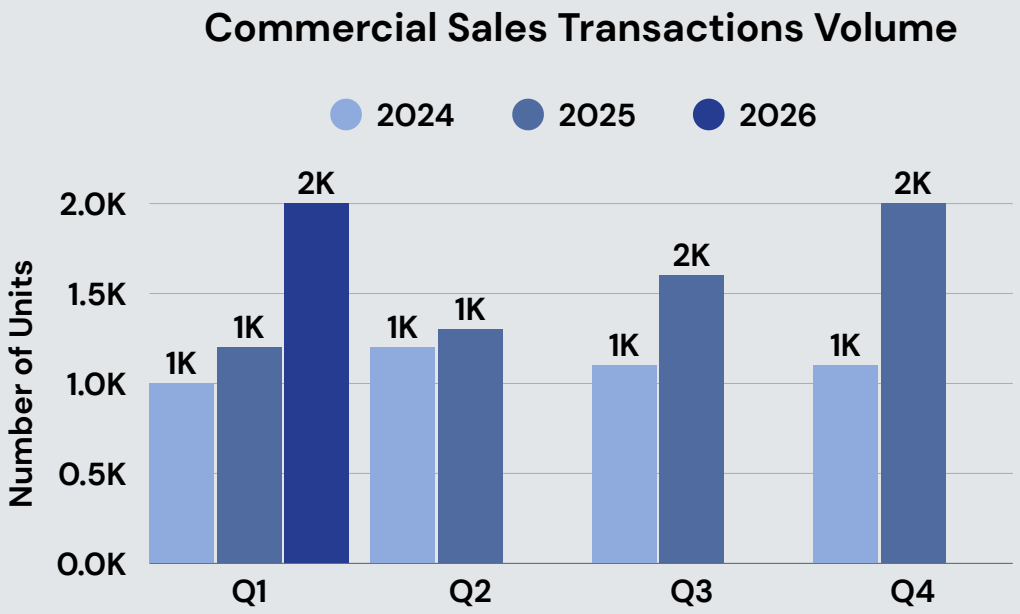
Commercial sales transactions are expected to see a significant surge in Q1 2026, reaching AED 10B, compared to AED 4B in Q1 2025, reflecting a sharp 150% year-on-year increase.

This substantial growth highlights a strong revival in the commercial segment, driven by increasing business activity, investor interest in income-generating assets, and improving economic conditions. The jump also indicates a shift in focus towards commercial real estate as confidence strengthens across the broader market.

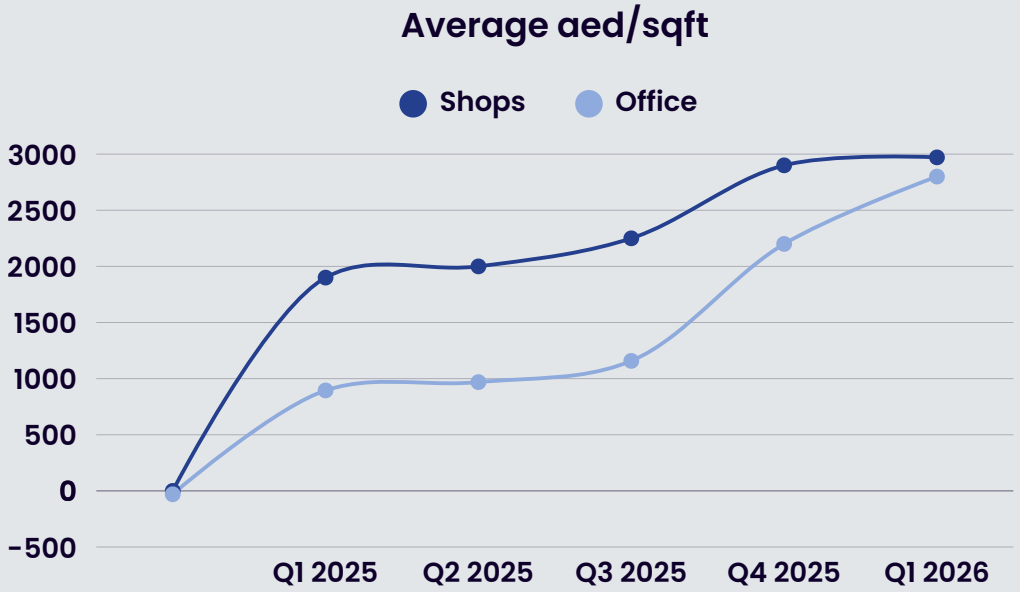


SOURCE: REIDIN

Commercial Real Estate Performance Q1 2026



Sales price for shop and office per Sqft



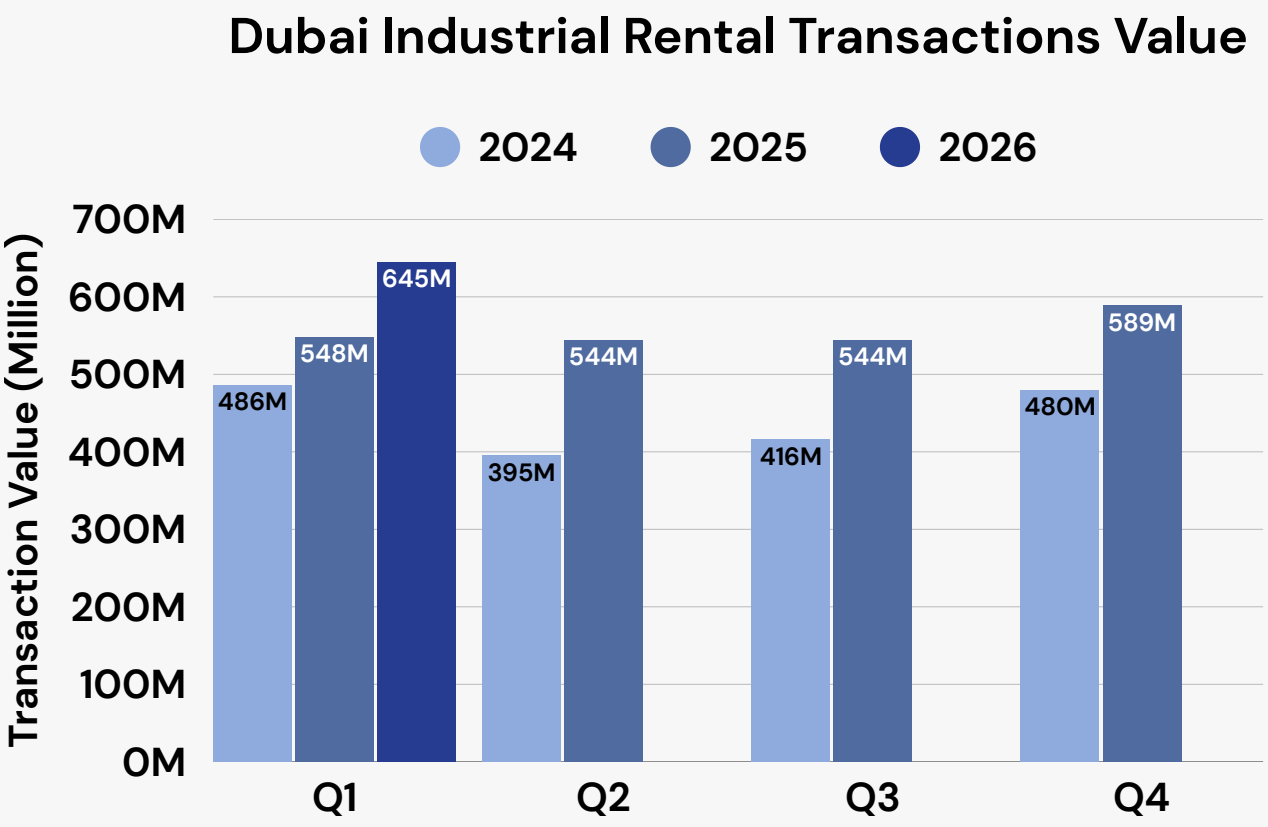
The sharp rise in Q1 2026 suggests growing momentum in the commercial sector, with demand expected to remain strong as businesses expand and investors seek higher yields. If sustained, this trend could position commercial real estate as a key growth driver within the overall market in 2026.

