CRC
COMMERCIAL REAL ESTATE

The Pulse of Dubai's Commercial Real Estate

Market Report

Q3 2025

crcproperty.com

Foreword

Dubai's commercial real estate market remained strong in Q3 2025, with transaction volumes up 19% quarter-on-quarter and 22% year-on-year, even as total value softened slightly by 2% this quarter.

Office sales continued to impress, with total value reaching AED 3.1 billion, up 18% QoQ and 93% YoY. Business Bay and Jumeirah Lakes Towers remained the top-performing districts, while new off-plan projects launched within the quarter, such as Lumena Alta and HQ by Rove, are redefining what modern, premium offices can offer. Demand is broadening, with investors and end-users alike drawn to high-quality, well-located assets that support both growth and long-term income potential.

At CRC, office activity remained a key driver of Dubai's commercial market in Q3 2025, with the average transacted price reaching AED 3.85 million. This reflects not only the ongoing demand for prime office assets but also the willingness of buyers to invest in high-quality, strategically located workspaces.

Buyer leads at CRC increased 47% year-on-year, while office-specific leads rose 51%, underscoring the sustained appetite from both end-users and investors seeking long-term growth and income potential.

Leasing activity at CRC also reflected these evolving market preferences, with flexible payment structures increasingly favoured by tenants. Four-cheque agreements dominated at 64%, highlighting a growing trend for staggered payments that balance affordability for tenants with stable income for landlords.

As we move into Q4, limited supply and the long timelines for upcoming developments over the next two to three years are expected to keep prices on an upward trajectory.

A similar pattern is emerging across the industrial sector, where a shortage of available land for both end-users and developers continues to drive values higher. Additionally, the rezoning of Al Quoz Industrial has prompted many manufacturing businesses to relocate to Jebel Ali — though with supply constraints there as well, we're seeing increased movement towards Sharjah and Abu Dhabi.

Behnam Bargh
Managing Director, CRC

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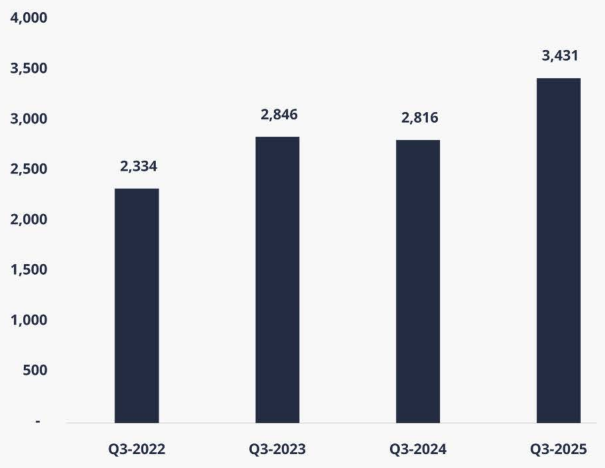
Commercial Sales Transactions (DLD)

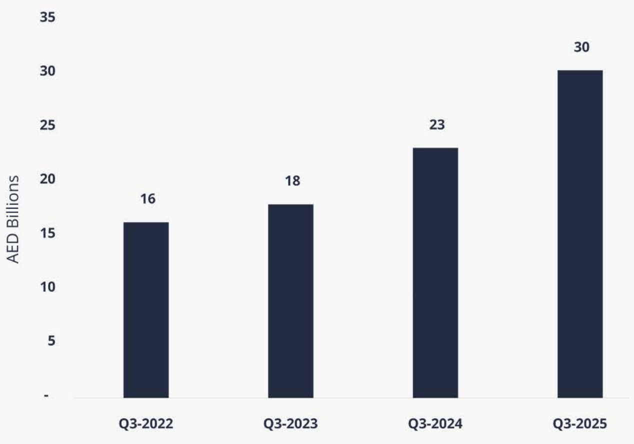
Value and Volume

Total Sales Volume, DLD



Source: Property Monitor

Total Sales Value, DLD



Source: Property Monitor

Commercial activity accelerates despite slight value dip

Dubai's commercial property market maintained healthy momentum in Q3 2025, with transaction volumes climbing 19% QoQ, even as total value edged down by 2%. Year-on-year, activity remained notably stronger, with volumes up 22% and value rising 31%, signalling continued investor confidence in Dubai's business real-estate sector.

