

betterhomes

An aerial photograph of the Dubai skyline at sunset. The Burj Khalifa is the central focus, surrounded by other skyscrapers. The city is reflected in the water, and the sky is a mix of orange, yellow, and blue. The image is framed by a dark blue gradient with white diagonal lines in the corners.

Shaping Skylines

Dubai Residential Real Estate Q3 2025

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Introduction



Louis Harding

Chief Executive Officer

As we step into the final quarter of 2025, the Q3 numbers give us a lot to digest. They paint a picture of a market in selective ascent rather than straight line growth. On the surface, things are encouraging: total sales volume and value both rose 18 % YoY, with 55,280 transactions and AED 139.7 billion in value. Off-plan deals anchored that uptrend, up 26 % and making up 70 % of all sales. Demand is clearly tilting toward new supply, especially in the apartment segment, which saw a striking 28 % increase in deals YoY.

That said, the whole market is not moving in harmony, villa sales are down 22 % YoY, and off-plan villa deals fell 69%. Even quarter over quarter, villa activity dropped sharply (-30 %), with off-plan villas down 28 %. Prime transactions also fell 48% QoQ, hinting at a cooling sentiment among luxury buyers who may be becoming more price-sensitive.

Within betterhomes' own metrics, most trends align with the broader market. We saw a 38 % jump in sales leads YoY and a 24 % rise in deals. Leads for townhouses surged a striking 91 %, and villa leads rose 12 %. Our average selling price came in at AED 4.13 million, with apartments averaging AED 1.83 m, townhouses AED 3.7 m, and villas AED 12.9 m. On a quarterly basis, things get more nuanced, apartment deals dipped 6%, though villas and townhouses saw modest growth of 7% and 3% respectively. Encouragingly, average deal value, or price, rose by 25 %, underscoring that while volumes in some segments are softening, pricing strength remains a tailwind. Investor share increased to 63%, though mortgage-based purchases eased slightly to 51%.

Leasing continues to be incredibly strong. Year on year, leasing transactions nearly doubled (+92 %), with apartments, villas and townhouses up across the board. Tenant leads climbed 40 %. Quarter on quarter, leasing volume rose 29 %, driven by apartment (+42 %) and townhouse (+36 %) deals, with villas seeing a mild dip. The shift in cheque-structure terms (4-, 1- and 3- cheque breakdowns) is also worth watching as preferences continue to evolve.

As we move into Q4, the narrative is less about runaway growth and more about realignment. The mid to upper-mid product, especially apartments, remains the focus of momentum. Villas, particularly off-plan villas, are under pressure and may require more calibration between pricing, design, and buyer expectations. The dip in prime activity suggests a moment of pause rather than panic, but one to watch. Q4 will test whether these shifts stabilise, deepen, or reverse.

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Macroeconomic overview

Solid growth fuelled by faster-than-expected increase in oil production and continued strength in the non-oil sector

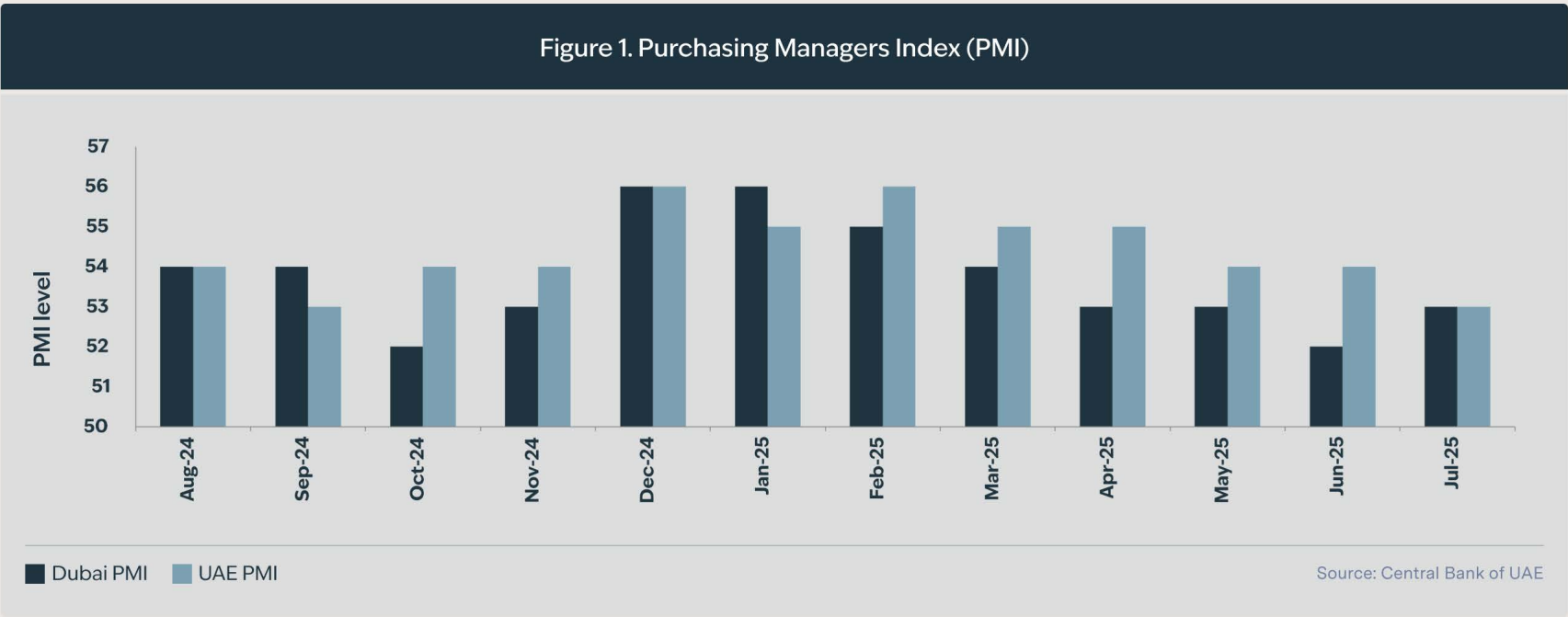
UAE GDP rises 3.9% YoY in Q1; 2025 outlook raised to 4.9%

The UAEs economy was underpinned by strong growth in the non-oil sector in Q1 2025. The real GDP growth forecast for 2025 has been revised upward to 4.9% from the previous estimate of 4.4% in the June 2025 review. This upgrade reflects a faster-than-expected increase in oil production following the August OPEC+ quota adjustments, alongside continued strength in non-oil activity. The higher forecast for non-oil GDP in 2026 also factors in expected spillover benefits from robust oil sector performance, including increased investment, government spending, and overall business confidence.

Table 1. Real GDP growth in the UAE (%)					
	2022	2023	2024	2025f	2026f
Overall GDP	7.5	4.3	4	4.9	5.3
Oil-GDP	8.9	-3	1	5.8	6.5
Non-oil GDP	7	7	5	4.5	4.8

Source: Central Bank of UAE

UAE PMI holds at 52.9 in July, Dubai surges to 53.5 due to increased activity in core sectors



The Purchasing Managers’ Index (PMI) is a key indicator that measures the health of the private sector economy, shows whether business activity is expanding or contracting. A reading above 50 signals growth, while below 50 indicates a slowdown.

In July 2025, the UAE’s non-oil private sector continued to expand, highlighting the economy’s resilience and adaptability despite softer global demand. The UAE’s overall PMI stood at 52.9, slightly lower than 53.5 in June, but still comfortably above the 50 mark, signalling sustained growth across key industries. Although the pace of new business slowed, businesses maintained strong output by clearing backlogs and remained optimistic about future activity. In Dubai, business conditions improved more significantly, with the PMI rising to 53.5 from 51.8, driven by stronger client demand and increased activity in core sectors.

From surge to stability: Dubai's property market in Q3 2025

Key takeaways

Momentum holds:

Despite a 6.4% dip in total value, transactions surged 11.4% QoQ, signalling sustained demand and market resilience.

Apartments power growth:

Off-plan apartment sales soared 35% QoQ, with 37,980 units sold, reaffirming investor confidence.

Villas cool after highs:

Sales eased 30% QoQ with less off-plan launches after a record-breaking H1, though secondary demand stayed strong.

