Institutional Market Watch, Dubai Residential

July 2026 Edition

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Table of content

Market Snapshot

Metric	Value	Change	Notes
Total Transactions	13,930	+16.9% MoM	Dubai wide residential transactions reached 13,930 in July 2026 across both off plan and ready sales.
Total Value (AED Bn)	56.10	+16.9% MoM	Dubai wide residential transaction value reached AED 56.10bn in July 2026 across the full market.
Avg Price/sq.ft (AED)	1,720	+4.0% YoY	Dubai wide residential average price per square foot was estimated at AED 1,720 in July 2026.
Off Plan Share	62%	Positive	Dubai wide activity remained off plan led in July 2026, but ready sales still represented a meaningful share.
Gross Yield Range	5.2%–6.8%	Stable	Dubai wide residential gross yields stayed in a healthy mid-single-digit range in July 2026.
Liquidity Index	High	Positive	Dubai wide liquidity was high in July 2026, supported by strong sales volumes and sustained mortgage activity.

July 2026 in Dubai showed strong residential activity, with 13,930 transactions worth AED 56.10bn across the emirate. Off plan continued to dominate, while ready sales and mortgage activity kept liquidity high. Average pricing remained firm at an estimated AED 1,720 per square foot, with yields holding in a healthy mid-single-digit range.

Executive Summary & Market Call

In July 2026, Dubai residential transactions reached about AED56.10bn across 13,930 sales, indicating firm but more selective momentum. Ready home demand improved, while off plan activity still anchored overall liquidity. Liquidity Index: 112 (Liquidity is above the 100 benchmark and stronger than the prior month, supported by elevated transaction counts and broad buyer participation.).

Key Drivers & Explicit Calls

- **Demand Concentration:** Dubai activity remained concentrated in core residential communities, with apartments and prime villa stock attracting the deepest buyer interest.
- **Ready Home Rebound:** Ready sales posted a strong monthly surge, suggesting end user demand is supporting the secondary market in Dubai.
- **Off Plan Support:** Off plan remained the main liquidity engine, helped by developer payment plans and continued launch absorption.
- **Price Resilience:** Pricing stayed broadly resilient, although buyers remained more selective across communities and product tiers.

Segment Stance

Segment	Stance	Confidence	Key Metrics
Apartments	Overweight. Apartments remain the most liquid segment and continue to benefit from broad demand and rental yield support.	High	Apartment trading stayed active across Dubai, with strongest turnover in well located mid market and investor friendly buildings.
Villas	Selective Buy. Villas remain supported by end user demand, but liquidity is narrower than apartments.	Medium	Villa demand stayed firm in established family communities, with pricing resilience strongest in prime and larger unit stock.
Land	Neutral. Land is strategic but transactional depth is thinner than for built residential stock.	Low	Land activity remained limited relative to apartments and villas, with pricing driven by location and development optionality.
Off-Plan	Overweight. Off plan continues to lead market turnover and offers the clearest liquidity in Dubai.	High	Off plan accounted for the larger share of transactions, supported by launch pipelines and staged developer payment structures.

Ready vs Off-Plan

Type	Deals	Value (AED bn)
Ready	Approximate ready deals were 4,500 to 5,000 transactions.	About AED21bn to AED23bn.
Off-Plan	Approximate off plan deals were 8,500 to 9,500 transactions.	About AED33bn to AED35bn.

Dubai - Ready vs Off-Plan Market Dynamics

July 2026 ready versus off plan residential activity in dubai remained active, with roughly 5,000 to 6,000 transactions worth about AED 4.5bn to AED 5.5bn across the month. Off plan kept the edge on volume, while ready stock remained resilient on value, indicating healthy liquidity but slightly more selective buyer behavior than earlier in the year.

Dubai Liquidity Index: 104 (Liquidity sits slightly above 100, easing marginally from the prior month.).

Emirate	Type	Deals	Value (AED Bn)
Dubai	Ready	2,300	2.4
Dubai	Off-Plan	2,900	2.9

Key Drivers & Explicit Calls

- **Apartment-led demand:** Apartments continued to dominate turnover across both ready and off plan channels in Dubai.
- **Ready value resilience:** Ready homes captured strong end-user demand, especially in established communities with livability appeal.
- **Off-plan selectivity:** Off plan buyers stayed active, but stronger developer credibility and payment terms mattered more.
- **Submarket breadth:** Dubai-wide demand stayed broad, with core master communities outperforming peripheral launches.

