



Prices Rise, Sales Hit Records, but Absorption Facing New Tests

Median prices in August



Apartments
AED 1,303,075



Townhouses
AED 2,855,565



Villas
AED 7,141,888

Prices climb 2.4% MoM, pushing averages to AED 1,664 per sq ft—more than double the 2020 market bottom

18,655 sales in August, down 7.3% from July but still a record high for the month

Off-plan dominates with 75.7% market share

102K residential units launched YTD, with number of developers surging 42% YoY

Mortgage activity hits 4,689 loans, the second-strongest month on record

Dubai's residential real estate market extended its growth in August, with prices rising 2.40% compared to July's more subdued gain of 0.99%. The Property Monitor Dynamic Price Index (DPI) places average property prices at AED 1,664 per square foot, more than double the levels seen at the bottom of the market cycle in November 2020.

A total of 18,655 sales transactions were recorded in August, down 7.3% from July but still the highest ever for the month of August, continuing the pattern of record-breaking activity seen in every calendar month this year. While the dip from July likely reflects natural market seasonality, transaction volumes remain well above historical norms and are evidence of sustained liquidity in the market. Residential transactions, encompassing apartments, townhouses, and villas, accounted for the majority of sales at 94.4% (17,609 transactions). The highest transacted commercial property types were office spaces (1.8%), vacant land (1.3%), then hotel apartments (0.9%).

Year-to-date sales transaction volumes have surpassed just shy of 138,000 and are over 31.4% higher compared to the same period 2024. At the current pace of transaction velocity, we are on track to see year-end sales volumes surpass 205,000 and set a new all-time high.

SNAPSHOT

AUGUST 2025



+2.40%

Dynamic Price Index
Monthly Change



AED 1,664/sq ft

Dynamic Price Index
Current Property Price



18,655

Number of Monthly
Transactions



AED 350M

Highest Recorded Sale
7 Bedroom Villa
Jumeirah Asora Bay Ocean Mansions,
La Mer



AED 125K

Lowest Recorded Sale
Studio Apartment
Building N-12, Persia Cluster,
International City



Lower interest rates could spur not only fresh purchase activity but also a wave of refinancing, extending Dubai's mortgage boom. With borrowing costs easing, affordability pressures may soften at the margin, encouraging more end-users into the market while also allowing existing owners to restructure debt and free up liquidity.



ZHANN JOCHINKE
Chief Operating Officer
Property Monitor

In August, 13,116 off-plan Oqood transactions were recorded, an increase of 4.1% from the previous month, in tandem with the increase in volume, the overall market share also rose to 70.3%, up 7.7% month-on-month. While Oqood transactions are generally used to measure the off-plan market, several villa and townhouse sales are presented in the Dubai Land Department data as being issued with Title Deeds and as completed properties—instead of being under construction and sold off-plan. After adjusting for this technicality, off-plan transactions represent an even larger market share of 75.7%. This underscores the central role of the off-plan market in driving headline transaction growth, though it also highlights the increasing reliance on future supply pipelines rather than immediate occupancy. Title Deed sale volumes, meanwhile, witnessed a sharp monthly decrease—dropping by 26.4% to account for just 29.7% of all transactions—a decline that was exacerbated by fewer off-plan villa and townhouse sales, which would otherwise have bolstered Title Deed volumes due to the way these properties are reported in DLD data.

Meanwhile, resale transactions—any subsequent sale of a property following its initial sale by the developer—regardless of whether the first sale was off-plan or completed—stood at 4,762 in August, accounting for 25.5% of the market. This marks yet another monthly decrease, falling by 2.1%. Off-plan resales ticked up slightly in August, accounting for 21.1% of all resale activity, though the 12-month rolling average continued to decline, now at 25.5%. After peaking at over 33% in April, off-plan resales remain well below earlier highs—even as initial developer sales activity stays strong. This suggests the trend is being driven less by sellers looking to exit before handover and more by a tempering of buyer demand in the resale segment. With developers continuing to hold unsold inventory across many projects, resale listings—often priced above original purchase values—may be

facing stiffer competition from direct-from-developer options, which generally offer a more straightforward transaction process along with incentives and flexible payment terms.

