



Betterhomes. Shaping Skylines

Dubai Residential Real Estate Q2 2025

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Introduction



Louis Harding

Chief Executive Officer

Dubai’s real estate market maintained its momentum in Q2, with transactions up 25% year-on-year and total value rising 46%. Apartments and off-plan led activity, while the luxury segment hit record highs. Even during June’s regional unrest, the market remained resilient; reinforcing Dubai’s position as a safe, stable destination for capital and lifestyle buyers alike.

At Betterhomes, we recorded strong growth across both sales and leasing. Sales transactions rose 17% quarter-on-quarter, driven by a sharp increase in villa and townhouse activity. Townhouse deals more than doubled, and average sale prices grew 28% year-on-year. Buyers are still transacting, but they’re more selective, especially in communities with significant handovers or aggressive pricing.

The leasing market was a standout. Transactions more than doubled year-on-year, led by strong demand in villa and townhouse communities. Pricing remains stable and tenants are showing more flexibility, with one and four-cheque payments now accounting for nearly 60% of new leases.

Off-plan continues to perform, particularly in the apartment segment, where transactions rose 30% quarter-on-quarter with buyers now looking more closely at quality, payment structure, and developer track record. Off-plan villa volumes have slowed significantly, perhaps a sign of normalising after a runaway 18 months.

At the top end, the prime market remains extremely active. AED 15m+ transactions more than doubled compared to last year, as global buyers continue to view Dubai as a long-term investment and not a short-term play, for a variety of domestic and international reasons.

As we move into Q3, the fundamentals remain strong. Population growth is steady, infrastructure continues to expand, and while more supply is coming online, demand is still outpacing it in most areas. We expect to see more negotiation, more realistic pricing, and a little more competition, which, frankly, is no bad thing.

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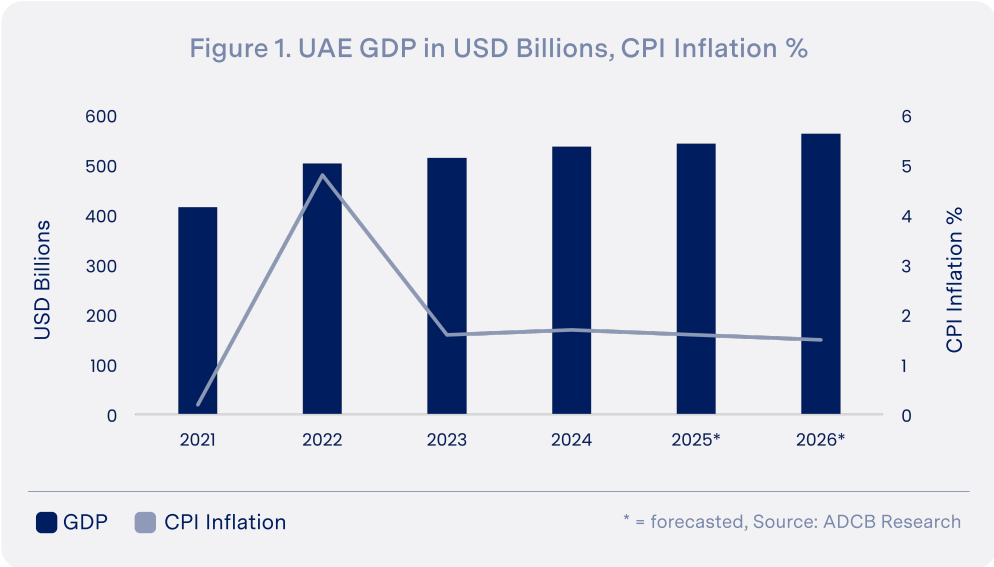
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Total Rental
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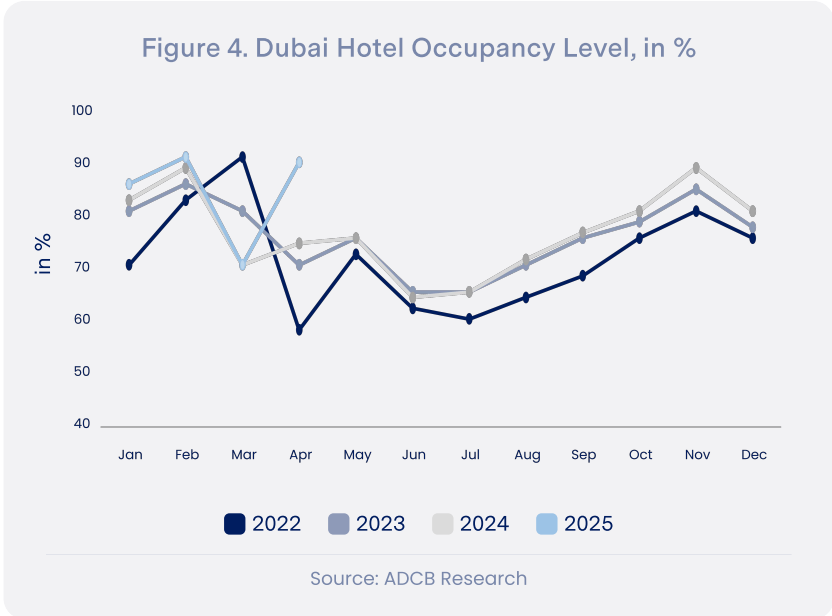
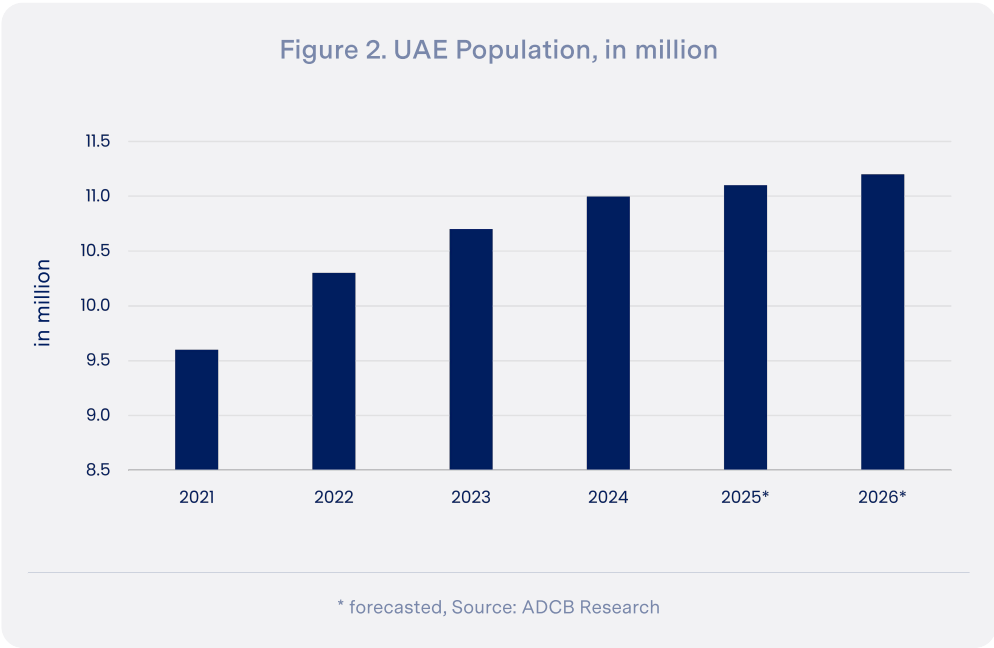
Macroeconomic Overview

The UAE's economy is the second largest in the GCC (Gulf Cooperation Council), with a robust track record of growth, particularly in its post-COVID recovery. GDP growth reached 3.8% in 2024, with forecasts projecting an increase to 4.2% in 2025 and 5% in 2026. This expansion has been driven by both oil and non-oil sectors, with the country's diversification amplifying the role of non-oil industries such as trade, manufacturing, tourism, real estate, finance, and insurance in shaping GDP. For the emirate of Dubai, tourism and real estate remain key pillars. Meanwhile, CPI inflation has remained relatively low, reflecting the economy's stability and strong purchasing power



The UAE's population continues to grow steadily, fueled by its robust economy and business-friendly policies. Dubai and Abu Dhabi remain top destinations for expatriates, offering tax-free incomes and high living standards, while emirates like Ras Al Khaimah are gaining traction. Government initiatives such as the Golden Visa program have further boosted long-term residency.