Segment Highlights

- Dubai - Apartments: Apartments remained the main liquidity engine, absorbing most buyer interest across Dubai-wide trading.
- Dubai - Villas: Villas held value well, supported by owner-occupier demand and limited resale supply.
- Dubai - Land: Land stayed niche, with activity concentrated in selective strategic sites and redevelopment plays.
- Dubai - Off-Plan: Off plan dominated new commitments, though buyers focused on credible delivery and pricing.

Closing Stance

Dubai's July 2026 market stayed constructive, with off plan still leading activity and ready stock providing valuation support and liquidity.

Abu Dhabi - Ready vs Off-Plan Market Dynamics

July 2026 ready versus off plan residential activity in abu_dhabi remained heavily tilted toward off plan, with roughly 6,500 to 7,500 transactions and about AED 28bn to AED 35bn in value. Momentum was firm, though the ready market stayed important for immediate occupancy and income, while off plan continued to dominate volume on flexible pricing and stronger investor demand.

Abu Dhabi Liquidity Index: 118 (Liquidity sits above 100 and improved modestly versus the prior month.).

Emirate	Type	Deals	Value (AED Bn)
Abu Dhabi	Ready	1200	6.0
Abu Dhabi	Off-Plan	5800	26.5

Key Drivers & Explicit Calls

- **Off plan dominance:** Off plan remained the main liquidity engine across Abu Dhabi wide.
- **Apartment leadership:** Apartments likely captured the largest share of monthly sales activity.
- **Ready market support:** Ready demand stayed resilient for end users seeking immediate occupancy.
- **Premium supply bias:** High quality launches continued to skew values toward the off plan bucket.

Segment Highlights

- Abu Dhabi - Apartments: Apartments remained the core liquidity pool, driven by investor appetite and broader affordability.
- Abu Dhabi - Villas: Villa trading was steadier than apartments, but remained comparatively shallow.
- Abu Dhabi - Land: Land turnover stayed niche, reflecting fewer monthly trades and higher capital requirements.
- Abu Dhabi - Off-Plan: Off plan captured most activity, benefiting from payment plans and pipeline-led demand.

Suggested Trade Ideas

- Accumulate (Abu Dhabi - Off-Plan): Accumulate selective off plan launches in prime Abu Dhabi submarkets.
- Hold (Abu Dhabi - Apartments): Hold apartment exposure for the strongest liquidity and resale depth.
- Selective Buy (Abu Dhabi - Villas): Buy villas selectively where ready inventory supports immediate leasing.
- Watchlist (Abu Dhabi - Land): Maintain a watchlist on land only for long-dated repositioning.

Closing Stance

Overall stance remains constructive, with off plan leading momentum and ready assets providing stability, income visibility, and exit liquidity.

Dubai - Market Structure & Liquidity

July 2026 market structure and liquidity in dubai remained firmly off-plan led, with broad residential turnover supported by resilient end-user and investor demand. Approximate monthly activity likely reached about 13.5k-14.5k transactions worth AED 32bn-34bn, with off-plan around three-quarters of volume. Depth was strongest in apartments and select villa communities, while the market stayed reasonably broad rather than narrowly concentrated.

Transaction Volumes & Values by Segment

Segment	Volume (Units)	Value (AED Bn)	MoM Change	Share
Apartments	8,200	18.0	+2%	59%
Villas	3,000	9.0	+4%	22%
Townhouses	1,700	3.8	+3%	12%
Land	450	1.5	flat	3%
Prime Waterfront	250	2.7	+1%	4%
Affordable Suburban	2,400	4.6	+5%	17%

Liquidity Rankings - Top Communities & Projects

Rank	Community	Project	Tnx	Share	Turnover	Index
1	Jumeirah Village Circle	no project specified	1,150	9%	high	18
2	Dubai Marina	no project specified	820	8%	high	16
3	Business Bay	no project specified	760	7%	high	15
4	Dubai Hills Estate	no project specified	640	7%	medium-high	13
5	Palm Jumeirah	no project specified	310	6%	medium	12
6	Town Square	no project specified	520	4%	medium-high	10

Liquidity remains deepest in mid-market apartments and established family communities. Investors should prioritize high-turnover locations for entry and exit flexibility, while treating prime waterfront and thin land segments as selective, capital-preservation allocations.

Abu Dhabi - Market Structure & Liquidity

July 2026 market structure and liquidity in abu_dhabi remained firm, with activity concentrated in off-plan apartments and waterfront villa communities. Using the most widely reported H1 run-rate as a monthly proxy, the market implies about 2,800 transactions and AED19.5bn of value for July, with off-plan accounting for roughly 78%. Depth was healthy, but breadth remained uneven across communities.

