



From Acceleration to Absorption: Dubai's Housing Market Evolves

High transaction volumes persist as pricing, supply, and buyer behavior recalibrate

Median prices in December



Prices ease again (-0.17%), signaling consolidation rather than a break in the long-term uptrend

18,575 sales in December, the strongest December on record, closing a year of near-continuous volume highs

Off-plan strengthens into year-end, reaching a 73.3% adjusted market share

New supply accelerates sharply, with 167K+ units launched in 2025—equivalent to a new project every 13.5 hours

Mortgage activity softens (-19.8%), driven by transaction mix as apartment sales ease while villa demand remains steady

Price movements in Dubai's residential real estate market continued to ease in December, with a second consecutive month of marginal declines following the peak levels seen earlier in the year. The Property Monitor Dynamic Price Index (DPI) slipped by 0.17% month-on-month, after a 0.42% dip in November, bringing average prices to AED 1,673 per square foot. These small adjustments signal a cooling in monthly price movements rather than a change in overall direction. Values remain more than double their December 2020 low and continue to sit above the previous market high recorded in 2014. The latest data suggests the market is entering a phase of consolidation, with pricing becoming increasingly sensitive as activity normalizes at elevated levels.

A total of 18,575 sales transactions were recorded in December, representing a 2.1% month-on-month decline from November. Even with this modest pullback, December closed as the strongest December on record, capping a year defined by consistently elevated transaction volumes. With the exception of October—the only calendar month in 2025 not to establish a new monthly high—every other month delivered record activity, highlighting the resilience of buyer demand despite higher prices and more measured market conditions. Residential transactions continued to dominate market

SNAPSHOT

December 2025

-0.17%



Dynamic Price Index
Monthly Change

AED 1,673/sq ft



Dynamic Price Index
Current Property Price

18,575



Number of Monthly
Transactions

550M



Highest Recorded Sale
6 Bedroom Apartment
Bugatti Residences
by Binghatti, Business Bay

AED 178K



Lowest Recorded Sale
1 Bedroom Apartment
Skycourts Tower F,
Dubai Residence Complex

activity, accounting for 93.3% of total sales (17,321 transactions) across apartments, townhouses, and villas. Commercial transactions remained comparatively limited, led by office spaces (2.9%), followed by vacant land (1.1%) and retail units (0.9%), maintaining a broadly unchanged composition relative to prior month.

Across 2025, a total of 215,458 sales transactions were recorded, representing an 18.9% year-on-year increase from 2024. Residential assets continued to underpin market activity, accounting for 93.9% of all transactions, broadly in line with the prior year. Growth was led by apartments (+21.7%) and villas (+20.5%), with much of this expansion driven by off-plan activity, where under-construction units significantly outperformed completed properties. Townhouses saw more modest gains (+6.6%), reflecting a more balanced split between new and completed supply. Commercial activity also strengthened, most notably in the office market, where transaction volumes rose by 53.6%, supported by sustained demand amid a continued undersupply of quality inventory.

Off-plan activity strengthened as the year ended, with 13,039 Oqood transactions recorded in December, up 1.8% month-on-month following a slight dip in November. This lifted the off-plan share of total transactions to 70.2%, an increase of 2.7% from November. While Oqood registrations typically capture off-plan activity, a portion of villa and townhouse sales are registered by the Dubai Land Department as Title Deed transactions—classified as completed properties despite effectively being off-plan. After adjusting for this technical classification effect, the true off-plan share rises to 73.3% in December. By contrast, Title Deed transactions continued to ease, with their market share declining to 29.8%, extending the softening observed throughout the year. Overall, the data points to a renewed skew toward off-plan transactions, reinforcing the role of new development sales as the primary driver of market activity as 2025 closed.