SOURCE: REIDIN

Dubai Industrial Market Overview – Q1 2026

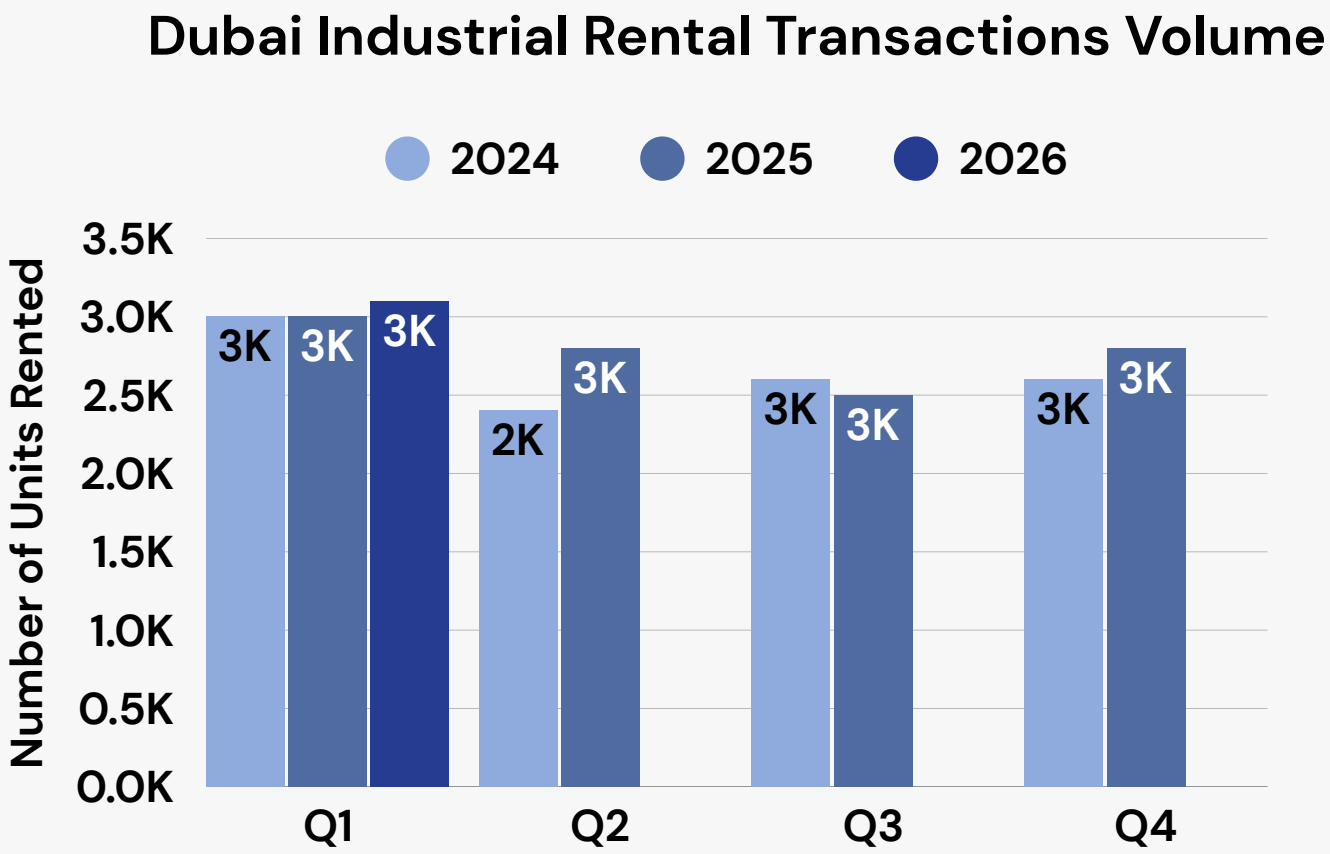
Dubai's industrial and logistics sector continues to show steady growth in 2026, with Q1 rental transactions reaching AED 645M across ~3K deals, compared to AED 548M in Q1 2025—a 17.7% increase in value despite stable volumes. The market remains supported by e-commerce, 3PL logistics, and light manufacturing, with demand increasingly shifting toward higher-quality assets.

Supply conditions remain constrained and well-managed, as reflected by stable transaction volumes of around 3,000 deals per quarter. Limited availability of prime Grade A facilities continues to keep vacancy levels low, sustaining landlord leverage and encouraging selective new developments across key industrial hubs.



SOURCE: REIDIN

Dubai Industrial Market Overview – Q1 2026



Demand is strengthening, with Q1 2026 rental transactions reaching AED 645M vs. AED 548M in Q1 2025 (+17.7% YoY). Stable volumes but higher value indicate a shift toward premium industrial leasing.

Rents & Investment:
Rising values reflect higher rents and larger deals. Strong demand from logistics and e-commerce, along with limited prime supply, is boosting investor interest and asset prices.

Outlook:
The sector is set for steady growth in 2026, with rising rents, stable volumes, and increasing investor demand, making industrial a key outperformer in Dubai's real estate market.

SOURCE: REIDIN

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Dubai Hospitality Market Overview – Q1 2026

Dubai's hospitality market remains resilient, showing strong fundamentals and promising signs of recovery. While Q1 2026 recorded an average occupancy of ~50% and an ADR of AED 350, the market is poised for a rebound as tourism demand picks up, supported by Dubai's enduring appeal as a global destination. Average RevPAR for the quarter stood at AED 300, reflecting short-term softening but highlighting significant upside potential in the coming months.

Hotel Supply & Occupancy:
Dubai's hotel inventory continues to be robust, with over 152,800 rooms across 820 properties, spanning luxury, upscale, and mid-scale segments. Despite a temporary dip in occupancy, the diverse supply mix and high-quality offerings provide a solid foundation for strong recovery in occupancy and revenue as travel momentum returns.

Pricing & Revenue Metrics:
Average Daily Rate (ADR) in Q1 2026 was AED 350, and RevPAR reached AED 300, illustrating that Dubai hotels continue to command meaningful pricing power even during a softer period. With sustained global interest and improving bookings, ADR and RevPAR are expected to rebound in the upcoming quarters, restoring the sector's strong performance trajectory.

Demand Drivers & Market Dynamics:
Dubai's hospitality market benefits from year-round tourism, business events, and enhanced flight connectivity. Demand is expected to strengthen gradually as international visitors return, new events and exhibitions boost arrivals, and Dubai continues to consolidate its position as a premier destination for leisure and business travelers. With a strong hotel pipeline and ongoing market confidence, 2026 is projected to be a year of recovery and renewed growth, reaffirming Dubai's status as a global hospitality hub.

