

MENA HOMES

Institutional Market Watch, Dubai Residential

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Disclaimer: This report is for informational purposes only and does not constitute investment advice. Numerical market metrics are derived from imported Dubai Land Department (DLD) sales/rental records and Abu Dhabi Real Estate Centre (ADREC) sales records. AI is used only for narrative interpretation.

Market Snapshot

Metric	Value	Change	Notes
Total Transactions	10,119	-26.3% MoM	DLD residential sales transactions recorded for May 2026.
Total Value (AED Bn)	AED 24.05 Bn	-42.0% MoM	Total value of DLD residential sales recorded for May 2026.
Avg Price/sq.ft (AED)	AED 1,887	-10.1% MoM	Average transaction price per sq.ft calculated from TRANS_VALUE and ACTUAL_AREA in the imported DLD records.
Off Plan Share	73.3%	-1.5% MoM	Share of imported DLD residential sales classified as Off-Plan.

May 2026 Dubai residential sales recorded 10,119 transactions with a total value of AED 24.05 billion. Average transaction pricing was approximately AED 1,887 per sq.ft, while off-plan transactions accounted for 73.3% of recorded residential sales.



Executive Summary & Market Call

Dubai-wide residential transactions totaled 10,119 in May 2026, with total value of AED 24.05 billion and an average price of AED 1,887 per sq. Ft. Activity softened versus April, with transactions down 26.3% month on month and value down 42.0%, while average price per sq. Ft. Declined 10.1%. Liquidity Index: 73.7 (The liquidity index is 73.7, where 100 represents the previous period's transaction count.).

Key Drivers & Explicit Calls

- **Activity cooled materially after a stronger prior month:** Transactions fell from 13,732 to 10,119, while value dropped from AED 41.46 billion to AED 24.05 billion, indicating a clear monthly slowdown in turnover.
- **Off-plan remained the dominant liquidity source:** Off-plan accounted for 7,420 deals and AED 15.67 billion in value, versus 2,699 ready deals and AED 8.39 billion in value, keeping the market skewed toward new inventory.
- **Pricing moderated across the month:** Average price per sq. Ft. Declined from AED 2,098 to AED 1,887, suggesting softer pricing momentum at the Dubai-wide residential level.
- **Apartments carried the largest share of activity:** Apartments generated 8,689 transactions and AED 14.73 billion in value, far exceeding villas and land in transaction count and supporting overall market depth.

Segment Stance

Segment	Stance	Confidence	Key Metrics
Apartments	Strong Activity	High	8,689 transactions; AED 14.73 billion value; AED 1,811 per sq. ft.
Villas	Selective	Moderate	604 transactions; AED 2.70 billion value; AED 1,756 per sq. ft.
Land	Selective	Moderate	428 transactions; AED 3.94 billion value; AED 1,521 per sq. ft.
Off-Plan	Strong Activity	High	7,420 transactions; AED 15.67 billion value; AED 1,946 per sq. ft.

Ready vs Off-Plan

Type	Deals	Value (AED bn)
Ready	2699	8.39
Off-Plan	7420	15.67

Dubai - Ready vs Off-Plan Market Dynamics

Dubai's May 2026 residential market remained decisively off-plan led, with 73.3% of off-plan share by transactions and a liquidity index of 73.7, while ready sales provided a meaningful but secondary liquidity pool. The ready vs off-plan split suggests stronger momentum in new-launch demand than in completed assets.

Dubai Liquidity Index: 73.7 (100 equals the previous comparable period transaction count.).

Emirate	Type	Deals	Value (AED Bn)
Dubai	Ready	2699	8.39
Dubai	Off-Plan	7420	15.67

Key Drivers & Explicit Calls

- **Off-plan dominance remains the main market driver:** Off-plan accounted for 7,420 deals and AED 15.67bn, compared with 2,699 ready deals and AED 8.39bn, reinforcing the lead in both activity and value.
- **Ready market still supports depth and exitability:** Ready transactions remained substantial at 2,699 deals, indicating a live end-user and investor market for completed homes even as off-plan dominated volume.
- **Liquidity is positive but not exuberant:** The liquidity index of 73.7 points to softer current-period turnover versus the prior period, which supports a selective rather than broad-based stance.
- **Asset allocation should stay product-specific:** Apartments were the largest segment by volume and value, while villas and land offered smaller but distinct niches; the split argues for targeting rather than a blanket allocation across ready and off-plan.