Off-plan dominates value:

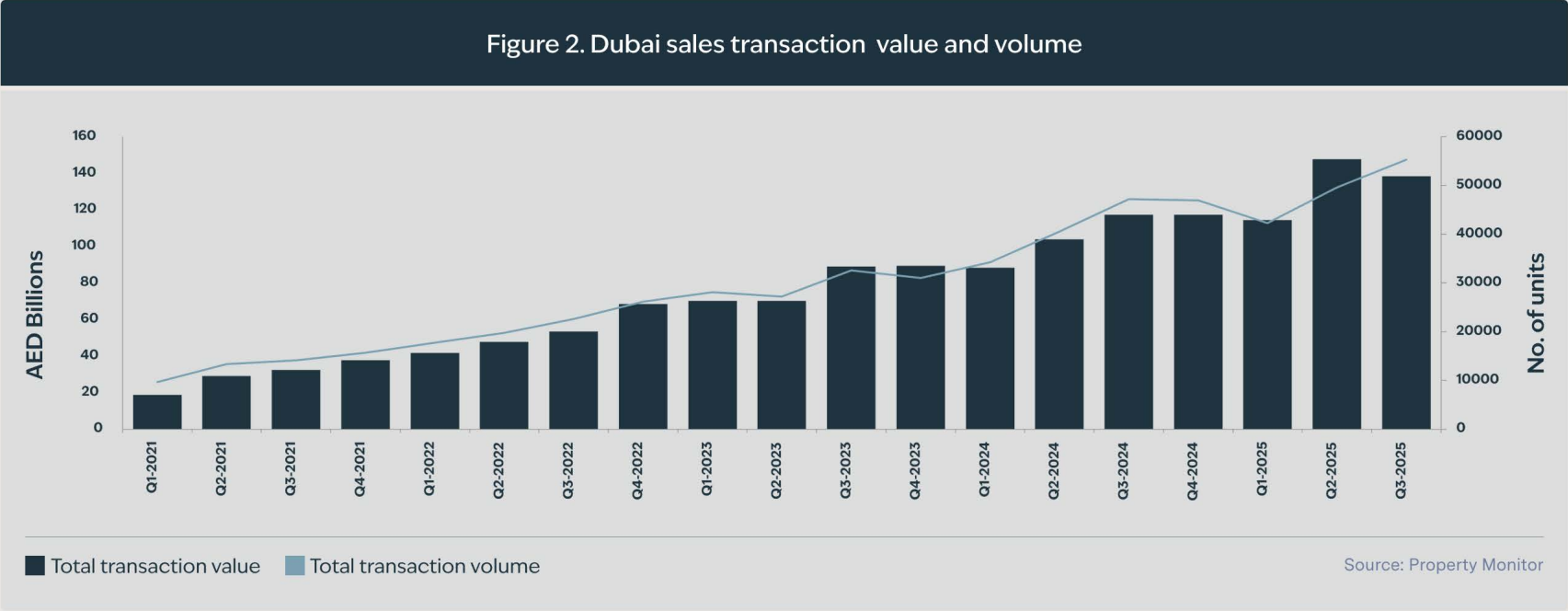
Apartment sales hit AED 93B, with off-plan making up 81% of total value.

Shifting preferences:

Studios and 1-2 bed units drove 80% of apartment deals, reflecting investor focus on liquidity and rental returns due to high demand from renters.

Dubai's property momentum stays strong through Q3

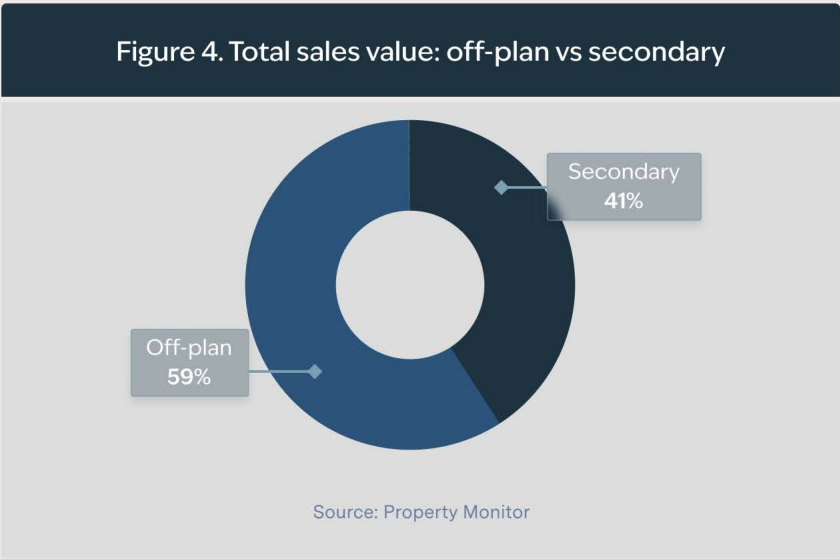
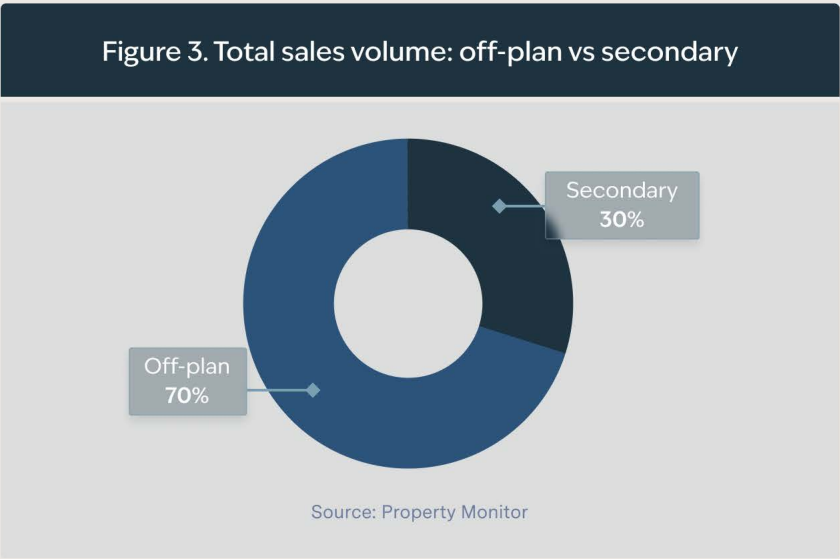
AED 138.3B in Q3 sales, volume up 11.4% QoQ, value down 6.4% QoQ



An extra 7,400 studio & 1-beds sales boost Q3 volumes despite value dip

In Q3 2025, Dubai's residential property market continued to show resilience, with 55,280 transactions recorded, a strong performance despite a 6.4% dip in total value from Q2's record high. The decline was largely seasonal and accompanied by a shift in buyer preference toward smaller, high-liquidity units. Studios (around 2,100 units) and one-bedrooms (over 5,300) saw increased activity compared to Q2, helping boost transaction volumes and highlighting ongoing demand for accessible investment opportunities. On a year-on-year basis, both transaction volume and value rose by 18%, reflecting the market's sustained depth and broad-based growth.

Off-plan share reaches all-time high



Off-plan sales volume continues upward trend, reaching highest share in 3 years

Off-plan transactions accounted for 70% of total sales volume in Q3 2025, the highest on record, up from 65% just three quarters ago. In total sales value, off-plan deals contributed 59%, also a new peak, surpassing the historic 50–58% range seen since 2023. With a strong pipeline of upcoming supply and continued new project launches, off-plan sales are expected to remain in the lead, driven by attractive returns and sustained investor appetite.

Apartments lead the charge

Apartment volumes surge 22% QoQ, the second-biggest jump in 2 years

Off-plan apartment sales surge 35%, the biggest jump ever recorded

Dubai’s apartment market remained highly active in Q3 2025, with a total of 48,646 units sold. The surge was almost entirely driven by the off-plan segment reflecting strong investor appetite for new projects and confidence in the future health of the market.

Secondary apartment market sees first 11% dip in Q3 since 2021

The secondary market eased to 10,666 units sold as buyers increasingly shifted toward off-plan opportunities. On a year-on-year basis, total apartment sales rose 28%, with off-plan transactions leading the growth, while secondary sales saw a slight decline. This highlights the growing dominance of off-plan sales in shaping Dubai’s apartment market and reflects sustained momentum. Apartments remain the preferred asset class for investors, thanks to their relative affordability, strong liquidity, and consistent demand.

