

betterhomes

Q3 2026

Dubai residential market

A quarterly review of the key trends shaping Dubai's residential market and what they mean for you.

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Executive Summary

Secondary sales strengthen as leasing enquiries reach a record high

Dubai's residential market recorded contrasting movements in Q3. Secondary sales increased, helping keep overall transaction volumes close to Q2 levels, while betterhomes leasing enquiries reached a record high. Pricing became more competitive across many locations, although performance varied by community and property type. For buyers, sellers, tenants and landlords, recent comparable transactions remain central to assessing value.

Secondary transactions rise 16%, supporting overall sales activity

Dubai recorded 34,615 residential sales transactions, 2% below Q2 and 38% below Q3 2025. Secondary sales increased 16% quarter-on-quarter to 10,055, partly offsetting an 8% easing in off-plan transactions to 24,560. Secondary's share of activity consequently increased from 24% to 29%, while off-plan remained the larger segment.

Overall volumes held close to Q2 levels against a backdrop of regional uncertainty. However, the modest quarterly decline contrasted with growth between Q2 and Q3 in eight of the nine years from 2017 to 2025, when the median increase was 16.4%.

Secondary sales value grows as average transaction values ease

Total residential sales value reached AED 73.8 billion, 14% below Q2 and 47% below a year earlier. Secondary sales value increased 5% to AED 27.1 billion, lifting its contribution from 30% to 37%, while off-plan value eased 22% to AED 46.7 billion.

Average transaction values fell within both segments, bringing the market-wide average to AED 2.13 million, down 12% quarter-on-quarter. These figures reflect the properties sold, including their size, type, location and price, and do not establish an equivalent decline in the value of comparable homes.

Sales enquiries rise 27% in September to their highest level of the quarter

betterhomes sales enquiries fell 11% quarter-on-quarter and 26% year-on-year. Similar declines between Q2 and Q3 in 2024 and 2025 suggest a seasonal contribution, although the annual fall shows that interest remained below the same period last year.

September brought an improvement, with enquiries rising 27% compared with August to reach their highest monthly level of the quarter.

Properties that sold during Q3 took around eight weeks on average to transact, with monthly averages remaining broadly stable at 54–58 days. The same-month sell-through rate was approximately 17%. The quarter therefore ended with stronger enquiry activity, while transaction times remained broadly unchanged within Q3.

Record leasing interest coincides with more competitive rents

betterhomes leasing enquiries rose 45% quarter-on-quarter and 15% year-on-year, reaching their highest quarterly level on record. September also set a monthly record, with enquiries 31% above September 2025.

Enquiries also increased between Q2 and Q3 in 2024 and 2025, suggesting a seasonal contribution. This year's annual growth nevertheless shows stronger interest than in the same period last year. Median apartment rents eased 3.8% between June and September, while villa and townhouse rents fell 2.3%, indicating that record rental interest did not translate into higher rents across the market.

Population growth supports housing needs as policy rates rise

Dubai's population reached 4,807,185 on 29 September, an increase of 226,885 since the start of the year, adding to accommodation needs.

The Central Bank of the UAE raised its Base Rate from 3.65% to 3.90%, effective 17 September. Higher rates can affect affordability for mortgage buyers, although the decision came late in the quarter and Q3 registrations may reflect agreements and financing arranged earlier. Subsequent quarters will provide more evidence of buyers' response.

Dubai's Etihad Rail passenger connection also opened at quarter-end, expanding travel options between the emirates. Its influence on residential choices will take longer to assess.



Introduction



Richard Waind

Chief Executive Officer

Q3 provided greater clarity on Dubai's residential market following the adjustments seen earlier in the year. Secondary sales strengthened, leasing enquiries reached new highs at betterhomes, and community-level data showed an easing in pricing. To me, these movements reinforce the importance of looking beyond the headline figures to understand how different parts of the market are performing.

In Q2, I noted that softer activity could continue flowing through the registered transaction data into Q3. Residential sales this quarter were 2% below Q2, while secondary transactions increased 16%, led by apartments. Off-plan activity eased for a second consecutive quarter. The improvement in secondary sales is encouraging, although overall volumes remained below the very high levels recorded a year earlier.

Pricing was an important part of the quarter's adjustment. Around three quarters of the communities we report on recorded lower sale prices per square foot than in Q2, while around two thirds remain above their level of a year ago. The properties sold vary between quarters, so these figures require careful interpretation. Nevertheless, the breadth of the movement makes recent comparable transactions increasingly relevant when assessing value and setting expectations.

At betterhomes, sales enquiries were lower year-on-year, while the monthly time-on-market figures indicated longer selling periods than in Q2. Taken together, these measures suggest a more considered purchasing environment. For sellers, understanding the evidence for their particular home remains essential; for buyers, the adjustment may create opportunities that deserve careful evaluation.

The leasing market provided another encouraging signal. betterhomes leasing enquiries increased 15% year-on-year, with September recording the highest monthly total in our enquiry series. At the same time, community-level rental data showed a broad easing in rents per square foot. Strong leasing interest and more competitive rents were both features of the quarter, underlining the importance of using current evidence when assessing rental expectations.

Looking ahead, scheduled supply and the wider economic environment will remain important influences. Apartments account for the majority of the development pipeline, although the timing, location and quality of delivery will shape its impact. These differences will matter increasingly when evaluating individual communities and developments.

My confidence in Dubai's long-term direction remains strong. The secondary sales improvement and record leasing interest are encouraging, while the adjustment in pricing calls for realistic expectations. For those buying, selling or leasing, a clear understanding of current conditions will be the strongest basis for making a well-informed decision.



Macroeconomic and policy backdrop

Key stats | Q3 2026

3.90% CBUAE Base Rate
↑ from 3.65% on 17 September

Dubai’s residential market entered Q4 against a backdrop of higher policy rates, continued population growth and expanded transport connectivity. These developments influence affordability, accommodation needs and residential choice, although their effects emerge over different timescales. The latest national accounts also provide context for the regional conditions that have continued through the reporting period.

4,807,185 Dubai population, 29 September
↑ 226,885 since 1 January

–2.1% UAE real GDP, Q2 2026, preliminary
Year-on-year, non-oil –1.1%

Sources: Central Bank of the UAE; Dubai Data and Statistics Establishment, population figures reported on 29 September 2026; Federal Competitiveness and Statistics Centre, preliminary Q2 2026 national accounts released on 9 October 2026.

1.1 Interest rates rise towards quarter-end

The US Federal Reserve increased its target range by 25 basis points to 3.75–4.00% on 16 September. The Central Bank of the UAE subsequently raised its Base Rate from 3.65% to 3.90%, effective 17 September. With the dirham pegged to the US dollar, UAE monetary policy remains closely aligned with US interest-rate decisions.

CBUAE Base Rate	3.65%	Before 17 September 2026	3.90%	From 17 September 2026
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US Federal Reserve target range	3.50–3.75%	Before 17 September 2026	3.75–4.00%	From 17 September 2026
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Sources: US Federal Reserve, FOMC statement, 16 September 2026; Central Bank of the UAE, Base Rate decision effective 17 September 2026.

For mortgage buyers, higher interest rates can affect affordability and purchasing budgets. The impact depends on the loan’s benchmark, lender margin and repayment terms. Existing fixed-rate borrowers are generally protected during their agreed fixed period, while variable-rate borrowers may experience changes as their loans reset.

The increase took effect less than two weeks before quarter-end. As registered transactions may reflect agreements reached earlier, Q3 sales figures provide a limited basis for assessing buyers’ response. The implications for financing costs and purchasing decisions will become clearer over subsequent quarters.

1.2 Dubai's population grows; UAE economy contracts in Q2

Dubai's population reached 4,807,185 on 29 September, an increase of 226,885 since the start of the year. Population growth provides an underlying source of demand for accommodation and an important context for the record leasing enquiries recorded by betterhomes during Q3. The available data does not establish how much of that activity came from new arrivals rather than existing residents moving home.

The latest national accounts show a more challenging economic environment during the preceding quarter. Preliminary estimates indicate that UAE real GDP declined 2.1% year-on-year in Q2 2026, while non-oil activity contracted 1.1%. The Federal Competitiveness and Statistics Centre attributed the decline to regional developments and travel disruption affecting sectors including tourism, transport and trade.

Across the first half of 2026, the UAE economy grew 0.4% compared with the same period a year earlier, while the non-oil economy grew 1.8%. Despite the contraction in Q2, the first half therefore remained positive overall. Dubai's economy grew 2.4% year-on-year in Q1 2026, according to figures released in July. This is a separate measure covering Dubai and an earlier period than the UAE's Q2 figures.

Sources: Dubai Data and Statistics Establishment, population counter read 29 September 2026 and Q1 2026 GDP release of 8 July 2026; Federal Competitiveness and Statistics Centre, preliminary Q2 2026 national accounts released on 9 October 2026.

1.3 Rail connectivity expands and the home buyer programme supports over 3,200 buyers

Dubai's Etihad Rail passenger station was inaugurated on 28 September, with Dubai joining the national passenger network on 30 September; the network itself opened between Abu Dhabi and Fujairah on 30 June. The connection expands travel options between the emirates and may make locations near the station more attractive to households considering an inter-emirate commute. Services began at quarter-end, so the Q3 transaction data provides no basis for assessing their effect on residential prices or rents.

The First-Time Home Buyer Programme continued to support access to ownership. As at 8 June, more than 3,200 buyers had purchased properties worth over AED 5 billion through the programme, against approximately 45,000 registrations. These cumulative figures demonstrate participation, although they do not establish how many additional purchases the programme generated.

Improved connectivity and support for first-time buyers broaden the options available to residents. Their influence on purchasing decisions and residential activity will become clearer over subsequent quarters.

Sources: Etihad Rail, passenger network releases and published timetable; Dubai Land Department and Dubai Department of Economy and Tourism, First-Time Home Buyer Programme figures published in June 2026.