Now housing one-third of the UAE's population, Dubai has grown from 3.8 million to 4.1 million residents. Beyond employment opportunities, the emirate is emerging as an education hub, with private schools seeing 6% enrollment growth and universities experiencing a 29% surge in international students. This combination of economic prospects, favorable policies, and educational development solidifies the UAE's position as a premier global destination.



Dubai's tourism sector has demonstrated robust growth in 2025, with visitor numbers rising 7% year-on-year until April, led by a particularly strong 22.7% surge in April. Western Europe remains the largest source market, contributing 23% of total arrivals, followed by CIS & Eastern Europe (17%), GCC and south Asia (15%), reflecting Dubai's successful appeal across diverse regions. Hotel occupancy levels reached 84% in the first four months of 2025 up 7% year-on-year, peaking at 90% in February due to a combination of conferences, business events, and leisure tourism. While March saw a seasonal dip coinciding with Ramadan, the swift April rebound highlights Dubai's ability to maintain momentum beyond traditional peak periods.

Q2 2025 | Dubai Real Estate Market

Key Takeaways

Market Momentum Accelerates:

Total sales surged 46% YoY to AED 151.8B with transactions up 25% to 50,485 units. Quarter-on-quarter, value grew 33% and volume 19%, building on Q1's strength.

Apartments Lead the Market:

Accounting for 80% of all transactions, apartments remained the top choice, with off-plan sales rising 30% QoQ due to robust project launches and strong investor appetite.

Top Performing Locations:

JVC, Business Bay, and Dubai Marina dominated both off-plan and secondary markets, reflecting their continued popularity and strategic appeal.

Unit Preferences & Pricing:

Two-bedroom apartments led in value share. Average prices stood at AED 2,023/sqft (off-plan) and AED 1,600/sqft (secondary), showing healthy pricing and rental yield potential.

Villas & Townhouses Shift Toward Ready Units:

Secondary villa sales soared 80% YoY to AED 62.4B, driven by end-user demand. Off-plan villa activity slowed, while townhouses captured 75% of off-plan volume with strong interest in 3-4 bedroom layouts.

Outlook Remains Bullish:

Sustained growth, investor-friendly policies, and lifestyle appeal continue to position Dubai as a top-tier global real estate hub with strong forward momentum.

Total Sales Transactions

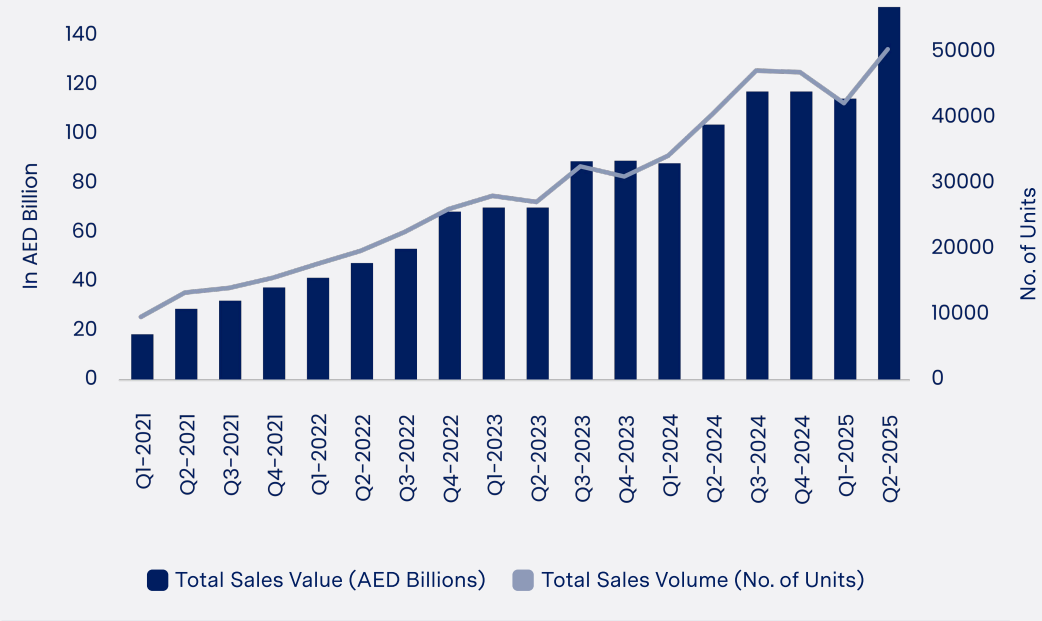
Value and Volume

The Dubai real estate market maintained its upward trajectory in the second quarter of 2025, with total sales value soaring by 46% year-on-year to AED 151.8 billion. Transaction volumes also saw a notable rise, increasing by 25% to reach 50,485 units.

This strong quarterly performance builds on a robust first quarter, which recorded quarter-on-quarter growth of 33% in value and 19% in volume. The sustained momentum highlights growing investor confidence and the continued appeal of Dubai's property sector.

The UAE has remained an example of economic stability and investor-friendly policies, further reinforcing its position as a key real estate hub in the region.

Figure 5. Sales Transactions Vale and Volume



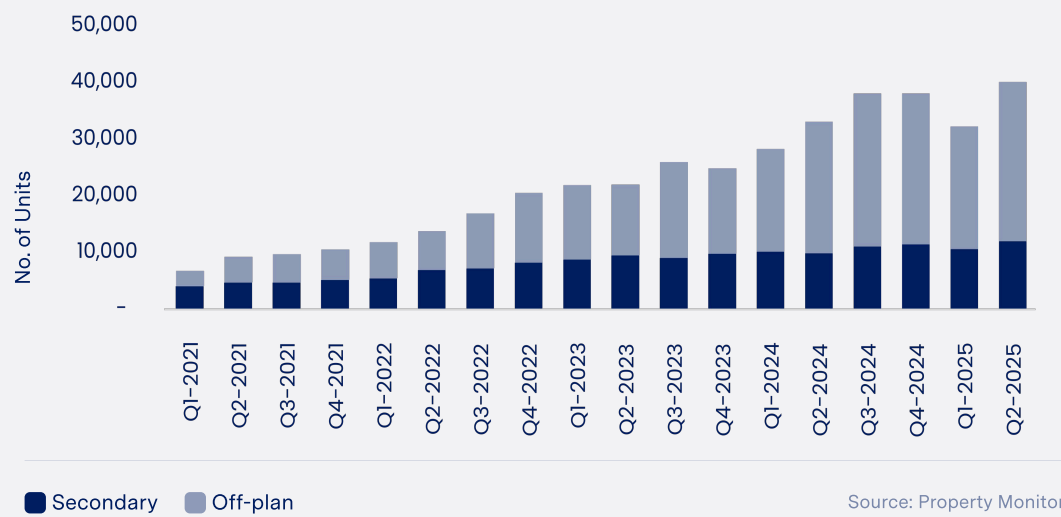
Source: Property Monitor

Segment Highlights

Apartment Sales

The apartment sector continued to show steady growth, with both secondary and off-plan transactions rising by 21% year-on-year. On a quarterly basis, off-plan apartment sales saw a notable increase of 30%, indicating that developers are effectively launching new projects to meet market demand. Apartments remain a popular choice for investors due to their relative affordability (compared to villas and townhouses), consistent demand, and attractive rental yields of around 5–7%, reflecting strong investor confidence.