Figure 5. Apartment market split: off-plan vs secondary



Historic milestone: apartment sales hit AED 93B in Q3, the highest level ever recorded

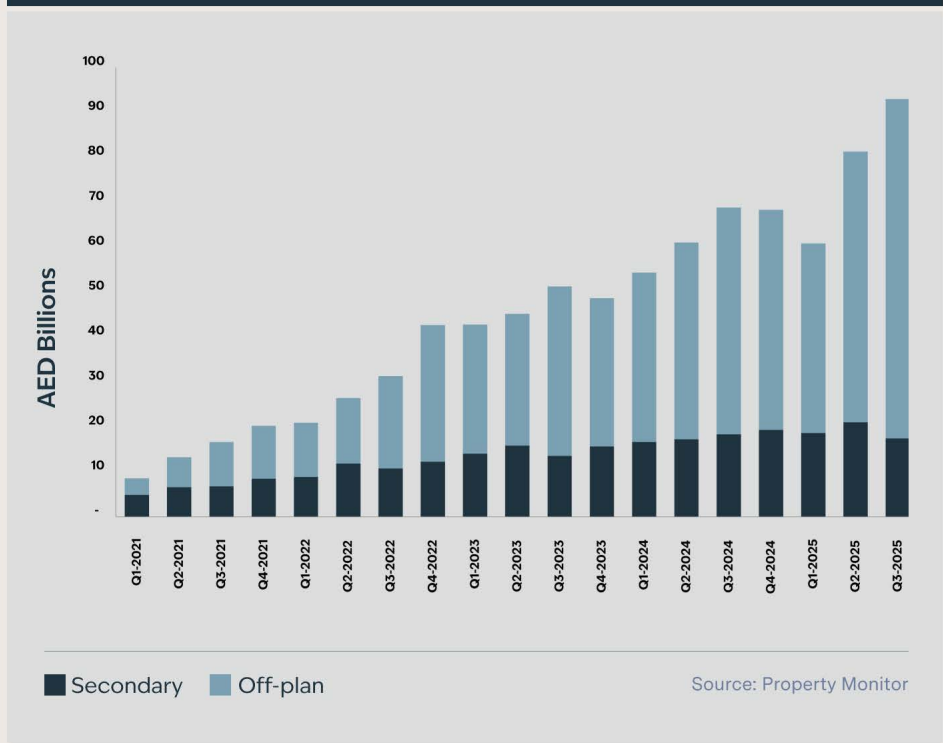
Off-plan accounts for 81% of apartment sales value, the highest on record

Dubai’s apartment market continued its strong performance in Q3 2025, with total sales value increasing 14% quarter-on-quarter to AED 93B. This growth was primarily fuelled by a 25% rise in off-plan transaction value, while secondary sales values declined 17% over the same period.

Studios and 1BR drive over 60% of apartment transactions

Activity was concentrated in key areas such as Jumeirah Village Circle (9.6% of total transactions), Business Bay (7.4%), and Dubai Science Park (4.7%). In terms of unit preferences, studios (21.5%), one-bedrooms (41.2%), and two-bedrooms (20.3%) remained the most sought-after, highlighting investment-friendly units that offer liquidity and rental appeal.

Figure 6. Value of apartment sales (DLD)

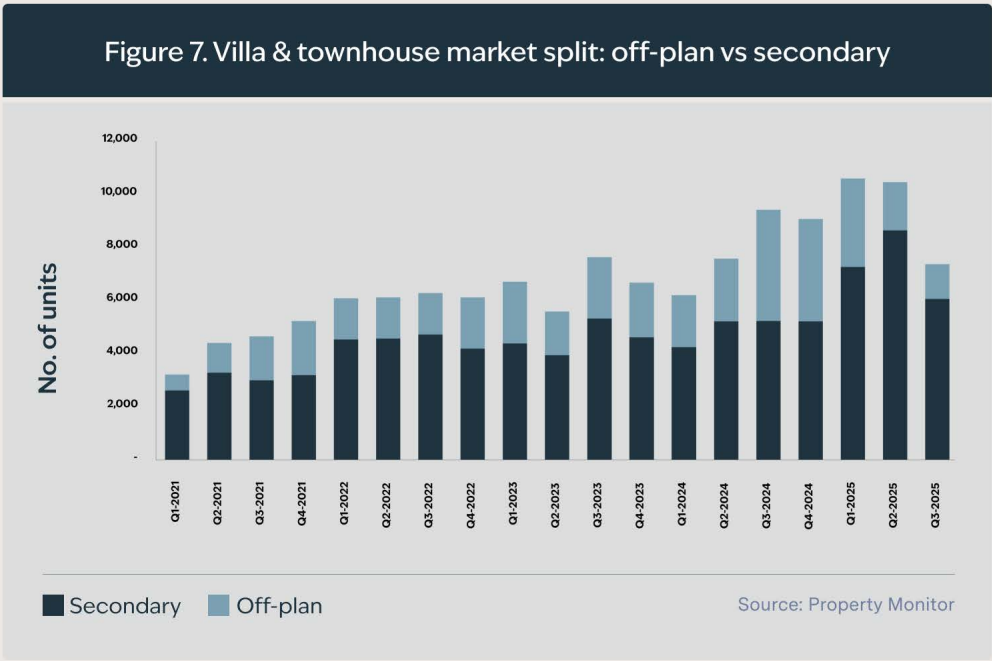


After the surge: villas and townhouses stabilise

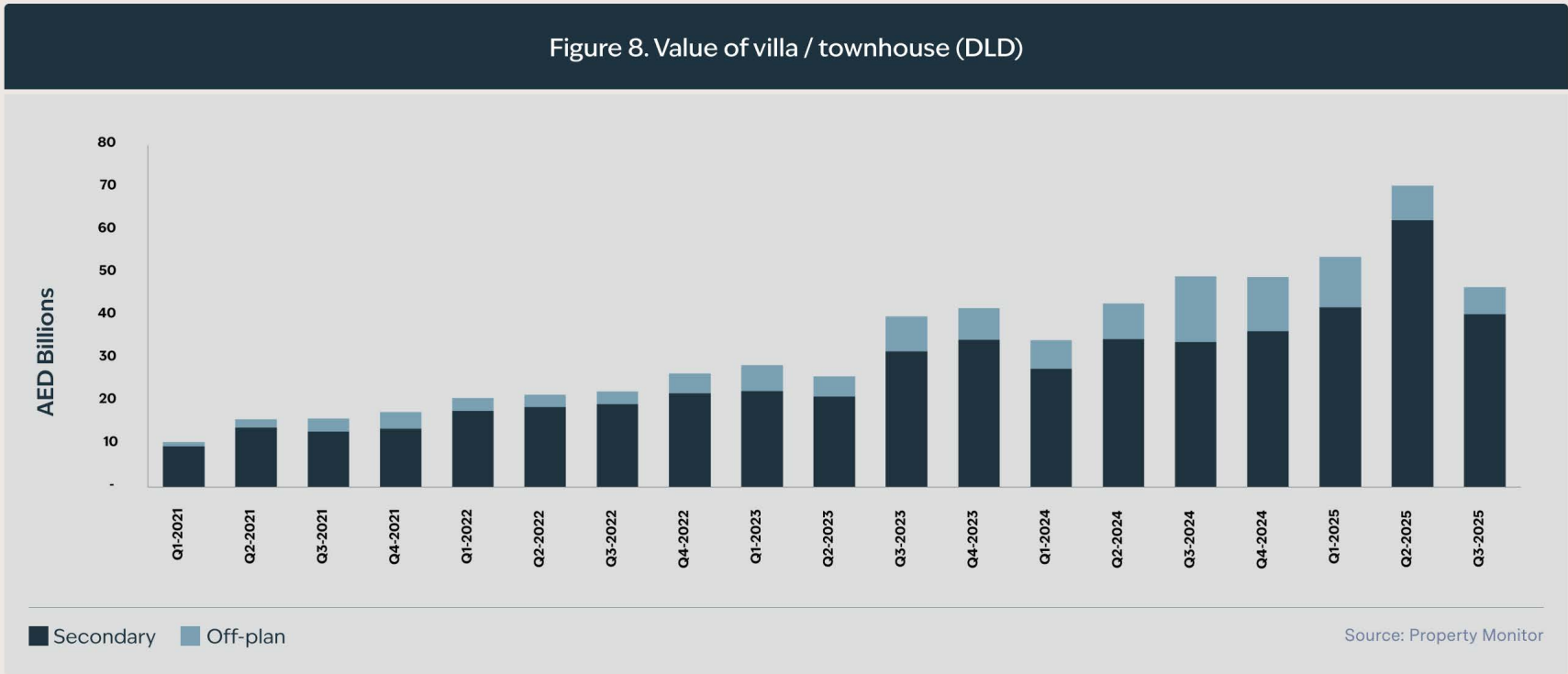
Villa & townhouse sales volume ease after record highs in Q2

Overall volumes drop 30% QoQ after exceptional H1 surge

Dubai’s villa and townhouse market saw a noticeable slowdown in Q3 2025, following the record-breaking activity in the first half of the year. Sales volumes fell by 30% in the secondary market and 28% in off-plan transactions, reflecting a natural cooling after an exceptionally strong start. On a year-on-year basis, total transactions declined 22%. While secondary sales remained 16% higher than Q3 2024, off-plan activity dropped sharply by 69%. The slowdown mainly reflects how strong the first half of 2025 was after such high sales in Q1 and Q2, a smaller number in Q3 is a normal adjustment rather than a sign of weaker demand and is also partly due to a temporary pause in new project launches.