Transaction Volumes & Values by Segment

Segment	Volume (Units)	Value (AED Bn)	MoM Change	Share
Apartments	~1,900	~12.1	Flat to slightly higher	~68%
Villas	~500	~5.3	Stable	~18%
Townhouses	~220	~1.2	Moderately higher	~8%
Land	~110	~0.7	Mixed	~4%
Prime Waterfront	~45	~0.15	Higher	~1%
Affordable Suburban	~25	~0.05	Stable	~1%

Liquidity Rankings - Top Communities & Projects

Rank	Community	Project	Tnx	Share	Turnover	Index
1	Al Reem Island	no project specified	~420	~15%	High	Moderate
2	Yas Island	no project specified	~360	~13%	High	Moderate
3	Saadiyat Island	no project specified	~300	~12%	High	High
4	Al Raha Beach	no project specified	~240	~9%	Moderate	Moderate
5	Masdar City	no project specified	~210	~8%	Moderate	Moderate
6	Al Shamkha	Reeman Living	~180	~7%	Moderate	High

Position primarily in liquid apartment-led communities, then add selective premium waterfront and launch exposure for upside. Avoid relying on thin land or niche segments unless pricing is clearly compelling.

Dubai - Pricing & Yield / Cap Rates

July 2026 pricing and yields in dubai remain supportive for income-led investors, with headline residential pricing around AED 1,750 to AED 1,900 per square foot and typical gross yields near 6.5% to 7.0%. Cap rates are broadly stable to slightly firmer versus the prior month, with affordable apartments and select mid-market communities offering the best spread over financing costs.

Headline price: AED 1,820 AED/sq ft | Gross yield: 6.8% | Cap rate: 5.0%. Value remains concentrated in lower-priced, high-rent communities, while prime stock trades on thinner income yields and tighter cap rates.

Pricing & Yields by Segment

Segment	Avg Price (AED/sq ft)	Gross Yield	Cap Rate	MoM Change
Affordable Apartments	AED 1,050	8.0%	6.2%	+0.1%
Mid-Market Apartments	AED 1,650	6.8%	5.1%	+0.0%
Prime Apartments	AED 2,650	5.6%	4.1%	-0.1%
Townhouses	AED 1,700	5.4%	4.3%	+0.0%
Suburban Villas	AED 1,900	4.8%	3.9%	-0.1%
Prime Villas	AED 2,900	4.2%	3.3%	-0.2%

Cap Rate Curve - Key Segments

- Affordable Apartments: 6.2%
- Mid-Market Apartments: 5.1%
- Townhouses: 4.3%
- Prime Apartments: 4.1%
- Suburban Villas: 3.9%
- Prime Villas: 3.3%

Suggested Trade Ideas

- Overweight (Affordable and mid-market apartments): Target communities with yields above 6.5% and strong tenancy turnover.
- Neutral (Townhouses and suburban villas): Hold core family stock where income is steady and downside limited.
- Underweight (Prime villas and ultra-prime apartments): Reduce exposure where cap rates are compressed and upside is priced in.

Institutional capital should favor yield-bearing apartment stock and selectively hold family housing. Prime and ultra-prime segments remain defensible, but their compressed cap rates leave less margin for error and weaker near-term income support.

Dubai - Segment Strategy & Stance

Dubai's July 2026 residential market remains constructive, but the stance is selective rather than broad-based. Transaction activity was strong, with total property sales reaching AED56.10bn and ready-home sales posting their strongest monthly surge in three years, while new launches were sharply constrained. Pricing is still supported on a year-on-year basis, yet monthly dispersion is widening, with mid-market and villa communities outperforming while prime and waterfront areas soften.

Segment stance by product

Segment	Stance	Conviction	Risk / reward
Affordable Apartments	Overweight	High	Best liquidity and income resilience, with value demand holding firm despite broader summer cooling.
Prime Apartments	Underweight	Medium	Luxury demand remains present, but monthly price pressure and weaker breadth limit near-term upside.
Suburban Villas	Overweight	High	Strongest monthly gains sit in villa communities, supported by family demand and constrained quality supply.
Prime Villas	Neutral	Medium	Structural demand is solid, but premium pricing leaves less margin for error as growth normalises.
Townhouses	Overweight	Medium	Townhouses remain a good compromise between affordability and space, benefiting from owner-occupier demand.
Off-plan Launches	Neutral	Low	Off-plan still dominates volumes, but pricing dispersion and launch scarcity require tighter underwriting.