Sales transactions and market activity

Key stats | Q3 2026

34,615

Total transactions

-38% YoY | -2% QoQ

AED 73.8B

Total transaction value

-47% YoY | -14% QoQ

+16% QoQ

Secondary transactions

First quarterly rise since the spring

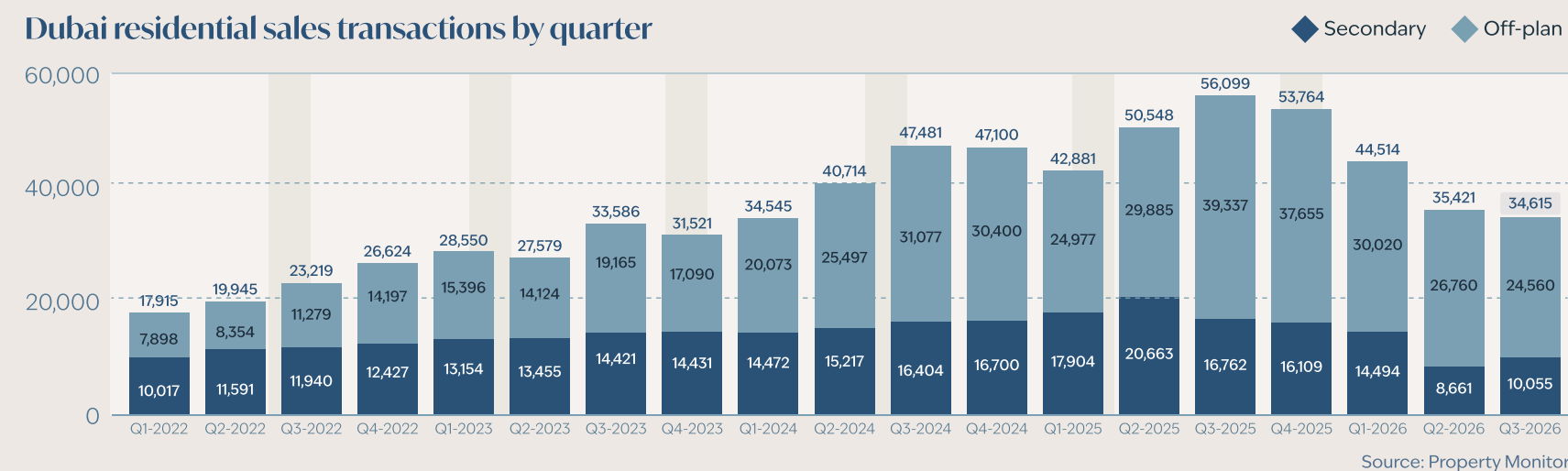
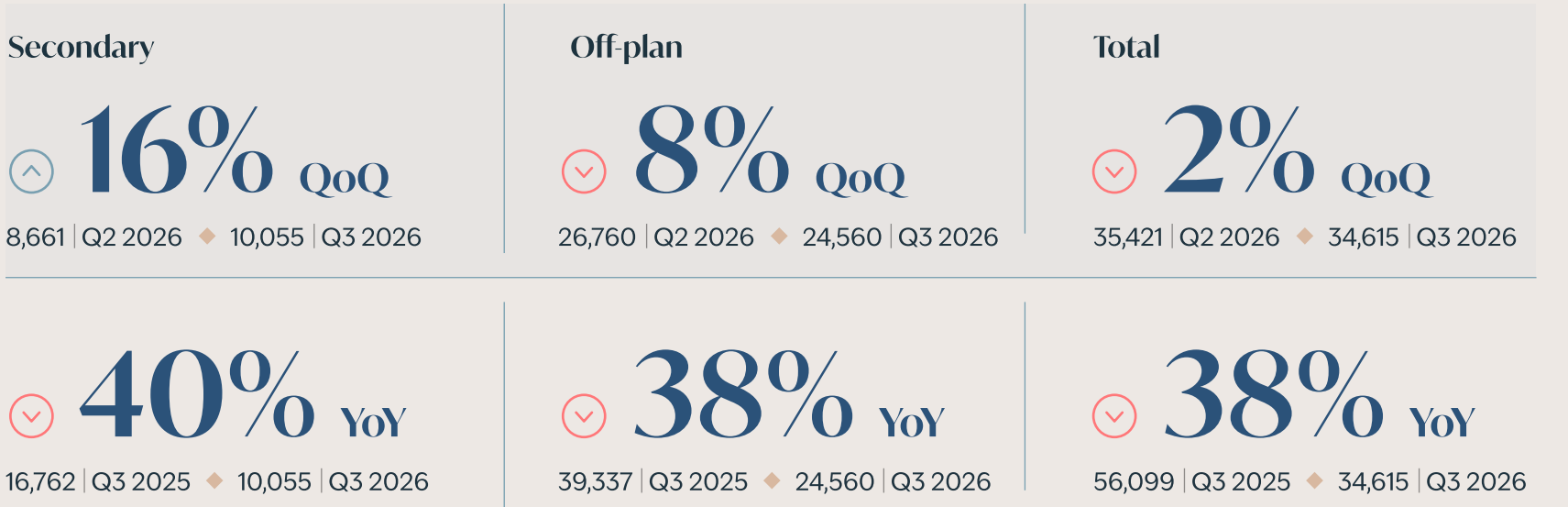
71%

Off-plan share of transactions

↓ from 76% in Q2 2026

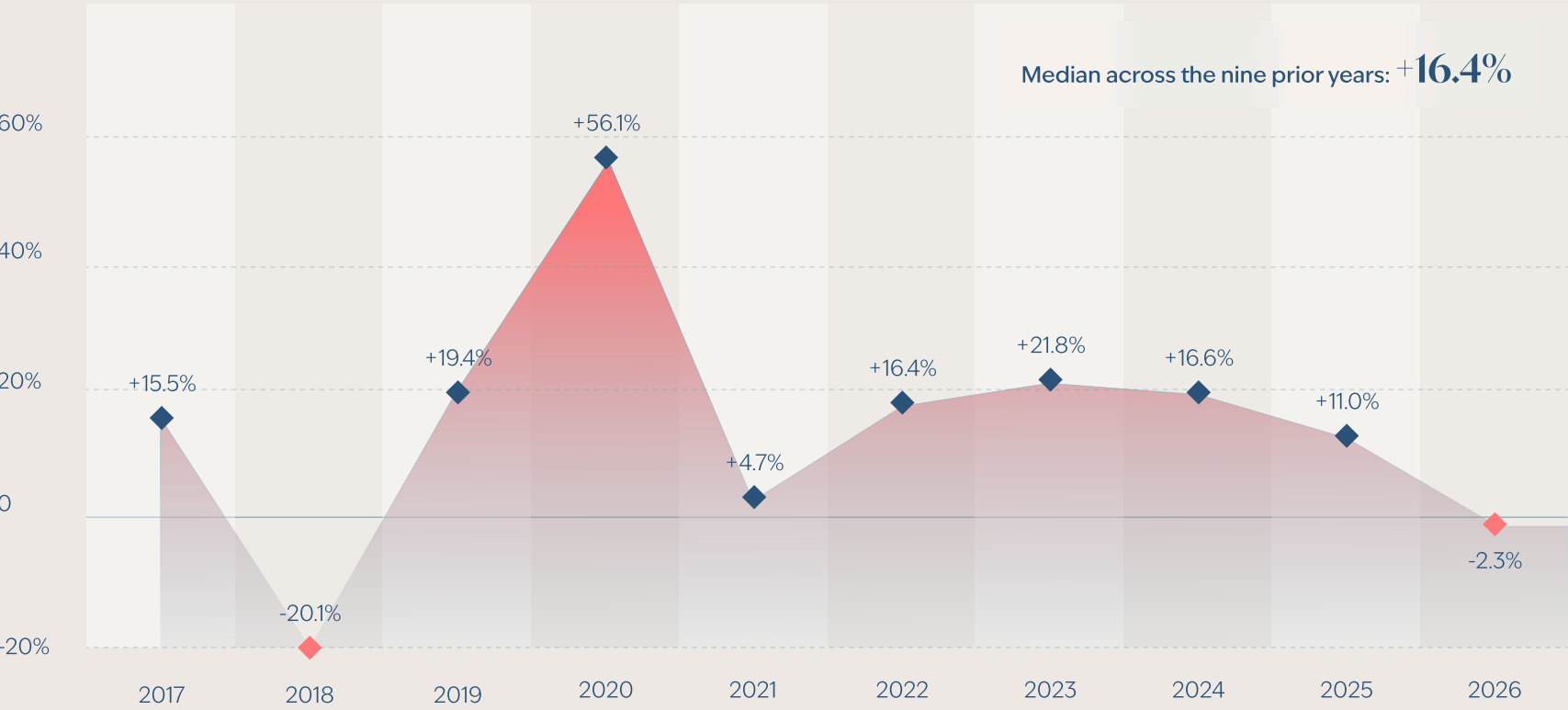
2.1 Secondary sales rise 16% as overall transactions remain close to Q2 levels

Dubai recorded 34,615 residential sales transactions in Q3, down 2.3% quarter-on-quarter and 38% year-on-year. Secondary sales rose 16% to 10,055, helping keep overall volumes close to Q2 levels as off-plan transactions eased 8% to 24,560. Off-plan remained the larger segment, although its share fell from 76% to 71%.



Transaction volumes increased from Q2 to Q3 in eight of the nine years between 2017 and 2025, with a median rise of 16.4%. This year's modest decline departed from that pattern against a backdrop of regional conflict and uncertainty. The quarter's principal change was therefore a shift towards secondary sales, rather than a substantial movement in total transaction volumes.

Change in total transactions from Q2 to Q3, each year



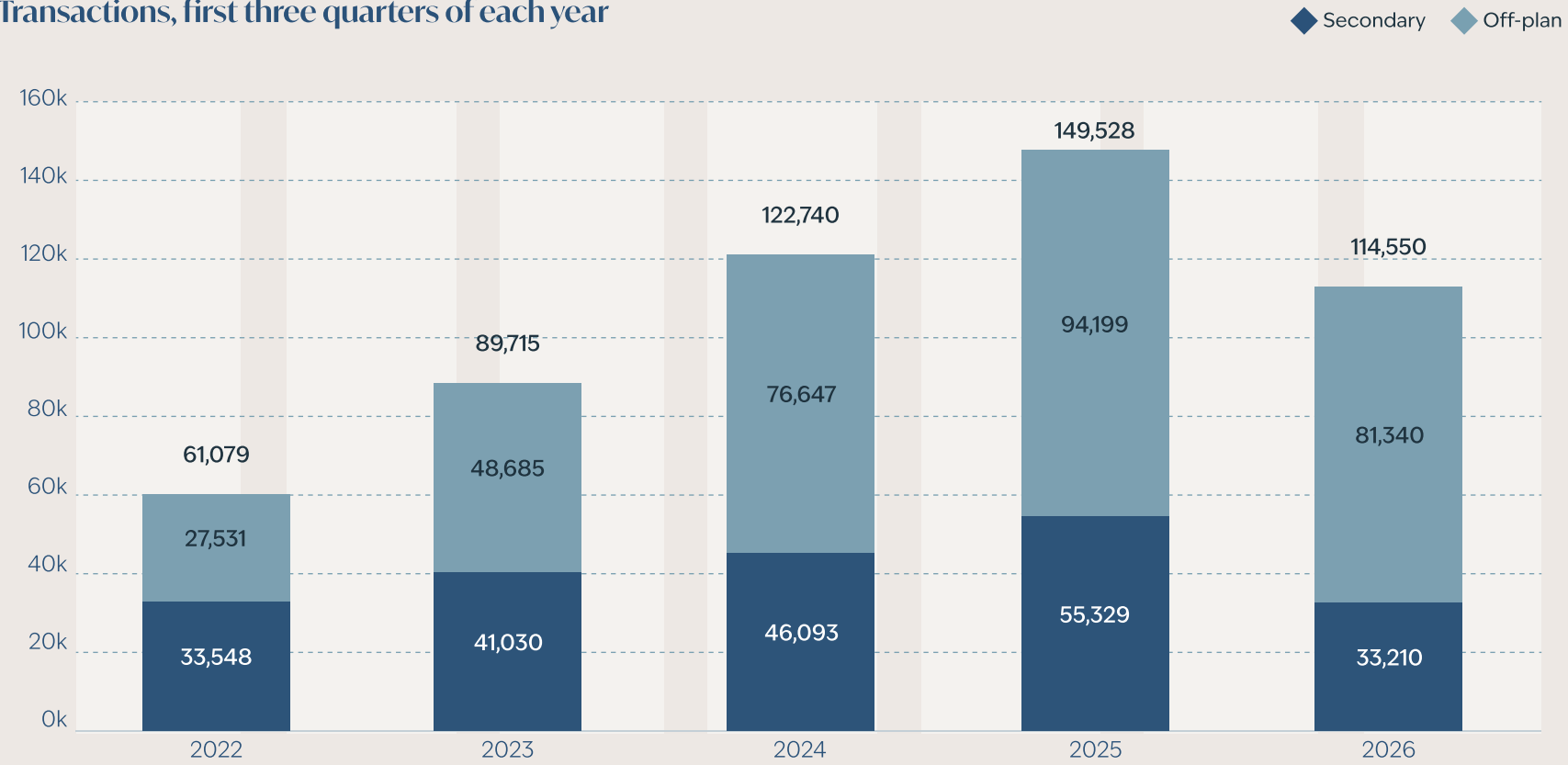
Percentage change in total residential transactions from Q2 to Q3 within each year, 2017-2026. Source: Property Monitor

Off-plan accounts for a greater share of nine-month sales

Dubai recorded 114,550 residential transactions in the first nine months of 2026, above the comparable totals for 2022 and 2023, but below 2024 and 23% lower than the same period in 2025.