After 5 straight quarters of gains, villa & townhouse values slip 34% in Q3



Market cooldown reflects natural post-rally adjustment

Dubai’s villa and townhouse market softened in Q3 2025, ending a five-quarter streak of steady gains. Overall sales value fell 34%, led by a 35% drop in secondary sales and a 21% decline in off-plan transactions, marking a natural cooling after exceptional growth in H1. On a year-on-year basis, total sales value eased by 5%. Secondary sales remained 19% higher than Q3 2024, while off-plan sales fell by 58% YoY.

3BR and 4BR drive over 70% of villa & townhouse transactions

Activity was concentrated in key communities such as The Wilds (10.7%), Damac Islands (10.3%), and Grand Polo Club & Resort (8%). Larger homes continued to dominate demand, with 4-bedroom units accounting for 44.7% of transactions, followed by 3-bedrooms at 27.7% and 5-bedrooms at 17.9%. The data underscores strong appetite for spacious, family-oriented properties in emerging and lifestyle-focused communities.



Christopher Cina, Director of Sales at betterhomes says,

“Q3 2025 shows the strength and depth of Dubai’s property market with over AED 138 Billion in transactions and more than 55,000 deals recorded, demand remains broad-based and resilient. Even as values eased 6% from Q2 highs, volumes surged 11%, highlighting how the market is expanding across price points and buyer profiles. This balance of sustained activity and measured growth reflects a maturing market that continues to attract investors and end-users alike”

Rising residential supply, record-setting prices: Dubai's market keeps its momentum

Key takeaways

Strong pipeline ahead:

Over 28,500 units have been delivered so far in 2025, with 52,000+ more coming by early 2026 and 200,000+ by 2027, underscoring Dubai's development momentum.

Apartments dominate supply:

Apartments made up 85% of Q3 handovers, led by JVC, Business Bay, and Town Square.

Prices hit record high:

Average prices climbed to a historic AED 1,664 per per sq ft. (+5.2% qoq), nearly double 2020 levels.

Macro tailwinds strengthen appeal:

A 25-bps (base points) fed rate cut and a weaker USD enhance affordability and attract global buyers.

Broad-based growth:

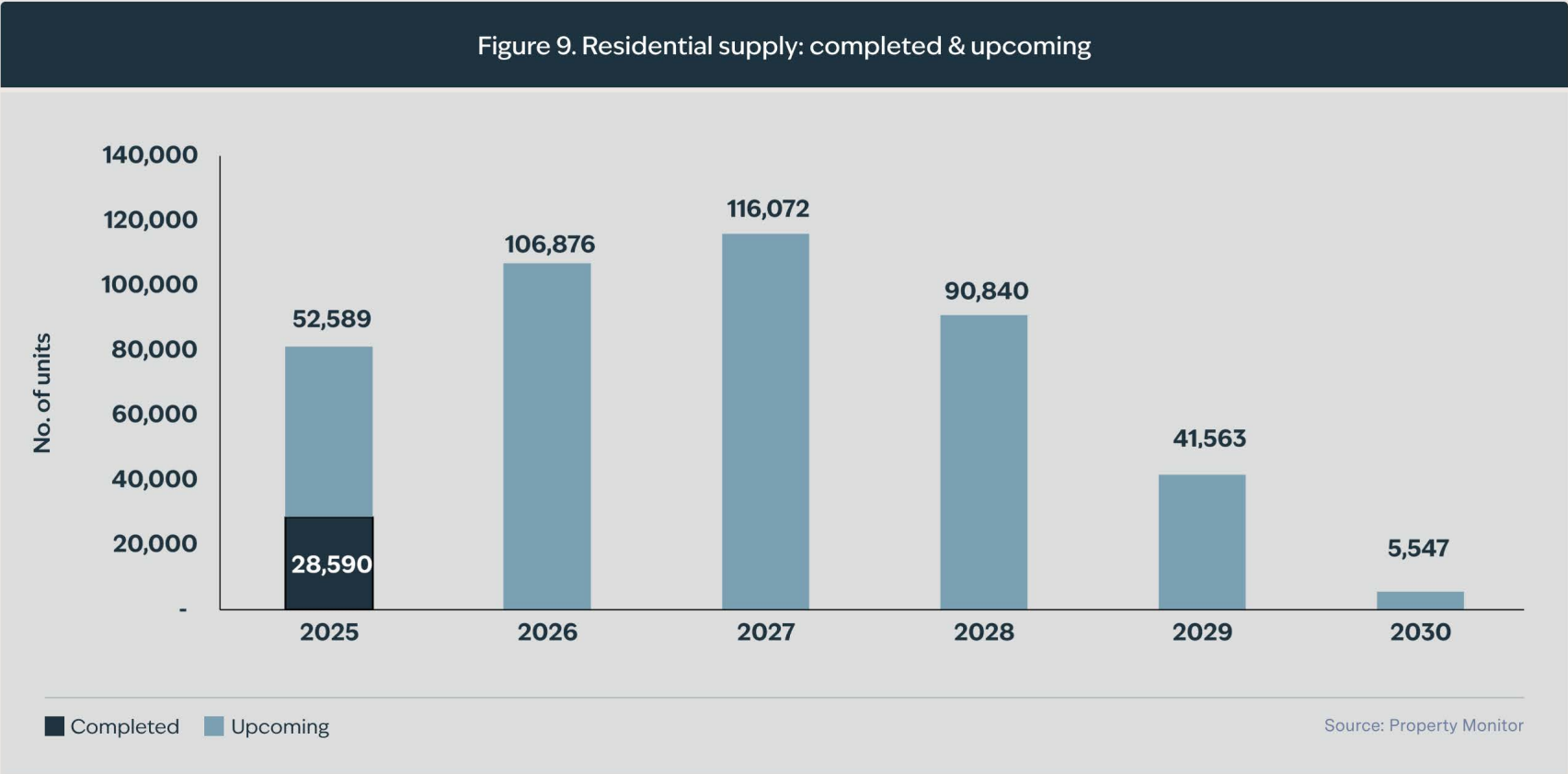
Communities like Meydan (+13%), Dubai Science Park (+9%), and Palm Jumeirah (+7%) led gains across apartments, villas, and townhouses.

Diverse demand drivers:

Hubs like Town Square and Motor City thrive on investor interest, while prime villa areas like Dubai Hills Estate and Nad Al Sheba remain in- demand.

Residential supply

Dubai’s residential supply strengthens with a robust pipeline ahead



No signs of slowing: 250,000+ units to be launched in Dubai by 2027

Dubai’s residential supply pipeline continued to expand steadily through the first nine months of 2025. A significant portion of supply is still expected to enter the market in Q4 2025 and early 2026. Looking further ahead, supply remains substantial, with more than 200,000 units scheduled for delivery by 2027, highlighting the strength and depth of Dubai’s development momentum.

Apartments accounted for 85% of all handovers in Q3

In Q3 2025, Jumeirah Village Circle (JVC) once again led all communities in handovers, followed by Business Bay and Town Square highlighting continued demand in these key residential hubs. Apartments remained the most handed-over property type, followed by townhouses and villas, underscoring the market’s focus on high-density, investment-oriented residential supply.

