CRC
COMMERCIAL REAL ESTATE

The Pulse of Dubai's Commercial Real Estate

Market Report

FY 2025

crcproperty.com

Foreword

2025 will be remembered as a defining year for Dubai's commercial property market. Not simply because records were broken but because the depth, quality and intent of capital entering the market reached a new level of maturity.

The commercial market's AED 136 billion in total sales, up 41% year-on-year, underscores more than just heightened activity, it reflects a significant recalibration in investor confidence and capital allocation.

A notable feature of the year was the continued rise in off-plan activity. Off-plan transaction volumes increased by 28% year-on-year, highlighting growing investor confidence in future supply and Dubai's long-term economic fundamentals. This shift signals a more forward-looking market, where capital is being committed well ahead of completion cycles.

Transaction volumes in the office sector surged by 52% YoY, while total office sales value more than doubled to AED 13 billion, a 102% annual increase.

Demand remained concentrated in proven commercial districts, with Business Bay and Jumeirah Lake Towers (JLT) maintaining their position as the top office sales locations for the 8th consecutive quarter. This sustained performance underlines the depth of occupier demand and the strength of investor confidence in these core office hubs.

Retail recorded a 47% jump in sales value, driven not by more deals but by larger, strategically significant transactions. Investors are clearly prioritising prime locations and resilient income streams, demonstrating a market increasingly defined by quality over quantity.

The industrial and logistics segment continued to tighten throughout the year. Warehouse buyer enquiries increased steadily, translating directly into executed transactions and significant price appreciation. Average warehouse selling prices climbed to AED 18.6 million, representing a 56% YoY increase.

At CRC, our experience throughout 2025 confirms that Dubai's commercial property market has entered a more mature phase. Capital is becoming more selective, occupiers more strategic and pricing increasingly reflective of long-term fundamentals rather than short-term momentum.

As we move into 2026, the focus will shift from rapid expansion to disciplined growth. Understanding where value is being created and where it is being sustained will be critical.

Behnam Bargh
Managing Director, CRC

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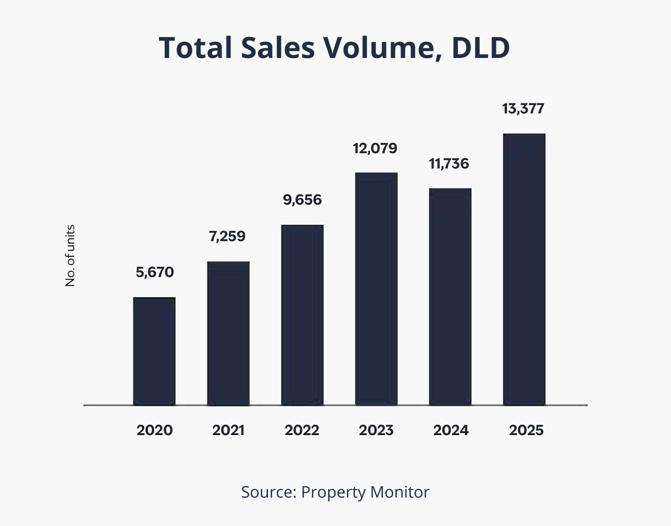
Total Sales Value and Volume



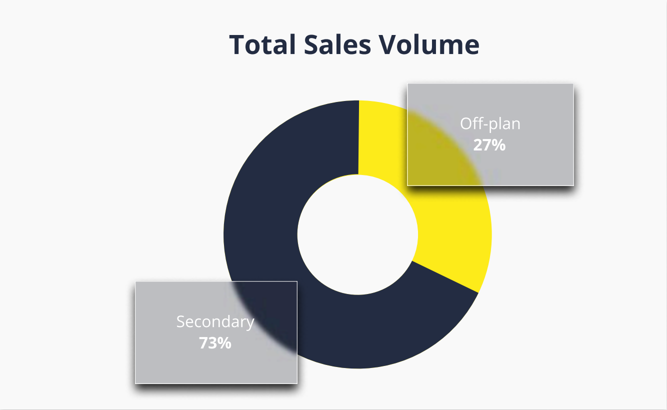
Record-breaking 2025: commercial sales reach AED 136B and 13,377 transactions