Meanwhile, resale transactions—defined as any subsequent sale of a property after its initial sale by the developer, whether that first sale was off-plan or completed—totaled 5,233 transactions in December, down 1.8% month-on-month, with resale activity accounting for 28.2% of total market transactions. Off-plan resales accounted for 21.7% of all resale transactions in December, marginally higher than in November. However, the 12-month rolling average continued to decline to 24.5%, remaining well below the peak levels seen earlier in the year. This sustained downward trend points to lengthening holding periods and reduced flipping activity compared to earlier in the cycle, indicating that a greater proportion of buyers are holding assets for longer rather than exiting quickly into the resale market, even as initial developer sales remain robust.

Dubai's new project pipeline remained highly active through December, with 37 launches introducing 10,029 residential units at an estimated value of AED 30.2 billion. Apartments continued to dominate monthly supply, accounting for 93.4% of launched units and 61.0% of total value, while villas and townhouses represented a smaller share by volume (6.6%) but a disproportionately higher share of value, with (39.0%).

On a full-year basis, 2025 marked an unprecedented expansion in development activity, with 648 project launches bringing to market over 167K units valued at approximately AED 463 billion—equivalent to a new launch every 13.5 hours. A total of 258 developers launched projects during the year, representing a 40% year-on-year increase from 2024 and highlighting the continued broadening of supply-side participation. Apartments remained the backbone of new supply (88.8% of units),

though villas and townhouses accounted for a growing share of total launch value, reflecting sustained demand for higher-ticket, lower-density product. Compared to 2024, which saw 481 project launches and just over 145K units valued at AED 360.1 billion, the scale and pace of development in 2025 underscore the market's shift into a structurally higher supply cycle, particularly within the apartment-led off-plan segment.

Mortgage activity dropped sharply in December, registering 3,612 loans, a 19.8% month-on-month decrease, following the 7.9% decline recorded in November. New purchase mortgages accounted for 51.7% of transactions, up 5.2% from November, with an average loan size of AED 1.83 million and an average loan-to-value (LTV) ratio of 73.4%. Refinancing and equity release loans increased to a 40.4% share (up 0.7%), while bulk mortgages declined to 7.9% of total activity. The 286 bulk loans recorded were concentrated across a small number of projects, most notably Portfolio Mortgage Registration at Ramada Residences by Wyndham (110) in Dubai Healthcare City 2 and Building 256, Mesoamerican Cluster (99) in Discovery Gardens. Digging deeper into the data, the December decline in mortgage activity appears more reflective of transaction mix than changing lending conditions, with relatively supportive mortgage rates and steady demand for completed villas and townhouses offset by softer apartment sales and mortgage volumes.