Figure 6. No. of Units, Apartments, Secondary vs Off-plan

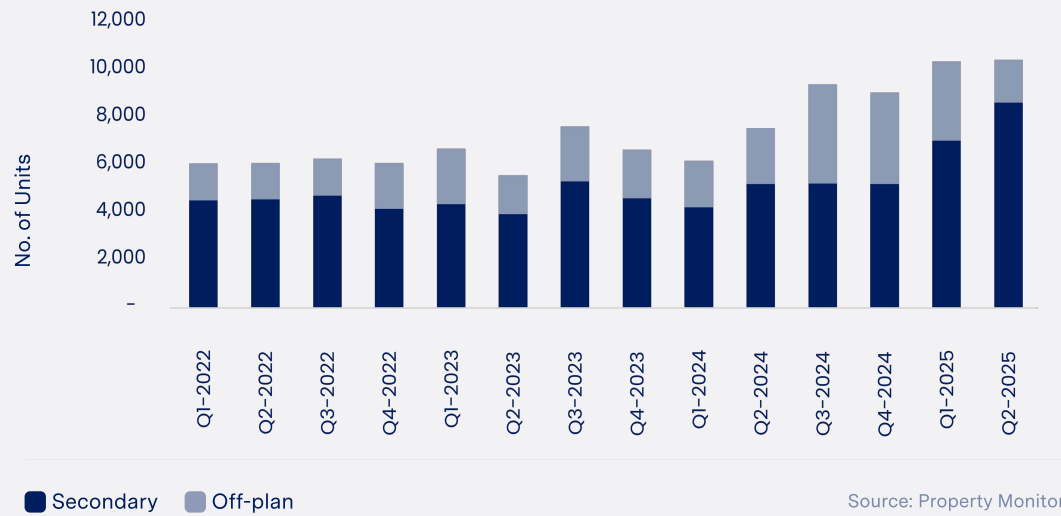


Source: Property Monitor

Villa / Townhouse Sales

The villa and townhouse segment showed more mixed results. While secondary properties recorded an exceptional 66% annual growth (and 23% quarterly growth), off-plan villa transactions declined by 23% year-on-year and 46% quarter-on-quarter. This suggests a shift in buyer preferences toward completed properties, particularly villas, as more buyers seek homes for end use and permanent settlement. The decline in off-plan villa activity could also be attributed to a relative increase in off-plan apartment launches, with fewer new villa projects coming to market.

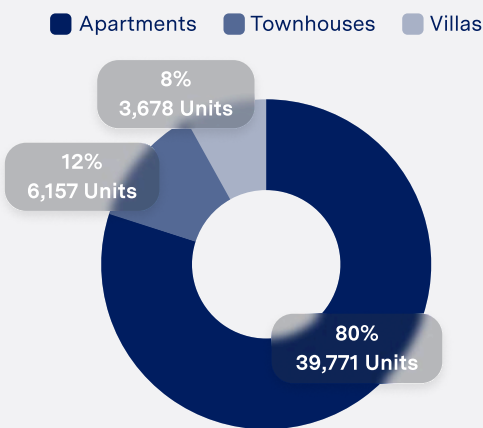
Figure 7. No. of Units, Villa & Townhouses, Secondary vs Off-plan



Source: Property Monitor

Market Composition

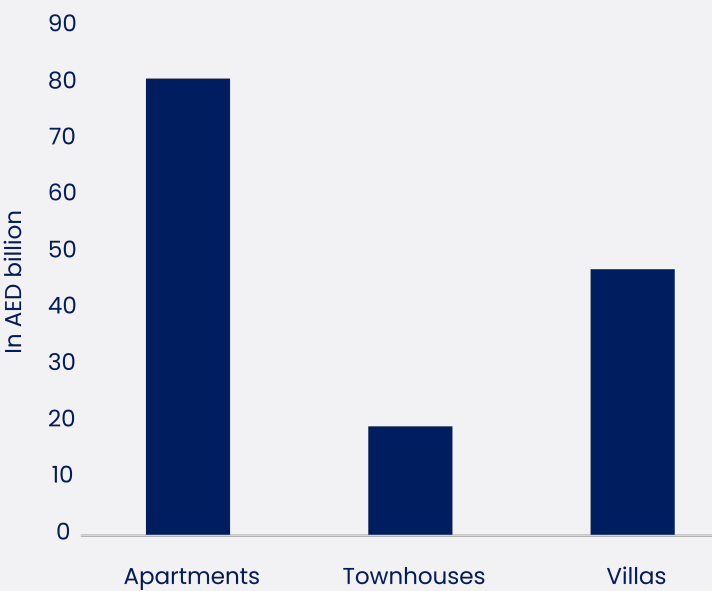
Figure 8. Total Sales Volume Breakdown



Source: Property Monitor

Apartments accounted for the majority of transactions, contributing 80% of the total volume with over 40,000 units sold, generating AED 81 billion in sales value. Townhouses represented 12% of transactions - approximately 6,200 units with a sales value of AED 19.3 billion, while villas made up 8% - around 3,700 units, contributing AED 47.2 billion in value.

Figure 9. Total Sales Value Breakdown



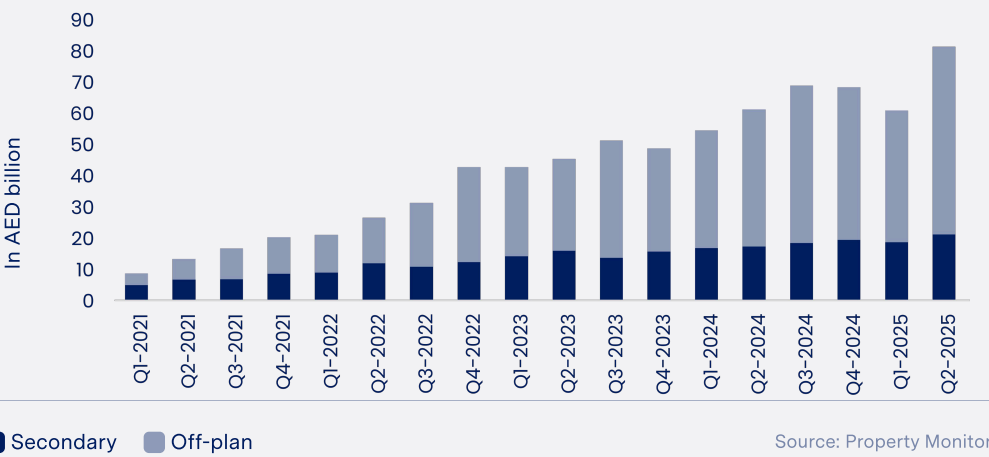
Source: Property Monitor

Apartments Sales Value

Robust Growth in Apartment Sales Performance

In Q2 2025, Dubai's apartment market experienced significant growth across both secondary and off-plan segments. Secondary apartments saw a 23% increase in value reaching AED 21.17 billion compared to Q2 2024, while off-plan transactions grew by a massive 37%, totalling AED 60.15 billion. This growth trend continued from Q1 to Q2 2025, with secondary apartments rising by 13% and off-plan transactions surging by 43%.

Figure 10. Sale Transactions Value, Apartments, Secondary vs Off-plan



Source: Property Monitor

Key Off-Plan Communities and Buyer Trends

Among the top-performing communities for off-plan apartments in Q2 2025 were Jumeirah Village Circle (JVC), which led with 12.2% of total off-plan transactions, followed by Business Bay at 6.4%, Dubai Residence Complex at 5.3%, while Motor City and Production City each contributed 5%. Two-bedroom apartments were the highest contributors to off-plan transaction value making up 33%, with one-bedroom apartments at 30% and studios at 10%. The average price per square foot for off-plan transactions stood at AED 2,023.