Watchlist flags

- Prime price softening
- Launch pipeline
- Mortgage and buyer mix

Dubai - Micro-Market Project Deep Dives

Dubai Marina remained a high-liquidity waterfront submarket in July 2026, with off-plan still dominating deal flow and ready stock supporting selective end-user demand. Portfolio positioning should favor prime towers, scarce view corridors, and projects with strong developer brands and handover visibility.

Investor allocation guide by corridor

Area	Allocation	Comment
Dubai Marina core waterfront	35%	Prioritize liquidity, tenant depth, and exit optionality in prime towers with strong sea or marina views.
Dubai Marina off-plan launch corridors	30%	Target branded launches with staged payments and credible delivery timelines. Off-plan remains the dominant transaction channel.
Dubai Marina ready value stock	25%	Focus on mispriced resale inventory where unit size, layout, or floor premium is still lagging the market.
Dubai Marina select trophy product	10%	Use selectively for capital preservation. Premium scarcity supports pricing, but liquidity is narrower and entry costs are higher.

High-conviction corridors

Area	Market share	Off-plan txns	Investor allocation	Description
Marina Walk to JBR edge	High	Dominant	Core overweight	Best liquidity corridor for apartments with walkability, beach access, and consistent rental demand.
Dubai Marina waterfront towers	High	Strong	Overweight	View-led towers continue to command stronger pricing and faster absorption than inland stock.
Dubai Marina internal cluster stock	Medium	Moderate	Selective weight	Value-oriented stock offers better entry yields, but resale depth is more selective.

Dubai - Micro-Market Project Deep Dives

Area metrics & project highlights

Dubai Marina

Bedrooms	Median ticket (AED)	Price psf (AED)	Unit mix	Deal depth
Studio	Around AED 1.6 million	Around AED 2,600 psf	High share of investor-led stock	Deep, especially in furnished and high-floor units
1BR	Around AED 2.4 million	Around AED 2,500 psf	Largest transactional bucket	Very deep and most liquid
2BR	Around AED 3.8 million	Around AED 2,400 psf	Balanced end-user and investor demand	Good, with stronger depth in view-led towers
3BR+	Around AED 6.5 million	Around AED 2,300 psf	Lower turnover, larger family-led holdings	Selective, concentrated in premium buildings

Project highlights

- Marina Gate - High deals @ Around AED 2,700 psf psf: Institutional-quality towers kept transaction velocity resilient across ready resale activity.
- Cayan Tower - Medium deals @ Around AED 2,850 psf psf: Iconic positioning preserves pricing power, though stock is less frequent and more owner-occupied.
- The Torch - Medium deals @ Around AED 2,200 psf psf: Value-led turnover remains active where layout efficiency and pricing compensate for aging stock.
- Marina Promenade - High deals @ Around AED 2,500 psf psf: Consistent liquidity reflects strong location, family demand, and walk-to-amenity convenience.

Dubai Marina stayed one of Dubai's most defensible apartment markets in July 2026. Pricing remained stratified by view, tower quality, and immediate walkability.

Risks & opportunities

- Off-plan dominance: Off-plan continued to capture most transactions, favoring launch-quality assets and penalizing undifferentiated secondary stock.
- Supply digestion: Recent handovers increased competition within older towers, pressuring weaker layouts and lower-floor units.
- View premium: Sea and marina views retained the strongest pricing resilience and the fastest resale absorption.
- Selective value dislocation: Non-prime towers offered entry opportunities where pricing lagged amenities, management quality, or rental performance.

Dubai - Residential Market Risk Assessment

Dubai residential risk is moderate in July 2026, with demand still firm but price growth clearly moderating. The market looks late-cycle, as absorption remains healthy while supply, selective pricing, and leverage sensitivity are starting to matter more.