Smaller-ticket strata offices drive volume growth

The softer quarterly value despite higher deal count reflects a shift toward smaller ticket-size assets. Segments between AED 1.5 – 2 million rose 34% QoQ, while those in the AED 500k – 1 million range jumped 50% QoQ, suggesting that lower-ticket strata units gained traction. This may possibly be driven by increased demand from SMEs and new business setups looking for affordable office spaces, as well as existing firms expanding operations.

Total Volume, DLD

3,431

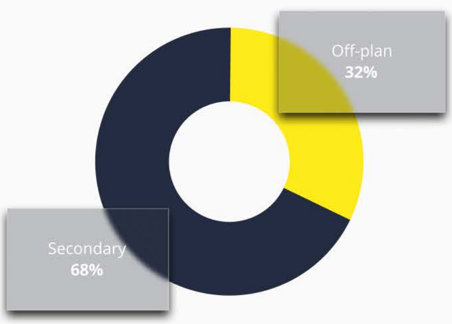
YoY 22% QoQ 19%

Total Value, DLD

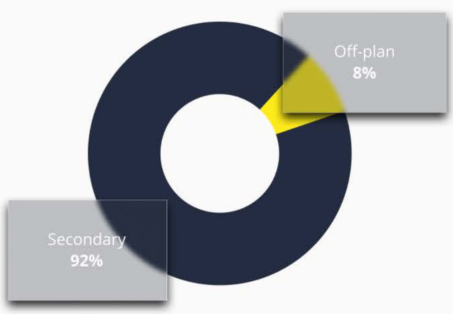
AED 30.38 billion

YoY 31% QoQ 2%

Total Sales Volume, DLD

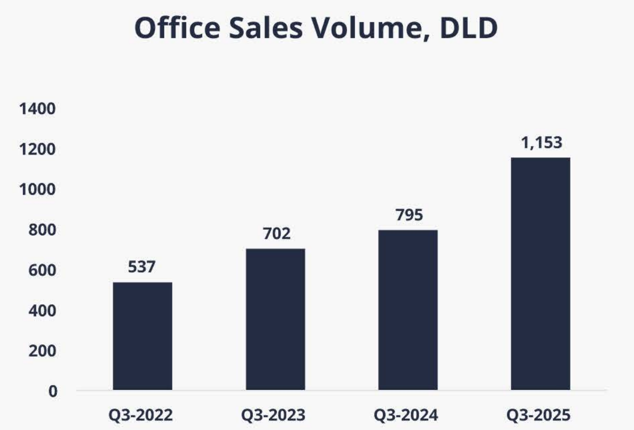


Total Sales Value, DLD

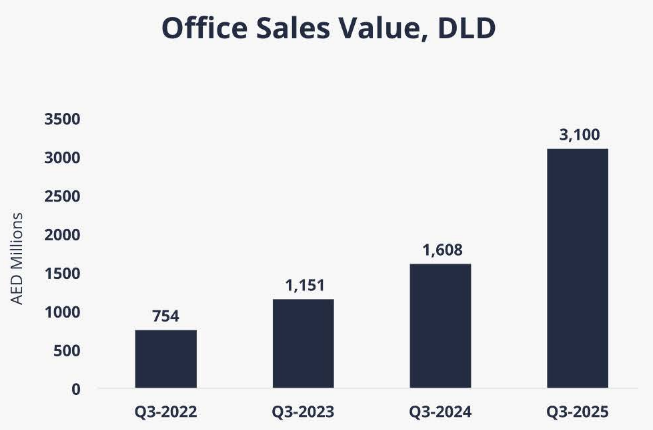


Commercial Sales Transactions (DLD)

Office Segment Analysis



Source: Property Monitor



Source: Property Monitor

Office sales momentum strengthens sharply in Q3 2025

Dubai's office market recorded another strong quarter in 2025, with both sales value and transaction volume posting robust gains. Total office sales reached AED 3.1 billion across 1,153 units, marking an 18% quarter-on-quarter growth and 93% year-on-year increase in value. Volumes also advanced 19% QoQ and 45% YoY.