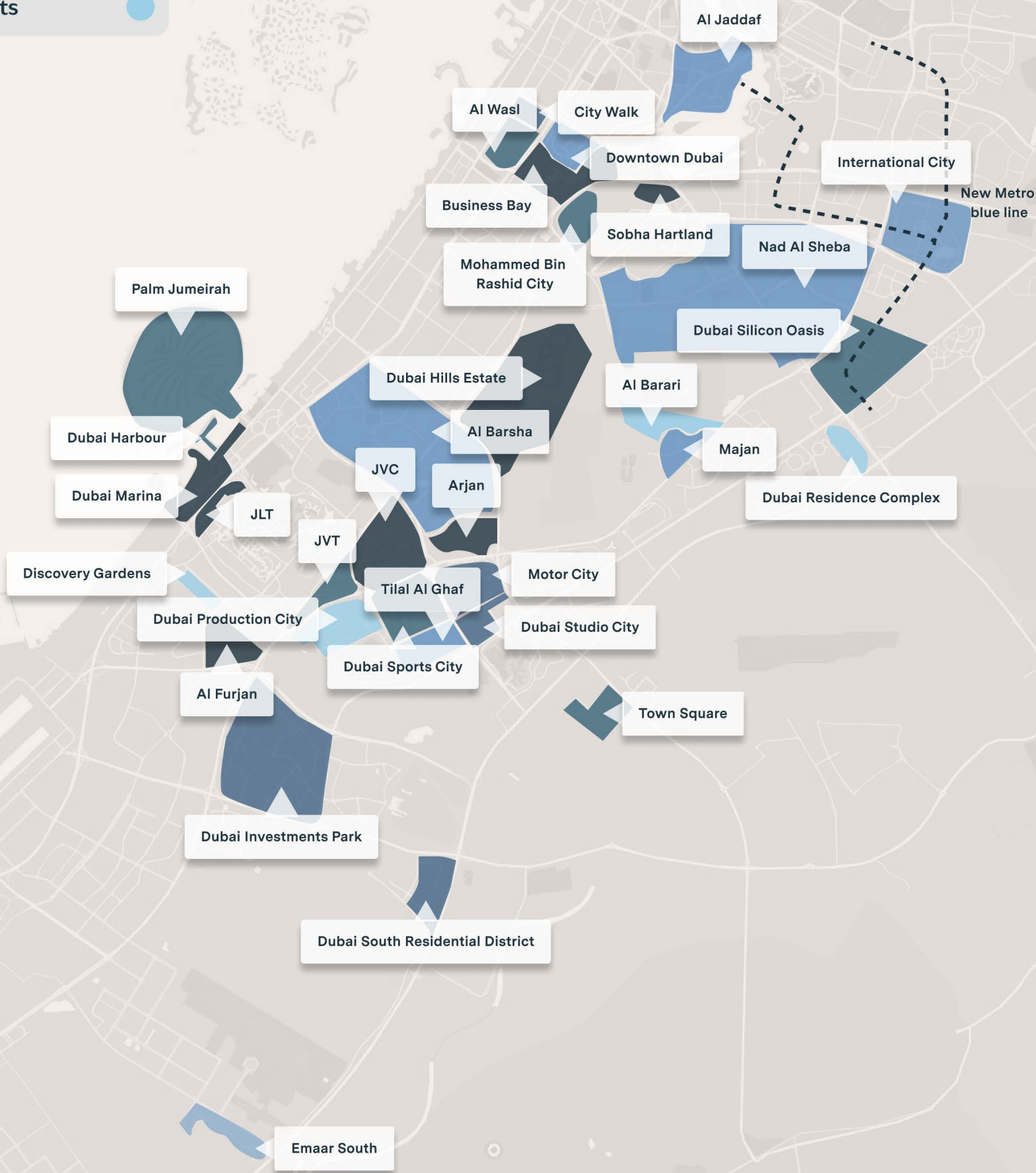
22,000 villas & 42,000 townhouses set for delivery by 2030

This substantial pipeline underscores Dubai’s ability to accommodate large-scale residential growth across segments. It reflects the city’s long-term development trajectory and its readiness to meet evolving housing needs, while supporting sustained population and economic expansion.

Concentration of upcoming supply

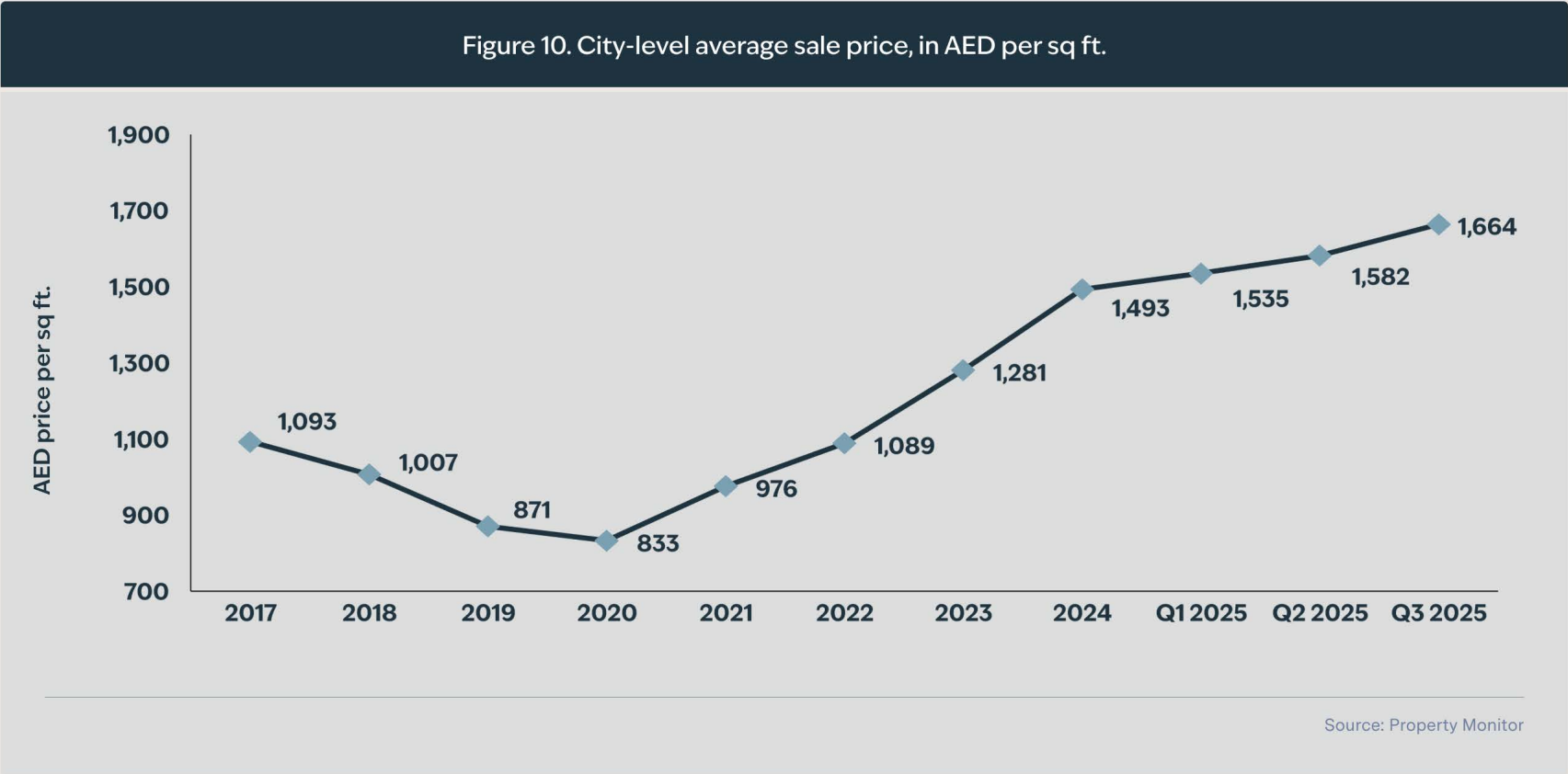


Source: Property Monitor



Average sales price per sq ft.

Dubai home prices hit record high at AED 1,664 per sq ft.



Average sale prices surge 5.2% QoQ and 16.7% YoY

Dubai’s residential market maintained its strong upward trajectory in Q3 2025, with the citywide average price per sq ft. rising 5.2% QoQ to AED 1,664, the highest level on record, highlighting the market’s sustained strength and recovery from its 2020 low of AED 833 per sq ft.

End-user demand and investor confidence fuel price gains

The steady price growth is driven by robust end-user and investor demand, underpinned by population expansion, major infrastructure projects, and rising activity across both off-plan and secondary markets. Apartments continue to lead this growth, supported by their affordability, liquidity, and consistently high demand, further cementing Dubai’s appeal as a global investment destination.

Stable AED and interest rate cuts further boost investment appeal

In its September 2025 meeting, the U.S. Federal Reserve lowered the federal funds rate by 25 base points (bps), the first cut since December 2024, adjusting the target range to 4.0%–4.25%. This 25 bps cut helps ease borrowing costs, making property investment more accessible. The AED’s peg to the USD ensures currency stability, and when the USD weakens, the AED becomes cheaper relative to other currencies, enhancing affordability and investment appeal for non-USD buyers. This dynamic, combined with strong fundamentals, is further strengthening Dubai’s position as a leading global real estate market.