Dubai's new project pipeline remained highly active in August, with 45 launches bringing over 9,000 residential units to market with an estimated gross sales value of AED 19.3 billion. Year-to-date, over 400 launches have taken place and close to 102,000 units have been brought to market—volumes that far exceed what historically would have been considered a full-year cycle. A total of 184 developers have launched projects so far in 2025, compared to 129 over the same period in 2024, underscoring the breadth of supply-side participation. Apartments continued to dominate new supply in August, accounting for 92.9% of launches, broadly in line with the 2025 year-to-date share of 90.5% (up from 85.2% in 2024). Villas and townhouses made up the balance, contributing 4.1% and 3.0% of August's new supply, respectively. While the steady pace of launches reflects strong developer confidence, absorption is slowing—most notably for apartments. Projects from newer entrants are finding it harder to compete with established developers whose track records provide buyers with greater confidence, leaving many newcomers reliant on incentives and special offers to generate interest and facing a noticeably slower uptake of their launches.

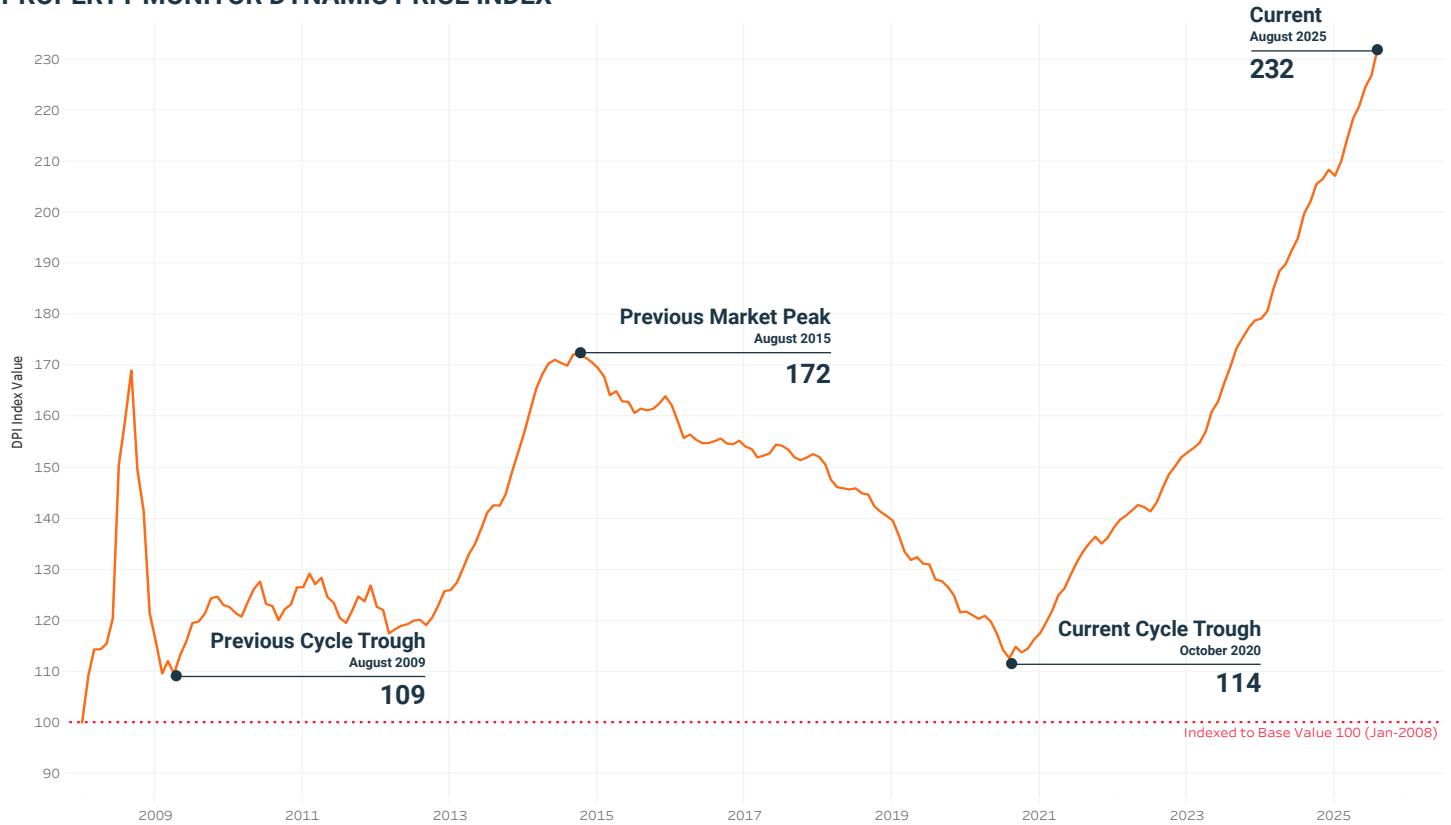
Mortgage activity remained robust in August, registering 4,689 loans—the highest volume ever recorded for the month and the second strongest on record overall, despite a 4.1% decline from July's all-time peak. New purchase mortgages represented 42.4% of transactions, down 3.2% from the prior month, with an average loan size of AED 1.9 million and an average loan-to-value (LTV) ratio of 73.9%. The remaining 24.8% (up by 8.7% from last month) was due to bulk mortgages—those taken by developers and larger investors with multiple units. The 1,163 bulk loans issued for the month were spread across several projects, most notably portfolio mortgage registrations at Nibras Oasis (216) in Dubai Silicon Oasis, Samaya (190) in Majan, and Murano Residences 2 (117) in Al Furjan, as well as portfolio mortgage modifications at Sol Avenue (323) in Business Bay.