Segment Highlights

- Dubai - Ready: Completed homes accounted for 2,699 deals and AED 8.39bn, showing that the ready market remained active despite off-plan leadership.
- Dubai - Off-Plan: Off-plan led the market with 7,420 deals and AED 15.67bn, confirming its role as the primary engine of residential turnover.
- Dubai - Apartments: Apartments dominated the segment mix with 8,689 transactions and AED 14.73bn, making them the core of residential demand.
- Dubai - Villas: Villas contributed 604 transactions and AED 2.70bn, pointing to a narrower but meaningful premium segment.
- Dubai - Land: Land recorded 428 transactions and AED 3.94bn, indicating continued interest but lower breadth than apartments.

Closing Stance

Overall stance: constructive on off-plan, selective on ready, and cautious on lower-liquidity niche segments.

Abu Dhabi - Ready vs Off-Plan Market Dynamics

May 2026 activity was led by off-plan sales, which accounted for 1,645 deals worth AED 7.11 billion, versus 366 ready deals worth AED 1.17 billion. The market remained highly liquid, with a liquidity index of 61.1 and off-plan share at 81.6%.

Abu Dhabi Liquidity Index: 61.1 (100 equals the previous comparable period transaction count.).

Emirate	Type	Deals	Value (AED Bn)
Abu Dhabi	Ready	366	1.17
Abu Dhabi	Off-Plan	1645	7.11

Key Drivers & Explicit Calls

- **Off-plan dominance:** Off-plan accounted for 1,645 deals and AED 7.11 billion, materially outweighing ready-market activity and confirming that new supply remained the main liquidity engine.
- **Ready market stayed selective:** Ready deals totaled 366 and AED 1.17 billion, indicating a smaller but still relevant market for immediate occupancy and lower execution risk.
- **Apartments drove volume:** Apartments recorded 1,484 transactions worth AED 3.62 billion, making them the core volume segment in the period.
- **Villas led value concentration:** Villas generated AED 3.81 billion from 479 transactions, showing that fewer deals still carried significant value weight.

Segment Highlights

- Abu Dhabi - Apartments: Apartments were the highest-volume segment and remained the backbone of monthly transactional activity.
- Abu Dhabi - Villas: Villas contributed the highest segment value, underscoring strong ticket sizes despite lower turnover.
- Abu Dhabi - Land: Land saw no transactions in the period, leaving it absent from the monthly flow picture.

Suggested Trade Ideas

- SELECTIVE (Ready): Focus on ready assets where immediate occupancy or rental deployment is the priority, as this pool is smaller but provides quicker execution.
- WATCH (Apartments): Track apartment-led liquidity closely, as it delivered the largest transaction count and remains the main entry point for market activity.
- MONITOR (Villas): Monitor villa pricing power and absorption, since the segment produced strong value with fewer transactions and may be more selective.

Closing Stance

Stay overweight off-plan for liquidity, keep a selective allocation to ready assets for certainty, and treat villas as a value-led but more targeted opportunity.

Dubai - Market Structure & Liquidity

Dubai's May 2026 imported-sales market was led by off-plan activity and apartments, with total transactions of 10119 worth AED 24.05bn and off-plan accounting for 73.3% of activity.

Transaction Volumes & Values by Segment

Segment	Volume (Units)	Value (AED Bn)	MoM Change	Share
Apartments	8689	14.73	-23.0%	85.9%
Villas	604	2.7	-44.2%	6.0%
Land	428	3.94	-39.7%	4.2%
Off-Plan	7420	15.67	-27.4%	73.3%
Ready	2699	8.39	-23.2%	26.7%