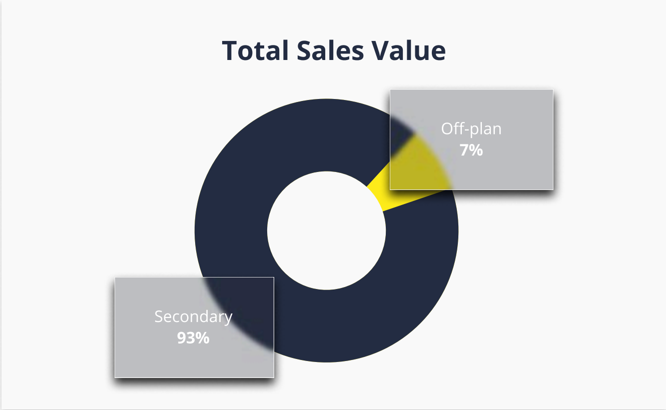
Dubai's commercial property market delivered a record-breaking 2025, posting the highest annual performance on record for both sales value and transaction volume. Total sales value hit AED 136B (+41% YoY) while volumes climbed to 13,377 transactions (+14% YoY). The outperformance was particularly visible in Q4, where value surged 48% QoQ, contributing AED 45B alone to the 2025.

While volumes rose a more moderate 8% QoQ (around 3,700 deals). This divergence signals that higher-ticket transactions dominated Q4, compared to the trend in Q3, where activity leaned more towards smaller-ticket deals, showing how Dubai's commercial market remains highly dynamic, shifting quickly with deal flow and investor preferences. Growth was supported primarily by office, land and retail, with additional momentum from other commercial segments.

Total Sales Volume, DLD
13,377
YoY 14%, QoQ 8%

Total Sales Value, DLD
AED 136B
YoY 41%, QoQ 48%

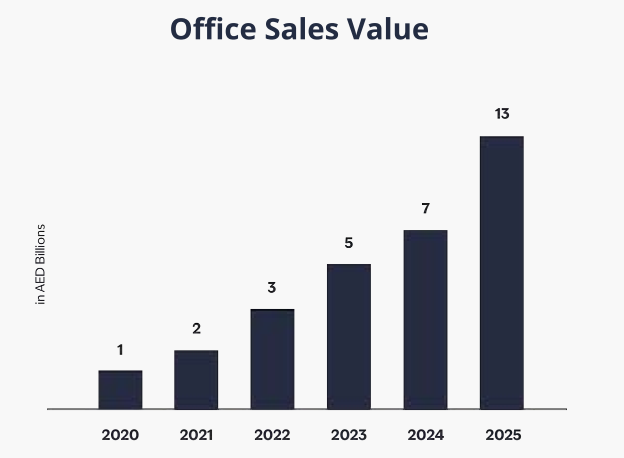




Looking ahead, institutional interest is sharpening around strategic commercial land. The announced entry and expansion of major global asset managers, BlackRock, Citadel, Brookfield, KKR, Apollo, Carlyle and AXA Investment Managers, signals growing long-term conviction in Dubai's commercial fundamentals and its role as a regional headquarters hub. With occupier demand rising and Grade A supply constrained, competition for well-located plots is intensifying, reinforcing a clear shift: prime commercial plots are increasingly being viewed as a core institutional asset class in Dubai's next growth cycle.

Secondary market remains the engine of commercial activity, with off-plan growth accelerating

Source: Property Monitor



Source: Property Monitor

Dubai's commercial market in 2025 was decisively secondary-led. The secondary segment accounted for 73% of total transaction volume (vs 27% off-plan) and an even stronger 93% share of total sales value. In absolute terms, secondary sales value reached AED 126B, while off-plan contributed AED 10B, showing that the market's highest-ticket deals continue to be concentrated in ready, income-producing assets.

At the same time, off-plan is scaling up quickly from a smaller base. Off-plan volumes rose 28% YoY in 2025, far ahead of the 3% YoY increase in secondary volumes. In value terms, off-plan growth was even sharper: off-plan value jumped 90% YoY, compared with 38% YoY growth in the secondary market, signalling improving confidence in new commercial launches and a rising share of higher-value off-plan transactions, even as secondary remains the dominant driver overall.