As the market moves deeper into the third quarter, Dubai real estate continues to operate at historically high levels, though signs of strain are increasingly visible. Price growth remains positive and transaction volumes are on track to set new records, yet the surge in supply—particularly in the off-plan segment—raises questions about how much more demand the market can sustainably absorb.

Tailwinds such as continued population and wealth inflows, Dubai's positioning as a global safe haven, and the likelihood of lower interest rates provide strong underlying support. The upcoming U.S. Federal Reserve FOMC meeting is expected to deliver at least a 25-basis point cut, with the possibility of further reductions by year-end—a shift that would reinforce already strong mortgage activity, sustain purchase demand, and likely spur refinancing.

At the same time, headwinds are building: affordability pressures are mounting, buyer selectivity is sharpening, and construction cost inflation—combined with the large pipeline of scheduled handovers in the coming years—could test both developer margins and delivery timelines. Looking ahead, the balance between supportive macro factors and emerging structural challenges will determine whether momentum can be sustained throughout 2025 and beyond.

PROPERTY MONITOR DYNAMIC PRICE INDEX



+2.40%
MoM Change



+5.19%
QoQ Change



+16.28%
YoY Change



AED 1,664
Price Per Sq Ft

DPI MONTHLY OVERVIEW

Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
Aug 2025	232.40	2.40%	5.19%	16.28%	1,664
July 2025	226.96	0.99%	3.86%	16.37%	1,625
June 2025	224.73	1.71%	4.87%	16.63%	1,609
May 2025	220.95	1.11%	5.12%	16.34%	1,582
April 2025	218.52	1.97%	5.43%	15.86%	1,565
Mar 2025	214.29	1.95%	2.80%	15.83%	1,535
Feb 2025	210.18	1.41%	1.72%	16.31%	1,505
Jan 2025	207.26	-0.57%	0.79%	15.64%	1,484
Dec 2024	208.45	0.88%	3.12%	16.52%	1,493
Nov 2024	206.63	0.48%	3.39%	16.42%	1,480
Oct 2024	205.64	1.73%	5.44%	17.22%	1,473
Sep 2024	202.15	1.14%	4.92%	16.55%	1,448
Aug 2024	199.86	2.48%	5.24%	17.73%	1,431