The consistent upward trajectory since early 2024 reflects rising confidence among businesses expanding, upgrading space amid stable rents and economic sentiment. The Q3 surge suggests Dubai's office sector is entering a mature growth phase, supported by a broadening occupier base, increasing SME activity, and investor diversification into strata office assets offering attractive yield and enabling expansion of their own office footprints.

Office Sales Volume, DLD

1,153

YoY 45%

QoQ 19%

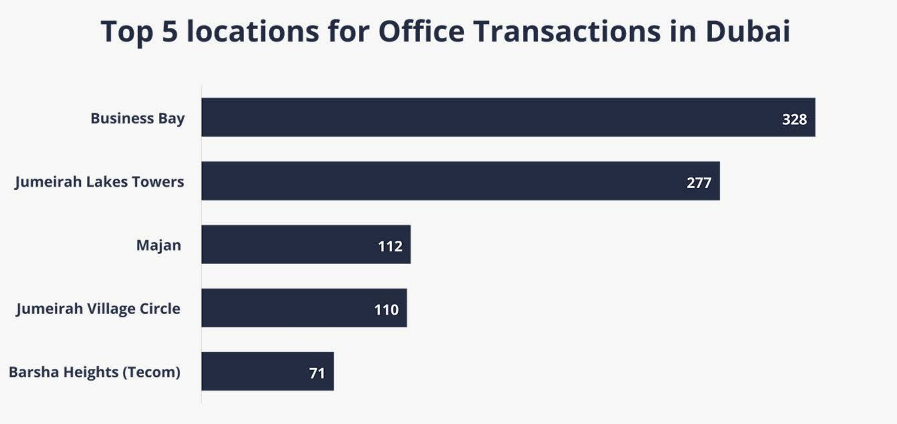
Office Sales Value, DLD

AED 3.1 billion

YoY 93%

QoQ 18%

Business Bay and JLT remain top locations for office sales for 7th consecutive quarter now



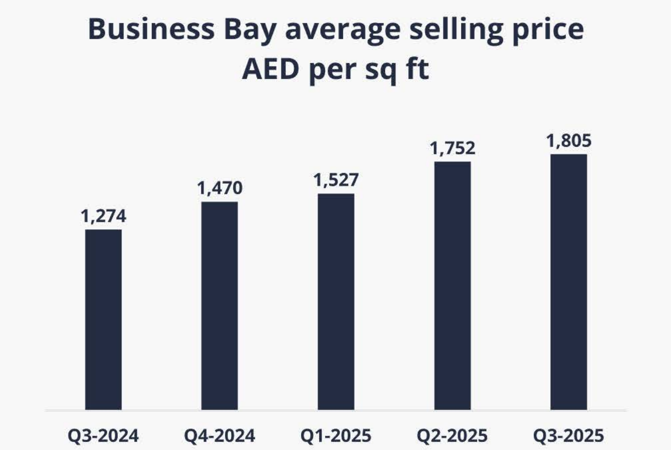
Source: Property Monitor

Commercial Sales Transactions (DLD)

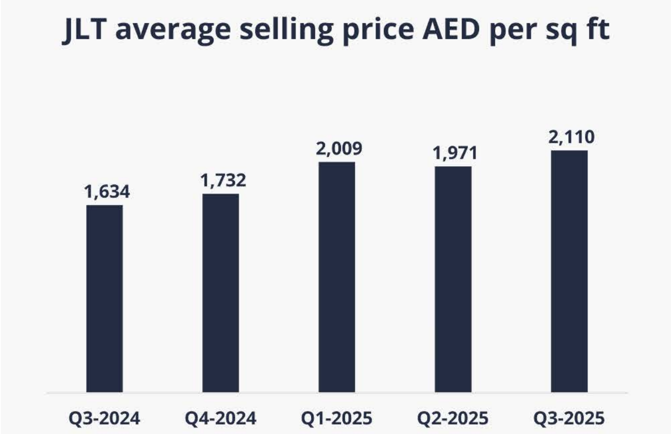
Business Bay remained the clear frontrunner in Dubai's office market during Q3 2025, registering 328 transactions, reaffirming its dominance as the city's central business hub. Jumeirah Lakes Towers (JLT) followed with 277 transactions, supported by strong investor demand for strata-owned offices and sustained leasing activity among SMEs.