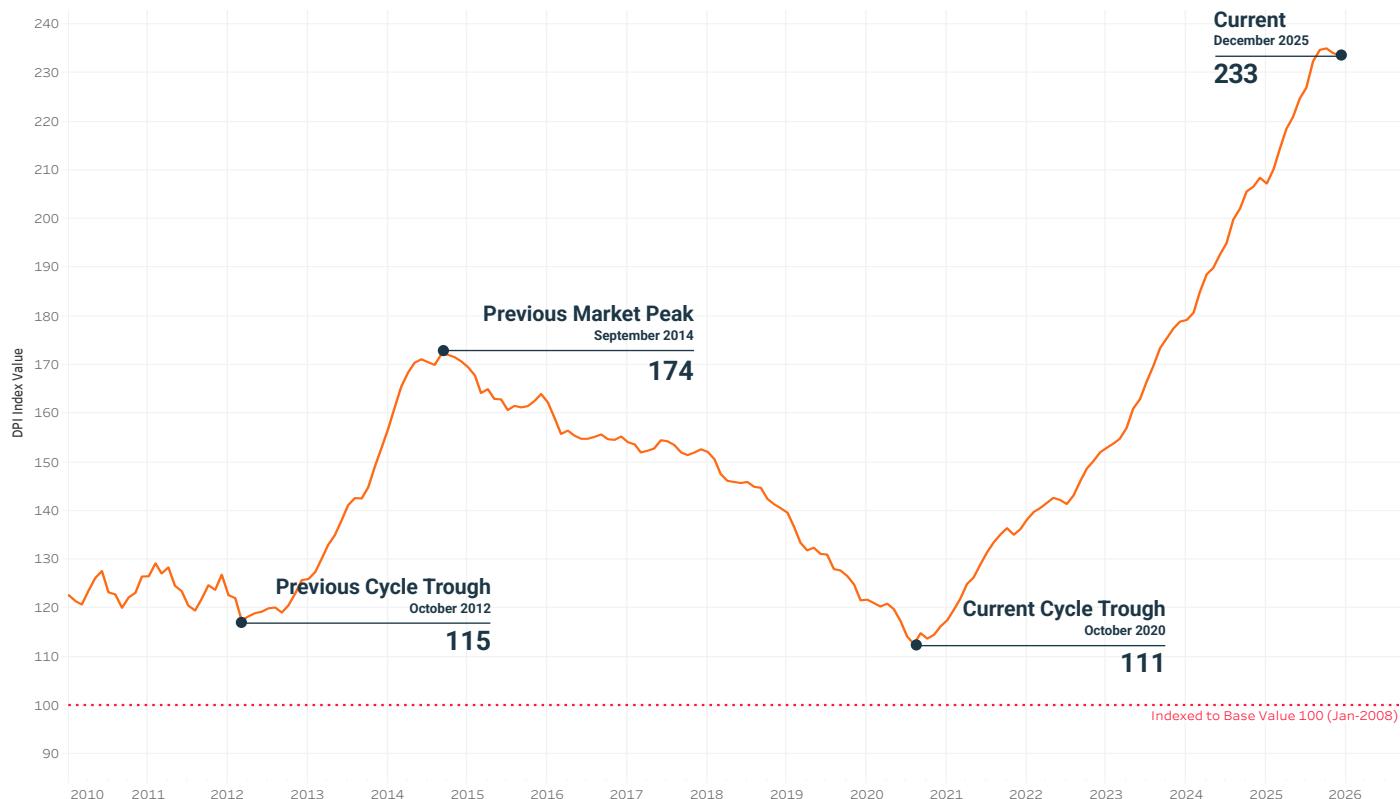
Reflecting on the trends that shaped 2025, Dubai's residential market is increasingly characterized by consolidation rather than pure expansion. Price movements have softened modestly in recent months, transactional volumes remain historically elevated, and buyer behavior has become more selective. This shift reflects a market that has moved beyond its rapid growth phase and is now adjusting to scale, depth, and maturity rather than exhibiting signs of structural weakness.

While headline transaction volumes remain strong, the composition of activity is evolving. Off-plan sales continue to dominate, driven by sustained launch activity and developer-led demand, while resale volumes for completed property—particularly in the single-family segment, where supply remains constrained and price growth appears to have peaked—along with off-plan resales, have moderated as they compete more directly with developer inventory. The data increasingly points to two distinct markets emerging: an off-plan market driven by new supply, launch cadence, and developer pricing strategies, and a completed market shaped by tighter stock, price sensitivity, and more selective buyer behavior.

At the same time, supply-side momentum remains exceptionally strong. The unprecedented volume of launches seen in 2025 reflects developer confidence in medium-term demand, but it also raises important questions around absorption rates as the pipeline continues to build. The next phase of the cycle will be defined less by the pace of launches and more by how effectively new supply is absorbed amid moderating sales velocity and greater price sensitivity.

Looking ahead to 2026, Dubai's underlying fundamentals remain firmly supportive. Population growth, economic resilience, and the city's continued appeal as a global investment and lifestyle destination provide a strong foundation for market stability. However, conditions are likely to favor disciplined pricing, differentiated product, and strategic release schedules, as both buyers and developers adjust to a more balanced and competitive environment.