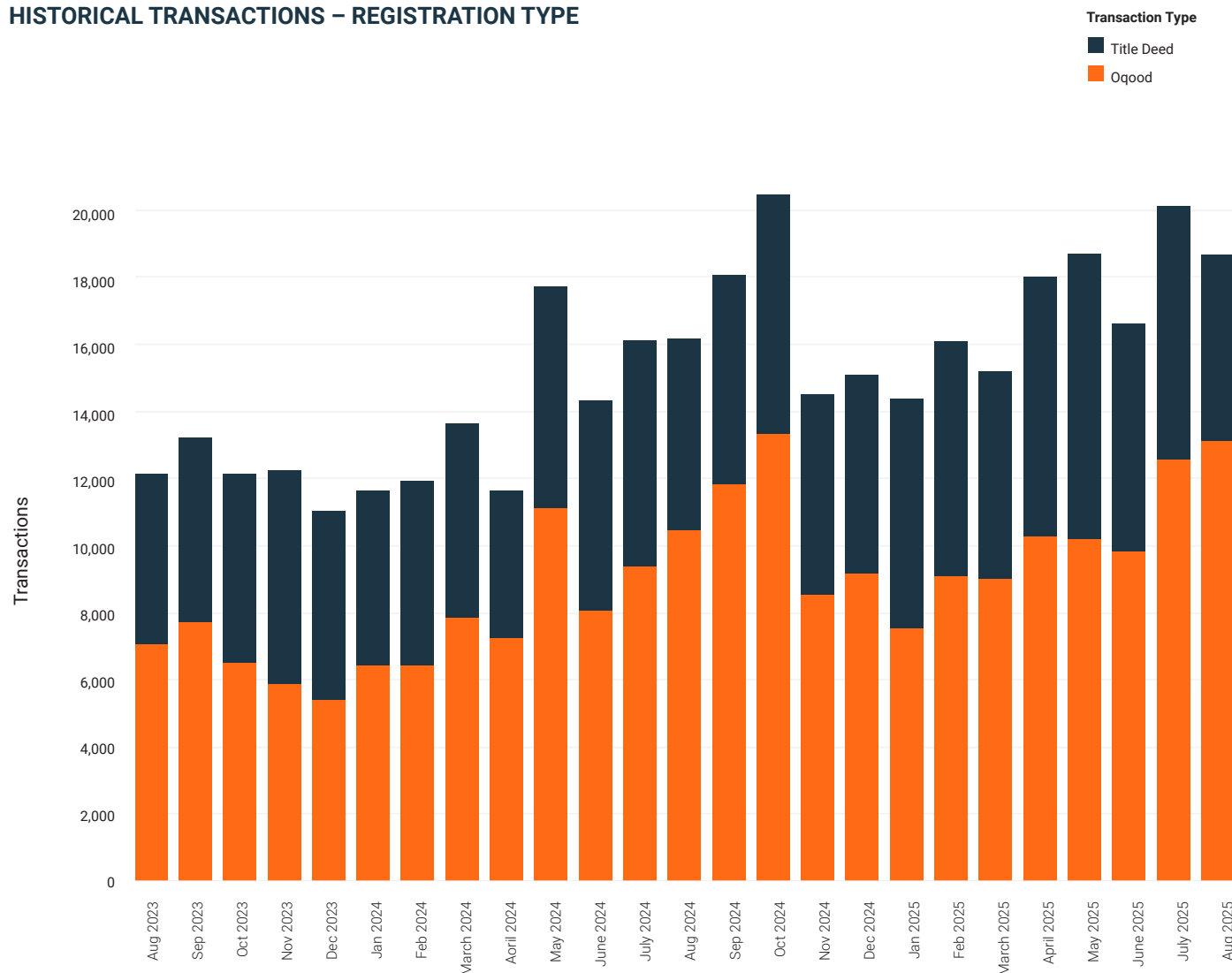
The Property Monitor Dynamic Price Index (DPI) tracks trends of residential property prices throughout 42 key communities in Dubai and is indexed to a base period of January 2008.