Liquidity Rankings - Top Communities & Projects

Rank	Community	Project	Tnx	Share	Turnover	Index
1	Madinat Al Mataar	AZIZI VENICE 14	508	1.7%		5
2	MAJAN	Binghatti Skyflame 1	446	1.3%		4.4
3	MAJAN	Binghatti Skyflame 2	193	0.5%		1.9
4	Palm Deira	THE MERIVA COLLECTION	119	2.4%	-48.5%	1.2
5	CITY OF ARABIA	Azizi Milan Heights	109	0.3%		1.1
6	INTERNATIONAL CITY PH 2 & 3	no project specified	108	0.5%		1.1
7	Al Hebiah Fifth	DAMAC LAGOONS - VALENCIA	95	0.4%	-81.8%	0.9
8	Jabal Ali First	Sobha Central	93	1.4%	-63.4%	0.9
9	Al Satwa	Linea by Holm	76	0.5%	4.1%	0.8
10	INTERNATIONAL CITY PH 2 & 3	Greenfield by Samana Developers	75	0.3%	41.5%	0.7

May 2026 showed a market structure dominated by apartment and off-plan flow, with liquidity clustered in a few projects. For institutional positioning, the clearest trade is still in primary-market apartment stock, while ready assets provide a narrower but useful liquidity buffer. Concentration is high enough that project selection matters as much as segment selection.

Abu Dhabi - Market Structure & Liquidity

Abu Dhabi's imported residential sales market in May 2026 was heavily off-plan-led, with 2,015 transactions worth AED 8.29 billion and a transaction activity index of 61.1. Liquidity was concentrated in a small set of Yas Island and Al Reem Island projects, with Yas Park Place leading at 283 transactions.

Transaction Volumes & Values by Segment

Segment	Volume (Units)	Value (AED Bn)	MoM Change	Share
Apartments	1484	3.62	-38.9%	73.6%
Villas	479	3.81	-37.0%	23.8%
Townhouses	71	0.18	-47.8%	3.5%
Off-Plan	1645	7.11	-39.0%	81.6%
Ready	366	1.17	-38.6%	18.2%

Liquidity Rankings - Top Communities & Projects

Rank	Community	Project	Tnx	Share	Turnover	Index
1	Yas Island	Yas Park Place	283	7.3%		14
2	Al Reem Island	Tara A	87	2.3%	117.5%	4.3
3	Al Hidayriyyat	Bashayer Residences - Phases 3 and 4	79	3.4%	-55.4%	3.9
4	Zayed City	Bloom Living - Malaga	67	3.7%		3.3
5	Al Reem Island	Sunstone	57	1.9%	-66.7%	2.8
6	Yas Island	Yas Riva Residences	47	1.4%	-29.9%	2.3
7	Al Reem Island	Radiant Waves	45	0.7%	87.5%	2.2
8	Al Reem Island	Muheira B	43	1.1%	-59.0%	2.1
9	Yas Island	Gardenia Bay	43	0.8%	-65.0%	2.1
10	Yas Island	NOVAYAS	42	1.4%	133.3%	2.1

The market remains structurally liquid but highly concentrated, with activity led by off-plan apartments and a narrow set of community/project combinations. Institutional positioning should favor inventory with proven transaction depth, while treating sharp turnover spikes as short-term liquidity signals rather than durable demand confirmation.

Dubai - Pricing & Yield / Cap Rates

Dubai residential pricing in May 2026 showed a headline sale price of 1887 per sq.ft. And a headline gross yield of 6.52%, with monthly sales prices down 10.1%. Apartments and villas both posted negative MoM price changes, while cap rate is unavailable because operating expenses and NOI are not in the imported DLD datasets.

Headline price: 1887 AED/sq ft | Gross yield: 6.52%

Pricing & Yields by Segment

Segment	Avg Price (AED/sq ft)	Gross Yield	Cap Rate	MoM Change
Apartments	1811	6.69		-11.0%
Villas	1756	4.05		-9.1%

Suggested Trade Ideas

- VIEW (Apartments): Apartments remain the stronger income segment on a gross-yield basis at 6.69%.
- VIEW (Villas): Villas appear more price-led than income-led, with a 4.05% gross yield.

The May 2026 data suggest a yield-driven preference for apartments, while villas remain materially lower yielding on a gross basis. Cap rate should not be used in this section because it cannot be calculated from the imported DLD fields.