Top performers in price growth

■ Apartments

■ Villas

■ Townhouses

Source: Property Monitor



betterhomes |

Sales performance Q3 2025

Yearly comparison

Sales performance strengthened significantly, with leads up 38% YoY, driven by a 91% surge in townhouse leads, alongside a 5% growth in apartments and 12% in villas.

In contrast to the broader Dubai property market where overall transactions rose 18% YoY and villa sales dropped by 22%, betterhomes recorded a stronger performance, with total deals climbing 24%. Growth was led by townhouses (+50%), followed by villas (+29%) and apartments (+19%). Average selling price reached AED 4.13 Million, driven by AED 1.83 Million for apartments, AED 3.7 Million for townhouses, and AED 12.9 Million for villas.

Quarterly comparison

Momentum steadied with sales leads up 2% QoQ, though leads for apartments (-8%), villas (-8%), and townhouses (-5%) declined from Q2 highs. However, growth in leads for other property types such as land, hotel apartments, and penthouses offset the dip and drove the overall 2% increase.

While the DLD recorded an 11% rise in total transactions, betterhomes saw a 2% dip, largely due to a 6% drop in apartment sales. However, this was partially offset by growth in villa and townhouses deals, which rose 7% and 3% respectively. Investor activity at betterhomes climbed by 5 percentage points to 63%, while mortgage-backed purchases slightly declined, easing 3 points to 51%.

Buyer demand rose by 2% QoQ, while average villa sale prices at betterhomes surged 40% and 86% YOY

Table 2. Buyer demand at betterhomes in Q3		
Leads	YoY	QoQ
Buyer leads	38%	2%
 Apartments	5%	-8%
 Villas	12%	-8%
 Townhouses	91%	-5%

Table 3. Average selling price stood at AED 4.1m at betterhomes in Q3			
	Average selling price	YoY	QoQ
 Apartments	1.8M	21%	4%
 Villas	3.7M	24%	-3%
 Townhouses	13M	86%	40%

Source: betterhomes

betterhomes overall sales ease 2% QoQ after strong H1, but remain 24% ahead YoY

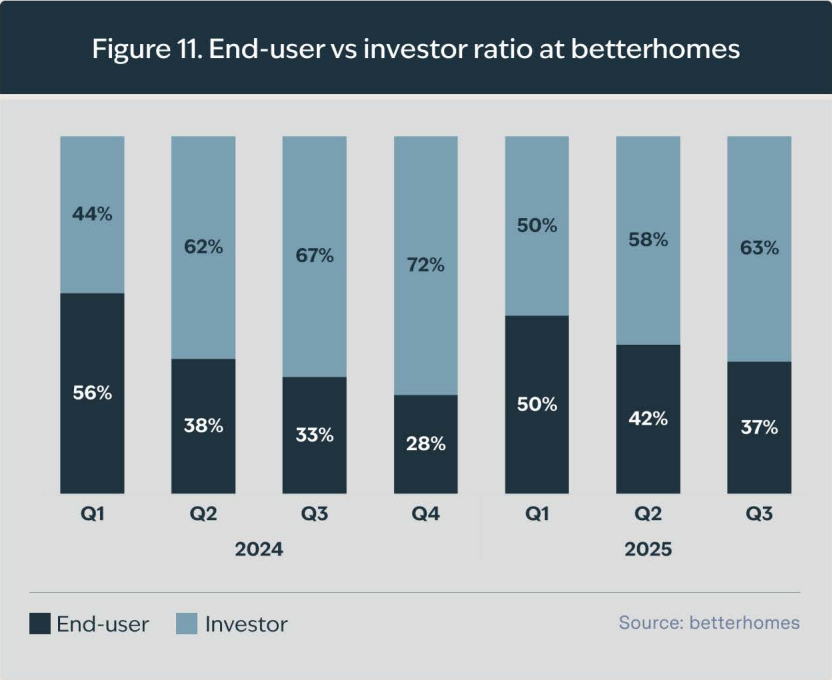
Dubai’s residential market maintained steady momentum in Q3 2025, though activity moderated slightly QoQ, reflecting a stabilisation after an exceptionally active first half. Across the wider market, apartment sales volumes rose 22% QoQ, fuelled by strong off-plan demand and continued investor interest. In contrast, betterhomes recorded a 6% QoQ dip, marking a natural pause following the record transaction levels achieved earlier in the year. The average selling price at betterhomes stood at AED 4.1 Million, with apartments averaging AED 1.83 Million, broadly in line with DLD’s AED 1.9 Million benchmark.

Dubai Marina & Dubai Hills lead demand for apartments

Demand remained concentrated in established, high-demand communities. The Springs and Town Square emerged as top choices for villa and townhouse buyers highlighting the ongoing appeal of both mature and family-focused neighbourhoods.

Investors dominate for the 6th consecutive quarter at betterhomes

betterhomes saw a clear shift towards investor-led demand in Q3 2025, with investors making up 63% of total buyers, up from 58% in Q2 and 50% in Q1, reflecting growing confidence driven by strong rental yields, attractive off-plan launches, and Dubai’s global investment appeal. End-user share softened to 37%, down from the early-year rebound, as rising prices and investment-focused activity reshaped buyer dynamics. This trend highlights a maturing market increasingly driven by capital-focused buyers while still supported by steady end-user demand.

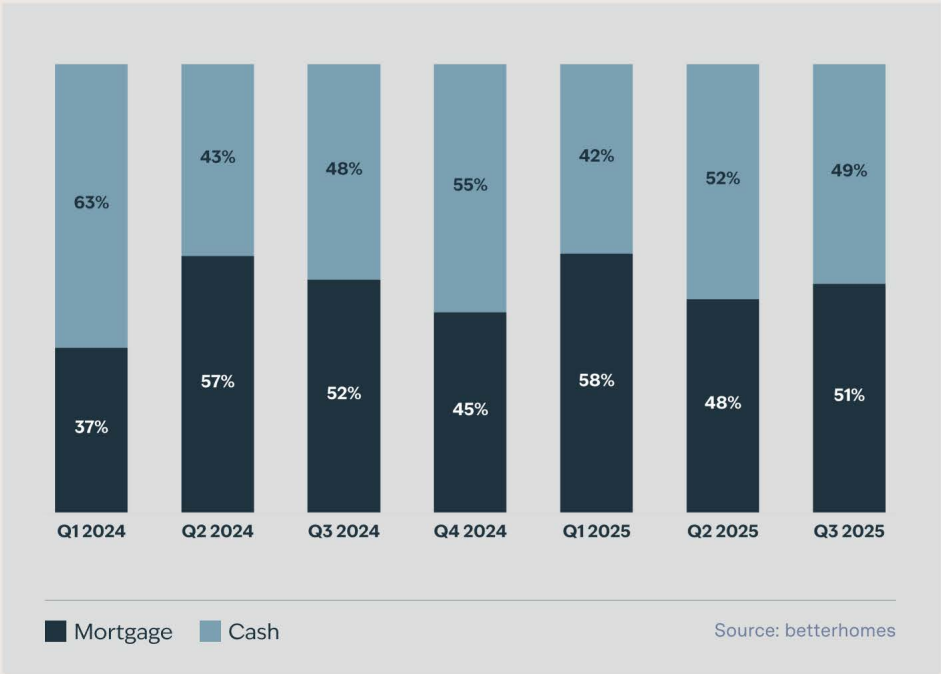


Cash vs mortgage: Q3 continues the trend of a stable buyer mix

Dubai’s property market saw a more balanced split between cash and mortgage purchases in Q3 2025, with 51% of transactions financed through mortgages and 49% completed in cash. This marks a notable shift from early 2024, when cash buyers accounted for 63% of the market, reflecting a gradual rise in financing activity and broader participation from end-users and first-time buyers. While the recent U.S. Federal Reserve rate cut in September came too late to significantly influence Q3 figures, lower borrowing costs are expected to support mortgage uptake in the coming quarters, potentially shifting the balance further towards financed purchases.

Meanwhile, the sustained share of cash transactions highlights continued confidence from high-net-worth investors and overseas buyers, underscoring the market’s depth and diversity.