At an emirate-wide level, the index value for August 2025 increased by 5.45 index points to 232.40 from 226.96 in July 2025, representing a month-on-month increase of 2.40%.

In August 2025, property prices continued to increase and now stand at AED 1,664 per sq ft. This is now 104.3% above the market trough of October 2020 and 34.9% above the market peak of September 2014. Absent any significant economic, geopolitical, or unforeseen global events, current market conditions are expected to support continued growth throughout the remainder of 2025. However, the pace is likely to slow, with price movements becoming more volatile, fluctuating between minor increases and decreases on a month-to-month basis.

On a year-on-year basis, prices have increased by 16.28% in August and now marks 58 straight months of year-on-year increases, while on a year-to-date basis, prices have increased by 11.0% in August 2025 compared to an increase of 11.2% in August 2024.

HISTORICAL TRANSACTIONS – REGISTRATION TYPE

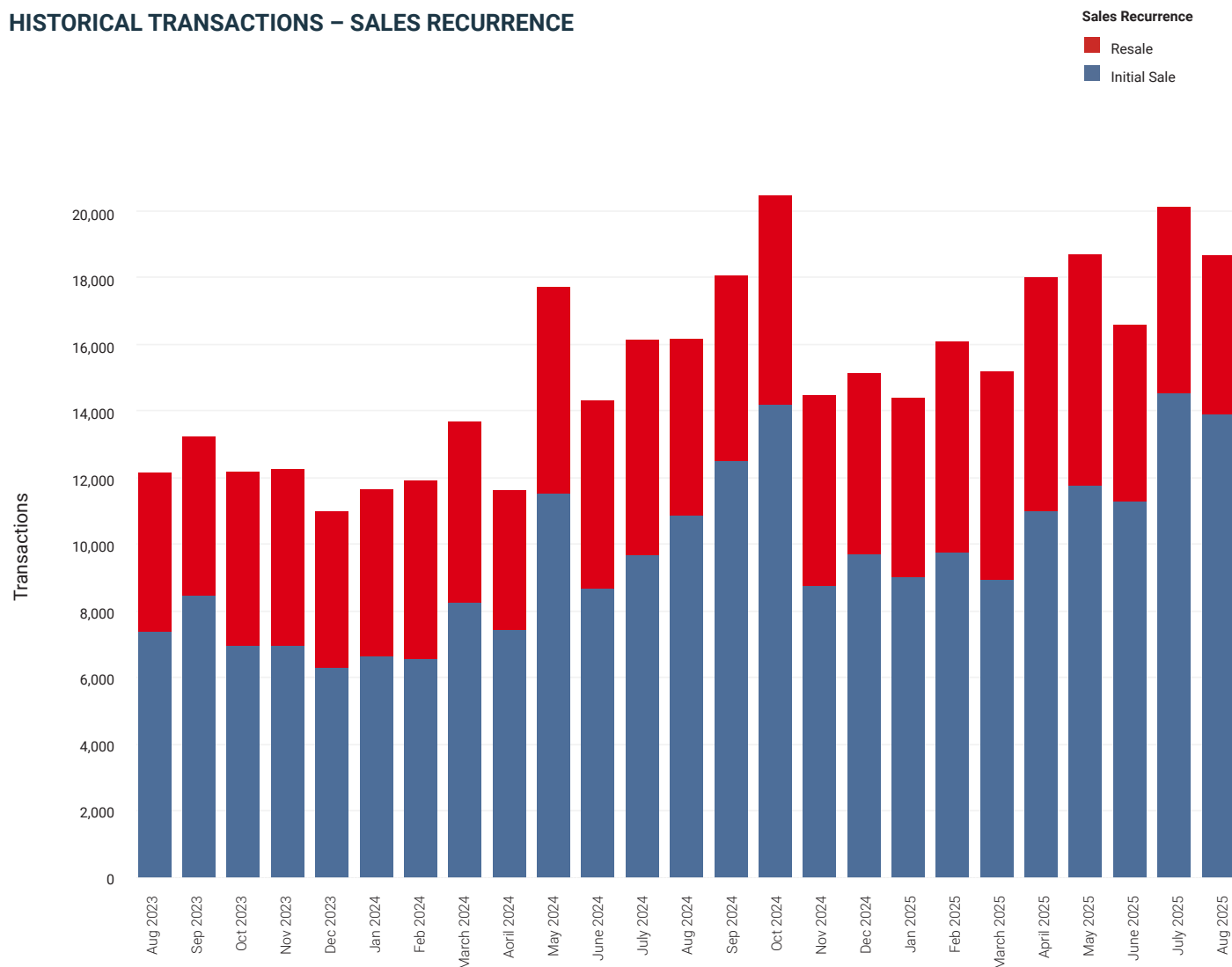


Sales transaction volumes in August fell to 18,655, decreasing by 7.26% compared to July 2025. During the month, the split between Oqood and Title Deed property transactions was weighted in favor of the former, with Oqood registrations accounting for 70.3% of all transactions, up by 7.7% month-on-month. After adjusting for registration technicalities where several off-plan villa and townhouse transactions are shown as Title Deed, the true breakdown of market share is further bolstered to 75.7% in favor of properties under construction having been sold off-plan.

Binghatti claimed the top spot in the off-plan market with the bulk of developers' off-plan registrations claiming a commanding market share of 19.6%. They recorded 2,510 transactions spread across a myriad of their projects, most notably Binghatti Skyrise in Business Bay where 590 sales were recorded. This was followed by Binghatti Hillviews (441) in Dubai Science Park, Binghatti Aquarise in Business Bay (261), Binghatti Elite (210) in Dubai Production City, and Binghatti Skyhall (197) in Business Bay.

DAMAC Properties was next at 10.9% of all off-plan transactions with Royal 3 in DAMAC Riverside Views leading their sales success and recording 178 transactions, then was followed by Marine 2 (117) and Marine 3 (115) also in DAMAC Riverside Views. Taking third place was Sobha Group securing an 8.6% market share with The Horizon at Sobha Central heavily dominating their sales volume for the month with 295 transactions, then The Eden (135) in Sobha Central, and Skyvue Stellar (98) in Sobha Hartland II.