Off-plan continued to underpin activity, with 81,340 transactions representing 71% of sales, up from 63% in January–September 2025. Its larger share reflects a smaller decline over that period: off-plan volumes fell 14%, compared with 40% for secondary sales, which totalled 33,210. Secondary sales strengthened in Q3, but over the nine months off-plan volumes fell by less than secondary volumes did.

Transactions, first three quarters of each year



Residential transactions, first three quarters of each year, 2022 to 2026. Source: Property Monitor

2.2 Secondary sales value rises as average transaction values ease

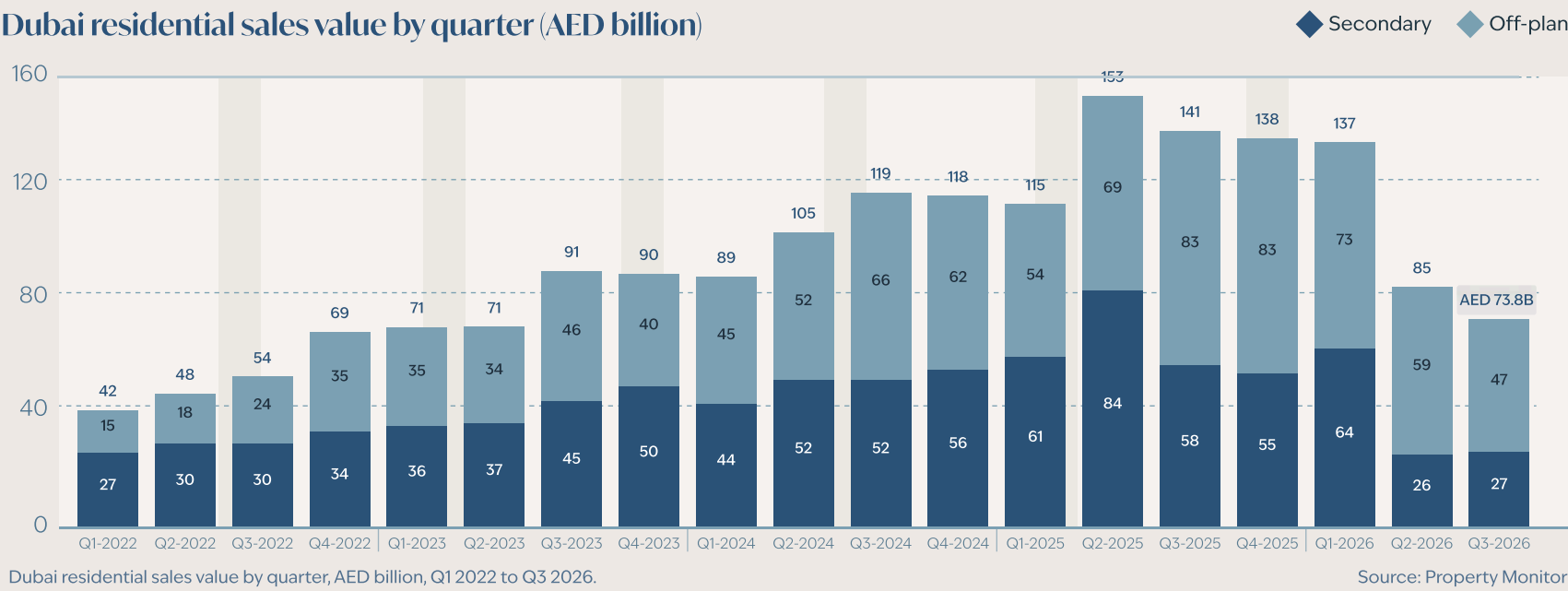
Secondary sales generated AED 27.1 billion in Q3, up 5% quarter-on-quarter, increasing their share of total transaction value from 30% to 37%. Transaction numbers grew faster, at 16%, bringing the average secondary sale from approximately AED 3 million to AED 2.70 million. Activity strengthened, while the average amount spent per transaction eased.

Off-plan sales value fell 22% to AED 46.7 billion, compared with an 8% decline in transaction numbers. Its average transaction value consequently eased from AED 2.24 million to AED 1.90 million. Together, these movements brought total residential sales value to AED 73.8 billion, down 14% quarter-on-quarter and 47% year-on-year.

Average transaction values fell within both segments, taking the market-wide average 12% lower to AED 2.13 million. This may reflect differences in the size, type and location of properties sold, alongside changes in pricing.



Source: Property Monitor



2.3 Apartments drive secondary growth; off-plan accounts for half of villa and townhouse sales

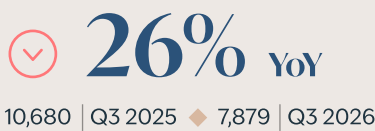
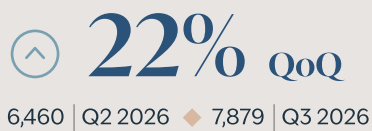
The quarterly improvement in secondary sales was concentrated in apartments, where transactions rose 22% to 7,879. Secondary villa and townhouse sales remained broadly stable at 2,176, down 1%. The increase in secondary activity therefore reflects stronger apartment sales rather than growth across all property types.

Apartments accounted for 88% of residential transactions. Their total sales eased 2% quarter-on-quarter to 30,291, with secondary growth helping sustain activity as off-plan apartment sales fell 8%.

Villa and townhouse transactions totalled 4,324, down 5% from Q2, with secondary and off-plan sales almost evenly balanced. Off-plan accounted for approximately 50% of transactions, compared with 18% in Q3 2025: over that period, off-plan volumes increased 64%, while secondary sales fell 64%. This annual shift contrasts with the latest quarterly movement, when off-plan villa and townhouse sales eased 9%.

Apartments

of which secondary



of which off-plan

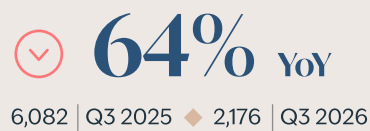


Apartments, total

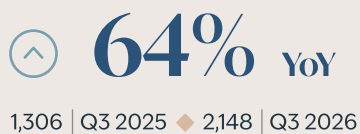


Villas and townhouses

of which secondary



of which off-plan

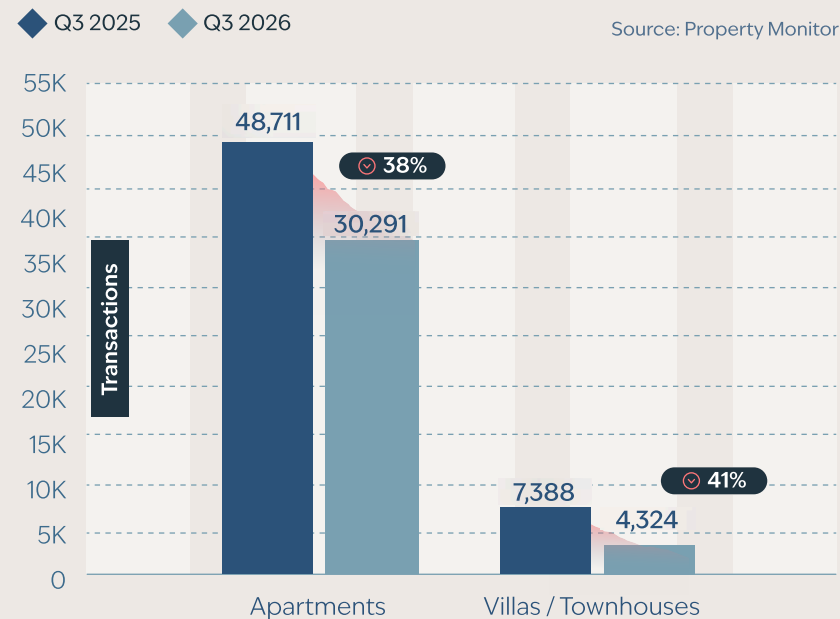


Villas and townhouses, total



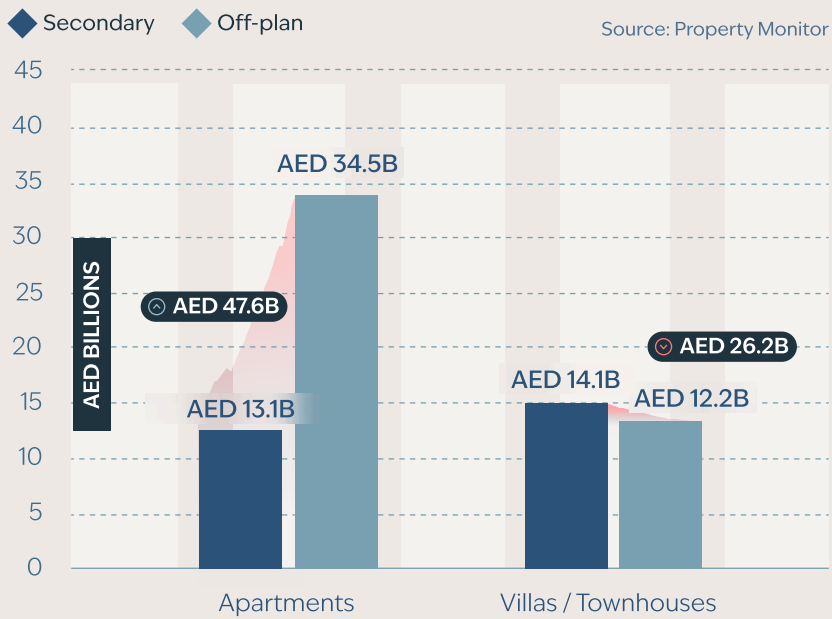
Source: Property Monitor

Residential transactions by property type



Units transacted by property type, Q3 2025 vs Q3 2026.

Residential transaction value by property type and segment, AED billion



Transaction value by property type and segment, Q3 2026, AED billion.

Villas and townhouses generated AED 26.2 billion in Q3, contributing 36% of residential sales value from just 12% of transactions. Their higher average transaction values give them a greater influence on total sales value than their transaction numbers suggest. Apartments accounted for the remaining AED 47.6 billion.