SOURCE: DDET, GULF NEWS

Dubai Hospitality Market Overview – Q1 2026

Quarterly Average Occupancy Rate, Average Daily Rate and Average Revenue PAR

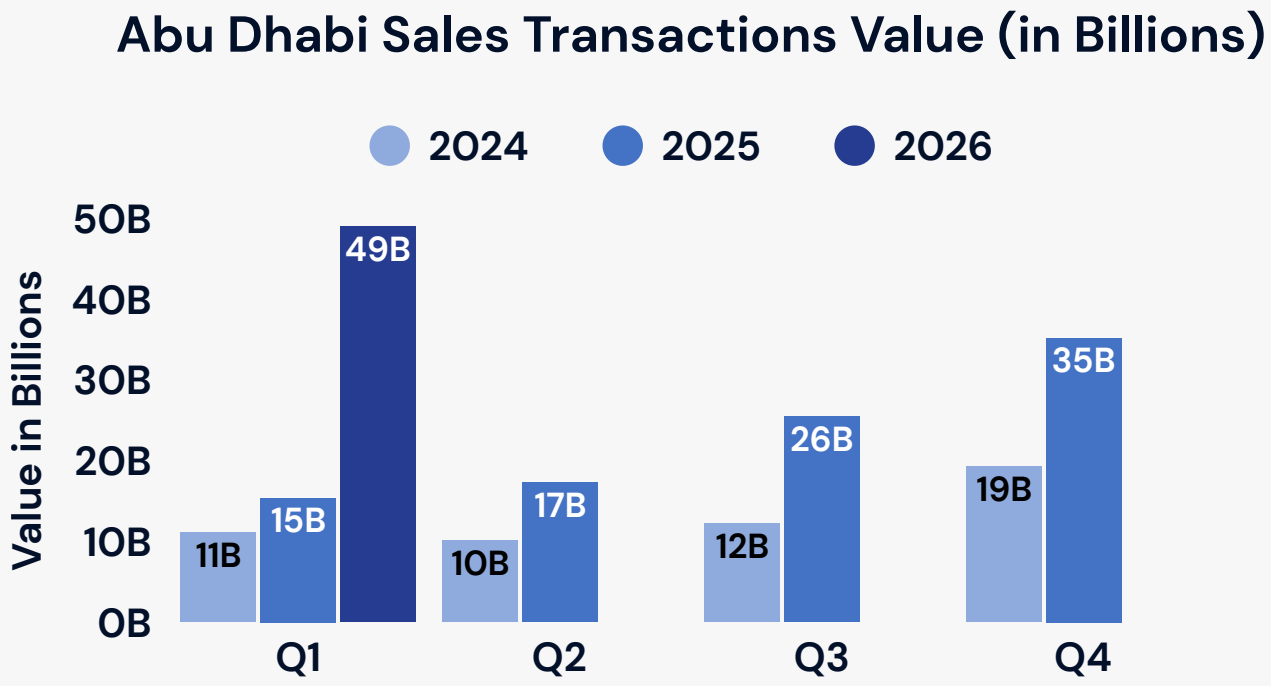
Quarter	Avg. Occupancy Rate (%)	Avg. Daily Rate (ADR, AED)	Avg. RevPAR (AED)
Q1 2025	79	540	427
Q2 2025	77.7	538.3	416.3
Q3 2025	76	533	406
Q4 2025	84	545	445
Q1 2026	~50	350	300

SOURCE: DDET, GULF NEWS

Abu Dhabi Real Estate Market Overview Q1 2026

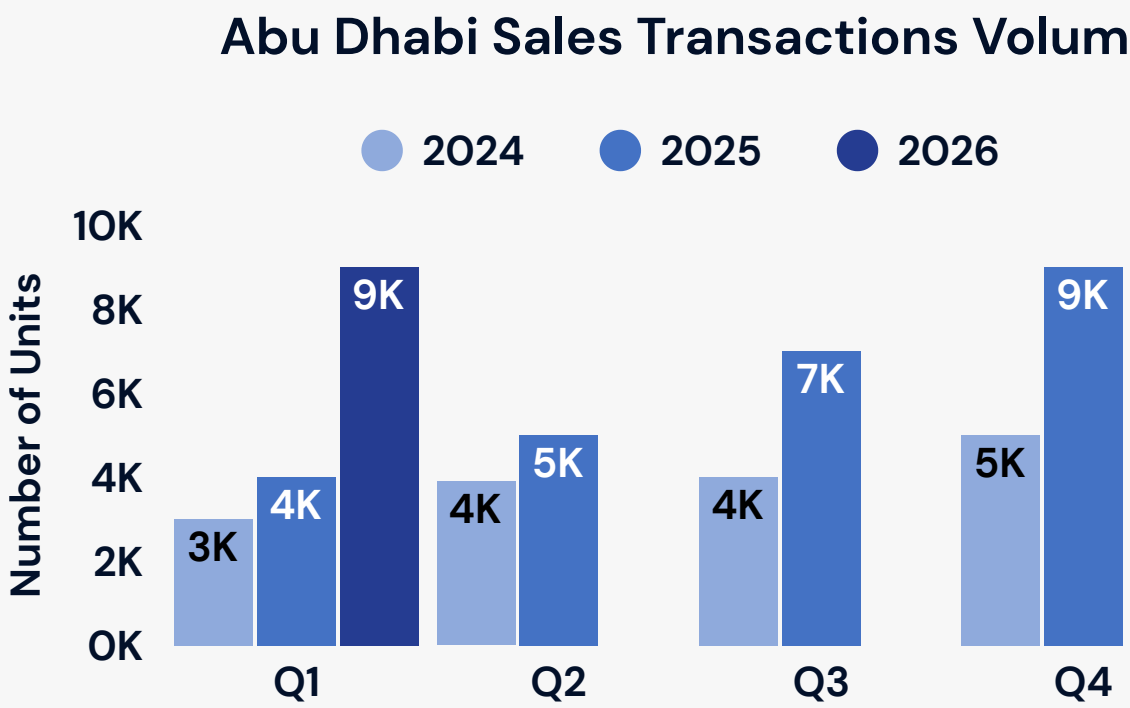
Abu Dhabi's property market has shown robust growth, with Q1 2026 sales value reaching AED 49B, up from AED 15.4B in Q1 2025, reflecting a 219% year-on-year increase. This sharp rise highlights renewed buyer confidence, strong investor appetite, and the continued attractiveness of Abu Dhabi's real estate as a stable and high-yield market.

The first quarter of 2026 marks a record start for Abu Dhabi sales activity, building on steady growth throughout 2025, where total quarterly sales ranged from AED 10B to AED 35.2B. The market's performance reflects strong demand across residential, commercial, and high-value developments, supported by strategic urban planning and ongoing infrastructure expansion.