PROPERTY MONITOR DYNAMIC PRICE INDEX



-0.17%
MoM Change



-0.46%
QoQ Change



+12.09%
YoY Change



AED 1,673
Price Per Sq Ft

DPI MONTHLY OVERVIEW

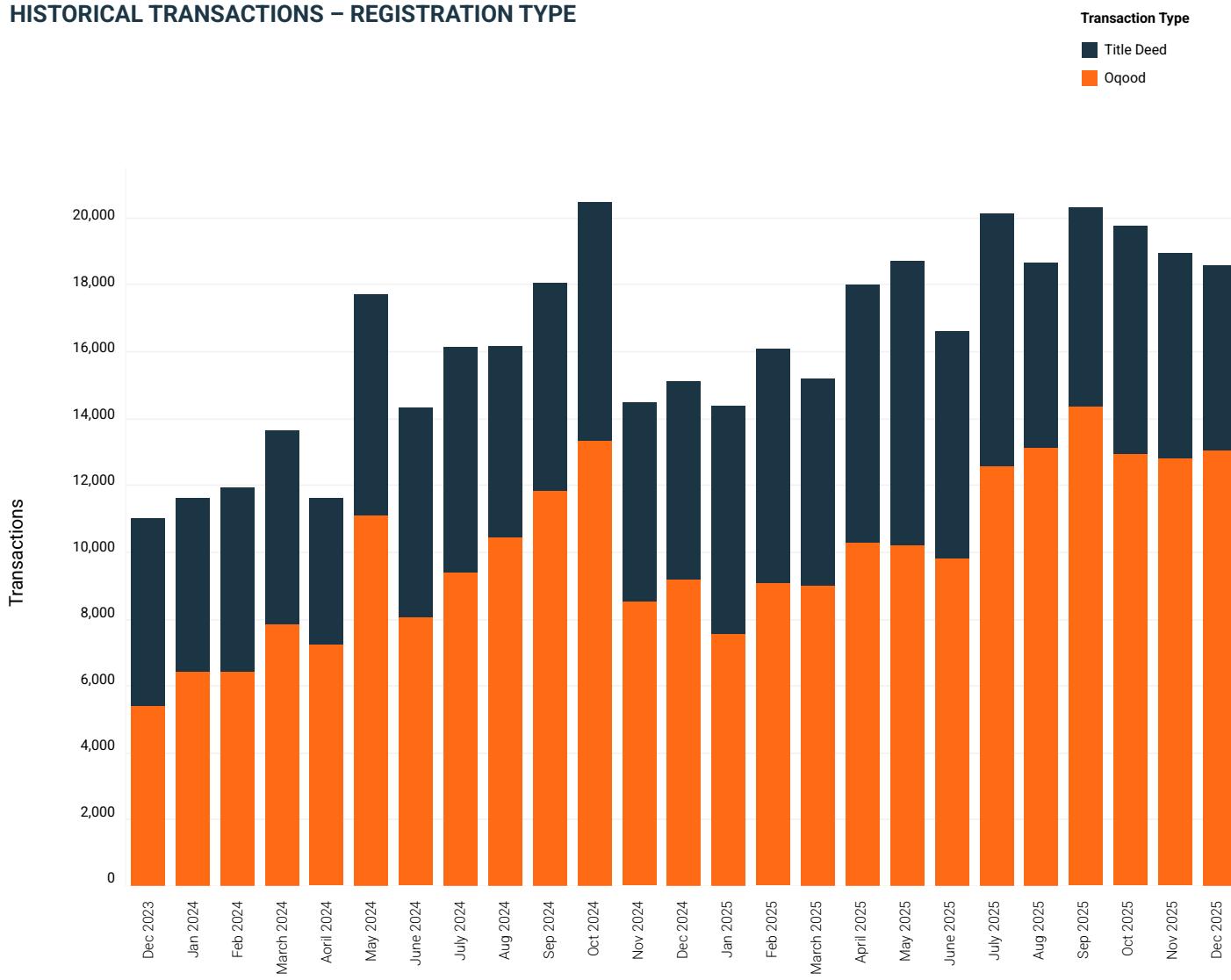
Month	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED/sq ft)
Dec 2025	233.66	-0.42%	-0.46%	12.09%	1,673
Nov 2025	234.05	-0.17%	0.71%	13.27%	1,676
Oct 2025	235.03	0.13%	3.56%	14.29%	1,683
Sep 2025	234.73	1.00%	4.45%	16.12%	1,681
Aug 2025	232.40	2.40%	5.19%	16.28%	1,664
July 2025	226.96	0.99%	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

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 December 2025 decreased by 0.40 index points to 233.66 from 234.05 in November 2025, representing a month-on-month decrease of 0.17%.