Secondary Market Activity

In the secondary apartment market, JVC again emerged as the top performer, accounting for 11.2% of transactions, followed by Business Bay at 7.5%, Dubai Marina at 5.8%, with Mohammed Bin Rashid (MBR) City and Downtown Dubai each holding a 5% share. Two-bedroom apartments were again the largest contributor to transaction value, representing 36%, with one-bedroom apartments at 28% and studios at 8%. The average price per square foot for secondary apartments was AED 1,600.

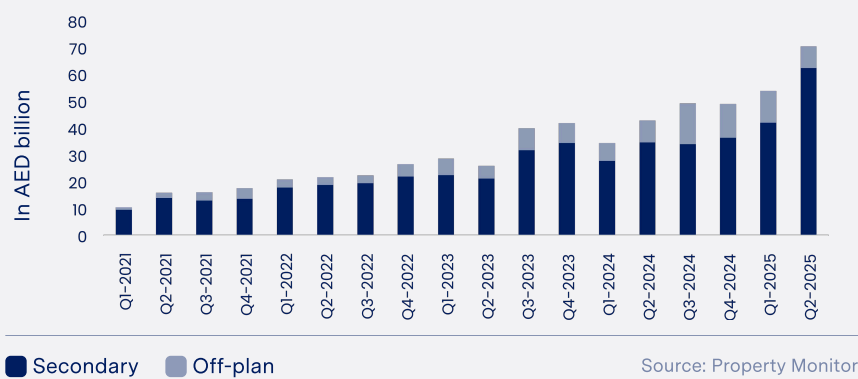
This data highlights the ongoing strength and demand across Dubai's apartment market, with JVC and Business Bay remaining key focal points for both off-plan and secondary transactions. The growth in transaction value, particularly for two-bedroom apartments, indicates strong investor confidence and a stable market outlook moving into the second half of 2025.

Villa & Townhouse Sales Value

Strong Growth in Secondary Villa and Townhouse Sales

In Q2 2025, Dubai’s villa and townhouse segment delivered a strong performance in the secondary market, while the off-plan market showed signs of moderation. Secondary transactions saw a sharp 80% year-on-year increase, reaching AED 62.4 billion, up from AED 34.6 billion in Q2 2024. Compared to Q1 2025, secondary sales also grew significantly by 49%. In contrast, off-plan villa and townhouse sales declined slightly by 2% year-on-year to AED 8.06 billion, and by 32% quarter-on-quarter, down from AED 11.8 billion in Q1 2025.

Figure 11. Sale Transaction Value, Villa & Townhouses, Secondary vs Off-plan



Off-Plan Market Trends and Buyer Preferences

In the off-plan segment, The Valley accounted for the largest share of transactions at 29.7%, followed by EMAAR South with 15.5%, Athlon by Aldar at 8%, and MBR City at 7.3%. The total off-plan transaction value for villas and townhouses stood at AED 7.94 billion, with townhouses driving 75% of this value and villas contributing the remaining 25%. This trend reflects a preference among buyers for townhouses in new developments, although the broader end-user market continues to favour ready-to-move-in properties for permanent residence. In terms of unit size, four-bedroom homes accounted for 49% of the total off-plan transaction value, followed by three-bedroom units at 23% and five-bedroom units at 12%. The average price per square foot was AED 1,318 for townhouses and AED 1,947 for villas.

Premium Communities Drive Secondary Market Demand

Secondary villas and townhouses, on the other hand, saw strong demand, particularly in premium communities. Damac Islands led with 30% of all secondary transactions in this category, followed by Grand Polo Club and Resort at 9.4%, The Oasis at 9.2%, and both Damac Hills 2 and Damac Lagoons with 7% each. The total transaction value for secondary villas and townhouses reached AED 58.6 billion, with villas dominating the market accounting for 77% of the value, while townhouses contributed 23%. Five-bedroom units made up the largest share of value at 34%, followed closely by four-bedroom homes at 33%, and six-bedroom homes at 16%. The average transacted price per square foot was AED 1,205 for townhouses and AED 2,054 for villas.

This performance underscores a growing preference for completed properties in the villa and townhouse segment, particularly among end-users seeking larger, family-oriented homes for long-term living. The strong demand in established communities highlights the maturity of the market and the shift towards quality, space, and lifestyle in buyer priorities.



Christopher Cina, Director of Sales at Betterhomes says, “With approximately 20,000 new units delivered in the first half of 2025 and a further 70,000 expected by year-end, Q3 is shaping up to be an exciting phase for Dubai’s property market. This upcoming supply is well-aligned with the city’s growing population and strong investor appetite. Demand remains robust particularly for apartments and ready villas with healthy absorption of new launches. Both Q3 and the second half of 2025 are expected to reflect positive market sentiment, supported by a resilient economy, sustained end-user demand, and attractive rental yields.”

Residential Supply & Average Sales Prices

Key Takeaways

Supply Surges:
Over 20,000 units delivered in H1 2025, with 70,000 more expected in H2 and 200,000+ units lined up through 2027, signalling strong developer confidence.

Top Delivery Hubs:
JVC led completions with 20%, followed by Sobha Hartland (11%) and MBR City (8%). Sobha Hartland topped Q2 handovers with 23%.

Villa & Townhouse Growth:
1,300+ villas and 3,000 townhouses handed over in H1 already surpassing half of 2024’s total with record deliveries forecast for H2.

Price Resilience:
Average property prices hit AED 1,582/sq.ft, up 6% QoQ and 18% YoY, nearly doubling since the pandemic low.

Sustainable Growth:
Consistent 3% quarterly price rises driven by population growth, infrastructure, and strong investor demand

Price Trends by Segment:
Off-plan apartment prices rose 12.5% since early 2023 to AED 2,023/sqft secondary apartments climbed 23%, narrowing the price gap. Villas and townhouses saw secondary prices up 9% QoQ and off-plan up 4%, reflecting strong demand for ready homes



Residential Supply

Rising Residential Supply in H1 2025

In H1 2025, approximately 20,000 residential units were delivered across Dubai, marking an increase from 18,179 units in H1 2024. Looking ahead, the second half of 2025 is set to witness a substantial influx of supply, with around 70,000 additional units expected to be handed over. The delivery pipeline extending into 2026 and 2027 also appears promising with over 200,000 units entering in the market, indicating continued growth and developer confidence.

JVC Leads Community Handovers in H1 2025

Jumeirah Village Circle (JVC) emerged as the leading community in terms of handovers during H1 2025, accounting for 20% of total completions equating to over 4,130 units. Sobha Hartland followed with 2,200 units, making up 11% of the total, while Mohammed Bin Rashid (MBR) City ranked third with 1,600 units, or 8% of all deliveries.

Sobha Hartland Tops Q2 2025 Deliveries

Focusing on Q2 2025 alone, Sobha Hartland led again, with 1,518 units delivered, representing 23% of the quarter’s total handovers. JVC and Arjan followed closely, with approximately 750 units each. These figures highlight the ongoing expansion of key residential hubs and reflect developers’ commitment to delivering projects on schedule to meet rising end-user and investor demand.

Strong Start for Villas and Townhouses in H1

In the first half of 2025, over 1,300 villas and approximately 3,000 townhouses were delivered across Dubai marking a strong start to the year. Tilal Al Ghaf and Mohammed Bin Rashid (MBR) City led villa handovers during this period, while townhouse deliveries were more widely distributed across communities such as Dubai South, Jumeirah Village Circle (JVC), and Tilal Al Ghaf.

For comparison, 2024 saw a total of just 2,200 villas and 6,000 townhouses completed. With H1 2025 already surpassing half of last year’s figures, the market is on track for a record-breaking year. An additional 3,800 villas and 9,000 townhouses are expected to be delivered in the second half of 2025, which would set a new annual benchmark for villa and townhouse completions in Dubai.