Dubai - Segment Strategy & Stance

Dubai residential activity in May 2026 was heavily apartment-led and off-plan-led, with apartments accounting for 8,689 transactions and 85.9% of total volume, while off-plan accounted for 7,420 transactions and 73.3% of volume. Villas were materially softer on a monthly basis, but their lower transaction share and weaker rental yield profile keep them in a more selective positioning bucket.

Segment stance by product

Segment	Stance	Conviction	Risk / reward
Apartments	Strong Activity	High	
Villas	Softer Activity	High	
Off-Plan	Strong Activity	High	
Ready	Selective	Medium	

Watchlist flags

- Apartment transaction softness continues at a monthly level despite dominant market share.
- Villa monthly contraction is sharp and may signal a more pronounced cooling in that submarket.
- Off-plan momentum remains strong structurally, but the month-on-month decline warrants monitoring.
- Yield gap between apartments and villas remains wide enough to affect segment preference.
- Ready activity is smaller than off-plan, so any further shift in end-user demand would matter for positioning.

Dubai - Micro-Market Project Deep Dives

May 2026 imported DLD sales and rentals show a split market led by high-volume, off-plan growth corridors and a smaller set of selective, higher-value central or waterfront submarkets. The strongest activity sits in Madinat Al Mataar, while Business Bay and Palm Deira stand out for higher value per transaction and sharper pricing profiles.

Investor allocation guide by corridor

Area	Allocation	Comment
Madinat Al Mataar	High activity	Largest off-plan concentration and broad studio-led demand suggest the deepest pipeline and strongest execution visibility.
MAJAN	Active	High studio mix and strong transaction count point to broad, lower-ticket absorption.
DUBAI LAND RESIDENCE COMPLEX	Active	Solid off-plan share with balanced studio and 1 B/R demand supports active mid-market absorption.
JUMEIRAH VILLAGE CIRCLE	Active	Healthy 1 B/R depth and diversified bedroom mix support resilient end-user and investor demand.
BUSINESS BAY	Selective	Highest value in the group and the only market here with annual rent per sqft and rental registrations, supporting a clearer yield case.

High-conviction corridors

Area	Market share	Off-plan txns	Investor allocation	Description
Madinat Al Mataar	11.9%	1191	High activity	Largest off-plan concentration and broad studio-led demand suggest the deepest pipeline and strongest execution visibility.
MAJAN	8.0%	785	Active	High studio mix and strong transaction count point to broad, lower-ticket absorption.
DUBAI LAND RESIDENCE COMPLEX	5.5%	515	Active	Solid off-plan share with balanced studio and 1 B/R demand supports active mid-market absorption.
JUMEIRAH VILLAGE CIRCLE	5.4%	310	Active	Healthy 1 B/R depth and diversified bedroom mix support resilient end-user and investor demand.
Palm Deira	3.2%	327	Selective	High average pricing and strong 1 B/R and 2 B/R depth point to premium waterfront demand.

Dubai - Micro-Market Project Deep Dives

Area metrics & project highlights - I

Madinat Al Mataar

Bedrooms	Median ticket (AED)	Price psf (AED)	Unit mix	Deal depth
1 B/R		1570	34.4%	413
2 B/R		1638	9.0%	108
3 B/R		1564	1.9%	23
Studio		1785	51.9%	623
NA		4401	1.4%	17

Project highlights

- AZIZI VENICE 14 - 508 deals @ 1671 psf.
- azizi venice 13 - 55 deals @ 1671 psf.
- Azizi Venice 15 - 55 deals @ 1688 psf.

MAJAN

Bedrooms	Median ticket (AED)	Price psf (AED)	Unit mix	Deal depth
NA		2477	1.9%	15
Studio		1448	72.4%	584
1 B/R		1494	19.7%	159
2 B/R		1195	5.8%	47
3 B/R		1170	0.2%	2

Project highlights

- Binghatti Skyflame 1 - 446 deals @ 1432 psf.
- Binghatti Skyflame 2 - 193 deals @ 1424 psf.
- Vincitore Wellness Estate - 39 deals @ 1847 psf.