Figure 12. Cash vs mortgage ratio at betterhomes



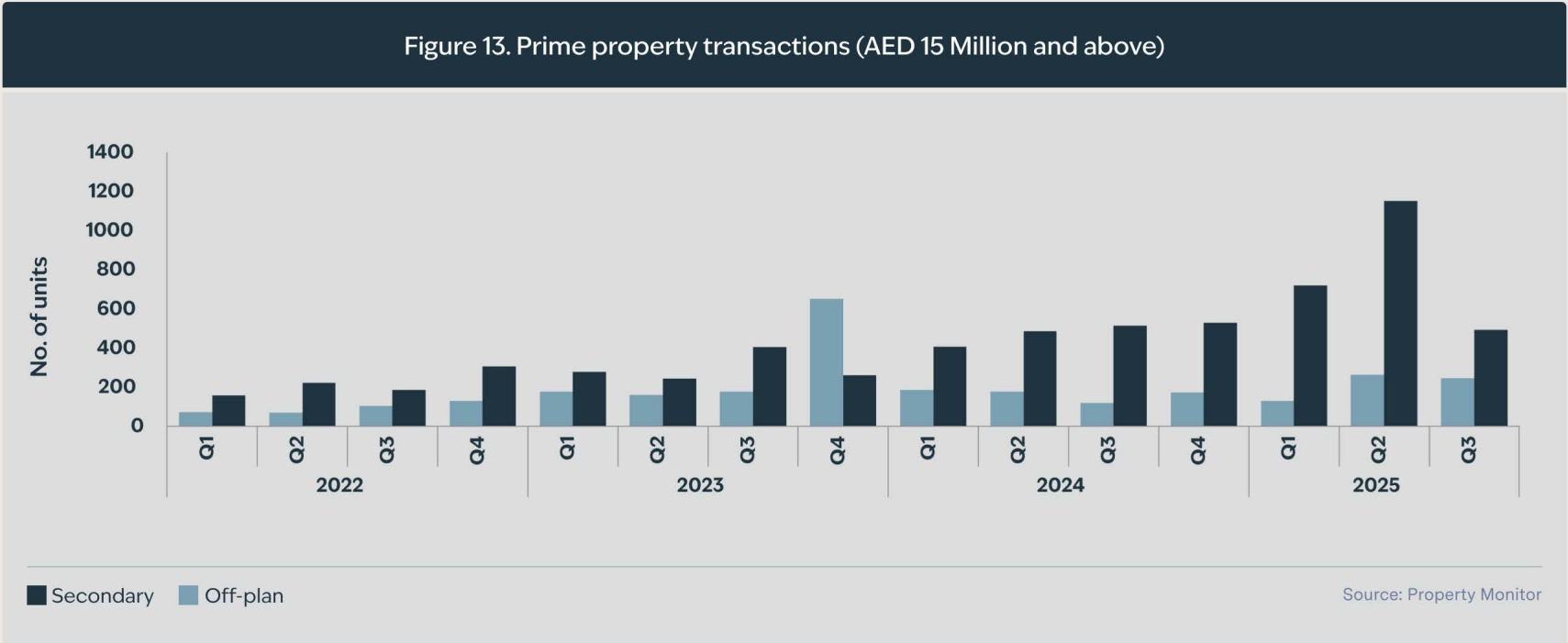
Top buyer nationalities at betterhomes



India retained its top spot

At betterhomes, India retained the No. 1 spot in Q3 2025, overtaking the UK, which had led in the previous quarter. The buyer mix saw notable shifts, with strong activity from the UAE, Canada, and emerging interest from the U.S. and Australia. These changes reflect an increasingly global client base and reinforce Dubai’s appeal as a key investment destination, supported by favourable currency dynamics and lower interest rates.

Dubai’s prime real estate moves into a stable phase



737 prime deals in Q3 as post-peak normalisation sets in

Dubai’s prime property market (AED 15 Million and above) experienced a moderation in Q3 2025 following record-breaking activity earlier in the year. 492 secondary sales and 245 off-plan deals were recorded. While secondary transactions declined from the historic peak of 1,153, in Q2, they remained well above historical averages, reflecting continued strength in the prime property market.

Prime off-plan transactions ease slightly from Q2 highs signalling market maturity

Off-plan deals were 245 in Q3 vs 264 in Q2, and demand remained resilient, signalling ongoing confidence in future supply. The quarterly pullback is not unexpected following a surge in H1 2025, and suggests the market is entering a more sustainable phase of growth and maturity rather than weakening. Overall, the prime segment continues to outperform historical norms, underpinned by Dubai’s global safe-haven appeal, a stable currency environment, and rising demand from international buyers even as activity normalises after an exceptionally strong first half.

Table 4. Top prime communities in Q3	
Secondary	Off-plan
The Oasis	Jumeirah
Dubai Hills Estate	Palm Jumeirah
Palm Jumeirah	Downtown Dubai
Mohammed Bin Rashid City	Mohammed Bin Rashid City
Nad Al Sheba	Business Bay

Source: Property Monitor

PRIME

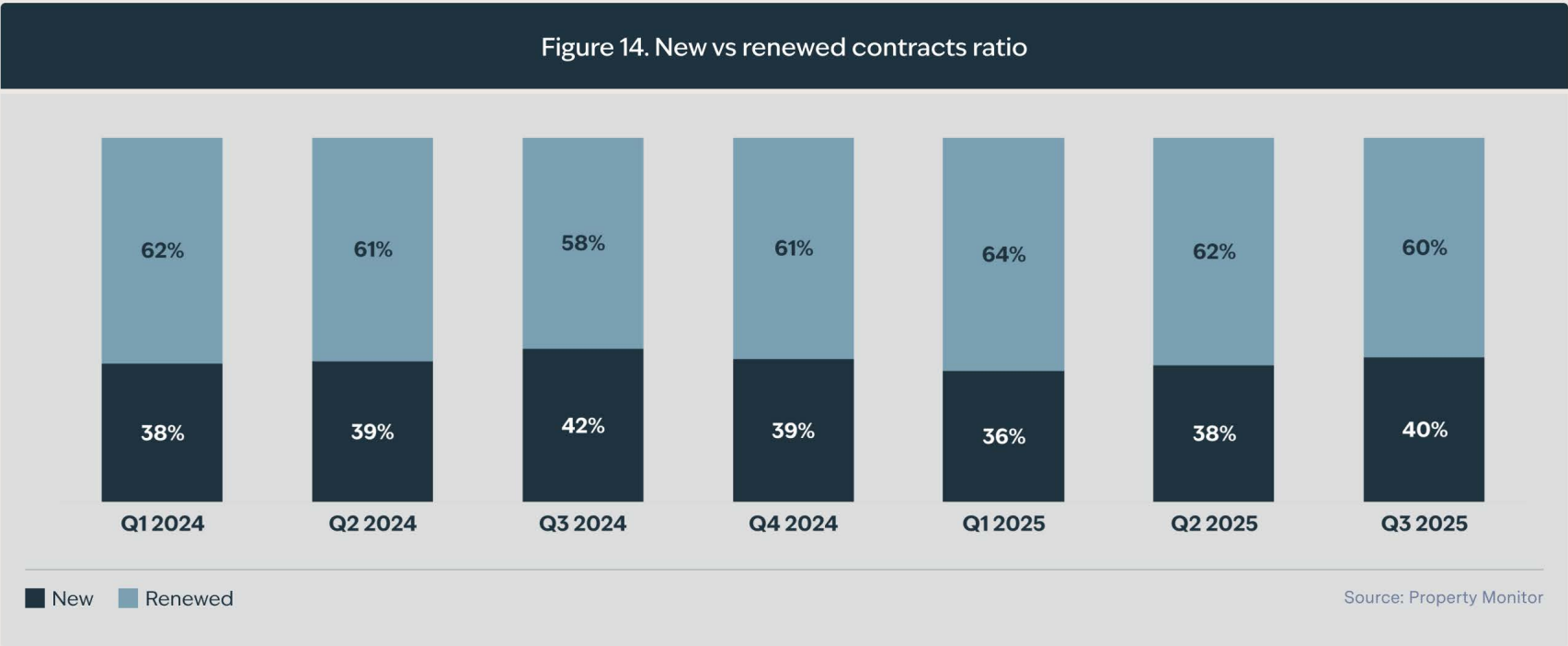
by betterhomes

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.

Rental market resilience shows no signs of slowing

Rental contracts rebound to 138,864, the third-highest level on record as renewals dominate again

Dubai's rental market remained resilient in Q3 2025, with a sharp rebound from 107,830 in Q2 to 138,864 in Q3. Renewed contracts continued to dominate, accounting for 60% of the total, while new contracts made up 40%, slightly higher than the 38% share in Q2, suggesting a gradual increase of new tenants entering the market. The dominance of renewals underscores a broader trend of residents choosing to extend existing leases amid rising rents and limited availability in preferred communities. However, the steady share of new contracts points to continued inward migration and new household formation, which remain key demand drivers.