Figure 12. Dubai, Total Residential Supply



Figure 13. Dubai, Residential Supply 2024 Breakdown

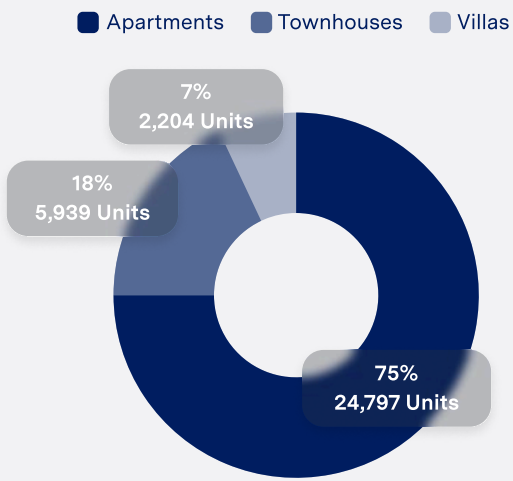
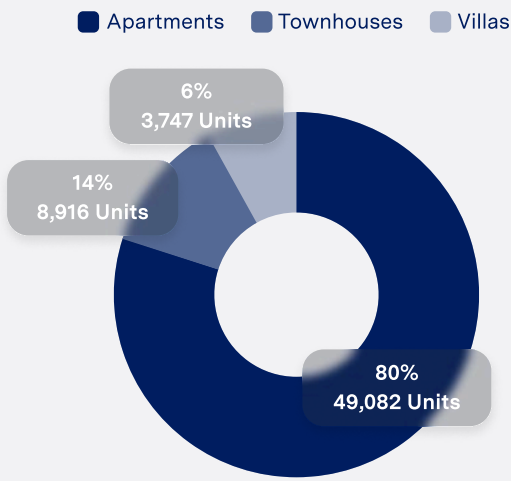


Figure 14. Dubai, Upcoming Residential Supply 2025 Breakdown



Concentration of Upcoming Supply

Source: Property Monitor, Upcoming supply for Q3-2025



Design phase



Average Sales Prices

Resilient Price Growth

Dubai’s property market has continued its steady upward trajectory in the first half of 2025, with the citywide average price reaching AED 1,582 per square foot. This represents a 6% increase compared to the second half of 2024 and a 3% rise quarter-on-quarter from Q1 2025. Prices now stand 18% higher than in Q1 2024 and a notable 90% above the pandemic-era lows AED 833, underscoring the market’s resilience and sustained recovery.

Sustainable Appreciation Driven by Strong Fundamentals

The pace of appreciation remains measured and consistent, pointing to sustainable growth underpinned by strong fundamentals such as population expansion, continued infrastructure development, and robust investor confidence. Notably, this growth has occurred despite a significant volume of new supply entering the market, signalling that demand continues to outstrip inventory in key segments.

Mature and Stable Market

The current pattern of balanced, stable growth averaging around 3% quarterly reinforces Dubai’s position as one of the most attractive and reliable property markets globally. The market’s capacity to absorb new stock while maintaining pricing strength highlights its increasing maturity and the depth of demand, driven by a healthy mix of end-users, long-term residents, and investors.

Off-Plan Prices Rebound After Volatile Phase

Dubai’s apartment market has exhibited distinct yet complementary trends across the secondary and off-plan segments between Q1 2023 and Q2 2025. The off-plan market began this period from a strong position, with prices averaging AED 1,798 per square foot significantly higher than the AED 1,301 recorded in the secondary segment. Over the next two years, off-plan prices experienced moderate volatility, peaking at AED 1,993 in Q2 2023 before softening to AED 1,885 by Q4 2024, and subsequently recovering to AED 2,023 in Q2 2025. This represents a 12.5% increase from the start of the period, underscoring the segment’s resilience despite cyclical fluctuations.

Secondary Market Shows Steady, Strong Appreciation

In contrast, the secondary market displayed more consistent and linear growth. Starting from AED 1,301 in Q1 2023, prices rose steadily to AED 1,599 by Q2 2025 - a strong 23% overall appreciation that outpaced the off-plan segment in cumulative gains. This upward trend was especially evident in 2024, during which secondary prices rose by 13% year-on-year, signalling a rising demand for ready-to-move-in properties among end-users and investors alike.

An interesting convergence occurred in Q4 2023, when the price gap between off-plan and secondary units narrowed to just AED 564 per square foot. However, by Q2 2025, this gap widened again to AED 424, suggesting confidence in off-plan offerings amid new project launches and developer incentives.

Secondary Market Sees Strong Price Growth

Dubai’s townhouse and villa market posted a strong performance in Q2 2025, with both the secondary and off-plan segments showing notable growth. Secondary market prices climbed to AED 1,557 per sq. ft, reflecting a 9% increase QoQ and 6% YoY, driven by rising demand from end-users prioritising ready-to-move-in homes for long-term living.

Off-Plan Segment Gains Momentum

Off-plan prices also continued their upward momentum, reaching AED 1,368 per sq. ft, with a 4% QoQ and impressive 19% YoY growth. This reflects sustained investor confidence, fuelled by attractive payment plans, enhanced project quality, and the continued expansion of Dubai’s infrastructure and master communities.

While the secondary market has bounced back strongly from its Q1 dip, the off-plan segment has maintained a steady upward trend, highlighting broad-based demand and market depth across both investment and end-user segments.

Figure 15. City-level average sale price, in AED per sqft

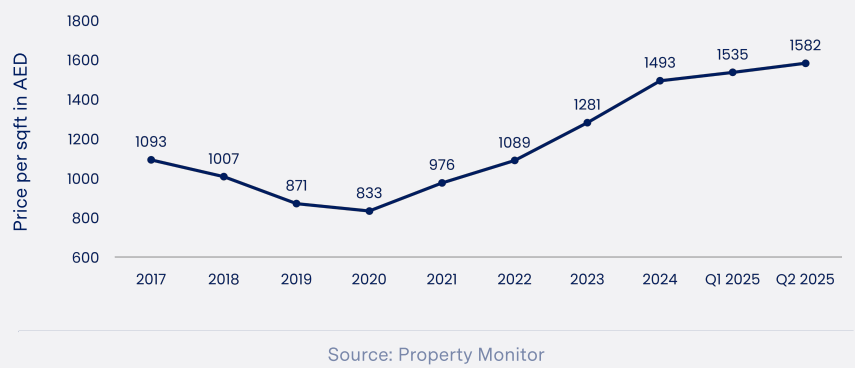


Figure 16. Average sale price, Apartments, in AED per sqft



Figure 17. Average Sale Price Townhouses and Villas, in AED per sqft



Average Sales Prices (AED per sq ft):

Source: Property Monitor

■ Apartments

■ Villas



Q2 2025 | Betterhomes

Betterhomes Q2 2025 Sales Performance | Yearly Comparison

Betterhomes delivered a strong year-on-year performance in Q2 2025, with sales enquiries rising by 44% compared to Q2 2024. This growth was largely driven by increased interest across all property types. Apartment enquiries rose by 21%, villas by 31%, and townhouses by an impressive 196%, highlighting a shift in buyer preferences towards larger living spaces.

Overall transactions for apartments and villas grew at a continuous pace, while townhouse transactions surged with a 41% increase. The average sale price across all property types rose 28% year-on-year, with villa prices notably climbing 92%, driven by high-end sales, and apartment prices increasing by 32%.