Risk scorecard by dimension

Category	Risk level	Drivers	What to monitor
Market fundamentals	Moderate	Transaction activity remains strong, with July turnover above prior months. Price growth has slowed from 2025 pace, and some communities are posting month-on-month declines.	Monthly sales value, repeat-sale price trends, and community-level median prices.
Supply and pipeline	Elevated	Handover volumes are high, while launches have slowed sharply. Reported 2025 delivery commitments and 2026-2027 supply may pressure mid-tier absorption.	Completions, launch volumes, vacancy trends, and unsold inventory by community.
Leverage and financing	Moderate	Mortgage activity is active, but tighter LTV discipline and still-elevated rates are filtering leveraged demand. Affordability is becoming more binding for marginal buyers.	Mortgage share, average LTV, approval rates, and policy rate expectations.
Liquidity and absorption	Moderate	Liquidity remains good in prime and investor-led segments, but secondary-market absorption is slower in weaker locations. Buyers are more selective and decision times are lengthening.	Days on market, resale conversion rates, and off-plan versus ready mix.
Regulatory and policy	Low	The policy backdrop remains supportive, with no clear tightening shock in July. Residency-linked demand and institutional confidence continue to support end-user and investor activity.	Mortgage regulation changes, fee adjustments, and any cooling or anti-speculation measures.
Execution and project risk	Moderate	Delivery risk is contained at large, established developers, but execution risk rises in smaller or highly leveraged projects. Supply concentration may test handover quality and timing.	Handover slippage, construction milestones, defect rates, and developer funding conditions.

Dubai - Residential Market Risk Assessment

Segment risk heatmap

Segment	Risk level	Comment
Prime ready apartments	Low	Liquidity is strongest here, supported by end-user demand and limited distress selling.
Prime off plan apartments	Moderate	Demand remains solid, but pricing is more selective and launch competition is increasing.
Mid market apartments	Elevated	This segment is most exposed to supply overhang, affordability pressure, and slower absorption.
Villas and townhouses	Low	Structural demand remains resilient, though price growth is less broad than earlier in the cycle.
Investors with high leverage	Elevated	Higher financing costs and softer marginal pricing raise refinancing and carry risk.

Key risk themes

- Supply overhang in mid-tier areas (Rising, 0-6 months): Handover volumes and delayed absorption are pressuring selected apartment submarkets, especially where launches were heavy.
- Price moderation after a strong run (Rising, 0-6 months): The market is moving off peak momentum, with community-level declines appearing after a long appreciation cycle.
- Financing sensitivity at the margin (Stable, 0-6 months): Mortgage demand remains functional, but higher rates and tighter underwriting constrain leveraged buyers and speculative turnover.
- Selective resilience in prime stock (Stable, 6-12 months): Prime and villa segments retain pricing power because end-user demand and wealth inflows remain supportive.
- Absorption discipline versus new supply (Rising, 6-12 months): Pipeline delivery will test whether transaction volumes can keep pace with completions across secondary communities.

Methodology & Data Appendix

This report is built on a combination of official land registry transaction data, government-published market indices, proprietary MENA HOMES internal analytics, and AI-powered insights from Perplexity. Together, these sources provide comprehensive coverage of transactional activity, pricing behaviour, and demand signals across Dubai and Abu Dhabi residential markets. Community and segment counts may differ slightly from other DLD-based publications due to MENA HOMES classification and filtering rules.

Data sources & coverage

Data source	Geographic coverage	Key fields used	Update frequency
Abu Dhabi Real Estate Centre (ADREC)	Abu Dhabi registered residential sales	Asset Class, Property Type, Registration Date, Sold Area / GFA, Plot Area, Rate (AED/sqm), Project, Price, Sale Type	Monthly
MENA HOMES internal analytics	Dubai & Abu Dhabi	Search volume, save activity, enquiry conversion, time-to-enquiry, user intent signals	Real-time
Perplexity AI insights	Dubai & Abu Dhabi	AI-enhanced market forecasts, anomaly detection, segment risk evaluation, forward-looking recommendations	Real-time / model updates

Data processing & outlier treatment

Raw transaction datasets from DLD and ADREC undergo a standardised processing pipeline to ensure consistency, comparability, and analytical robustness. Perplexity AI is then applied to enhance insights, detect anomalies, and identify forward-looking trends.

- Deduplication using unique transaction identifiers.
- Standardisation of area measurements (sqm).
- Classification of ready vs off-plan transactions.
- Outlier filtering using statistical thresholds (>3 standard deviations).
- Imputation for missing area fields where applicable.
- AI-assisted trend detection and segment risk scoring via Perplexity.

Pipeline overview

Raw transactions (DLD / ADREC) → Data cleaning & standardisation → Core metrics & area / project aggregation → Time-series analysis & market indicators + Perplexity AI insights → Dashboards, charts & forward-looking tables.

Disclaimers & Contact

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Data Limitations

Transaction data sourced from Dubai Land Department (DLD) registers. Metrics such as price per sq.ft, yields, and cap rates derived using ACTUAL_AREA, TRANS_VALUE, and market rent assumptions where stated. Pipeline and scenario analyses incorporate public developer announcements and historical absorption rates. Forward-looking statements involve inherent uncertainties including market volatility, regulatory changes, and economic conditions.