Majan and Jumeirah Village Circle (JVC) also recorded notable activity, with 112 and 110 transactions respectively, reflecting growing commercial diversification in mixed-use districts that are seeing increased development momentum and improved connectivity. Barsha Heights (Tecom) rounded out the top five with 71 transactions, supported by steady end-user demand for fitted, ready-to-occupy office spaces.

Average office selling price per major community over the last few quarters



Source: Property Monitor



Source: Property Monitor

Yogesh Yerikireddi, JLT Area Manager at CRC says, "The Dubai office market remained exceptionally strong through Q3 2025, led by record demand for Grade A and ESG-compliant towers. With vacancy at historic lows, fitted and vacant commercial offices for sale are seeing unprecedented investor interest. Landmark projects such as Sweid One (JLT) and Uptown Dubai Phase 2 are set to redefine the next generation of sustainable, high-performance workplaces and are expected to lead leasing momentum into 2026. Limited premium supply, coupled with strong corporate relocations and expansion demand, continues to push rents and capital values upward across key free zones"

Ashwin Sawhney, Area Manager Business Bay says, "For the first time, we're seeing waiting lists in DIFC, with Grade A office occupancy levels now exceeding 97%. Rental rates are currently averaging around AED 700 per square foot. There's huge anticipation around the launch of DIFC Square, scheduled for handover in 2026 — it's already generating strong interest from both local and international occupiers."

Commercial Sales Transactions (DLD)

Upcoming supply & off-plan projects

In Q3 2025, off-plan transactions reached a total value of AED 2.4 billion (USD 650 million) across 1,101 deals. Of this, the office and retail segments accounted for AED 1.86 billion through 640 transactions, reflecting sustained investor confidence and healthy absorption in Dubai's commercial market.

Looking ahead, the city's office landscape is poised for further expansion, with approximately 680,000 sqm of new supply scheduled for delivery by 2027. Much of this pipeline will be concentrated in Business Bay, Motor City, and other high-demand areas that have experienced strong transaction activity in recent quarters.

New off-plan launches redefine Dubai's office landscape

Lumena Alta by Omniyat emerged as one of the most notable project announcements this quarter. Strategically located in Business Bay, just six minutes from Downtown Dubai, the development is set to enter the market in Q1 2030. The 73-storey tower will feature 45 floors of premium office space, served by 18 double-deck elevators and supported by massive 1,000 parking spaces. Spanning over 78,000 sqm, Lumena Alta will offer a suite of world-class amenities, including a signature restaurant, sky pool, fitness centres, and other high-end facilities designed to set new benchmarks for commercial in Dubai's core business district.

Another standout launches this quarter was HQ by Rove, a distinctive commercial development located in Marasi Bay, featuring its own private road entrance and exit for seamless access. Scheduled for handover in Q1 2029, the project spans approximately 500,000 sq. ft across 23 dedicated office floors, featuring modular units that blend flexibility with contemporary design. It will include 14 high-speed lifts, EV charging stations, and bicycle parking, aligning with Dubai's growing focus on smart, sustainable, and commuter-friendly workplaces. A first-of-its-kind highlight at HQ by Rove is its moving café elevator, a mobile coffee shop built within the lift itself, serving freshly brewed beverages as it travels between floors, introducing a new dimension of creativity and convenience to Dubai's office market.