HISTORICAL TRANSACTIONS – SALES RECURRENCE



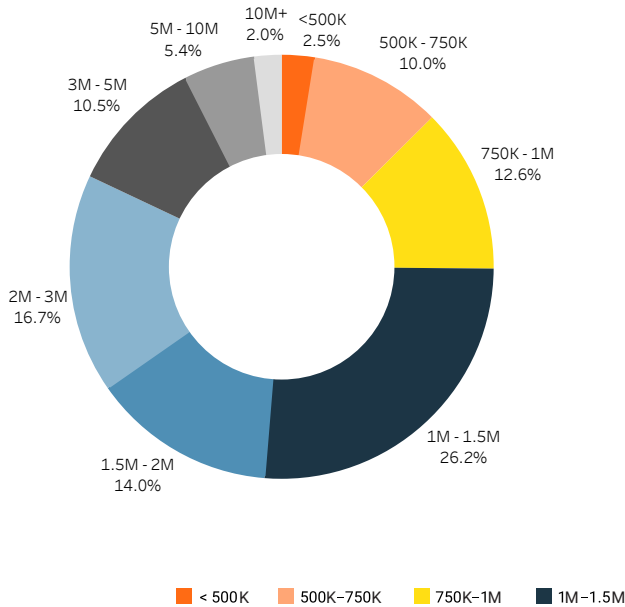
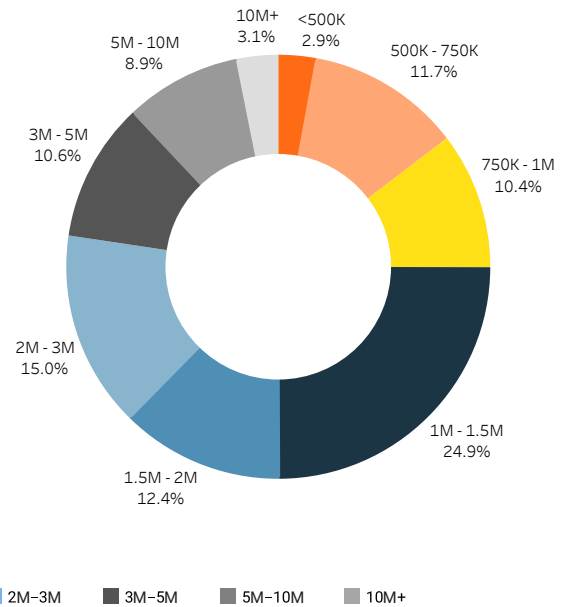
In August 2025, the market share of initial developer sales increased by 2.1%, rising to 74.5% versus resale transactions. The 12-month rolling average now stands at 64.7% for initial sales and 35.3% for resales, the latter of which, after reaching a high of 51.8% in April 2021, has been slowly trending back down towards the levels of 2019 and 2020, 33.2% and 33.8% respectively.

Business Bay was the most popular master development for initial sales, where 9.7% (1,307) of all such transactions occurred. Binghatti Skyrise took the top spot for the month with 590 registrations, then was followed by Binghatti Aquarise (261), and Binghatti Skyhall (197).

Taking second place was Jumeirah Village Circle with 1,128 sales and an 8.3% market share. Sales in the community were dominated by Binghatti Ruby recording 119 registrations and then was followed by The Autograph i Series (83), and Maison Elysee (70).

Coming in third for August was DAMAC Riverside, claiming 6.3% market share with a total of 840 transactions. Royal 3 2 was the standout in the community with 172 registrations, then was followed by Marine 2 (117) and Marine 3 (115).

The top master developments for residential resale transactions were Jumeirah Village Circle with 9.7% of such transactions spread across multiple projects, with the highest level of sales occurring at Emirates Gardens 2 (11). This was followed by Business Bay holding a 5.9% market share with MAG 318 (10) the highest transacted. Closing out the top 3 master developments for resale was Dubai Marina holding 3.9% of the market, with Marina Star, Princess Tower, and DAMAC Heights each recording 7 sales for the month.

PRICE TIERS (AED) – August 2025

PRICE TIERS (AED) – July 2025

PRICE TIERS (AED) MONTHLY COMPARISON

	July 2025	Aug 2025	MoM Change
<500K	2.9%	2.5%	-0.40%
500K-750K	11.7%	10.0%	-1.70%
750K-1M	10.4%	12.6%	2.20%
1M-1.5M	24.9%	26.2%	1.30%
1.5M-2M	12.4%	14.0%	1.60%
2M-3M	15.0%	16.7%	1.70%
3M-5M	10.7%	10.5%	-0.20%
5M-10M	8.9%	5.4%	-3.50%
10M+	3.1%	2.1%	-1.00%

Growing their share of the market at the fastest pace was the AED 750K-1M price tier which increased by 2.2% in August to reach a total of 12.6%. The growth of this price tier can be largely attributed to the successful new development launches of Upper-Mid category apartments at Binghatti Elite in Dubai Production City, Mid category apartments at Skyhills Astra in Dubai Science Park, and Lower-Mid apartments at Samana Hills South in Dubai Industrial City where sales prices averaged AED 2,186, AED 1,945, and AED 1,393 per sq ft respectively. Meanwhile, the biggest market share loser was the AED 5M-10M tier, which decreased by 3.5%, falling to 5.47%.