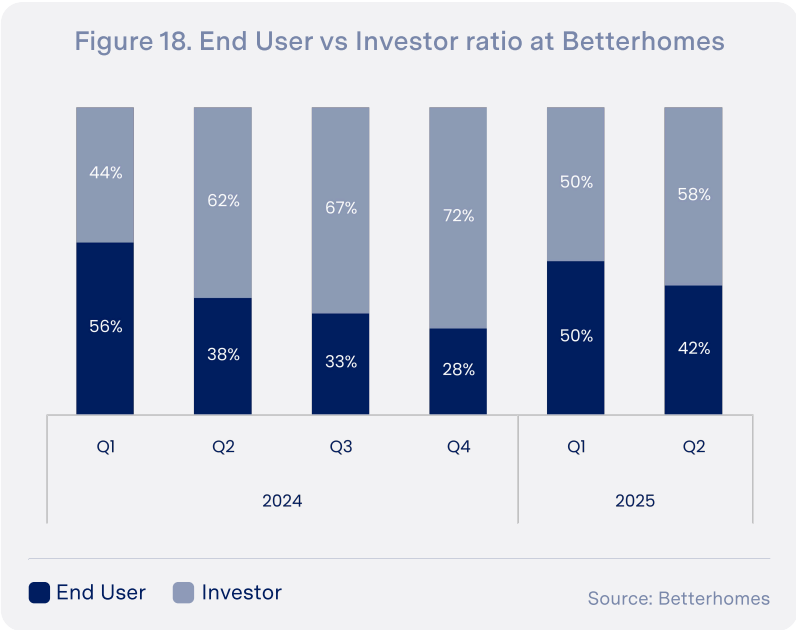
Betterhomes Q2 2025 Sales Performance | Quarterly Comparison

On a quarterly basis, demand for villas and townhouses increased by 19% and 22%, respectively, reflecting sustained interest in family-oriented living and community-focused developments. Overall transactions rose by 17%, with townhouse sales surging 111% and villa transactions up 53%, with apartments growing at the same pace. The average selling price climbed 9% quarter-on-quarter.



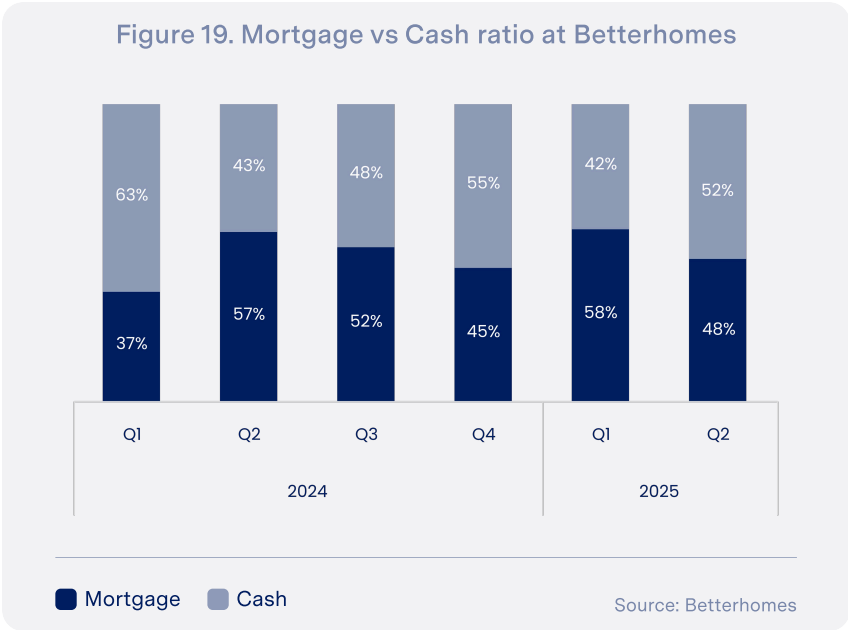
Buyer Profile at Betterhomes

Investor sentiment strengthened notably in Q2 2025. Investors accounted for 58% of all transactions, up from 50% in Q1, reversing the balanced distribution seen earlier this year. End-user share dropped to 42%, reflecting renewed interest from investors, influenced by strong rental yields and capital appreciation in select communities. This marks a shift from the trend seen in 2024, where investor dominance peaked in Q4 at 72%.



Cash vs Mortgage Buyers

In terms of financing, the market moved significantly towards cash purchases. Cash transactions rose to 52% in Q2 2025, up from 42% in Q1, while mortgage-backed deals declined to 48%. This suggests a more liquid buyer pool in the current market driven by high-net-worth individuals, international investors, and buyers seeking faster closings.



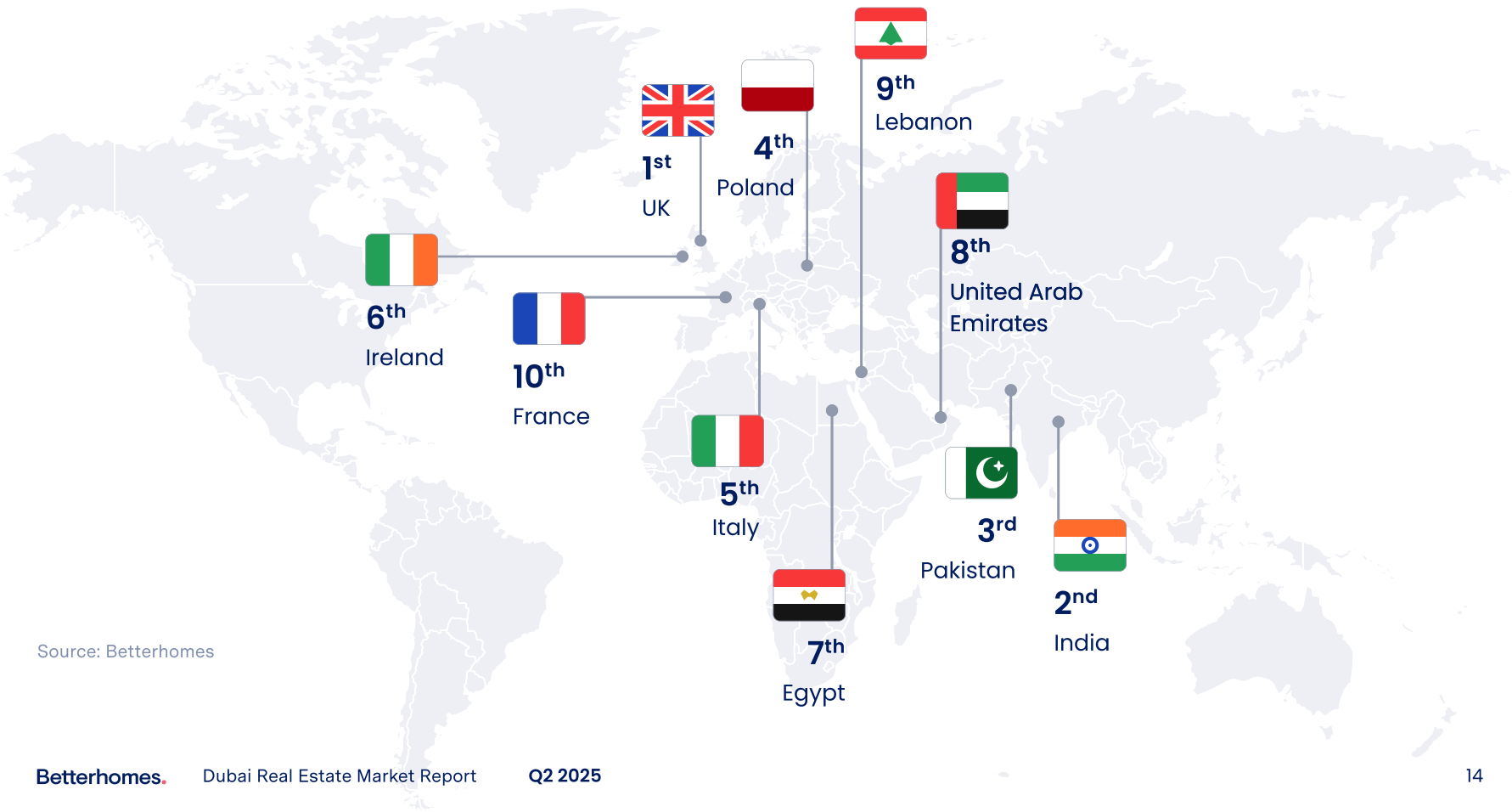
Top Buyer Nationality at Betterhomes

The second quarter of 2025 saw a notable shift in buyer demographics at Betterhomes, with the United Kingdom claiming the top spot, overtaking India. UK buyer activity grew by a remarkable 56% quarter-on-quarter, reflecting strong interest from British nationals, possibly driven by currency advantages and confidence in Dubai’s long-term investment potential.