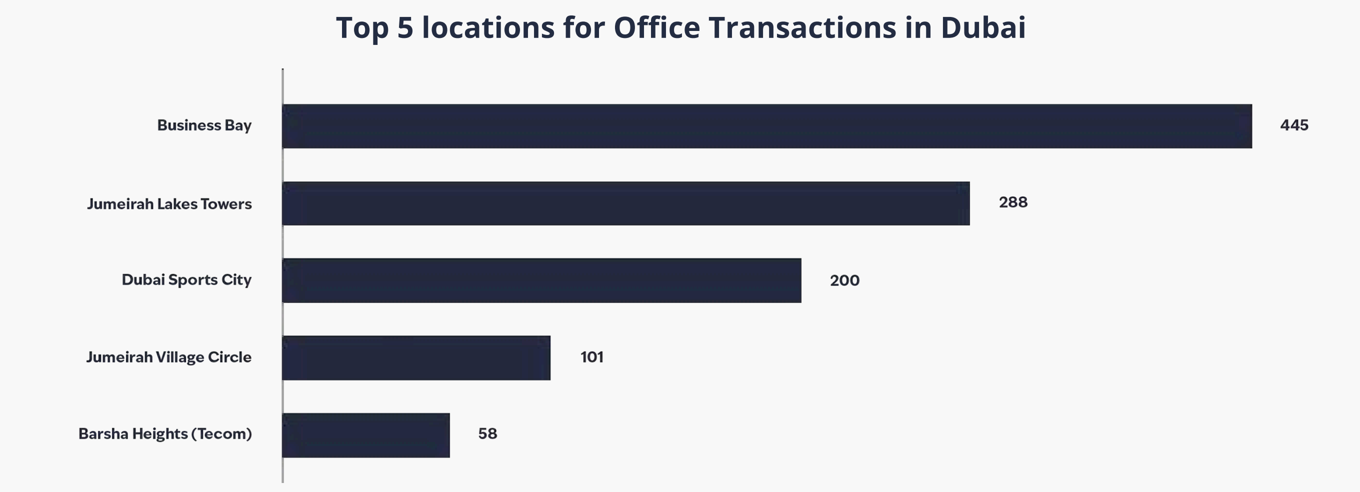
Office Segment Analysis

Office sales surge as 2025 volumes hit 4,590 and value doubles to AED 13B

Office sales market surged in 2025, with transaction volumes rising 52% YoY to 4,590 deals, while total sales value more than doubled (+102% YoY) to AED 13B. The outsized growth in value relative to volume highlights larger average deal sizes and firmer pricing for quality stock, underscoring deep demand for prime and well-leased assets. A pronounced uplift in Q4 values points to an increase in big-ticket transactions, aligned with higher-value strata deals and the conversion of year-end corporate requirements into acquisitions.

Momentum accelerated into Q4, when 1,539 office transactions were recorded (+33% QoQ) and sales value reached AED 4.7B (+53% QoQ). This performance continues to be underpinned by Dubai's business expansion cycle, including new company formations, multinational firms scaling regional hubs, and rising occupier demand from finance, professional services, technology, and trade-related sectors. As firms upgrade and expand their footprints, demand for well-located, higher-quality office space is driving both transaction volumes and value throughput.

Business Bay and JLT remain top locations for office sales for 8th consecutive quarter now



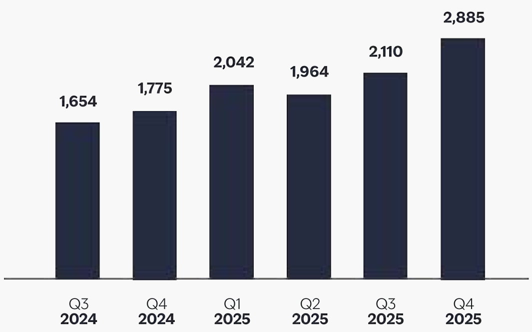
Source: Property Monitor

Office sales were highly concentrated in Dubai's established business hubs, led by Business Bay (445 transactions), which continues to act as the city's core commercial district, attracting buyers thanks to its central location, strong connectivity and deep mix of office stock across grades and price points. Jumeirah Lakes Towers (288 transactions) ranked second, reinforcing its role as a major office destination on the other side of the city, offering a broad range of unit sizes

and budgets and benefiting from its accessibility for firms serving both Dubai Marina/JBR and wider Dubai. Beyond these two anchors, activity also extended into growth and value-led submarkets. Dubai Sports City (200 transactions) is emerging as a fast-rising office node as its mixed-use ecosystem matures and inventory deepens.