In December 2025, property prices declined for the second month in a row and now stand at AED 1,673 per sq ft. This is now 105.4% above the market trough of October 2020 and 35.7% above the market peak of September 2014. Absent any significant economic, geopolitical, or unforeseen global events, current market conditions are expected to support continued stability, with growth becoming more measured and selective as the market moves into 2026.

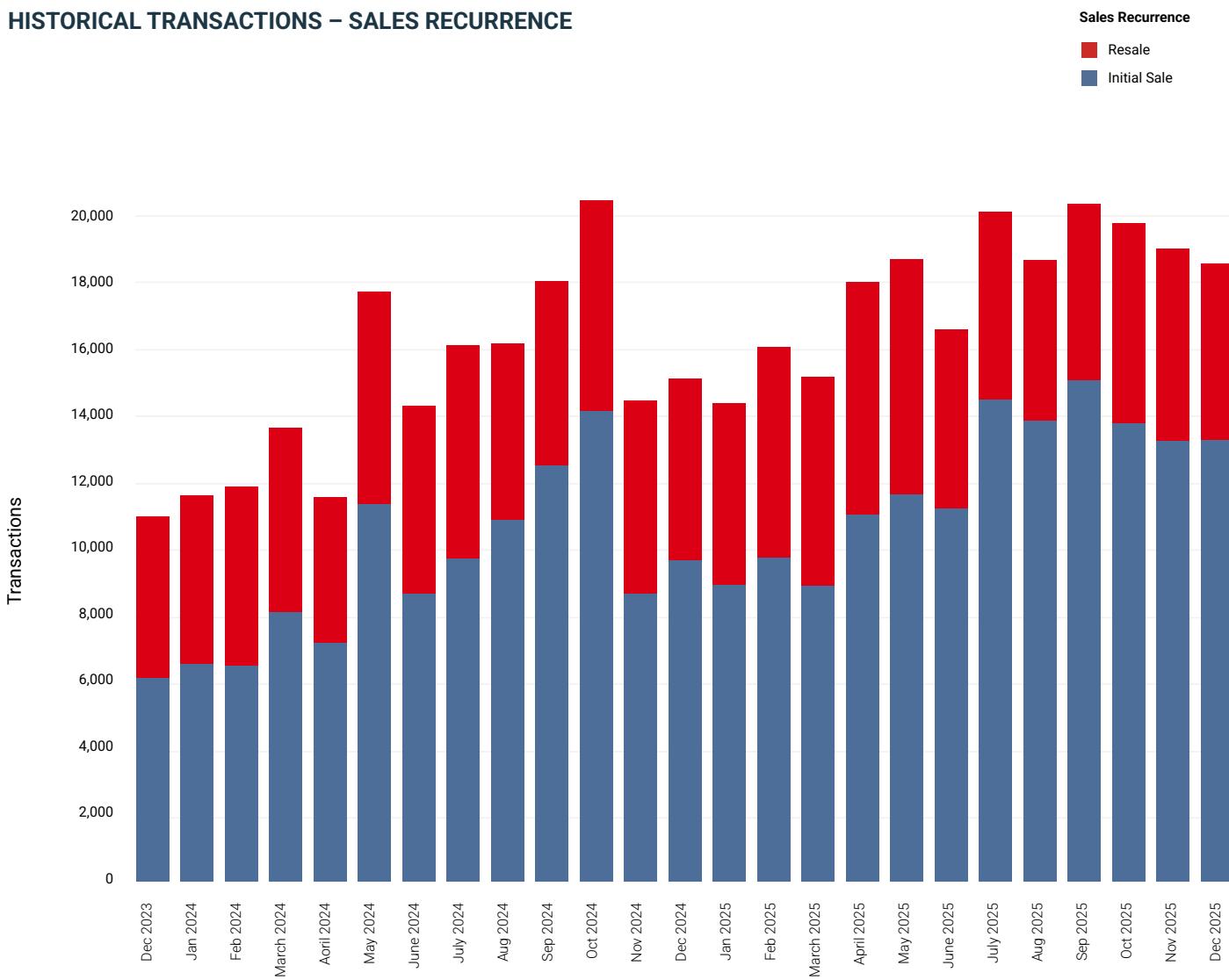
On a year-on-year basis, prices have increased by 12.1% in December and now marks 62 straight months of year-on-year increases, while on a year-to-date basis, prices have increased by 11.5% in December 2025 compared to an increase of 15.4% in December 2024.