Average Selling Prices: Secondary Market

Source: Property Monitor

Secondary Office Prices Surge to Decade High in Q3 2025

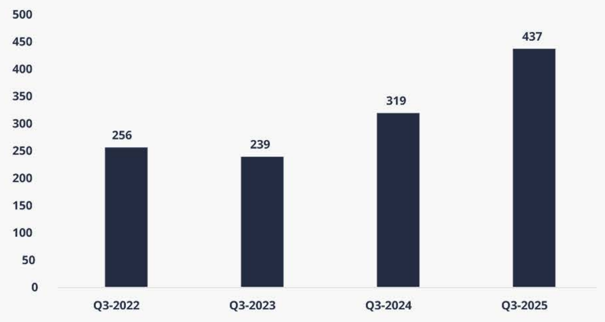
Average selling prices for secondary offices in Dubai climbed to AED 1,685 per sq. ft in Q3 2025, marking a 19% year-on-year increase and reaching their highest level in over a decade. The strong appreciation reflects rising investor confidence, limited ready supply, and sustained demand for Grade A strata offices in key business districts such as Business Bay and JLT.

After years of steady recovery since the 2019–2020 trough, prices have now surpassed pre-2015 levels, underscoring the strength of Dubai's commercial real estate rebound and its growing appeal among both occupiers and institutional investors.

Commercial Sales Transactions (DLD)

Retail Segment Analysis

Retail Sales Volume



Source: Property Monitor

Retail Sales Value

Source: Property Monitor

Retail Segment Rebounds Sharply in Q3 2025

Dubai's retail real estate market recorded a major turnaround in Q3 2025, with total transaction value reaching AED 1.15 billion across 437 deals, up 95% quarter-on-quarter (QoQ) and 55% year-on-year (YoY). Volumes followed a similar trend, climbing 88% QoQ and 37% YoY, marking the strongest quarterly performance since 2022. The sharp rebound followed a soft Q2, reflecting renewed confidence from both investors and end-users as sentiment improved in the second half of the year. Moreover, new supply appears to have entered the market, and several other projects were also announced.

Off-Plan Dominates, Doubling from Previous Quarter

The off-plan retail segment led the resurgence, posting 251 transactions totalling AED 757 million, compared to 99 deals worth AED 300 million in Q2. This represents a 152% surge in value and 154% jump in activity, underscoring growing appetite for new-generation, lifestyle-integrated retail spaces within mixed-use developments. Developers have responded with more flexible formats and higher-yielding layouts that appeal to both institutional and private investors seeking long-term income stability.

Secondary Market Gains Ground Amid End-User Confidence

The secondary retail market also posted a solid recovery, with 186 transactions generating AED 390 million, up from 133 deals totalling AED 280 million in Q2. The increase in both value and transaction count highlights sustained demand for established retail assets particularly those offering stable rental income in mature, high-footfall districts. Average deal sizes expanded modestly, signalling stronger confidence among end-users and investors targeting ready-to-operate units with proven occupancy.

Broad-Based Growth Signals a Healthy Market Balance

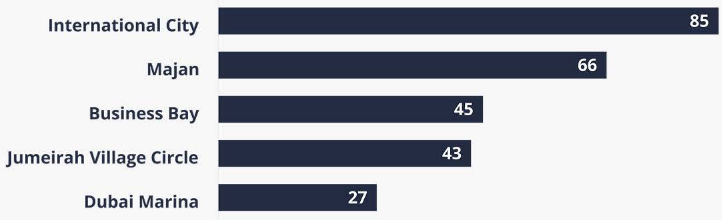
The dual momentum across off-plan and secondary retail segments points to a balanced and maturing retail property landscape. Investors are clearly diversifying between newly launched lifestyle destinations and existing high-yield retail corridors, while improved leasing activity and resilient consumer spending continue to underpin performance. As we move into the final quarter of 2025 and look ahead to 2026, the retail property sector remains on solid footing, supported by population growth and a strengthening Purchasing Managers' Index (PMI), which tracks whether business activity is expanding or contracting. As of July 2025, Dubai's PMI stood at 53.5 and the UAEs at 52.9 both indicating expansion, further reinforcing developer confidence in the city's long-term retail fundamentals.

Commercial Sales Transactions (DLD)

International City and JVC Hold Appeal, Majan on the Rise

In Q3 2025, International City led Dubai's retail market with 85 transactions, driven by strong SME activity and sustained investor appetite for high-yield community retail. Majan followed with 66 deals, underscoring its rise as a fast-growing mixed-use hub supported by new project deliveries and enhanced infrastructure. Business Bay and Jumeirah Village Circle (JVC) recorded 45 and 43 transactions, respectively, while Dubai Marina maintained steady momentum with 27 premium retail sales, reflecting broad-based demand across both established and emerging districts.