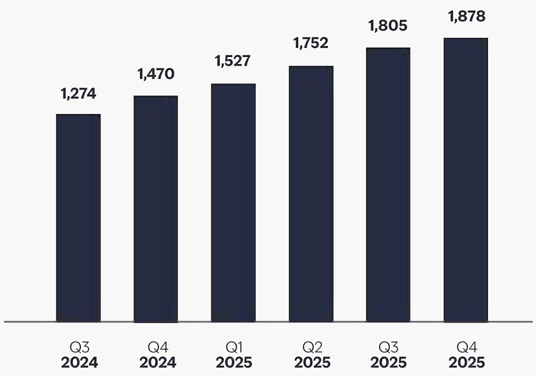
Average office selling price per major community over the last few quarters

Business Bay average selling price AED per sq ft



Source: Property Monitor

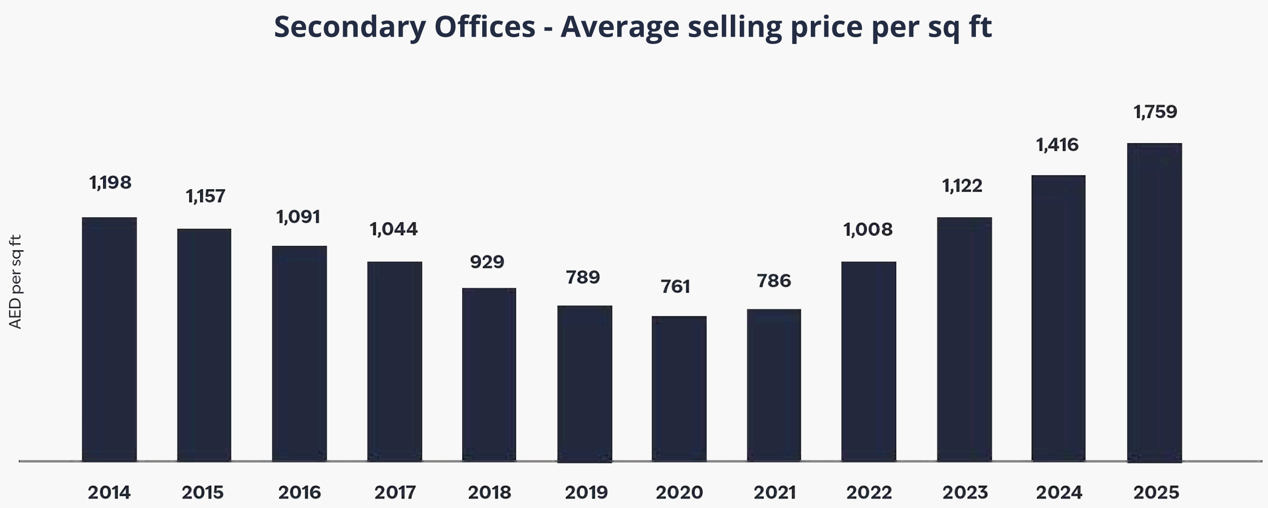
JLT average selling price AED per sq ft



Source: Property Monitor

Hamza Noures, Associate Director at CRC. says, "Dubai's commercial real estate market is increasingly driven by end-users and demand for quality assets. While secondary activity remains dominant, off-plan in established locations is gaining momentum. Limited Grade A supply across prime office and industrial hubs continues to support high occupancy and upward pressure on rents. Looking ahead, 2026 is expected to deliver more balanced conditions, with moderate growth, stable yields and sustained investor interest."

Average Selling Prices: Secondary Market



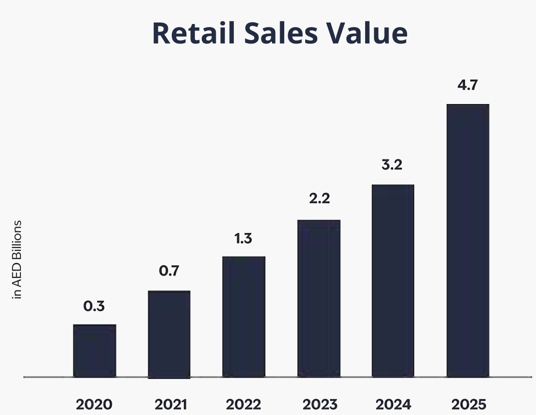
Source: Property Monitor

Secondary office prices hit an all-time high at AED 1,759 per sq ft in 2025

Secondary office sale prices reached record highs in 2025, rising 24% YoY to AED 1,759 per sq ft. From the pandemic-era trough in 2020–2021 (AED 761–786 per sq ft), prices have more than doubled by 2025, with the post-pandemic upcycle accelerating sharply, up 75% since 2022 (AED 1,008 per sq ft). This strong appreciation reflects rising investor confidence, tight availability of ready stock, and sustained demand for Grade A strata offices in key business districts such as Business Bay, JLT and DIFC, where owner-occupiers and investors continue to compete for well-located, higher-quality space.