HISTORICAL TRANSACTIONS – REGISTRATION TYPE


Sales transaction volumes in December fell to 18,575, decreasing by 2.1% compared to November 2025. During the month, the split between Oqood and Title Deed property transactions was weighed in favor of the former, with Oqood registrations accounting for 70.2% of all transactions, up by 2.7% 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 73.3% 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 24.7%. They recorded 2,965 transactions spread across a myriad of their projects, most notably Binghatti Vintage in Majan where 883 sales were recorded. This was followed by Binghatti Titania (447) in Majan, Binghatti Amberhall (240) in Jumeirah Village Circle, Binghatti Flare (162) in Jumeirah Village Triangle, and Binghatti Aquarise (140) in Business Bay.

Emaar Properties was next at 13.6% of all off-plan transactions with Equiterra 1 in Grand Polo Club & Resort leading their sales success and recording 405 transactions, then was followed by Equiterra 2 (285) and Equestra (221) also in Grand Polo Club & Resort. Taking third place was DAMAC Properties securing a 5.3% market share with Azure 2 in DAMAC Riverside Views dominating their sales for the month with 214 deals recorded, then followed by Bahamas 1 in DAMAC Islands 2 and DAMAC District Tower in DAMAC Hills with 55 and 48 sales respectively.

HISTORICAL TRANSACTIONS – SALES RECURRENCE


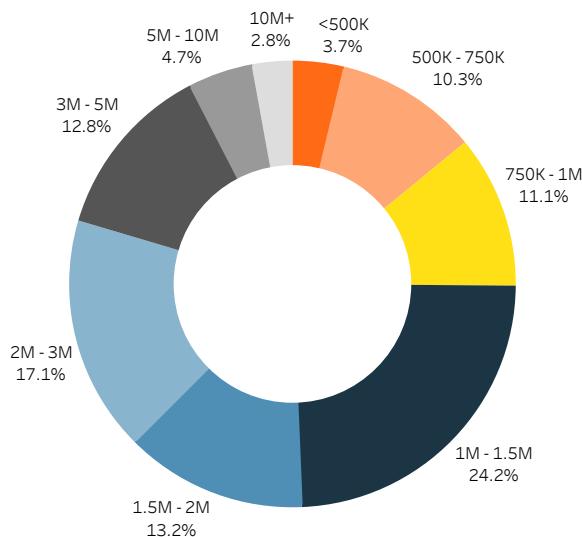
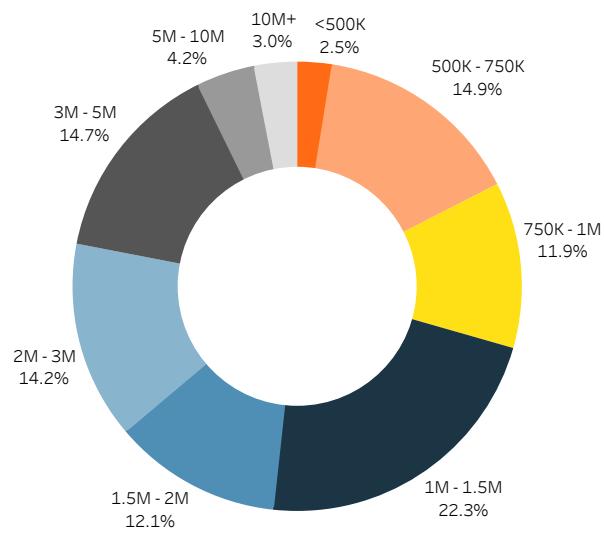
In December 2025, the market share of initial developer sales increased by 1.8%, rising to 71.8% versus resale transactions. The 12-month rolling average now stands at 66.8% for initial sales and 33.2% for resales, the latter of which, after reaching a high of 51.8% in April 2021, has now returned to levels broadly in line with those observed in 2019 and 2020, and may stabilize around—or potentially move below—these ranges as the market continues to normalize.