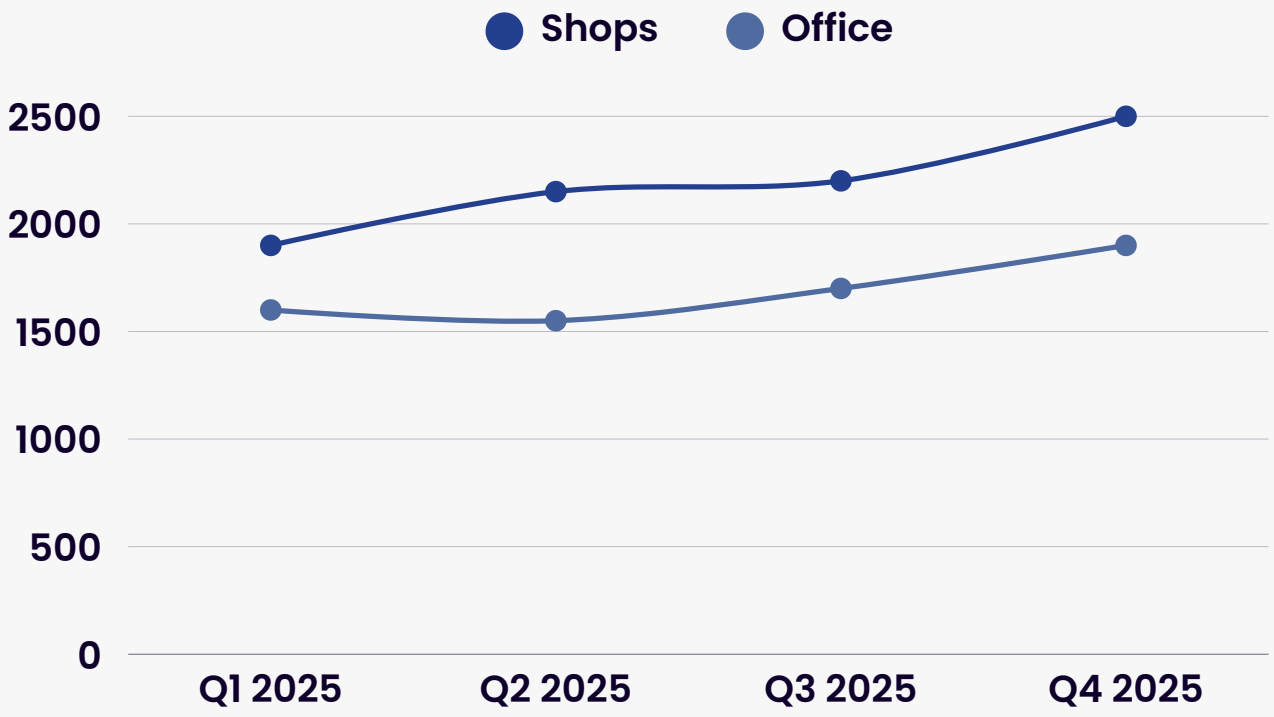


SOURCE: WINDMILLS, DARI, ADREC

Abu Dhabi Real Estate Market Overview Q1 2026



Sales price for shop and office per Sqft
Average aed/sqft

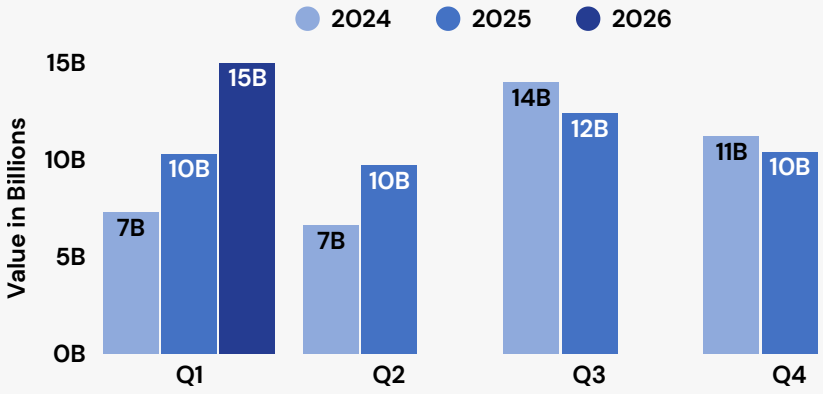


SOURCE: WINDMILLS, DARI, ADREC

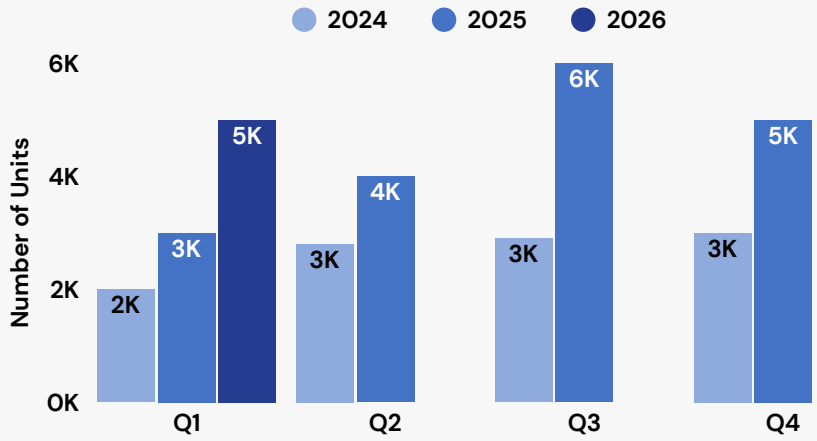
Abu Dhabi Real Estate Market Overview Q1 2026

Abu Dhabi's mortgage market is showing steady growth and resilience, with Q1 2026 mortgage sales reaching AED 15B, up from AED 10.3B in Q1 2025, representing a 45.6% year-on-year increase. This strong start to the year reflects renewed buyer confidence, greater lending activity, and an improving financing environment.

Abu Dhabi Mortgage Transactions Value (in Billions)



Abu Dhabi Mortgage Transactions Volume



The mortgage market maintained solid momentum throughout 2025, with quarterly sales ranging from AED 7B to AED 12.4B, supported by competitive interest rates, government-backed housing initiatives, and rising demand for residential properties. The Q1 2026 surge indicates that buyers and investors are actively engaging in the market, driving higher transaction volumes and values.

SOURCE: WINDMILLS, DARI, ADREC

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Top Performing Areas Abu Dhabi Q1 2026

Price-wise transactions Overview

Price Bracket	Number of Transactions	Total Value
< 30M AED	40,000	95 Bn
> 30 M AED	2,560	47 Bn

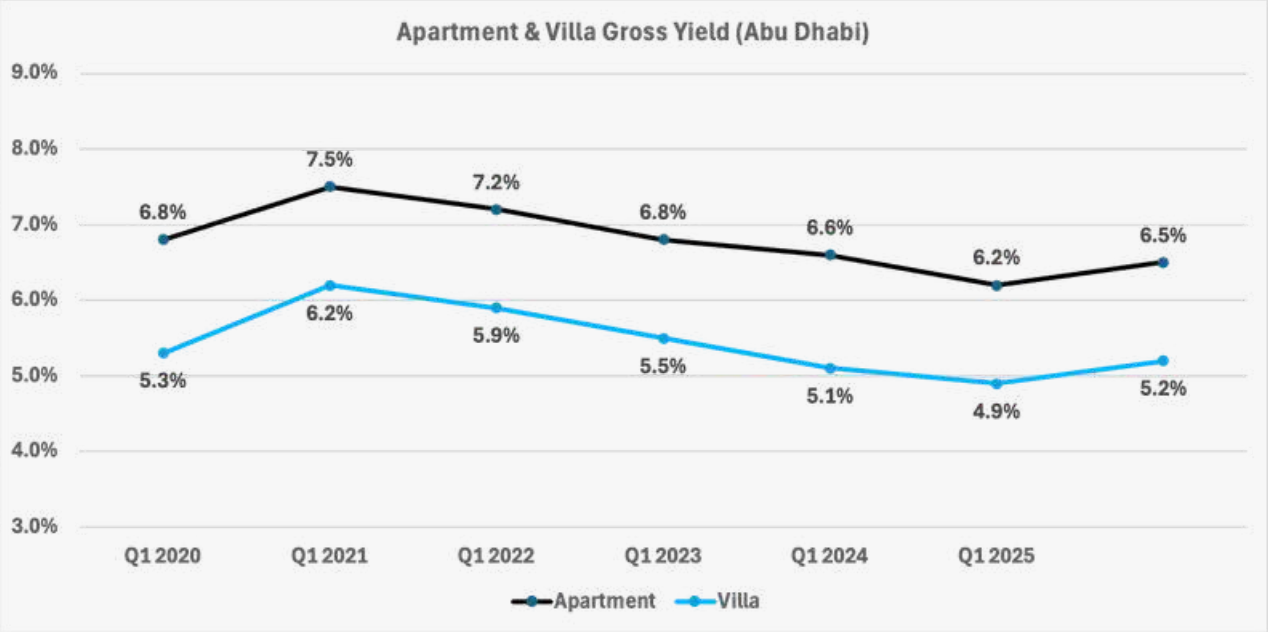
Top Areas of Abu Dhabi Q1 2026		
Community	**Number of Transactions**	**Average price per sq. ft**
Al Reem Island	12,400	1,350
Yas Island	9,750	1,800
Khalifa City	8,920	1,100
Al Raha Beach	7,680	1,650
Saadiyat Island	6,540	2,400
Mohammed Bin Zayed City	5,970	950
Al Shamkha	5,430	900
Masdar City	4,880	1,300
Al Reef	4,250	1,050