Top 5 locations for Retail Transactions in Dubai



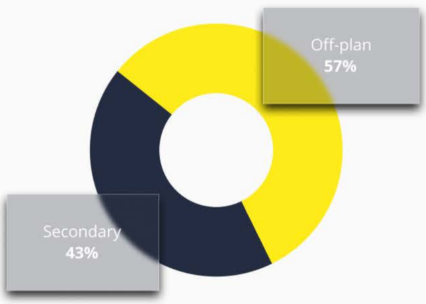
Source: Property Monitor

Retail Sales Volume, DLD

437

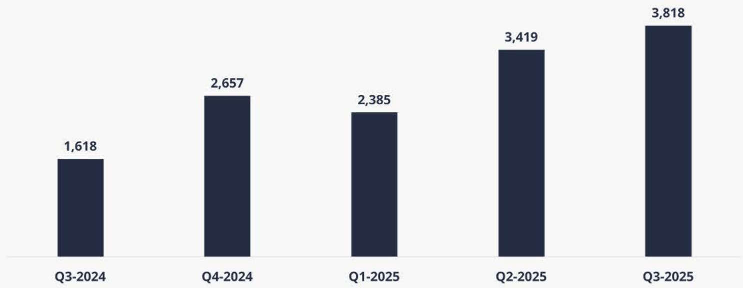
YoY 37% QoQ 88%

Retail Sales Volume



Average retail selling price per major community over the last few quarters

Business Bay average selling price AED per sq ft



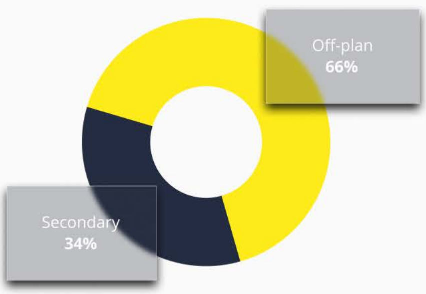
Source: Property Monitor

Retail Sales Value, DLD

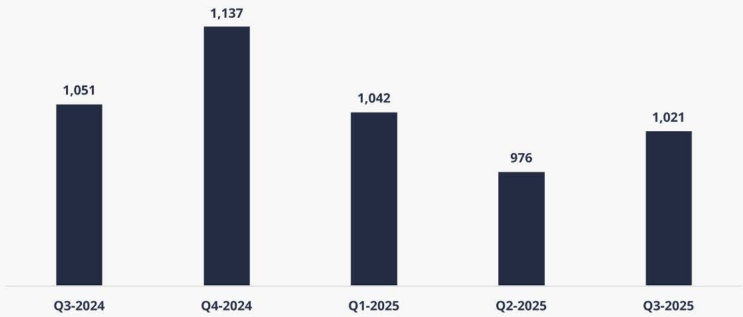
AED 1.15 billion

YoY 55% QoQ 95%

Retail Sales Value



International City average selling price AED per sq ft



Source: Property Monitor

Commercial Sales Transactions (DLD)

Eliza Esenbek, Head of Retail and F&B at CRC says, says, "This momentum in the retail segment is powered by high-net-worth tourism and a growing consumer demand for value-driven, personalised and experiential concepts. Notably, the health and wellness segment, spanning premium fitness, specialty food and recovery, is outperforming other categories and fuelling prime leasing demand across the city"

Average Sales Price (AED per sqft) and Transactions Recorded in Q3 2025

Commercial Sales | CRC

On an annual basis, CRC's deal activity rose 24% year-on-year in Q3 2025, underscoring sustained momentum across Dubai's commercial real estate market. However, on a quarter-on-quarter basis, deal volumes increased while overall transaction value declined by around 25%, indicating a temporary shift toward smaller-ticket transactions. This adjustment appears cyclical rather than structural, as overall business confidence remains strong, driven by ongoing SME expansion, new business formation, and steady regional investment activity. The tilt toward lower-value assets reflects a buyer preference for compact office and retail units offering greater affordability and liquidity. As the market enters the final quarter of 2025 and heads into 2026, decision-makers are expected to recalibrate portfolios in response to evolving financing conditions and yield expectations.