The contribution of each segment also differed by property type. Off-plan accounted for approximately 72% of apartment sales value. In villas and townhouses, secondary sales contributed 54% of value despite representing around half of transactions, indicating a higher average sale value than off-plan.

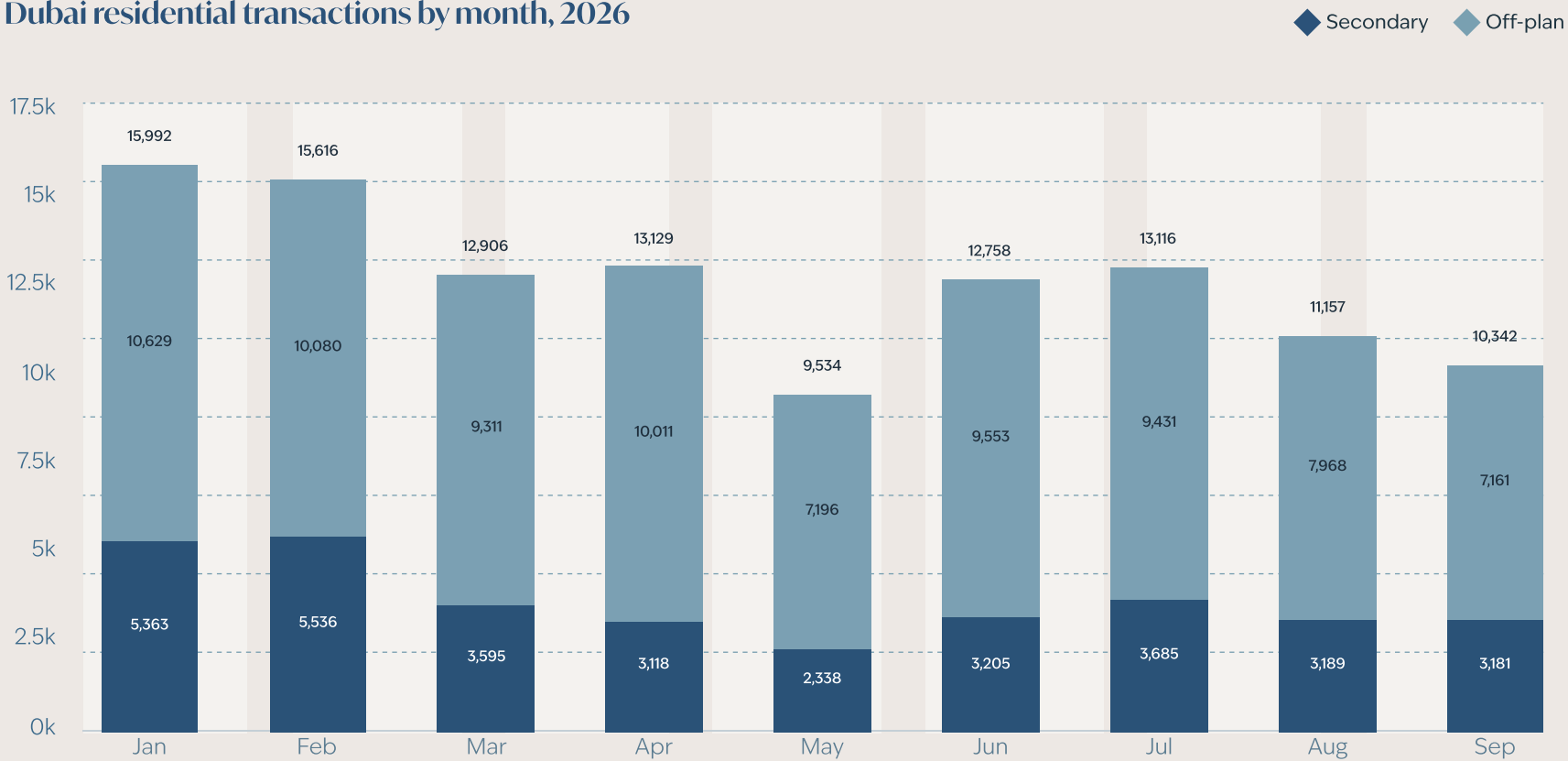
2.4 Secondary sales stabilise in September as off-plan activity eases

Monthly residential transactions eased from 13,116 in July to 10,342 in September. Secondary sales increased in Q3 compared with Q2, although their monthly volumes declined between July and September.

Towards quarter-end, secondary transactions stabilised, remaining broadly unchanged between August and September. Off-plan sales fell a further 10%, accounting for nearly all of the decline in total transactions during the final month. Secondary sales consequently represented 31% of September transactions, compared with 28% in July.

Transaction data reflects registrations, which may follow sales agreements with a lag. Some transactions recorded in September may therefore relate to agreements reached earlier.

Dubai residential transactions by month, 2026



Residential transactions by month, January to September 2026, split between secondary and off-plan.

Source: Property Monitor

2.5 Average transaction values ease across both sales segments and property types

The average residential transaction value was AED 2.13 million in Q3, down 12% quarter-on-quarter and 15% year-on-year. Average values eased across both sales segments and both property types.



2.6 Villa prices rise in Jumeirah Golf Estates and Jumeirah Village Triangle as apartment performance varies

Villa prices per square foot in Jumeirah Golf Estates and Jumeirah Village Triangle rose 15.7% and 10.2% quarter-on-quarter, respectively. Apartments in the same communities followed a different pattern: Jumeirah Golf Estates eased 2.8%, while Jumeirah Village Triangle remained unchanged. The contrast highlights the importance of distinguishing between property types when assessing community performance.

Among apartments, Living Legends, Meydan and Dubai Marina recorded quarterly gains of 6.5%, 5.2% and 3.7%, respectively. Palm Jumeirah apartments eased 7.3%, while Dubai Hills Estate recorded similar movements across apartments and villas and townhouses, down 4.4% and 4.6%.

Al Jaddaf apartments recorded the largest quarterly fall at 23.8%. This warrants closer examination of the properties sold before drawing conclusions about changes in individual home values.





Source: DLD community index, median sale prices per square foot

Buyer behaviour and demand

Key stats | Q3 2026

-11% Sales enquiries, quarter-on-quarter
↓ 26% year-on-year

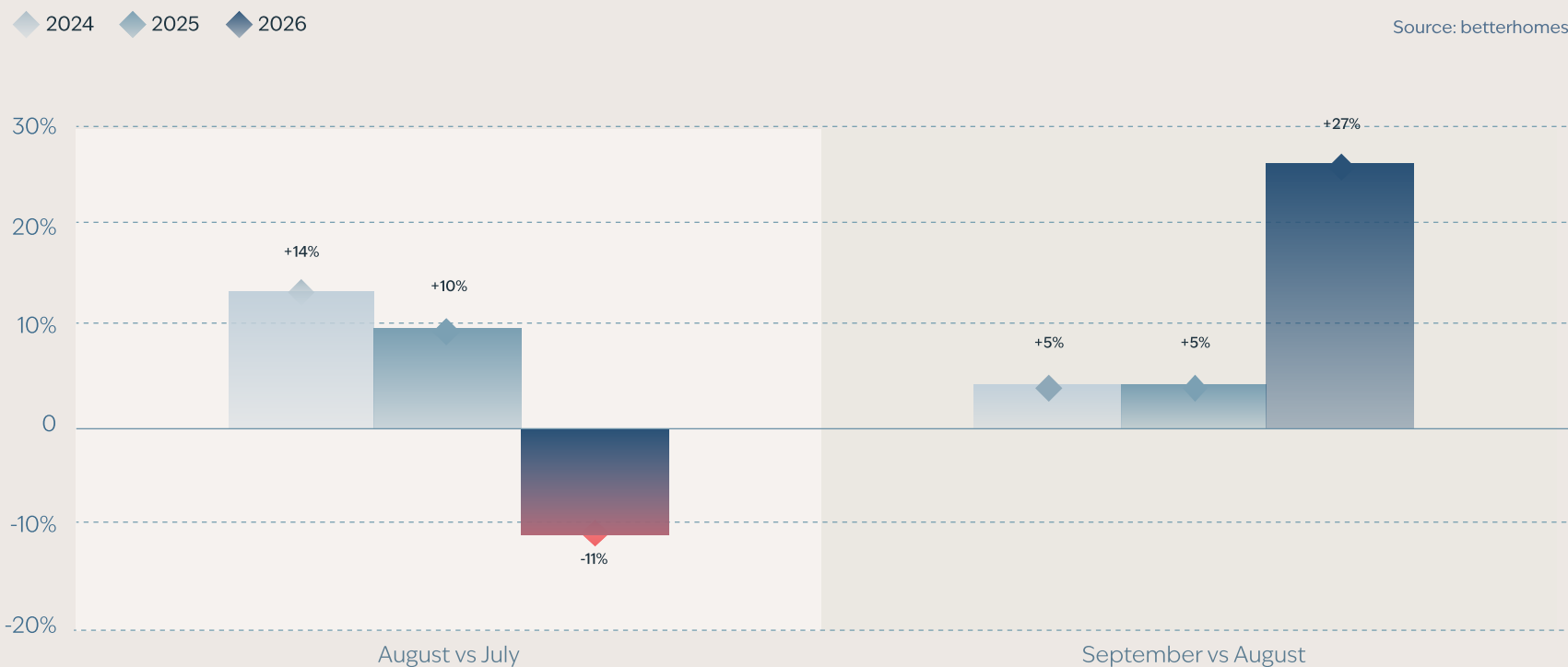
55 days Average time to transact
38 days in Q2 2026

17% Sales sell-through rate, September
Every month since July has fallen between 16% and 18%

3.1 Sales enquiries rise 27% in September compared with August

betterhomes sales enquiries were 11% lower quarter-on-quarter and 26% below Q3 2025. The quarterly decline was similar to the Q2-Q3 movements recorded in 2024 and 2025, when enquiries fell 11% and 14%, respectively. Within the quarter, however, interest followed a different path.