Dubai Real Estate Ticket Size Distribution – Q1 2026

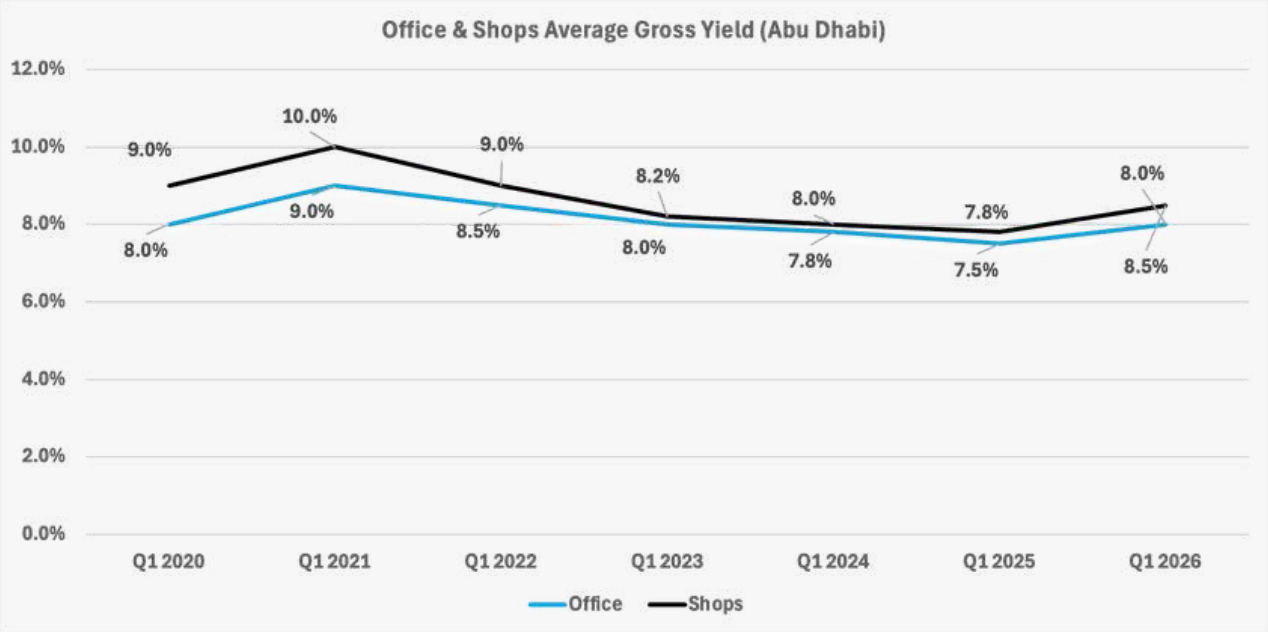
Price Bracket	% of Transactions
< 1 M AED	~18.5 %
1–3 M AED	~54.0 %
3–5 M AED	~14.5 %
5–10 M AED	~8.0 %
> 10 M AED	~5.0 %

Rental Performance : Abu Dhabi

In Abu Dhabi, Q1 2026 shows a recovery in yields, with apartment yields rising +4.8% YoY to 6.5% and villa yields increasing +6.1% YoY to 5.2%, indicating early signs of stabilization after a multi-year compression cycle.



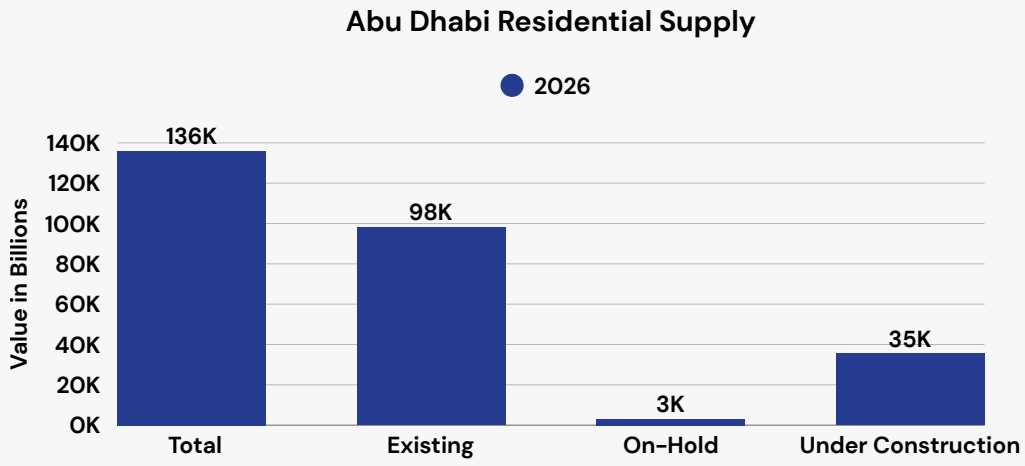
In Abu Dhabi, Q1 2026 reflects a yield rebound in the commercial segment, with office yields increasing +6.7% YoY to 8.0% and retail/shop yields rising +9.0% YoY to 8.5%, signaling renewed leasing strength after prior softening.