Dubai - Micro-Market Project Deep Dives

Area metrics & project highlights - II

DUBAI LAND RESIDENCE COMPLEX

Bedrooms	Median ticket (AED)	Price psf (AED)	Unit mix	Deal depth
1 B/R		1265	36.2%	203
Studio		1589	48.4%	271
2 B/R		1107	12.7%	71
3 B/R		1059	2.1%	12

Project highlights

- Le Blanc Residence by Imtiaz - 68 deals @ 1647 psf.
- Nuve By Zoya - 60 deals @ 1557 psf.
- Sky Line By Peace Homes - 51 deals @ 1429 psf.

JUMEIRAH VILLAGE CIRCLE

Bedrooms	Median ticket (AED)	Price psf (AED)	Unit mix	Deal depth
2 B/R		1210	12.8%	70
1 B/R		1408	52.2%	286
Studio		1675	29.4%	161
3 B/R		1724	2.7%	15

Project highlights

- Serenz by Danube - 65 deals @ 2266 psf.
- AURESTA TOWER - 18 deals @ 1488 psf.
- SKY HARMONY BY PEACE HOMES - 17 deals @ 1580 psf.

Risks & opportunities

- MAJAN - Opportunity: High studio mix and strong transaction count point to broad, lower-ticket absorption. - Risk: Rental registrations are absent in the dataset, limiting visible income-market support.
- DUBAI LAND RESIDENCE COMPLEX - Opportunity: Solid off-plan share with balanced studio and 1 B/R demand supports active mid-market absorption. - Risk: Pricing dispersion across bedroom types suggests selectivity is required at project level.

Trade ideas & closing stance

- Active accumulation (MAJAN): Material transaction depth and broad studio-led absorption support continued investor interest, especially where pricing remains competitive.
- Selective active (DUBAI LAND RESIDENCE COMPLEX): The area offers active off-plan momentum and mid-market pricing, but project selection matters given mixed bedroom performance.
- Active, but discipline required (JUMEIRAH VILLAGE CIRCLE): The corridor offers scale and breadth, though the stronger resale footprint suggests focus on projects with clear end-user appeal.
- Income-led selective (BUSINESS BAY): Rental activity and premium pricing support a differentiated strategy centered on quality assets rather than broad exposure.
- Selective premium exposure (Palm Deira): Strong pricing and concentrated project traction support targeted entries in standout waterfront projects rather than generic market exposure.

The portfolio stance should remain pro-growth in Madinat Al Mataar and other active corridors, while keeping Business Bay and Palm Deira as selective, quality-driven allocations.

Dubai - Residential Market Risk Assessment

Dubai residential market conditions in May 2026 showed weaker momentum, with transactions down 26.3% month on month, total value down 42%, and average price per square foot down 10.1%. Off-plan activity remained dominant at 73.3% of transactions, while rental registrations were sizable at 48,206, with new contracts making up 37.9% and renewals 62.1%.

Risk scorecard by dimension

Category	Risk level	Drivers	What to monitor
Market activity	Moderate	Transaction volume fell to 10,119 and declined 26.3% month on month, indicating softer turnover. Total value also fell 42% to AED 24.05 billion.	Monthly transaction count and total transaction value.
Pricing	Moderate	Average price per square foot declined to AED 1,887, down 10.1% month on month, pointing to near-term pricing pressure.	Average sale price per sq.ft and month-on-month price movement.
Liquidity	Moderate	Activity remained meaningful, but the decline in transactions and value suggests reduced market liquidity versus the prior month.	Transaction count, transaction value and activity index versus the previous period.
Off-plan concentration	Elevated	Off-plan accounted for 73.3% of transactions, indicating high dependence on a single segment.	Off-plan share of total residential transactions and its month-on-month direction.
Geographic concentration	Moderate	The top five areas accounted for 34.7% of transactions, showing notable but not extreme concentration.	Transaction share captured by the five largest areas.
Rental-market balance	Moderate	Rental registrations were strong at 48,206, with renewals at 62.1% and new contracts at 37.9%, suggesting a rental market still anchored by renewal activity.	Continue monitoring the underlying database metrics for this dimension.
Leverage and borrower LTV	Not Assessed	Imported data does not contain mortgage leverage or borrower LTV information.	Continue monitoring the underlying database metrics for this dimension.
Future supply pipeline	Not Assessed	Imported data does not contain future construction delivery pipeline data.	Verified future completions and unit-delivery data when available.
Regulatory risk	Not Assessed	Imported data does not contain regulatory risk scores.	Verified regulatory or policy changes affecting residential transactions and ownership.