Monthly change in betterhomes sales enquiries, 2024-2026



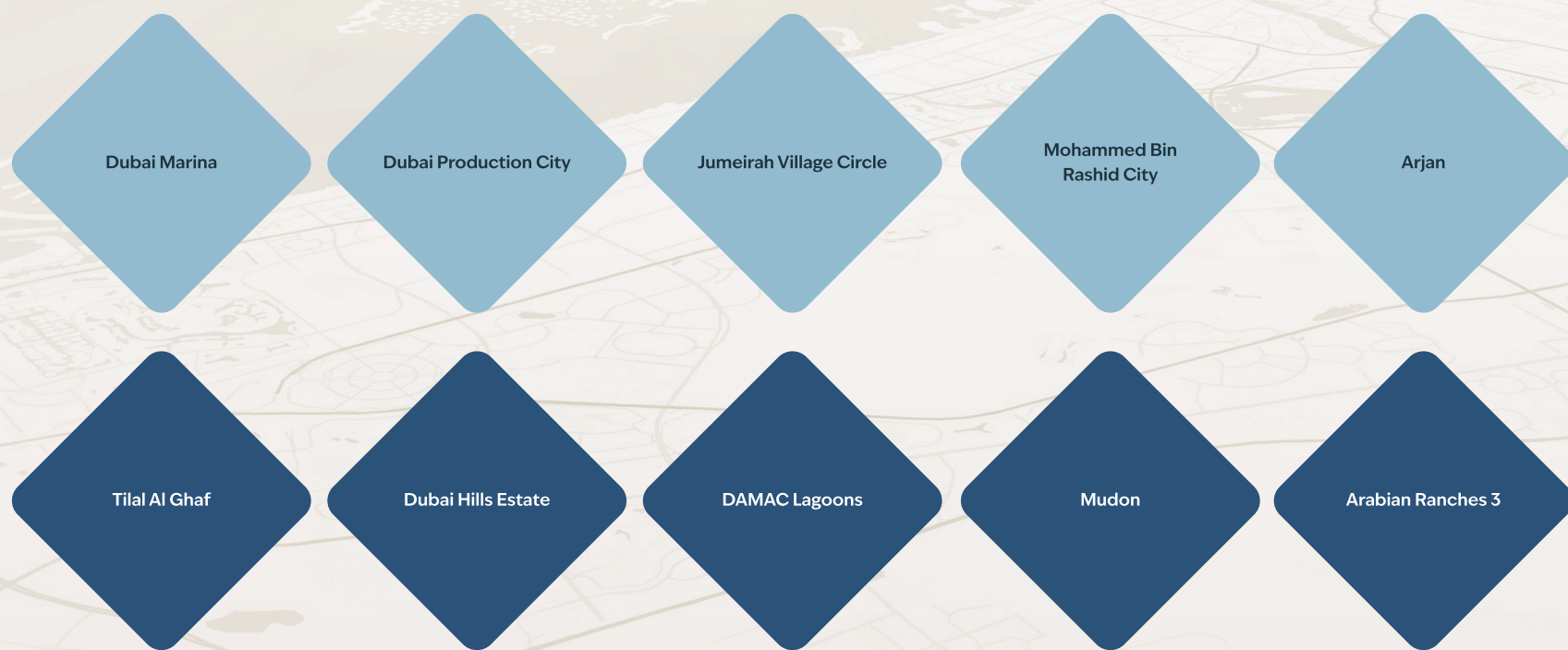
Enquiries fell 11% in August, contrasting with increases in both previous years, before rising 27% in September. September’s uplift was substantially stronger than the 5% recorded in each of those years and brought enquiries to their highest monthly level of Q3.

This points to stronger engagement among prospective buyers towards quarter-end, potentially including those resuming their searches after the summer. September enquiries nevertheless remained 22% below September 2025. Interest had improved within the quarter, while remaining below last year’s level.

3.2 Top communities by buyer demand, betterhomes data

◆ Apartments ◆ Villas & Townhouses

Dubai Marina recorded the highest number of completed betterhomes apartment sales in Q3, while Tilal Al Ghaf led villa and townhouse sales. The rankings show where betterhomes buyers transacted during the quarter.



Top betterhomes sales communities, Q3 2026.

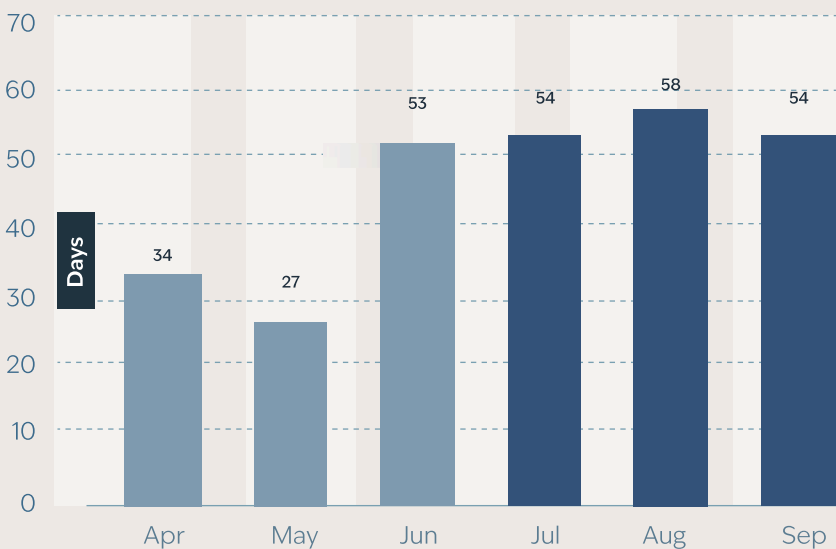
Source: betterhomes

3.3 Properties sold through betterhomes took around eight weeks to sell during Q3

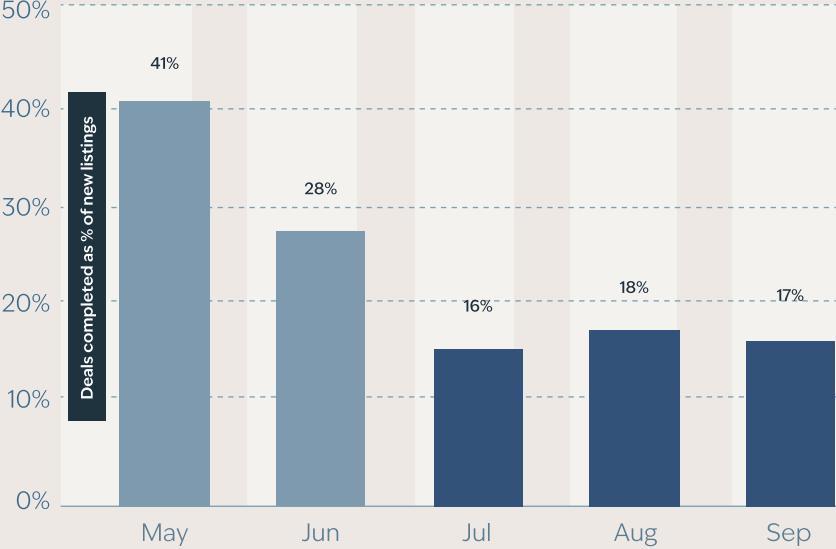
Average time to transact remained broadly stable during Q3, at 54.5 days in July, 58.1 days in August and 53.8 days in September. The main increase occurred before the quarter, when the average rose from 27 days in May to 52.7 days in June.

betterhomes sales enquiries increased 27% in September compared with August, while the average time to transact shortened by approximately four days, returning close to July's level. Enquiry activity picked up towards quarter-end, although the figures do not establish whether that increase led to faster sales. For sellers, the monthly averages provide a planning reference of around eight weeks for properties that sold, with individual timelines varying.

Average days to transact, sales



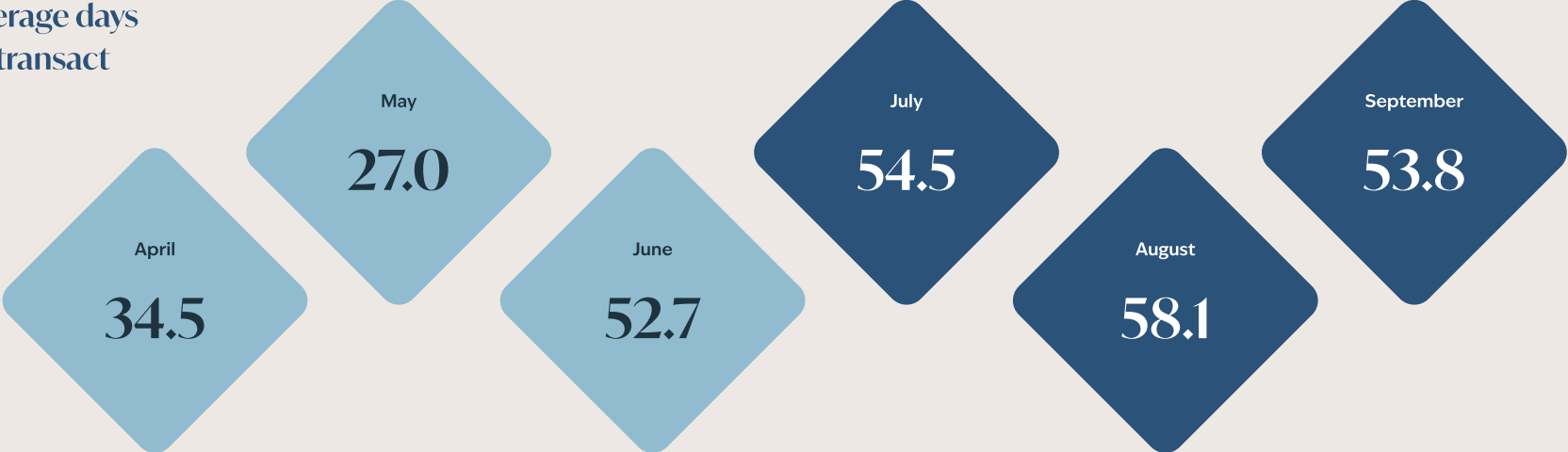
Sell-through rate, sales



Average days to transact and sell-through rate by month.

Source: betterhomes

Average days
to transact



Source: betterhomes data, measured on properties that transacted. Series begins January 2026, so there is no year-on-year comparator.

Of the sales listings published through betterhomes, 16% sold within July, 18% within August and 17% within September. The proportion sold within the publication month remained broadly steady during Q3, following higher readings of 41% in May and 28% in June.



Connor Manning
Head of Sales

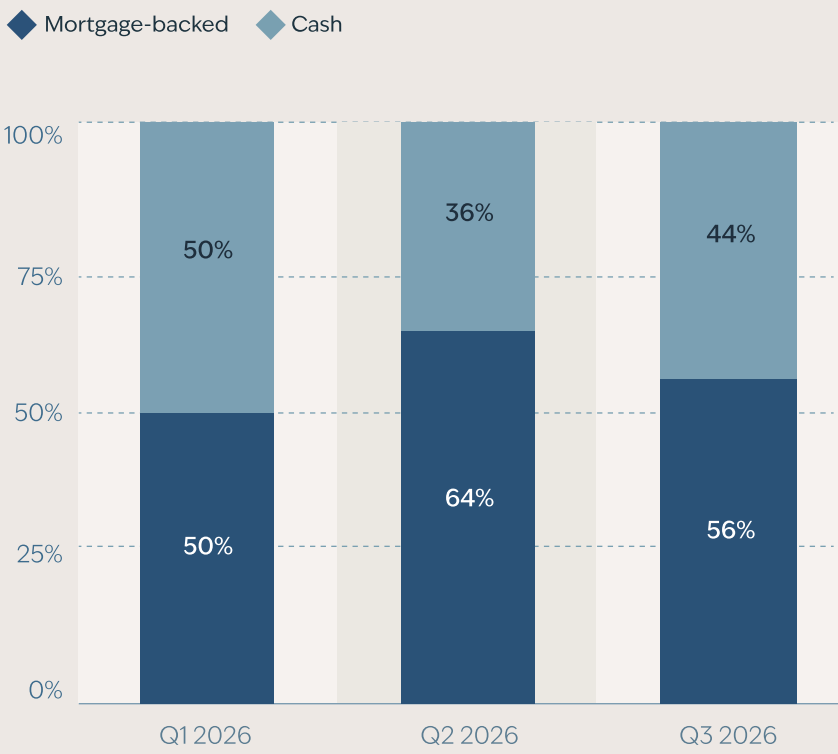
“ Q3 showed a shift in the balance of sales activity. Growth in secondary transactions helped keep overall volumes close to Q2 levels as off-plan activity eased, while September’s increase in betterhomes sales enquiries was an encouraging sign towards quarter-end. Pricing tells a more varied story, with recent easing alongside annual gains in many communities. For sellers, this makes recent comparable sales particularly important when setting an asking price. My advice is to price realistically from the outset, respond to buyer feedback and plan for the time involved. Properties sold through betterhomes during Q3 took around eight weeks on average to transact.