Majan was the most popular master development for initial sales, where 11.6% (1,492) of all such transactions occurred. Binghatti Vintage took the top spot for the month with 883 registrations, then was followed by Binghatti Titania with 447.

Taking second place was Jumeirah Village Circle with 1,072 sales and an 8.4% market share. Sales in the community were dominated by Binghatti Amberhall recording 240 registrations, then was followed by Luma Park Views (79), Binghatti Ruby (60) and Binghatti Circle (41).

Coming in third for December was Grand Polo Club & Resort, claiming 7.2% market share with a total of 917 transactions. Equiterra 1 led sales in the community with 405, then was followed by Equiterra 2 (285) and Equestra (221).

The top master developments for residential resale transactions were Jumeirah Village Circle with 8.2% of such transactions spread across multiple projects, with the highest level of sales occurring at Binghatti Phoenix (12). This was followed by Business Bay holding a 6.7 market share with Peninsula One (13) being the highest transacted. Closing out the top 3 master developments for resale was Dubai Marina holding 4.7% of the market, with LIV Marina Tower recording 11 sales for the month.

PRICE TIERS (AED) – November 2025

PRICE TIERS (AED) – December 2025


Legend: < 500K, 500K - 750K, 750K - 1M, 1M - 1.5M, 1.5M - 2M, 2M - 3M, 3M - 5M, 5M - 10M, 10M+

PRICE TIERS (AED) MONTHLY COMPARISON

	Nov 2025	Dec 2025	MoM Change
<500K	3.7%	2.5%	-1.20%
500K - 750K	10.3%	15.0%	4.70
750K - 1M	11.1%	12.0%	0.90%
1M - 1.5M	24.2%	22.3%	-1.90%
1.5M - 2M	13.2%	12.1%	-1.10%
2M - 3M	17.1%	14.2%	-2.90%
3M - 5M	12.8%	14.7%	1.90%
5M - 10M	4.7%	4.2%	-0.50%
10M+	2.9%	3.0%	0.10%

Growing their share of the market at the fastest pace was the AED 500K-750K price tier which increased by 4.7% in December to reach a total of 15.0%. The growth of this price tier can be largely attributed to the successful new development launches of Mid category apartments at Bingham Titania and Bingham Vintage in Majan as well as Empire Lakeviews in Liwan where sales prices averaged AED 1,851, AED 1,850, and AED 1,649 per sq ft respectively. Meanwhile, the biggest market share loser was the AED 2M-3M tier, which decreased by 2.9%, falling to 14.2%.

Also experiencing notable growth during the month was the AED 3M-5M price tier, which grew by 1.9%. Growth in this segment can be largely attributed to off-plan sales of Ultra-Luxury townhouses at Equestra, Equiterra 1, and Equiterra 2, in Grand Polo Club and Resort where sales prices averaged AED 1,793, AED 1,758 and AED 1,702 respectively, as well as High category apartments at Ellington Sands in Dubai Islands, where sales prices averaged AED 2,735 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 48.6%, down 5.9%. The low-price tiers with property values under AED 1M now represent 29.5% of the market, up 4.4% from November, while the high-end price tiers—properties above AED 3M—now represent 21.9% of the market, up by 1.5% 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/pmdi.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.