Sale Transactions

YoY 24%

QoQ 25%

Top Transacted Communities (Offices)

1st - Jumeirah Lake Towers (JLT)
2nd - Dubai Land Residence Complex
3rd - Business Bay
4th - DIFC

Buyer Leads Moderate in Q3 2025 Following Strong Annual Growth

Buyer activity across Dubai's commercial segments presented a mixed trend in Q3 2025, reflecting both the market's resilience and short-term adjustments following a strong first half. Overall buyer leads increased 47% year-on-year, signalling sustained appetite for commercial real estate and continued investor confidence. However, quarter-on-quarter leads declined 18%, pointing to a natural cooling period after the surge in Q2 enquiries.

Buyer Leads at CRC

YoY 47% **QoQ 18%**

Office	Retail	Warehouse
YoY 51%	YoY 29%	YoY 4%
QoQ 16%	QoQ 28%	QoQ 15%

The office segment remained the primary growth driver, with leads up 51% YoY, supported by rising demand from SMEs, business relocations, and end-users seeking ownership over leasing. On a quarterly basis, however, office leads fell 16%, reflecting a pause after a busy first half and limited new inventory releases.

In contrast, retail enquiries dropped 29% YoY and 28% QoQ, as investors became more selective amid evolving consumer trends and a preference for income-stable assets over speculative retail units. Warehouse demand remained broadly stable, easing only 4% YoY and 15% QoQ, suggesting steady interest in industrial and logistics spaces, particularly from e-commerce and third-party logistics operators.

Average Office Selling Prices Edge Higher QoQ at CRC

Office
AED 3,855,505
YoY 3%
QoQ 14%

In Q3 2025, the average selling price for office units stood at AED 3.86 million, marking a 14% increase quarter-on-quarter as demand remained concentrated in premium, well-located commercial assets. The quarterly rise indicates renewed momentum in Dubai's office market following a relatively moderate second quarter, supported by healthy absorption in Business Bay, JLT, and emerging business corridors.

On an annual basis, however, prices were down 3% year-on-year, reflecting a more balanced pricing environment after the sharp gains recorded through 2024. The slight YoY correction suggests market normalization rather than weakness, as steady transaction activity and rising end-user demand continue to underpin values. Overall, the Q3 trend points to a stable but selective growth phase, with buyers showing greater focus on quality, layout efficiency, and long-term rental potential rather than speculative price movements.

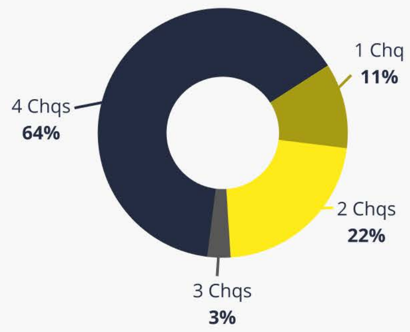
Commercial Leasing | CRC

Four-Cheque Payments Lead CRC Leasing Activity in Q3 2025

At CRC, leasing activity in Q3 2025 continued to favour flexible payment structures, with four-cheque agreements dominating at 64%, up 9% quarter-on-quarter. The increase reflects tenants' growing preference for staggered payments and landlords' willingness to adapt in order to maintain high occupancy amid competitive market conditions.

Two-cheque leases accounted for 22% of total activity, easing 6% QoQ, while single-cheque payments dropped to 11% as upfront lump-sum payments became less common. Three-cheque arrangements remained minimal at 3%, though slightly higher than the previous quarter.

Payment Trends



Source: CRC

Tenant Leads Hold Strong Annually but Ease Slightly QoQ

Tenant activity at CRC remained resilient in Q3 2025, with overall tenant leads up 54% year-on-year, on a quarter-on-quarter basis, however, tenant enquiries eased 12%, indicating a mild seasonal slowdown after a strong first half. The office segment mirrored the overall trend, up 46% YoY but down 12% QoQ, as occupiers took a more measured approach following earlier lease renewals and relocations.