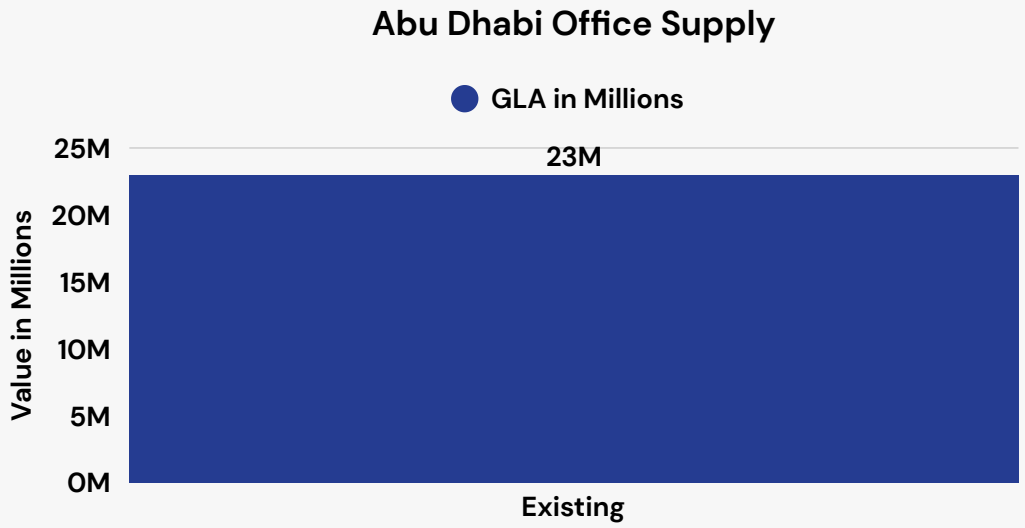


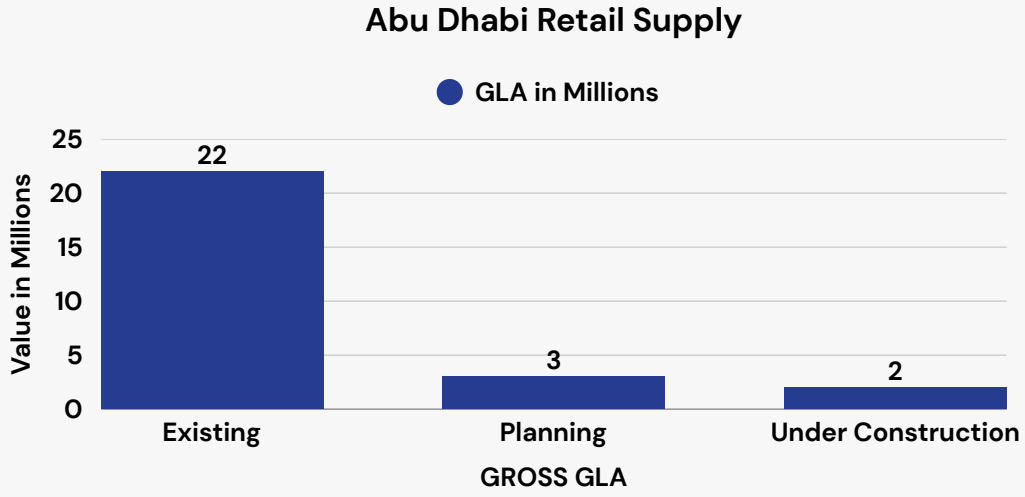
Abu Dhabi Real Estate Market Overview Q1 2026

Overall Supply Overview

Gross leasable area is increased in 2026 to 35K in underconstruction segment as compared 2025.







SOURCE: REIDIN

Sharjah Real Estate Market – Q1 2026

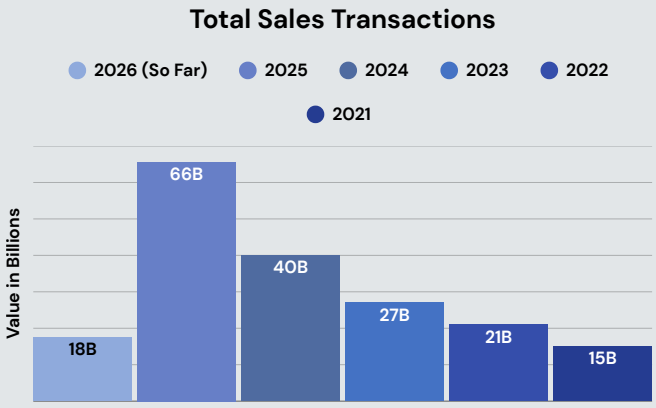
Sharjah's property market starts 2026 on a strong note, with Q1 sales reaching AED 18 billion, following a robust 2025 performance of AED 66 billion. The market continues to attract both investors and end-users, reflecting the emirate's growing appeal.

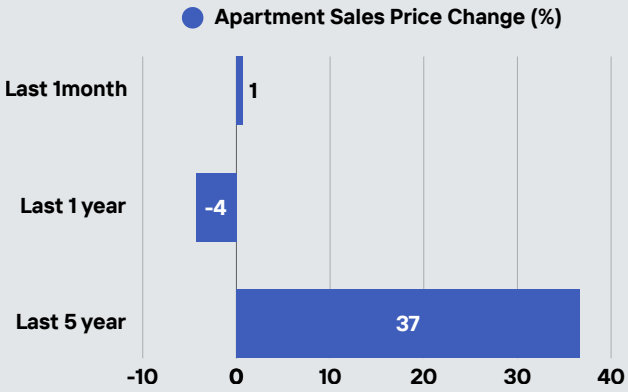
Demand

Residential demand remains strong across key areas like Al Nahda, Muweilah, and Al Khan, supported by affordable housing options and family-oriented communities. Off-plan and ready properties are both seeing healthy uptake, with buyer interest expected to increase steadily through 2026.

Supply

Supply growth is led by mid-rise apartments, villas, and mixed-use developments, while prime locations maintain tight availability. Streamlined registration and government-led initiatives support smooth transaction processes, keeping the market balanced.





Key Projects

Sharjah Sustainable City – ~85% complete; eco-friendly, sustainable living focus.
Aljada – ~70% complete; mixed-use urban district with residential and commercial zones.
Maryam Island – ~60% complete; luxury waterfront residences and retail.
Ajwan Khorfakkan – ~50% complete; coastal community with marina and leisure facilities.

SOURCE:SHARJAH RE, REIDIN

Ajman Real Estate Market – Q12026

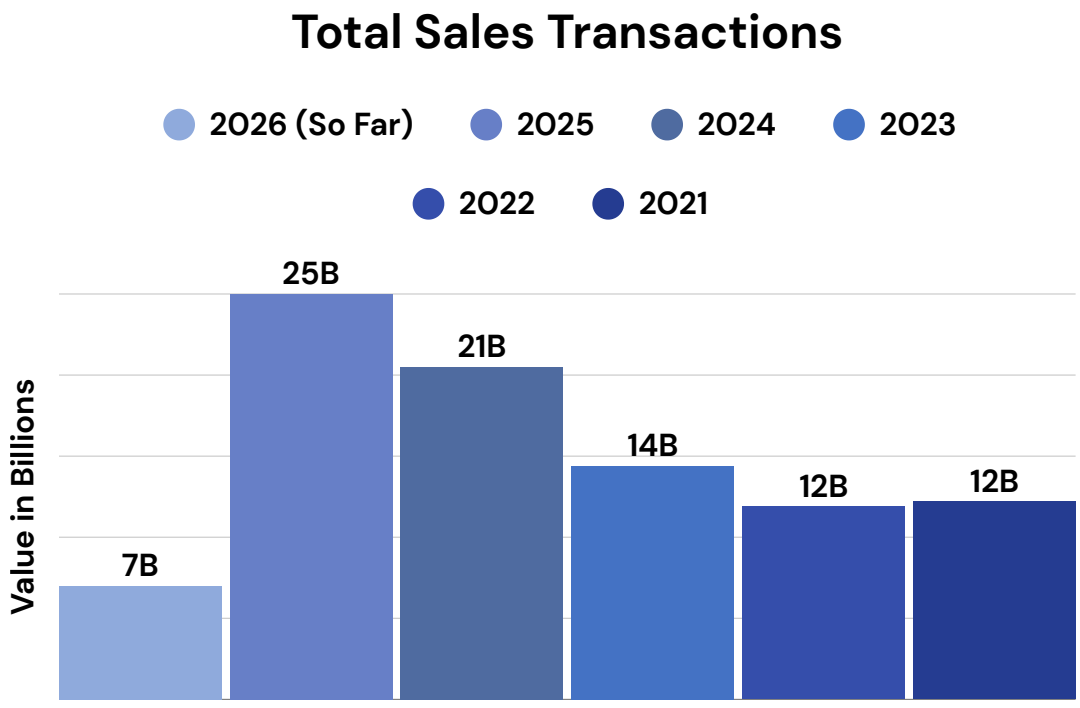
Transactions

Ajman's real estate market continues to show resilient growth, with Q1 2026 so far sales value reaching AED 7B, compared to AED 25B in 2025. The market remains supported by steady demand across residential, commercial, and industrial sectors, highlighting Ajman's growing appeal as an investment destination.