Retail Segment Analysis

Source: Property Monitor



Source: Property Monitor

Retail sales value jumps 47% YoY to AED 4.7B as 2025 volumes reach 1,506 deals

Dubai's retail commercial segment remained on a strong upward trajectory in 2025, recording 1,506 transactions and generating AED 4.7B in sales value. While volumes grew a steady 9% YoY, value surged 47% YoY, reinforcing the pattern seen across the wider commercial market: value growth is increasingly being driven by larger average ticket sizes, not just higher deal counts. Momentum strengthened sharply in Q4, with transaction volumes rising 15% QoQ to 500+ deals, while sales value nearly doubled (+86% QoQ), reaching AED 2.1B in the quarter.

This performance aligns with Dubai's expanding consumer and business base, supported by population growth, new business formations, and increasing demand for neighbourhood retail which continues to underpin occupier interest and investor appetite for retail assets.

Beyond transactions, Dubai's retail fundamentals remain robust, supported by record tourism, population growth and resilient consumer spending. The market is increasingly defined by a two-track structure: prime, experiential retail destinations continuing to tighten, alongside the fast expansion of community-focused neighbourhood retail that serves day-to-day demand.

Prime hubs such as Downtown Dubai, Mall of the Emirates and DIFC continue to operate at very high occupancy (95–99%), sustaining rental pressure in the most in-demand corridors. Luxury space remains a standout, with Fashion Avenue at The Dubai Mall reported to have seen further rent gains (up 9% YoY in late 2025). Across the wider market, retail rents increased 8.3% over 12 months to H1 2025, reflecting demand outpacing the supply of quality, high-footfall space. Retailers are also leaning into experience-led and "phygital" strategies, using stores for brand, dining and entertainment-led footfall, while digital channels support convenience and range.

International City and JVC lead Dubai's retail transaction hotspots in 2025

Top 5 locations for Retail Transactions in Dubai

Source: Property Monitor

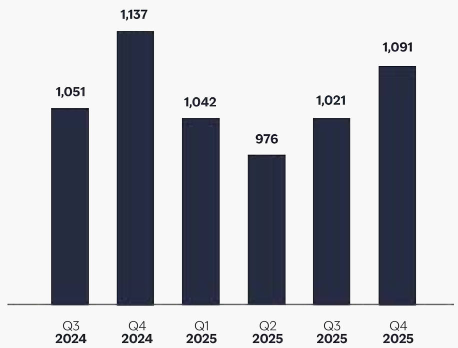
Retail transactions in 2025 were concentrated in high-density, value-driven communities, led by International City (241 deals) and Jumeirah Village Circle (210). These locations continue to attract strong activity due to their large resident catchments, consistent footfall, and a wide supply of strata retail units that appeal to both SMEs and yield-focused investors.

Majan (174) also recorded strong volumes, reflecting its expanding residential base and rising need for neighbourhood retail as nearby communities grow. Business Bay (117) remained a key market for retail trades, supported by its mix of residents and office workers that sustains convenience retail and F&B demand. Mohammed Bin Rashid City (89) completed the top set, reflecting selective transactions focused on newer, higher-quality retail pockets linked to ongoing residential expansion.

Supply and investment themes are also widening into 2026 and beyond. The pipeline spans both mega-destinations, including Dubai Square (targeted 2028) and Ghaf Woods Mall, and the rapid roll-out of community retail centres (80,000–140,000 sq ft) embedded within new master-planned communities such as Sobha Hartland, JVC and Nad Al Sheba, typically anchored by supermarkets, clinics, fitness and local F&B. Existing super-regional assets are also reinvesting, with expansion plans at The Dubai Mall (240 additional luxury units) and a AED 5B upgrade at Mall of the Emirates. From an investor perspective, demand remains strongest for prime retail with visible footfall, longer lease profiles (typically 5–10 years) and rental upside, while off-plan retail continues to gain traction in select master communities.