Average rental price growth in Q3

Apartments

Villas

Average rental price (AED per year)

Source: Property Monitor



betterhomes | Rental performance

Q3 2025

Yearly comparison

Leasing deals surged 92% YoY, fuelled by robust growth across all segments, apartment deals rose 84%, villas 97%, and townhouses soared 164%. Tenant demand remained strong, with leads up 40% YoY, driven by rising interest in apartments (+26%) and villas (+39%).

Average annual leasing prices reached AED 144,000 for apartments, AED 198,000 for townhouses, and AED 417,000 for villas, reflecting stable rental values amid heightened leasing activity.

Quarterly comparison

Leasing transactions rose 29% QoQ, supported by strong performance in apartments (+42%) and townhouses (+36%), while villas dipped 2%, signalling a slight cooling at the top end.

Tenant leads increased 45% QoQ, led by apartments (+57%), townhouses (+36%), and villas (+19%). Flexible payment structures remained a key feature of the rental market, with 4-cheque (31%), 1-cheque (30%), and 3-cheque (26%) options dominating new lease agreements.

Rental performance and demand insights at betterhomes

Table 5. Tenant demand rose by significant 45% QoQ at betterhomes in Q3		
Leads	YoY	QoQ
 Apartments	26%	57%
 Villas	39%	19%
 Townhouses	228%	36%

Table 6. Average leasing price stood at AED 196,000 per year at betterhomes in Q3	
	Average leasing price (AED per year)
 Apartments	145,000
 Villas	417,000
 Townhouses	198,000

Source: betterhomes

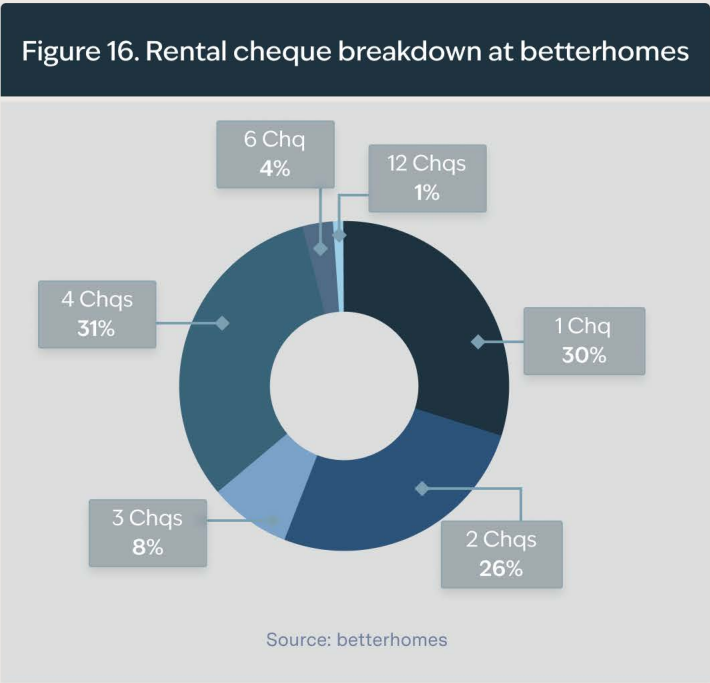
Leasing prices dip 15% QoQ for units transacted at betterhomes

On the pricing side, the average annual leasing price stood at AED 196,000, showing a modest 4% YoY growth but a noticeable 15% QoQ decline, suggesting a market stabilisation after earlier highs. Apartments saw only marginal growth, averaging AED 145,000 per year, while townhouse and villa rents dipped. Demand signals remained strong, with tenant leads rising 45% QoQ, particularly in townhouses and apartments. Leasing activity remained concentrated in established and sought-after areas, with Dubai Marina and Jumeirah Lake Towers leading apartment rentals, while Dubai Hills Estate and Arabian Ranches 3 emerged as top choices for villas and townhouses, underscoring sustained demand in family-focused communities.

Leasing transactions soar 29% QoQ at betterhomes in Q3, led by apartments

Dubai’s leasing market showed steady momentum in Q3 2025, with leasing transactions at betterhomes surging 92% YoY, reflecting robust demand across segments. Apartments led activity, with transactions rising 42% QoQ, highlighting their continued appeal as the preferred rental choice.

Rental payment trends



Rupert Simmonds, Director of Leasing at betterhomes says, “Q3 2025 reflects a resilient and evolving rental market. Total leasing transactions surged 92% year-on-year and 29% quarter-on-quarter, driven by strong demand for apartments and townhouses. Even as average rents stabilised at AED 196,000 robust tenant activity and rising leads signal continued confidence in Dubai’s rental sector, underscoring its appeal to both new residents and long-term occupiers”

Conclusions

Market enters a mature, stable phase:

Dubai’s residential market transitioned from rapid expansion to stabilised growth in Q3 2025. Transaction volumes rose 11% QoQ even as values eased 6%, signalling sustained depth after five consecutive quarters of expansion. The UAE’s GDP upgrade to 4.9% reinforces a strong macro backdrop supporting this steady performance.

Supply pipeline remains strong and diverse:

Over 28,500 units have been delivered year to date, with 250,000 more scheduled through 2027. Apartments made up 85% of Q3 handovers, led by JVC, Business Bay, and Town Square.

Apartments remain the growth engine:

Apartments continued to anchor market activity, with sales up 22% QoQ to 48,600 units, the second-strongest surge in two years. Off-plan deals accounted for 81% of apartment value (AED 93 billion).

Prices reach historic levels:

Average residential prices climbed 5.2% QoQ to AED 1,664 per sq ft. - nearly double 2020 levels. Gains were supported by end-user demand, liquidity in mid-market communities, and a weaker USD improving affordability for global investors.

Villas and townhouses recalibrate after record highs:

Following an exceptional H1, villa and townhouse transactions eased 30% QoQ as the market adjusted naturally to earlier highs and a temporary slowdown in new project launches. Demand for larger family homes, however, remained solid across Dubai’s most desirable communities.

Rental market holds firm:

Rental activity remained robust with 138,800 contracts, the third-highest on record, as renewals continued to dominate amid tight supply.

betterhomes outperforms the wider sales market:

While Dubai’s total transactions grew 18% YoY, betterhomes achieved a 24% increase, led by 50% growth in townhouses and 29% uplift in villas. A balanced buyer mix with 63% investors and 37% end-users, highlight its resilience and agility across market cycles.

betterhomes leasing momentum accelerates:

Leasing transactions surged 92% YoY and 29% QoQ, driven by apartments and townhouses. Average annual rents stabilised near AED 196,000, signalling a maturing rental market and greater sustainability in tenant demand.

Methodology

This report was prepared entirely in-house by the betterhomes team, combining official data sources, proprietary insights, and independent analysis.

Transactional data for apartments, villas, and townhouses was sourced from the Property Monitor, covering both off-plan and secondary market activity across Dubai. Macroeconomic indicators including GDP growth, oil and non-oil sector performance, and business activity metrics such as the Purchasing Managers' Index (PMI), were obtained from the Central Bank of the UAE.

betterhomes internal brokerage data was extensively analysed to benchmark market performance, buyer and tenant demand patterns, and average transaction values. All figures were cross-checked for consistency and accuracy to ensure a comprehensive and reliable view of market trends. The analysis, interpretation, and design of this report were conducted in-house to deliver objective, data-driven insights into Dubai's evolving residential property landscape.

Our services

- ◆ Residential Sales & Leasing
- ◆ Development Sales & Consultancy
- ◆ Luxury Properties
- ◆ Property Management
- ◆ Mortgage Services
- ◆ Central Leasing
- ◆ Global Affiliations
- ◆ Conveyancing Support
- ◆ Learning & Development
- ◆ Client Partnership Team
- ◆ Off Plan Sales
- ◆ Corporate Relocation & Services

Meet the team



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Chief Executive Officer



Rupert Simmonds
Director of Leasing



Christopher Cina
Director of Sales



Marcus Flacks
Director of Marketing and Communications



Sidharth Appaiah
Investments Analysis Manager



Elsa Angelo
Public Relations and Marketing Manager

What makes us different?

OVER
250K
PROPERTY
TRANSACTIONS

OVER
300
COMMUNITY
SPECIALISTS

A TRANSACTION
EVERY
12
MINUTES

OVER
2,500
POSITIVE
REVIEWS

OVER
1.7M
ACTIVE CLIENT
DATABASE

Leading real estate company in the UAE.

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