Demand

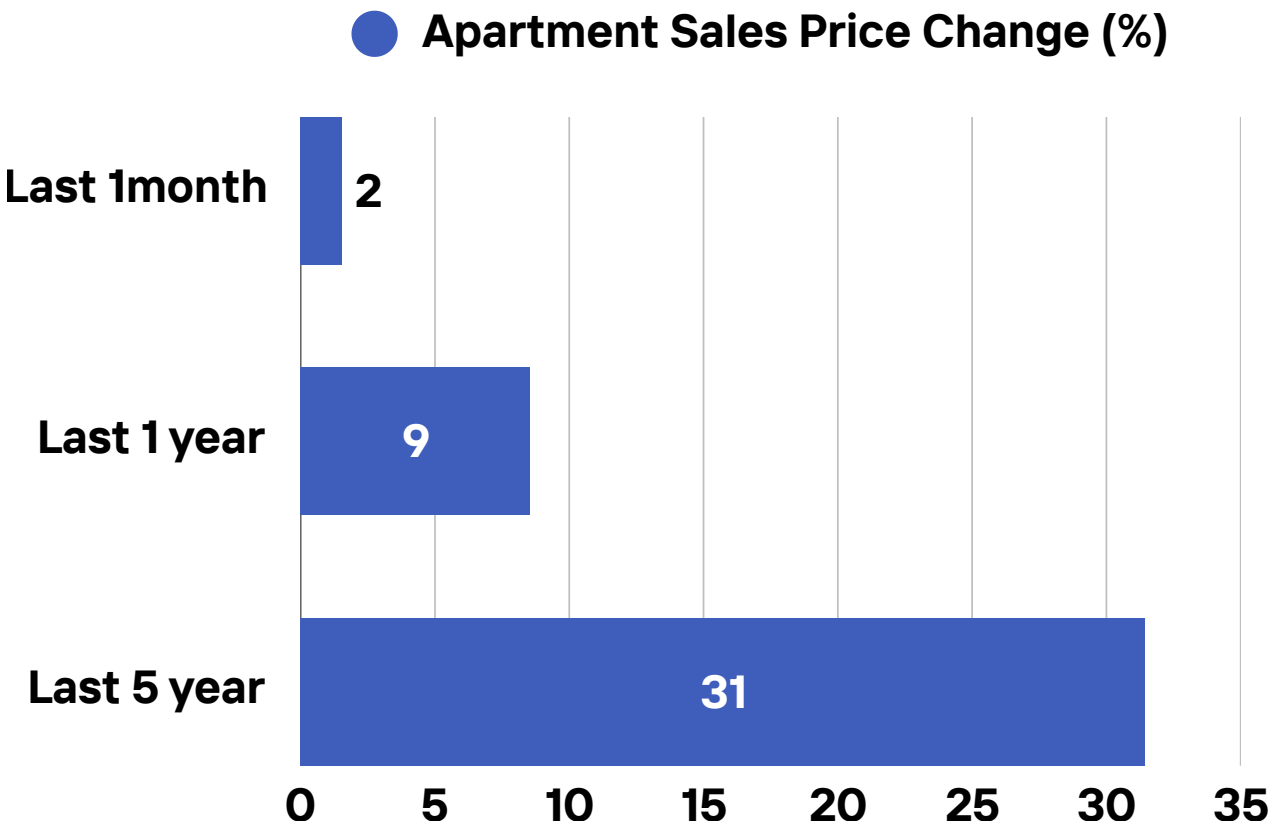
Strong buyer interest is driving the market, particularly for residential plots, villas, and mixed-use developments. UAE nationals continue to play a significant role, accounting for a sizeable portion of transaction values. Key areas such as Al Rumailah 3 and Industrial Area 2 remain highly sought after for both sales and mortgage activity.

The Ajman market is expected to maintain steady growth in 2026, supported by robust demand and ongoing project deliveries. With a combination of strong buyer interest, expanding supply, and favorable regulatory support, Ajman remains an attractive real estate destination for investors and end-users alike.



SOURCE: WINDMILLS, AJMAN RE, REIDIN

Ajman Real Estate Market – Q1 2026



Key projects

GJ Properties: Leading private developer with an ongoing AED 4 billion investment plan across Ajman for 2025-26, reflecting confidence in the emirate's growth potential.

Aqaar Developments: Government-backed developer driving large master-plan communities and urban densification.

Al Zorah Development / Solidere International: Spearheading premium waterfront and lifestyle projects in the Al Zorah masterplan.

Emirates Properties: Focused on community living and family-oriented villa/townhouse clusters with sustainable long-term demand.

SOURCE: WINDMILLS, AJMAN RE, REIDIN

Ras Al Khaimah Real Estate Market – Q1 2026

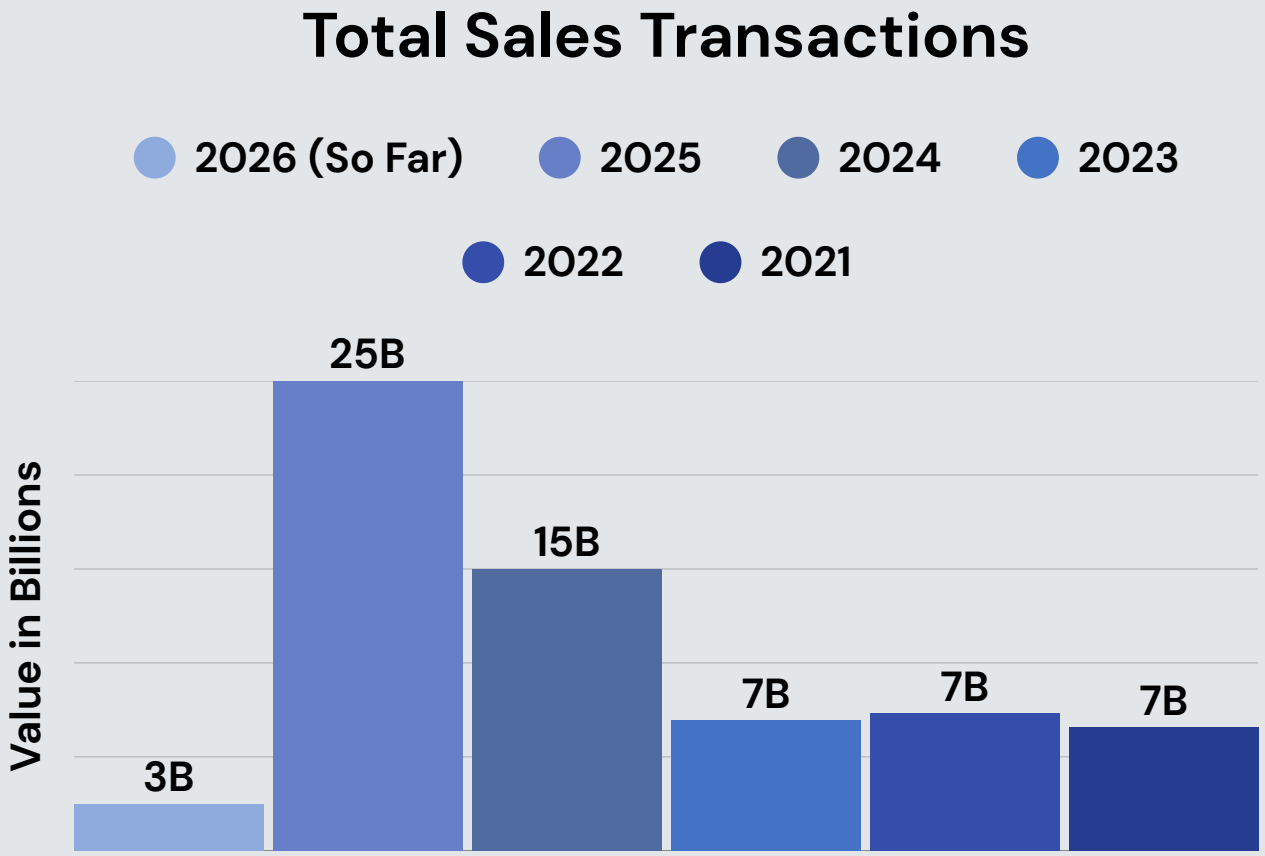
Ras Al Khaimah's property market continues to grow, with Q1 2026 sales reaching AED 3 billion, reflecting strong buyer confidence and investor interest in the emirate.