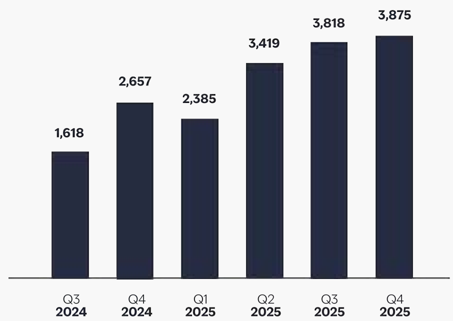
Average retail selling price per major community over the last few quarters

International City average selling price AED per sq ft



Source: Property Monitor

Business Bay average selling price AED per sq ft



Source: Property Monitor

Commercial Sales Transactions (DLD)

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

Office | Retail | Warehouse

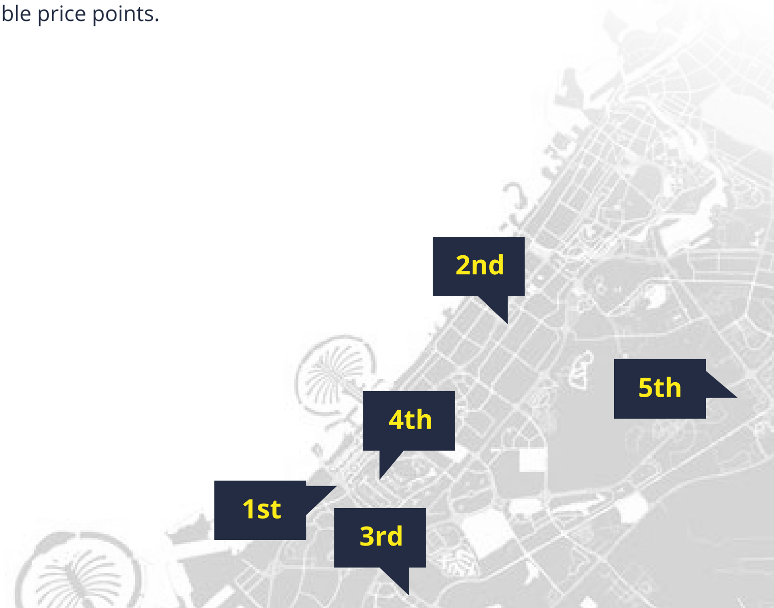
Area	Office No. of Transactions	Office Average Price (AED/sqft)	Retail No. of Transactions	Retail Average Price (AED/sqft)	Warehouse No. of Transactions	Warehouse Average Price (AED/sqft)
Business Bay	1,425	2,301	117	3,657		
Jumeirah Lake Towers	1,091	1,750	56	2,254		
Dubai Marina	42	2,676	59	3,188		
Dubai International City	75	1,294	241	1,034		
Majan	166	1,692	174	2,384		
Jumeirah Village Circle	269	1,632	210	2,572		
Barsha Heights	289	1,728				
Motor City	320	1,738	16	1,934		
Dubai Investments Park	92	625	24	959	25	446

Commercial Sales | CRC

CRC office activity was concentrated in Dubai's most liquid, business-led corridors. Jumeirah Lake Towers and Business Bay led transactions, reflecting consistent end-user and investor demand for well-connected stock and a wide range of unit sizes. Motor City, Barsha Heights (Tecom) and Dubai Land Residence Complex also featured strongly, pointing to steady uptake in more value-oriented submarkets that cater to SMEs and owner-occupiers looking for accessible price points.

Top Transacted Communities (Offices)

1st - Jumeirah Lake Towers
2nd - Business Bay
3rd - Motor City
4th - Barsha Heights (Tecom)
5th - Dubai Land Residence Complex



CRC's demand signals point to a clear acceleration in buyer appetite through 2025, withnbuyer leads jumping 66% YoY and rising a further 25% in Q4 versus Q3, a strong read-through that interest didn't just hold, it built into year-end.

The uplift was broad-based across core commercial segments. Office leads climbed 48% YoY (plus 9% QoQ), reflecting sustained demand from expanding businesses and investors targeting well-located strata stock. Retail enquiries were the standout into Q4, surging 110% QoQ, consistent with stronger trading catchments, confidence in consumer spend and more investors chasing income-generating assets. Warehouse demand also gathered pace, up 41% YoY and 73% QoQ, reinforcing the strength of Dubai's logistics and trade ecosystem as occupiers expand capacity and investors follow the fundamentals.