Dubai - Residential Market Risk Assessment

Segment risk heatmap

Segment	Risk level	Comment
Off-plan residential	Elevated	
Secondary/resale residential	Moderate	
Core high-activity locations	Moderate	
Rental market	Moderate	

Key risk themes

- Turnover weakened materially in May 2026, with lower transactions, value, and average pricing.
- Off-plan dominance remains a central structural risk factor because 73.3% of transactions were off-plan.
- Location concentration is meaningful because the top five areas captured 34.7% of transactions.
- The rental market remained active, but renewals dominated registrations, suggesting a more stable than expansionary occupier backdrop.
- Leverage, future supply, and regulatory risks cannot be assessed from the imported data.

Methodology & Data Appendix

This report uses imported official property-market records from Dubai Land Department (DLD) and Abu Dhabi Real Estate Centre (ADREC). DLD sales support Dubai transaction, pricing, ready/off-plan, segment and area/project analysis. DLD rental registrations support rental activity and gross-yield calculations. ADREC sales support Abu Dhabi transaction, pricing, segment and ready/off-plan analysis. Perplexity AI is used only for narrative interpretation of database-derived metrics, not as the source of published numerical market figures.

Data sources & coverage

Source	Coverage	Primary use
DLD Sales	Dubai registered sales	Volume/value, price per sq.ft, ready/off-plan, segment and area/project analysis
DLD Rentals	Dubai rental registrations	Rental activity, annual rent per sq.ft and gross rental yield
ADREC Sales	Abu Dhabi registered sales	Volume/value, pricing, segments, ready/off-plan and project activity
Perplexity AI	Report narrative	Interpretation of supplied database metrics only

Calculation methodology

- DLD sales and rental imports use exact-row hashes for duplicate prevention.
- Monthly metrics are filtered to the selected period and applicable report filters.
- Dubai sale price per sq.ft uses transaction value divided by ACTUAL_AREA converted from square metres to square feet, where valid.
- Ready/off-plan classification follows the imported source-data classification.
- Gross rental yield uses annual rental pricing relative to sales pricing for the relevant segment; the headline yield is transaction-weighted from valid displayed segment yields.
- Cap rates are not calculated where operating-expense and net operating income inputs are unavailable.
- AI narrative is instructed not to invent, estimate or replace database-derived numerical values.

Pipeline overview:
DLD / ADREC records → import & deduplication → database filtering → calculated metrics → AI-assisted narrative → report output.

Disclaimers & Contact

This MENA HOMES Institutional Market Watch report is provided for informational and market-research purposes only. It does not constitute investment, financial, legal or tax advice, or an offer or recommendation to buy or sell real estate or any financial instrument. The report is based on imported property-market records and analytical calculations available to MENA HOMES as of the publication date. Source records may contain omissions, classification differences, late registrations or corrections. Users should independently verify material information and conduct their own due diligence before making investment or commercial decisions.

Data Limitations

Dubai sales analysis uses imported Dubai Land Department transaction records. Dubai rental analysis uses imported DLD rental registrations. Abu Dhabi sales analysis uses imported Abu Dhabi Real Estate Centre transaction records. Price-per-square-foot calculations depend on valid transaction values and recorded property areas. Gross rental yields are analytical estimates based on annual rental pricing relative to sales pricing and are not net investment returns.

Cap rates are not published where operating expenses and net operating income are unavailable. Mortgage leverage, borrower loan-to-value ratios, future delivery pipelines and regulatory risk are not independently measured unless verified source data are available. AI-generated text is used for narrative interpretation only; published numerical market metrics are intended to come from application database calculations.

Important interpretation note

Transaction activity, pricing, rental registrations and gross yields describe observed conditions during the selected reporting period and should not be interpreted as guarantees of future performance.