Demand

Demand is focused on residential and off-plan projects in communities like Al Marjan Island, Al Hamra, and Mina Al Arab. Coastal and lifestyle assets are especially popular, with off-plan activity expected to rise 15–20% in 2026.

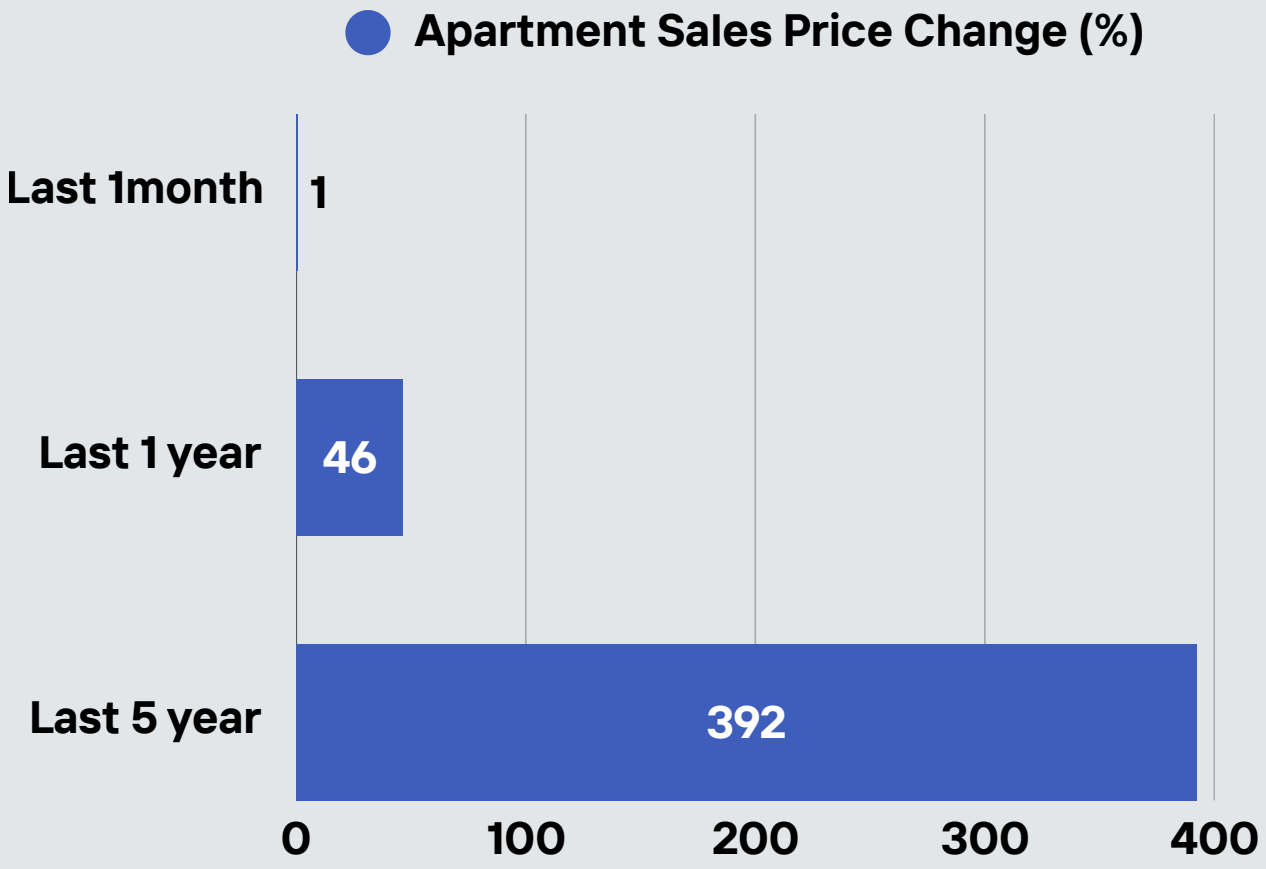
Supply

Supply remains tight in prime coastal zones, supporting stable pricing and capital appreciation. Villas, townhouses, and waterfront properties continue to attract strong interest, with projected price growth around 20% in 2026.



SOURCE: REIDIN, RAS AL KHAIMAH STATISTICAL CENTRE, RAK MUNCIPALITY

Ras Al Khaimah Real Estate Market – Q1 2026



Key Projects

RAK Properties Mina Masterplan: AED 5.4 billion pipeline, including Mirasol on Raha Island.

Mondrian Al Marjan Residences: AED 1.8 billion luxury beachfront units.

Al Hamra Greens & Aila Homes: AED 3 billion residential masterplan with strong uptake.

RAK Central: Mixed-use commercial and residential hub for luxury lifestyle and business.

SOURCE: REIDIN, RAS AL KHAIMAH STATISTICAL CENTRE, RAK MUNCIPALITY

EXPERT TEAM

Market Experts

Bilal Moti, MRICS

Chairman - Windmills Group

Provides strategic leadership and governance, overseeing the company's vision, performance, and long-term growth while ensuring strong corporate governance and market credibility.

Ahmet Ozgur, MRICS

Head of Property Valuation

Leads valuation operations and standards, ensuring accurate, compliant, and high-quality property valuations while managing teams, methodologies, and client deliverables.

Barakah Moti

Chief Business Officer

Responsible for driving business growth, client acquisition, and strategic partnerships in the property valuation company, while aligning commercial objectives with regulatory compliance and service quality.

Muhammed Ahtesham Zia , AssocRICS

Manager - Data & Research

Responsible for managing market data, research analysis, and reporting to support accurate property valuations, business insights, and informed decision-making across the organization.

Akash Ahmed

Chief Technology Officer

Leads an organization's technology strategy, overseeing innovation, digital infrastructure, and the development of technology solutions that drive business growth and efficiency.

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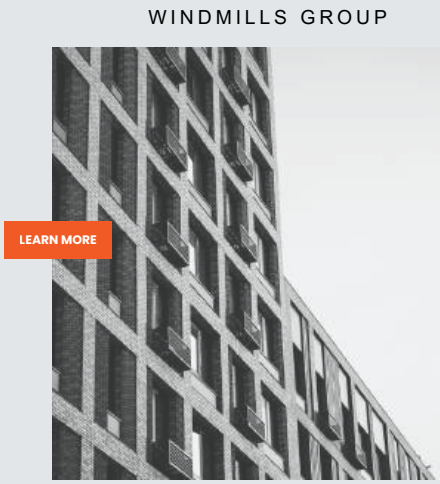

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