Buyer Leads at CRC

YoY 66% **QoQ 25%**

Office	Retail	Warehouse
YoY **48%**	YoY **26%**	YoY **41%**
QoQ **9%**	QoQ **110%**	QoQ **73%**

Average Selling Price (AED)

Office	Warehouse
2025	**2025**
3.2M	**18.6M**

Warehouse buyer leads rose strongly through the year, and that uplift in enquiries has clearly fed into executed deals, helping push the average warehouse selling price to AED 18.6M, marking a 56% YoY increase. The alignment between rising leads and higher realised pricing reinforces how tight, in-demand industrial stock has become as logistics and trade-led occupiers expand capacity and investors follow the fundamentals.

On the office side, average selling prices held at AED 3.2M in 2025, with transactions and buyer preference continuing to cluster in established, liquid hubs, Jumeirah Lake Towers and Business Bay as the main anchors, with Motor City also featuring as a key value-led choice.

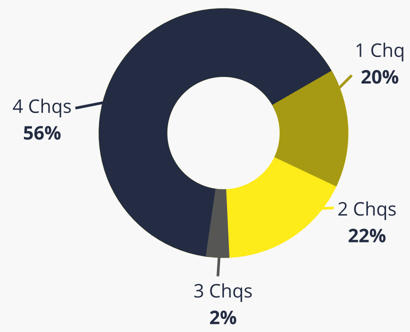
Commercial Leasing | CRC

Four-Cheque Payments Lead CRC Leasing Activity

Four-cheque payments dominated CRC leasing structures in FY 2025, highlighting a continued preference for flexible payment terms across the market. Four-cheque agreements accounted for 56% of activity, reinforcing how tenants are optimising cashflow while landlords remain willing to accommodate staggered payments to secure and retain occupiers.

Two-cheque leases represented 22% of transactions, while single-cheque payments held a meaningful 20% share, indicating a solid segment of tenants still opting for upfront settlement, typically where pricing, corporate budgets, or negotiation leverage allow. Three-cheque structures remained limited at 2%, suggesting most leasing negotiations continue to converge around the more standardised one-, two-, or four-cheque formats.

Payment Trends



Source: CRC

Tenant Leads Hold Strong Annually, with a Normalised Q4 Ease

Tenant Leads

YoY 60%

Office	Retail	Warehouse
53%	34%	26%

Tenant activity at CRC remained resilient through 2025, with overall tenant leads up 60% YoY, Office demand mirrored the broader trend, rising 53% YoY, as occupiers took a more measured approach following earlier leasing cycles and renewals. The retail segment recorded a solid 34% YoY uplift, consistent with more selective requirements and a focus on proven trading catchments. In contrast, warehouse enquiries continued to build into year-end, up 26% YoY, highlighting sustained expansion from logistics, industrial and last-mile occupiers.

Ashley, Industrial Manager at CRC. says,"With limited ready stock available, investors and developers are increasingly shifting their focus toward land acquisitions in Sharjah and Abu Dhabi to meet future industrial requirements."

Commercial Leasing | CRC

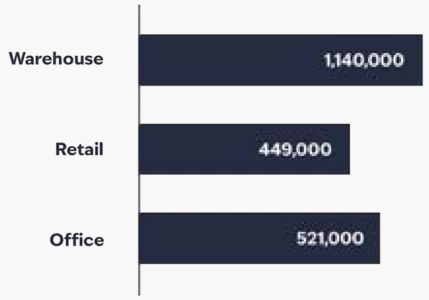
Average Leasing Prices

Leasing Rates Remain Firm Across Segments in 2025

Leasing activity at CRC held steady in 2025, supported by continued business formation, occupier expansion and sustained demand for well-located commercial space. Average leasing prices show a clear split by asset type, reflecting differences in unit size, operating requirements and tenant profiles.

Warehouse leasing led the market, averaging AED 1.14M per year, underpinned by ongoing demand from logistics, trade and last-mile operators seeking larger distribution and operational facilities. Office leasing averaged AED 521K, reflecting resilient demand from SMEs and corporates for quality workspace in established business hubs. Retail leasing averaged AED 449K, supported by steady activity in community catchments and selective requirements for units with visibility, footfall and strong trading fundamentals.