Tenant Leads at CRC

YoY 54%   QoQ 12%

Office	Retail	Warehouse
YoY 46%	YoY 36%	YoY 3%
QoQ 12%	QoQ 15%	QoQ 15%

The retail segment recorded a 36% YoY rise but fell 15% QoQ, reflecting selective demand amid ongoing market realignment and a focus on established trading locations with stable footfall. Meanwhile, the warehouse segment posted modest 3% annual growth but a solid 15% QoQ increase, signalling renewed interest from logistics and e-commerce occupiers ahead of the year-end trading cycle.

Overall, the data suggests that while tenant demand remains robust on an annual basis, short-term moderation is part of a natural market recalibration, with occupiers focusing on right-sizing and optimizing costs heading into 2026.

Ashley Sonnenberger, Industrial Manager at CRC. says, "We've seen another bump in rental prices, particularly in areas like DIP, Demand for land acquisition to develop new warehouses continues to rise, while more buyers and tenants are also exploring locations outside of Dubai in search of more cost-effective options."

Commercial Leasing | CRC

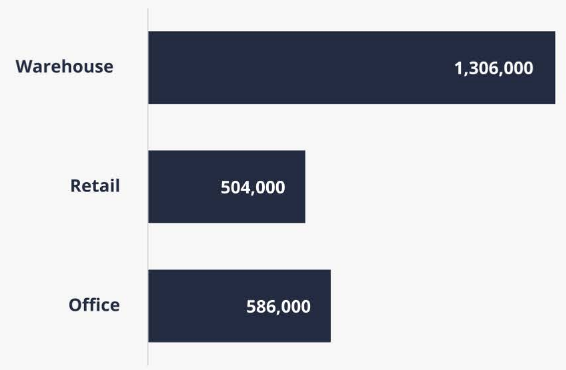
Average Leasing Prices

Leasing Rates Strengthen Across All Segments in Q3 2025

Leasing activity at CRC saw strong rental growth across all commercial segments in Q3 2025, supported by sustained business expansion and rising demand for quality spaces. Warehouse deals were up by 14% QoQ so rents led the market, averaging AED 1.3 million, up 81% year-on-year and 4% quarter-on-quarter, reflecting continued pressure on supply amid high demand from logistics and e-commerce operators seeking larger distribution facilities.

Office leasing rates averaged AED 586,000, marking a 57% YoY and 22% QoQ increase as SMEs and corporates sought flexible, well-located workspaces in established business hubs such as Business Bay and JLT. Meanwhile, retail leases averaged AED 504,000, up 64% YoY and 16% QoQ, driven by robust demand in lifestyle-led and community retail destinations.

Average Leasing Price, AED per year



Source: CRC

The across-the-board rise in leasing rates underscores a resilient commercial leasing market, fuelled by strong occupier confidence, economic diversification, and sustained activity in Dubai's expanding SME and logistics ecosystems.

Top Leasing Communities Offices

1st - Jumeirah Lake Towers (JLT)
2nd - Sheikh Zayed Road
3rd - Barsha Heights (Tecom)
4th - Dubai Media City
5th - Business Bay

About CRC

CRC (Commercial Real Estate Consultants) is a real estate brokerage, specialised in commercial properties. Founded by some of the most innovative thinkers in the real estate business, CRC caters to international and local clients seeking increased value by selling, leasing or investing in commercial property.

Our team

With a team of over 50 property experts, we understand the commercial real estate business. Our consultants are handpicked and trained to the highest standards to represent our brand and your interests professionally.

As part of the well established Betterhomes group, CRC is an integral part of Dubai's real estate history, with over 39 years of industry experience. The group has grown over the years and diversified with several brands under its name, ranging from boutique real estate agencies, such as Linda's.

Leveraging best-in-class technology and support, we provide comprehensive options to strategic direction - now and long into the future. Whether you are looking to buy, sell, or lease a commercial property, get a property valuation, or find an investment advisor, we are here for you.

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