3.4 Mortgage-backed purchases account for 56% of betterhomes sales in Q3

Mortgage-backed purchases accounted for 56% of betterhomes residential sales in Q3, compared with 64% in Q2 and 50% in Q1. Cash purchases represented the remaining 44%, up from 36% in the previous quarter. Mortgage finance continued to support the majority of purchases, although cash buyers accounted for a larger share of completed sales during Q3.

How betterhomes purchases were funded



Source: betterhomes

The split describes how completed sales were funded. It does not establish whether buyers' financing preferences changed. The CBUAE Base Rate increased from 3.65% to 3.90%, effective 17 September, less than two weeks before quarter-end. Purchases completed during Q3 may have involved financing arranged earlier, so the quarter's funding split provides limited evidence of buyers' response to the increase. For mortgage buyers, any effect on repayments will depend on their loan's benchmark, terms and whether the interest rate is fixed or variable.



Supply pipeline

4.1 Apartments account for 91% of homes scheduled for delivery in 2027

Dubai’s residential pipeline includes 25,477 homes scheduled for delivery during the remainder of 2026, followed by 136,815 in 2027 and 153,221 in 2028. These figures represent scheduled completions rather than forecasts of actual handovers. Delivery dates may change as construction progresses.

Apartments account for 91% of scheduled supply in 2027 and 85% in 2028. The pipeline therefore points to a substantial expansion in apartment stock, although the effect on availability will depend on when projects complete and where the new homes are delivered.

Year	Scheduled residential units	Of which apartments	Apartment share
2026, remaining	25,477	19,260	76%
2027	136,815	123,880	91%
2028	153,221	130,451	85%
2029	83,163	70,491	85%
2030	70,421	57,630	82%

Scheduled delivery figures are subject to changes in project timelines. Source: DLD

For buyers and investors, the concentration of future supply makes the local picture particularly important. Projects completing nearby, their property types and their delivery dates provide a more useful basis for assessing potential competition than the citywide total alone.

Villas and townhouses represent a smaller share of scheduled supply, but their planned volumes are still substantial. Their smaller share should therefore not be taken as evidence that availability will remain limited. Across both segments, the balance between completed homes and demand will determine how much additional choice reaches buyers and tenants.



Harry Martin

Head of Off-Plan and Capital Markets

“ The scale of Dubai’s pipeline is significant, with apartments accounting for around nine in ten homes scheduled for delivery in 2027. That makes the location and timing of new supply particularly important. Competition will differ between communities, and buyers should consider nearby developments alongside the quality of the project, the developer’s delivery record and payment terms. For developers, the opportunity is to deliver homes that meet residents’ needs at a price that reflects the alternatives available. As the pipeline progresses, those details will become increasingly important to purchasing decisions.

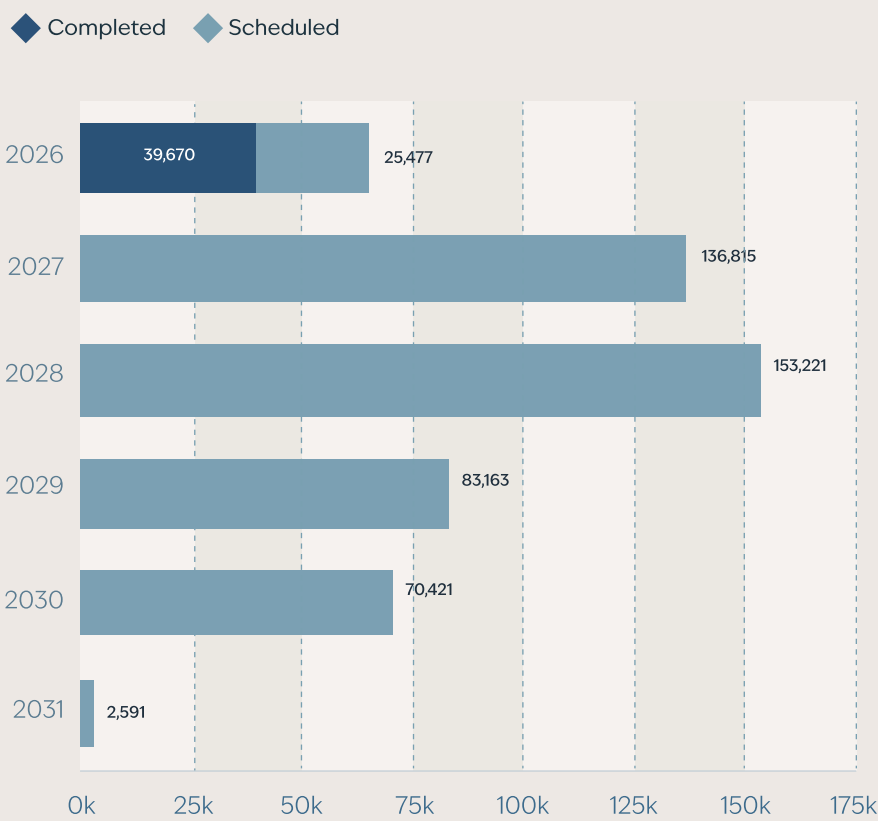


4.2 Supply delivery timeline, DLD

The current pipeline places the largest volume of scheduled deliveries in 2028, with 153,221 homes, following 136,815 in 2027. This concentrates potential additions to residential stock over the next two years, although actual handovers will depend on project progress.

Lower scheduled totals in later years should not be read as a forecast of declining construction activity. The pipeline can change as further projects are announced and existing completion dates are revised.

Completed and scheduled residential supply by year



Completed residential units in 2026 and scheduled delivery to 2031.

Source: DLD



Luxury market

Key stats | Q3 2026



5.1 Off-plan accounts for 58% of sales above AED 15 million

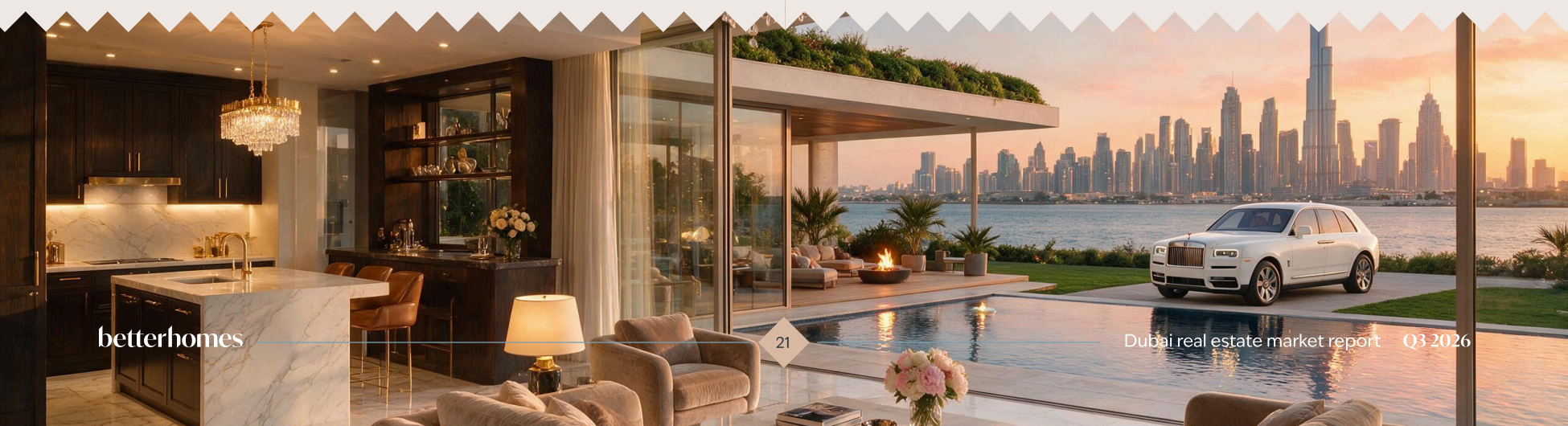
Dubai recorded 404 residential transactions above AED 15 million in Q3, 30% below Q2 and 45% below Q3 2025. Off-plan accounted for 233 sales, representing 58% of activity, while secondary transactions totalled 171.

The annual comparison differed substantially between the segments. Off-plan transactions were 5% below a year earlier, compared with a 65% decline in secondary sales. Secondary activity therefore accounted for most of the annual fall, although both segments recorded lower volumes than in Q2.



Residential transactions above AED 15 million. Source: DLD

September brought an improvement in secondary activity, with transactions rising 51% from August to 65. Off-plan sales fell 34% to 48, making September the only month of Q3 in which secondary sales exceeded off-plan. The improvement came towards quarter-end, although secondary transactions remained below Q2 across the quarter.

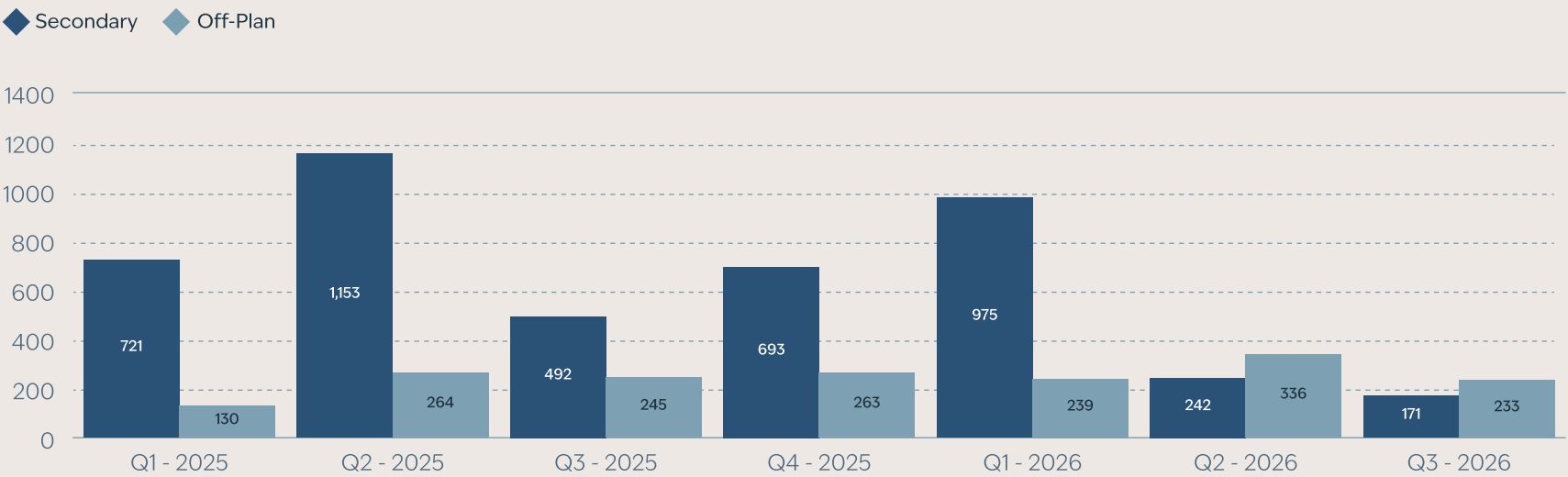


5.2 Off-plan leads PRIME transactions for a second consecutive quarter

Off-plan transactions exceeded secondary sales in Q2 and Q3 2026, the only quarters where this occurred between Q1 2025 and Q3 2026. Since Q2 2025, quarterly off-plan volumes have ranged from 233 to 336 transactions, while secondary activity has varied more widely.