Average Leasing Price, AED per year



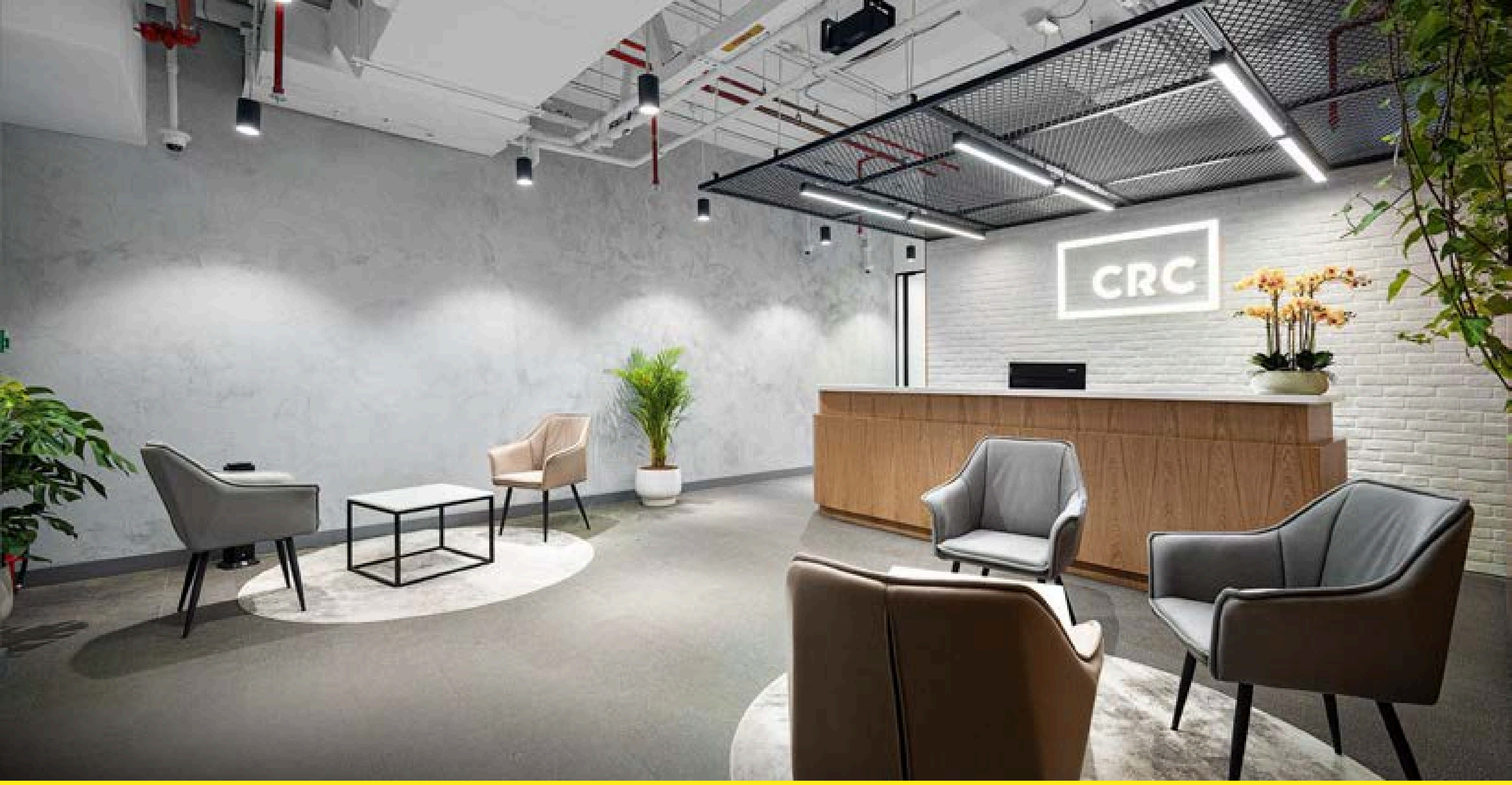
Source: CRC

Overall, pricing levels reinforce a market where industrial space commands a premium due to scale and constrained availability, while offices and retail remain firmly supported by Dubai’s expanding business base and growing population-led consumptions.

Top Leasing Communities

Top Leasing Communities (Offices)

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



About CRC

CRC is the UAE's leading commercial real estate consultancy and a proud member of the Cencorp Group. Founded by industry pioneers, we advise local and international clients on acquiring, leasing, and investing in high-value commercial assets across the UAE.

With over 35 years of market experience and a team of 70+ specialist consultants, CRC offers unrivalled access to the region's largest commercial property network — spanning offices, warehouses, retail spaces, and complex mixed-use assets. Our strength lies in combining deep market intelligence with a strategic, hands-on approach that delivers measurable value at every stage of the property lifecycle.

Trusted by owners, investors, and occupiers alike, CRC is where insight meets execution in the UAE's commercial property market.

Our team

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