Also experiencing notable growth during the month was the adjacent AED 1M-1.5M, 1.5M-2M, and 2-3M price tiers, which grew by 1.3%, 1.6%, and 1.7% respectively. Growth in these segments can be largely attributed to the same projects as well as off-plan sales of High category apartments at Binghatti Skyrise in Business Bay and Skyvue Spectra in Sobha Hartland II where sales prices averaged AED 2,594 and AED 2,545 per sq ft, as well as Upper-Mid category apartments at Sobha Solis in Motor City and Capria West in Ghaf Woods where sales prices averaged AED 2,024 and AED 2,020 per sq ft.

Condensing the individual 9 price tier segments to 3 main groups, properties in the mid-tier of AED 1m–3m again accounted for the largest share of the market at 56.9%, up 4.6%. The low-price tiers with property values under AED 1m now represent 25.1% of the market, up 0.1% from July, while the high-end price tiers—properties above AED 3m—now represent 18.0% of the market, down by 4.7% month-on-month.

METHODOLOGY AND METRICS

Dynamic Price Index

The Property Monitor Dynamic Price Index family (DPI) are calculated using a moving average algorithm of median prices and the Dutot price index formula with cleansing of extreme values and outliers. The indices are published at the end of each calendar month and are subject to backward revision should any new datapoint or datasets become available. This is a unique feature of the Property Monitor DPI as it always uses the fullest data set available and takes into account data which was not available at the point of original index compilation. Detailed index methodology and notes are available at propertymonitor.com/pmdpi.html

Completed Transaction

Consists of transactions that are recorded on the Dubai Land Department's official Title Deed register for all sales of completed property which has been issued a Building Completion Certificate (BCC) and is available to purchase and occupy. Typically, it refers to the subsequent resale(s) of a property and transfer of ownership which takes place between two or more private parties, however, it may also include any initial first-time transfers between developers and buyers whereby a BCC has been issued and the developer had not previously sold the property.

Gross Rental Yield

Is the annual rent as a percentage of the purchase price or value of a property and is presented in this report as a value that represents the blended average rental yield of properties in Dubai across all communities.

Highest Recorded Sale

The single transaction of an apartment or villa that achieved the highest recorded transferred sales price during the month either in the off-plan or completed segment. Excludes plot/raw land only sales.

Initial Sale

The first sale of a property, usually directly from the developer or project sponsor to a buyer. Typically, an initial sale would occur during the construction phase of a project and get registered as an off-plan transaction with an Oqood. However, should the developer hold unsold units after the project is completed, an initial sale would be recorded with a Title Deed. An initial sale only occurs once and every subsequent sale thereafter is a 'resale'.

Lowest Recorded Sale

The single transaction of an apartment or villa that achieved the lowest recorded transferred sales price during the month either in the off-plan or completed segment.

ABOUT PROPERTY MONITOR

Property Monitor is the region's leading real estate intelligence platform and the only data source powered by RICS-accredited professionals, bringing unprecedented transparency and accuracy to local property markets. Through Property Monitor, market stakeholders can directly access real-time, transparent and accurate intelligence, unmatched anywhere else in the region. The platform empowers investors, property specialists and banking professionals with authoritative data, analytics and insights that closely correlate with market movements, empowering confident and informed property-related decisions. As of 2022, we are proud to officially be part of the Cavendish Maxwell group of companies.

Please get in touch with us for our detailed community reports and any other specific requirements you might have.



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After being processed and cleansed, transaction data for the monthly market report is extracted on the first day of each month and includes transactions as posted by the Dubai Land Departments as of midnight of the last day of the relevant reporting period. Comparison of the data, the periodic MoM and YoY periods, and other values printed in the monthly reports may not correlate from time-to-time, this is due to additional transactions being added to the underlying data which are post-dated or otherwise not released prior to publication.