The longer-term comparison shows that off-plan’s recent lead reflects lower secondary activity, rather than sustained growth in off-plan sales. It does not establish that individual buyers switched their preference from existing homes to new developments.

Prime transactions over AED 15 million, by quarter



Residential transactions above AED 15 million by quarter, Q1 2025 to Q3 2026. Source: DLD

5.3 Palm Jumeirah leads secondary PRIME sales; Jumeirah Golf Estates 2 leads off-plan

Palm Jumeirah ranked first for secondary residential sales above AED 15 million in Q3, while Jumeirah Golf Estates 2 led off-plan transactions. The top-five rankings highlight different locations for each segment, with established communities featuring prominently in secondary sales.



Communities ranked by number of residential sales transactions above AED 15 million in Q3 2026. Source: DLD

Leasing market

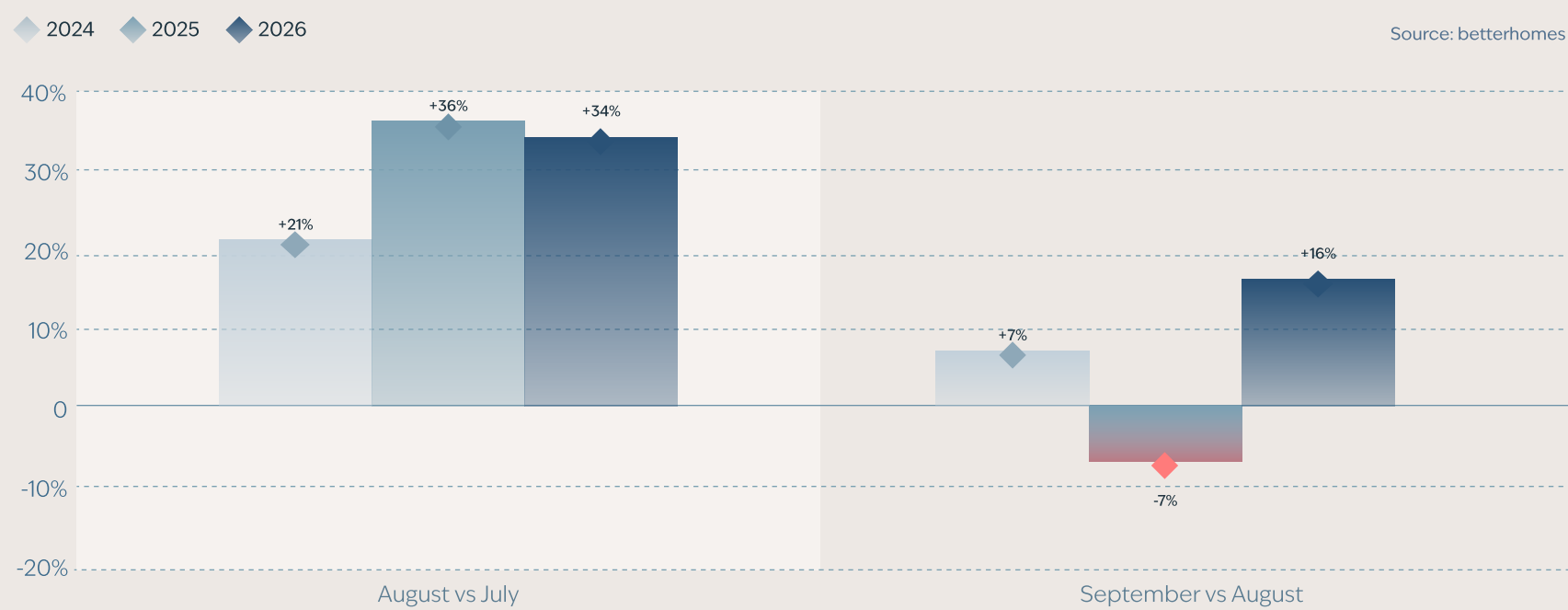
6.1 Leasing demand reaches the highest level in our records

betterhomes leasing enquiries increased 45% quarter-on-quarter and 15% year-on-year, exceeding the previous quarterly high recorded in Q3 2025. September was betterhomes’ busiest month on record for leasing enquiries, surpassing the level set in August.

The quarterly increase followed a pattern also seen in 2024 and 2025, when enquiries rose 30% and 42%, respectively, between Q2 and Q3. This suggests a seasonal contribution to the increase, while the annual growth shows that activity also strengthened against the same period last year.

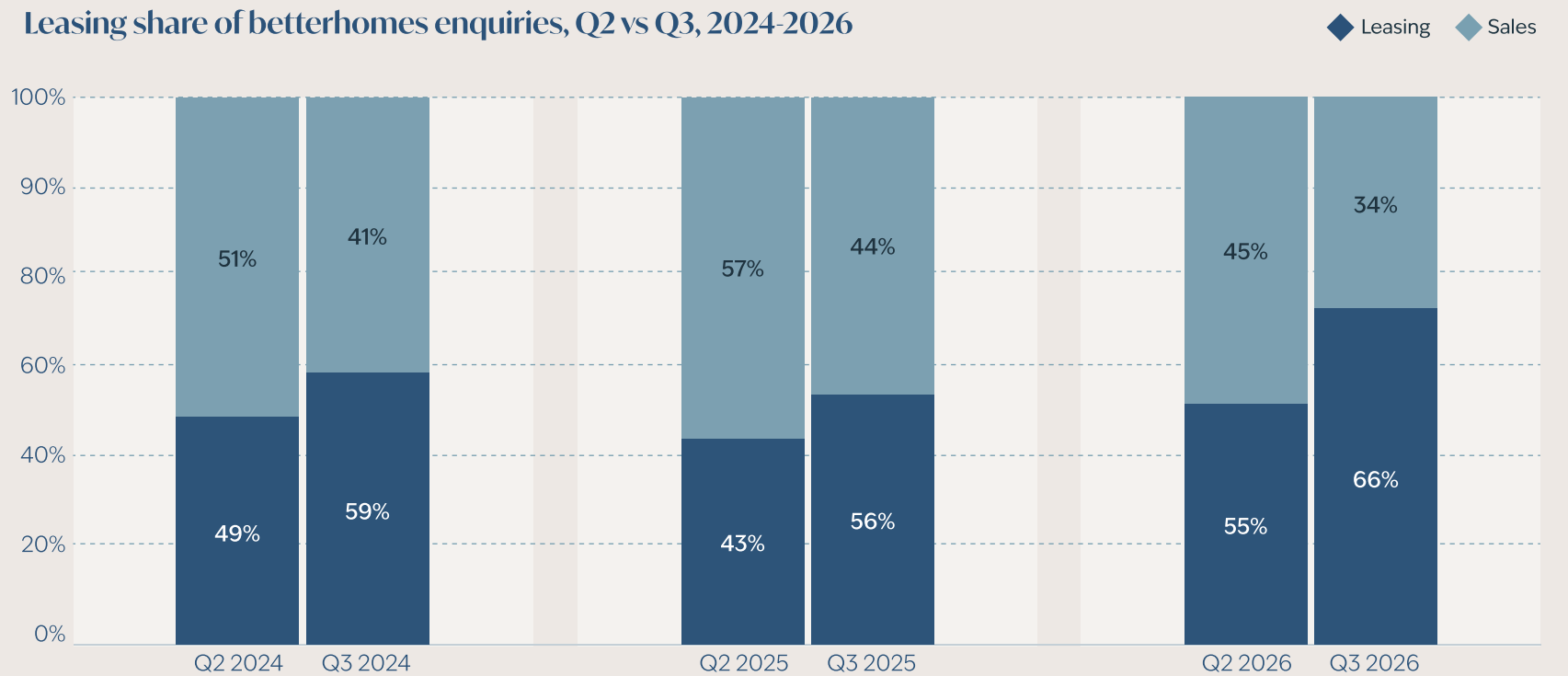
September provided the strongest annual growth, with enquiries 31% above September 2025, compared with increases of 7% in July and 5% in August. Enquiries also rose 16% between August and September, extending the quarter’s momentum.

Monthly change in betterhomes leasing enquiries, 2024-2026



Dubai’s growing population provides an underlying source of accommodation demand. However, the enquiry data does not distinguish new arrivals from existing residents moving home or establish whether prospective buyers chose to rent instead.

Leasing share of betterhomes enquiries, Q2 vs Q3, 2024-2026



Leasing as a percentage of combined betterhomes sales and leasing enquiries, Q2 and Q3, 2024-2026. Source: betterhomes

Leasing represents a larger share of enquiries

Leasing accounted for 66% of combined betterhomes sales and leasing enquiries in Q3, compared with 55% in Q2. Similar increases occurred between Q2 and Q3 in both preceding years, so this change alone does not demonstrate a shift from buying to renting.

Combined sales and leasing enquiries remained 3% below Q3 2025. Leasing's annual growth therefore coincided with lower sales enquiries, increasing its contribution to overall enquiry activity.



Jacob Bramley

Leasing Manager, betterhomes

“ Q3 showed that strong leasing interest and more competitive rents can sit alongside each other. September was our busiest month on record for leasing enquiries at betterhomes, while completed leases also reached their highest monthly level on record. For landlords, that is encouraging, but rental performance varies between communities and property types. My advice is to set expectations using recent transactions of comparable homes, present the property well and consider payment terms alongside the annual rent. For tenants, the easing in rents across many locations makes it a good time to compare alternatives carefully.

6.2 Median rents ease 3.8% for apartments and 2.3% for villas and townhouses over Q3

By September, median apartment rents per square foot were 3.8% below June levels, while villa and townhouse rents were 2.3% lower. Against Q3 2025, apartment rents were 0.6% lower and villa and townhouse rents 2.3% lower.

The monthly movement was smaller: apartment rents eased 0.6% in September and villa and townhouse rents 1.1%. Alongside record betterhomes leasing enquiries, these figures show that stronger interest in renting can coincide with more competitive rental pricing.