India and Pakistan maintained strong positions at second and third, respectively, while Poland made a notable jump in Q2 to enter the top 5.

After dominating for many quarters, Russian buyer activity eased slightly and has fallen out of the top 10, making way for Ireland to debut at 6th place, highlighting the growing European interest in Dubai real estate. Italy, Egypt, Lebanon, the UAE, and France completed the top 10, reflecting Dubai’s continued appeal to a diverse global investor base.

These changes reflect Dubai’s evolving buyer landscape, with increased traction from European markets and a healthy balance between traditional and emerging source countries, a trend also supported by a weakening dollar.



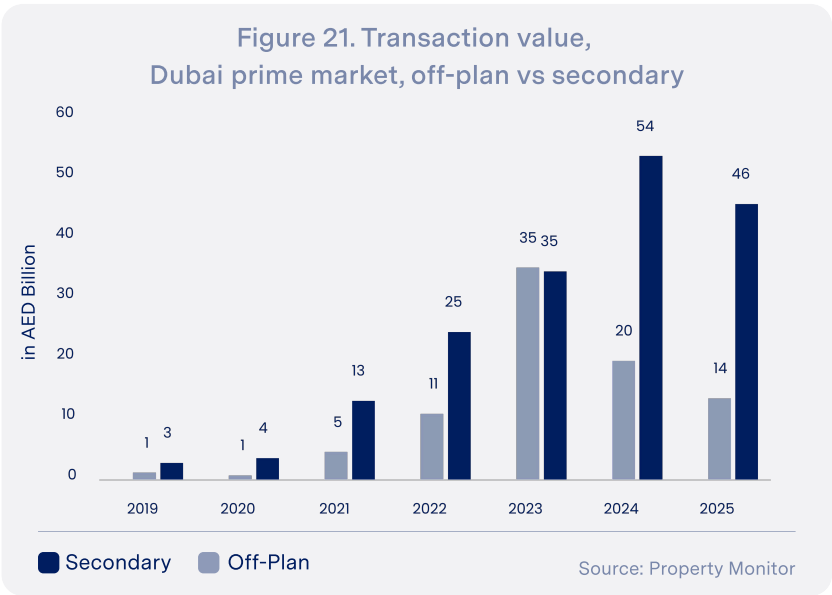
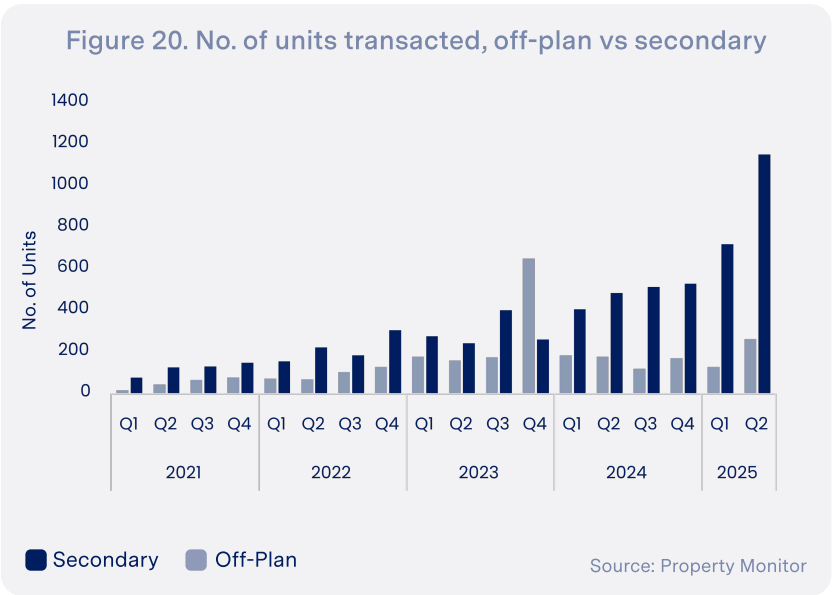
Luxury Market

Total Sales Transactions (AED 15 mn+)

In Q2 2025, the prime market witnessed a record-breaking 1,417 transactions, marking a 67% quarter-on-quarter increase from 851 deals in Q1. On an annual basis, activity has more than doubled, reflecting a remarkable 113% year-on-year growth, underscoring the booming appetite for ultra-luxury real estate in Dubai.

- Off-plan transactions reached 264, a 103% QoQ growth and a 48% increase YoY, showing continued interest in luxury developments under construction.
- However, secondary properties significantly outperformed, hitting an all-time high of 1,153 transactions, 4.5 times more than off-plan sales in the same quarter. This represents a 137% year-on-year surge and a 60% increase from the previous quarter, signalling an overwhelming preference for completed, high-value assets.

The data clearly indicates that buyers in the luxury segment are increasingly gravitating toward ready properties, prioritising exclusivity, immediate handover, and established prime locations. This record-setting quarter firmly cements Dubai's position as a global hub for high-end real estate investment.



When comparing annual prime market transactions (AED 15M+), the growth trajectory is striking 1,249 units in 2022, 1,354 in 2023, and 2,594 in 2024. In just the first half of 2025 alone, 2,268 units have already transacted that's 87% of the total for 2024 and nearly double the full-year volume of 2022, underscoring the extraordinary momentum and deepening demand in Dubai's ultra-prime segment.



Top Prime Communities

Secondary	Off-plan
The Oasis	Downtown Dubai
Palm Jebel Ali	Jumeirah
The Acres	Palm Jumeirah
Palm Jumeirah	Dubai Harbour
MBR City	La Mer

PRIME

by Betterhomes

Recognising the need for a bespoke resource for ultra-premium homes and residences, the launch of PRIME by Betterhomes has redefined the way we market and sell Dubai's most unique and sought-after properties. Prime by Betterhomes is dedicated to luxury residences that offer the rare, the exclusive and the extraordinary.

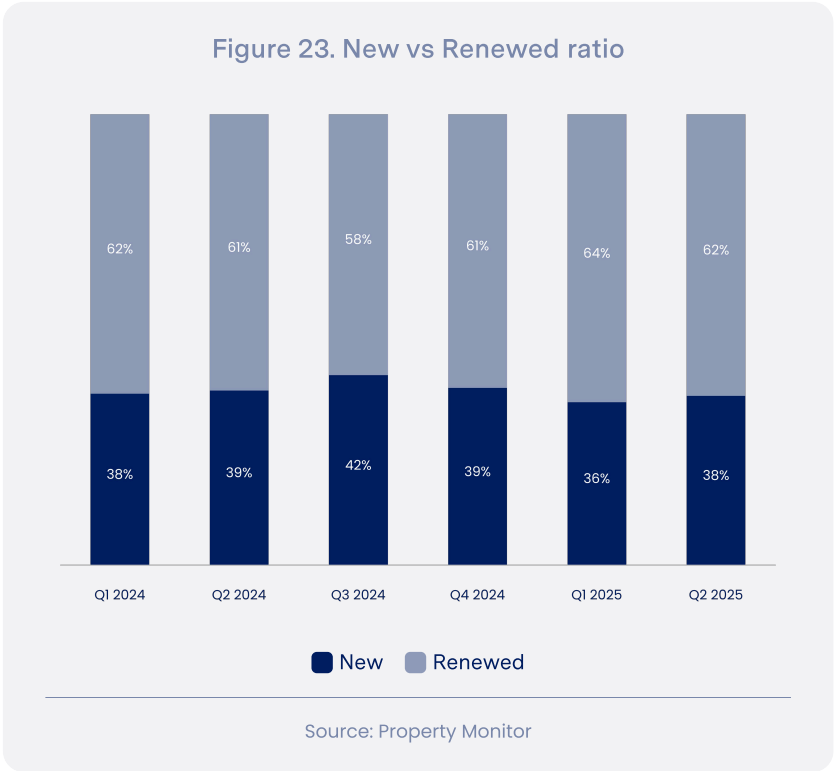
Total Rental Transactions

Volume and Contract Type

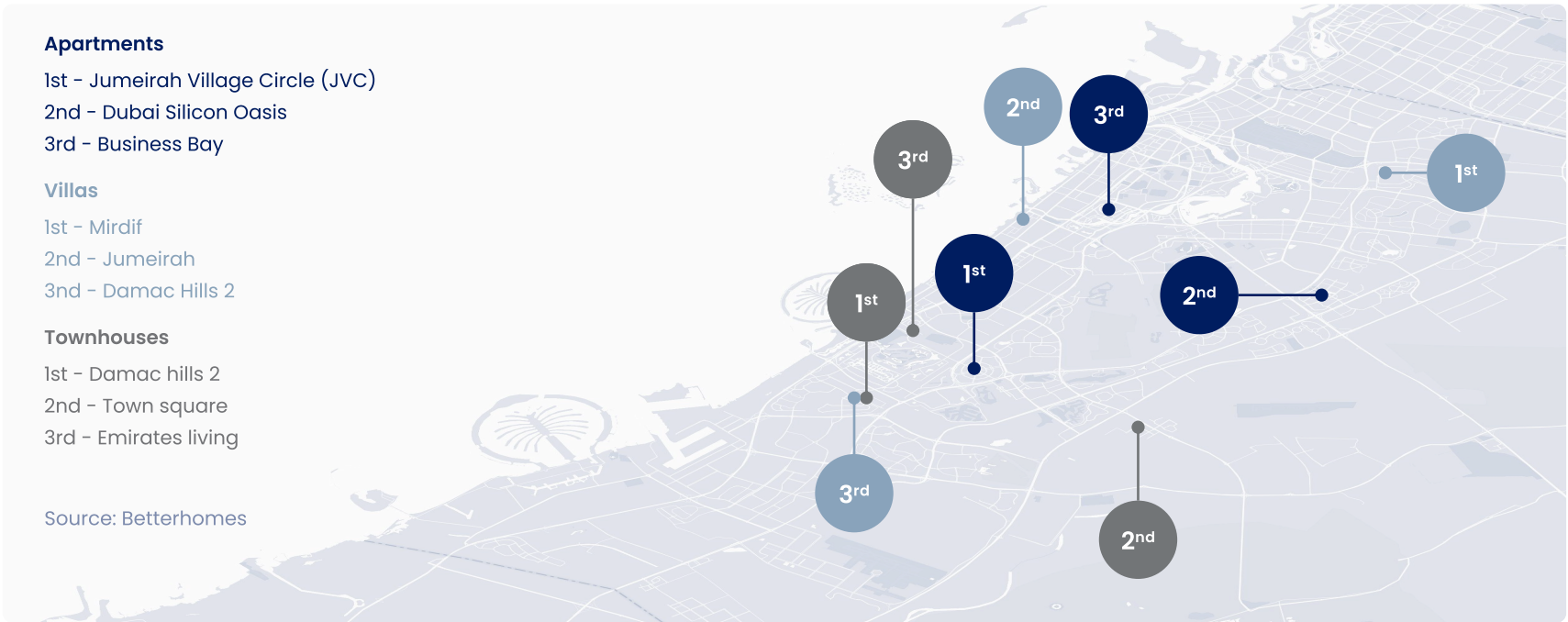
In Q2 2025, a total of 107,830 rental contracts were recorded in Dubai, reflecting a 2% increase year-on-year.

New rental contracts declined by 2% YoY and 13% QoQ, suggesting a slight slowdown in fresh leasing activity, possibly as tenants choose to renew rather than relocate. Renewed contracts, meanwhile, saw a 4% annual increase, though dipped 18% from Q1, in line with seasonal shifts.

Across the first half of 2025, Dubai registered 236,315 rental contracts, remaining broadly in line with H1 2024's total of 240,270, indicating sustained leasing momentum. Renewals have consistently made up the majority of contracts, hovering around 60–65%, while new leases remain steady at approximately 40%.



Average Annual Rent



Average Rental Price (AED per sqft)

Source: Property Monitor

■ Apartments ■ Villas



Q2 2025 | Betterhomes

Betterhomes Q2 2025 Leasing Performance | Yearly Comparison

Betterhomes’ leasing activity witnessed exceptional year-on-year growth in Q2 2025, with total leasing transactions rising by 111%. Apartments saw a 104% increase in transactions, villas were up by 97%, and townhouses led the surge with a remarkable 237% growth. Average leasing prices also saw upward movement, with apartments averaging AED 140,000 (up 2%) and townhouses reaching AED 205,000 (up 16%). Tenant demand strengthened overall, as demand rose by 35%, driven by a 26% increase in apartment demand and 12% growth in villa enquiries, reflecting growing interest across property types.

Betterhomes Q2 2025 Leasing Performance | Quarterly Comparison

On a quarterly basis, Betterhomes recorded a 33% increase in total leasing transactions. The villa segment stood out with a 74% rise in transactions, while apartments also posted modest growth at 7%. Tenant demand edged up by 2%, significant gains in villa (30%) and townhouse (98%), indicating shifting preferences towards larger homes. In terms of rental payment trends, one-cheque and four-cheque options continued to dominate, together making up 58% of all lease agreements.

Average Leasing Price		Tenant Demand	
 Apartments	AED 140,000	 Apartments	YoY  26%
 Villas	AED 205,000	 Villas	YoY  12%
Figure 25. Source: Betterhomes		Source: Betterhomes Figure 26. Tenant demand growth y-o-y,	



Rupert Simmonds, Director of Leasing at Betterhomes says, “Leasing activity at Betterhomes grew by 33% quarter-on-quarter, highlighting the sustained demand across Dubai’s rental market. Villa and townhouse demand rose significantly by 30% and 98% respectively reflecting a growing preference for spacious, family-oriented living. As we move into Q3 2025, we expect this momentum to continue, particularly in established and emerging suburban communities. With tenant enquiries holding strong and rental prices remaining stable, the leasing market is well-positioned to see healthy absorption of new stock, supported by a maturing tenant base and lifestyle-driven relocations.”



Methodology

Dubai’s real estate market remains exceptionally strong, supported by solid fundamentals, healthy end-user activity, resilient investor demand and the constant influx of new tenants. The slight slowdown in apartment transactions may indicate a more cautious approach from buyers towards the influx of new supply, while the villa and prime segments continue to deliver impressive performance.

Macro-economic factors such as global inflationary pressures and rising interest rates have had a limited impact on Dubai’s property market. The emirate continues to benefit from strong fiscal policies, strategic reforms, and sustained international appeal.

With rising enquiry levels, increasing end-user participation, and a strong pipeline of high-quality developments, Dubai’s real estate market is well-positioned for continued success throughout 2025. Betterhomes remains committed to supporting clients as they navigate this dynamic and evolving landscape.

Recent Research



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Development Sales & Consultancy

Corporate and Relocation Services

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1986

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managed properties

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transactions

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Meet the team



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Chief Executive Officer



Rupert Simmonds
Director of Leasing



Christopher Cina
Director of Sales



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