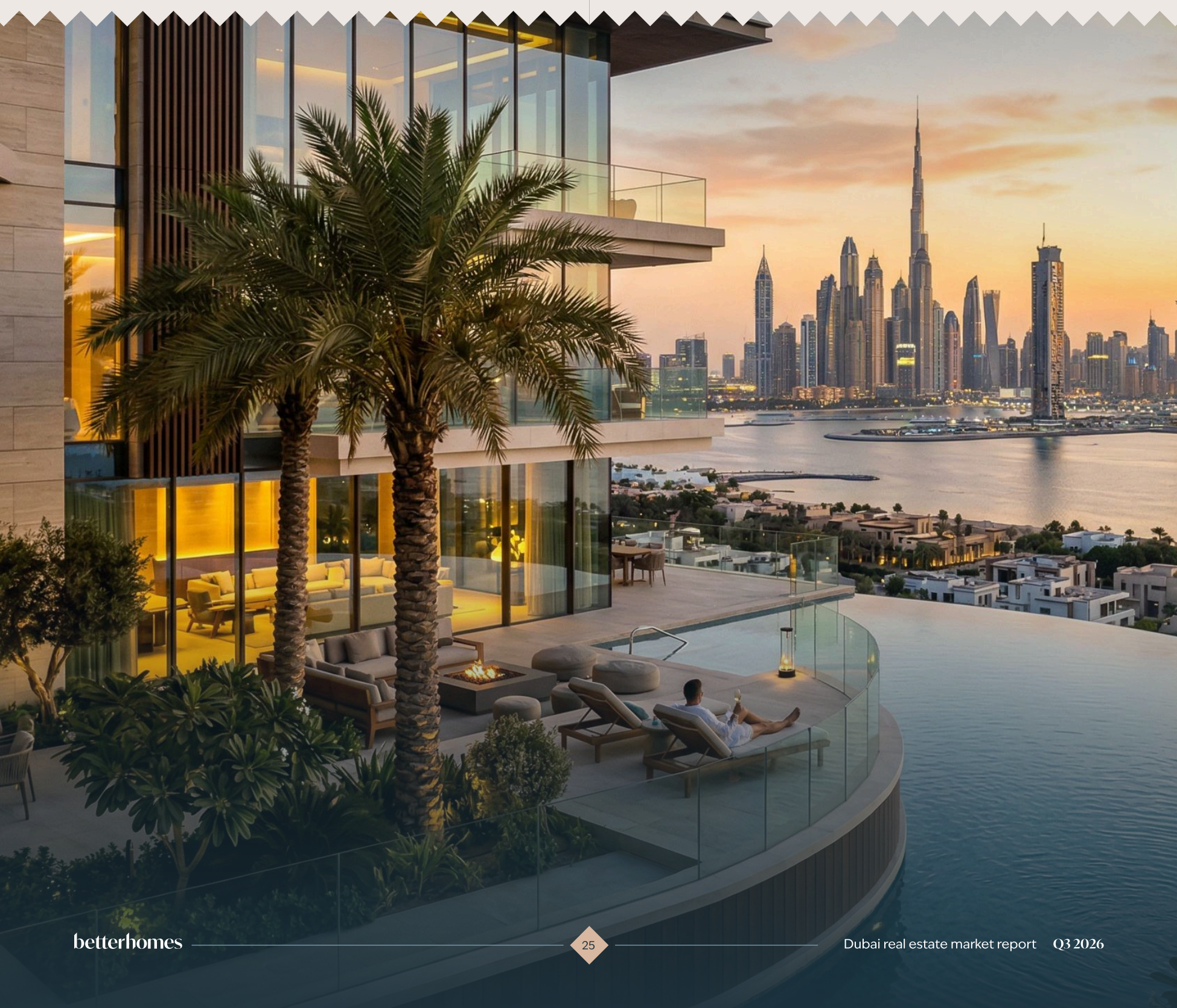
6.3 Jumeirah Islands rents rise 29% year-on-year as most communities ease in Q3

Jumeirah Islands recorded rental growth of 1.3% quarter-on-quarter and 29.1% year-on-year. Emirates Hills and Jumeirah Golf Estates also remained above their Q3 2025 levels, by 3.3% and 3.2%, respectively, although quarterly rents eased in Emirates Hills and were unchanged in Jumeirah Golf Estates. Palm Jumeirah Garden Homes recorded the highest rent per square foot at AED 248, despite being 7.1% below Q2 and 5.0% below a year earlier.

Among apartments, Living Legends and Al Khail Heights retained annual gains of 13.5% and 10.2%, despite quarterly declines of 2.0% and 7.1%. Dubai Festival City recorded growth over both periods, with rents rising 5.4% quarter-on-quarter and 5.8% year-on-year.

The largest quarterly apartment declines were in Mohammed Bin Rashid City, at 12.6%, followed by Jumeirah Village Triangle and Dubai Hills Estate, at 7.8% and 7.7%. Among villas and townhouses, DAMAC Lagoons and Arabian Ranches 3 eased 8.6% and 7.2%, respectively.

The overall picture is one of quarterly easing, with a more varied annual position. Apartment communities were broadly split between annual gains and declines, while most villa and townhouse communities recorded lower rents than a year earlier.





Source: DLD community index, median rents per square foot

6.4 Top leasing communities, betterhomes data

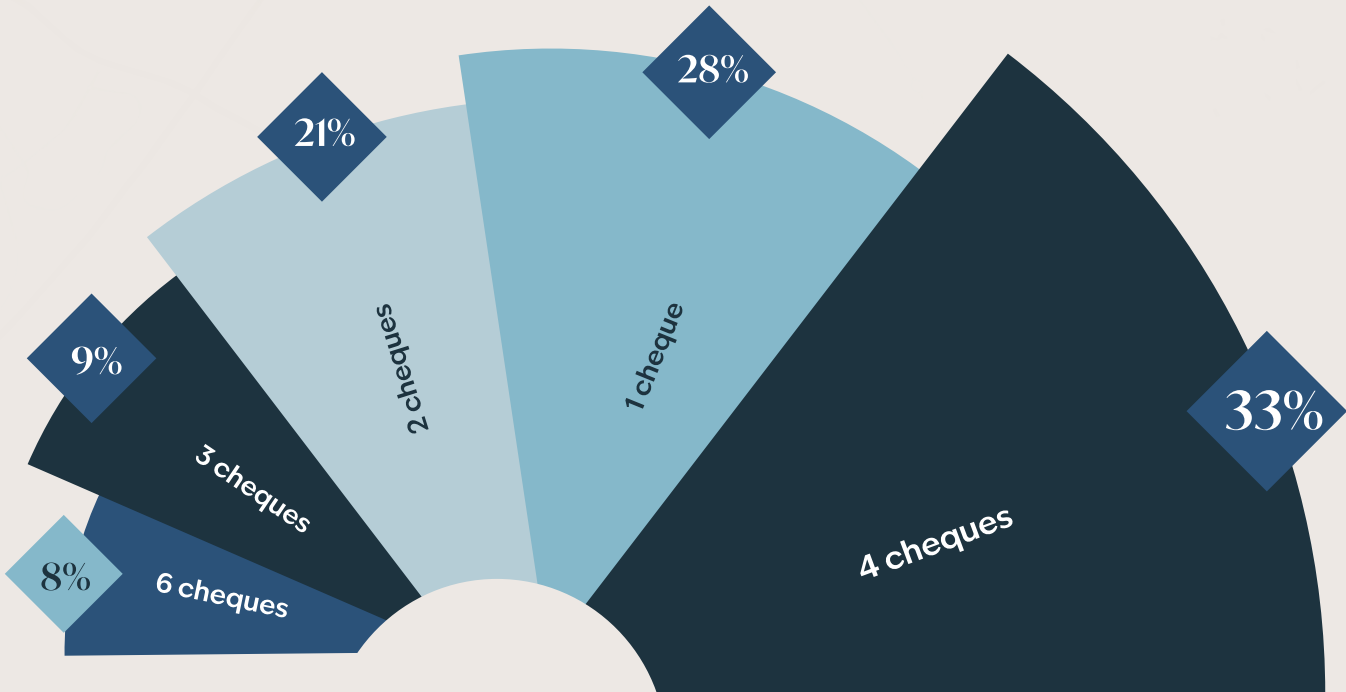
Dubai Marina recorded the highest number of completed betterhomes apartment lettings in Q3, while Tilal Al Ghaf led villa and townhouse lettings. The rankings show where betterhomes tenants leased during the quarter.



Top betterhomes leasing communities, Q3 2026. Source: betterhomes

6.5 Tenant payment behaviour

Four cheques was the most common arrangement in Q3, on 33% of betterhomes leasing deals, ahead of a single cheque on 28%. Two cheques accounted for 21%, three for 9% and six for 8%. Five and eight-cheque arrangements each round to zero.



Source: betterhomes

Conclusion: secondary sales strengthen as rental interest reaches new highs

Overall sales volumes hold close to Q2 as secondary activity improves

Q3 brought a shift in the balance of Dubai's residential sales market. Secondary transactions increased 16%, helping keep total volumes close to Q2 levels as off-plan activity eased. Total sales nevertheless fell slightly, unlike the increase recorded between Q2 and Q3 in most previous years.

Average transaction values eased within both segments, while prices per square foot fell across most of the communities analysed. Many locations nevertheless remained above their levels a year earlier. For sellers, this makes recent sales of comparable homes particularly important when setting an asking price.

September brings stronger sales enquiries and record leasing interest

September was the strongest month of Q3 for betterhomes sales enquiries, increasing 27% compared with August. Monthly transaction times remained broadly stable during the quarter, providing a planning reference of around eight weeks for properties that sold.

Leasing enquiries reached a quarterly record, rising 45% quarter-on-quarter and 15% year-on-year. September recorded the highest monthly level on record for betterhomes. Median rents eased over the quarter, showing that stronger rental demand can coexist with more competitive pricing.

For landlords, record enquiry activity provides an encouraging backdrop, while recent comparable lettings remain the clearest guide to achievable rents. Investors should assess rental income against current evidence and account for service charges, maintenance and periods without a tenant.

Future supply and financing costs will shape residential choices

Apartments account for around nine in ten homes scheduled for delivery in 2027. The effect of this pipeline will depend on where and when projects complete, making nearby competing developments and delivery schedules important considerations for buyers and investors.

The September increase in the CBUAE Base Rate also places greater emphasis on mortgage affordability. Its influence on purchasing decisions will become clearer over subsequent quarters, although financing costs remain one of several factors affecting activity.

Population growth continues to add to accommodation needs, while Dubai's new passenger rail connection expands travel options between the emirates. Together, these developments provide a longer-term backdrop to a market whose performance varies considerably by location and property type.

Current evidence matters most

Q3 ended with stronger secondary sales and increased enquiry activity in September, alongside easing prices and rents in many communities. The practical implication is to assess each property against its current alternatives: recent comparable transactions, competing homes, financing costs and achievable rental income. These provide a firmer basis for decisions than assuming that Dubai's residential market moves uniformly.

Methodology

This report was produced in-house by the betterhomes team, combining official datasets, proprietary brokerage data and independent analysis.

Residential transaction volumes, sales values and average transaction values across the off-plan and secondary markets were sourced from Property Monitor. Community-level median sale prices and rents per square foot, scheduled supply, completions and transactions above AED 15 million were sourced from the Dubai Land Department.

Macroeconomic and policy data was sourced from official authorities, including the Central Bank of the UAE, US Federal Reserve, Dubai Data and Statistics Establishment, Federal Competitiveness and Statistics Centre, Etihad Rail and Dubai Department of Economy and Tourism.

betterhomes' internal brokerage data was analysed to benchmark market performance, buyer and tenant demand patterns, and average transaction values. All figures were cross-checked for consistency and accuracy, and the analysis, interpretation and design of this report were completed in-house to provide objective, data-driven insight into Dubai's evolving residential property market.

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Nitish Bhavsar
Head of Data

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