

MARKET FUNDAMENTALS

YoY Chg 12-Month Forecast

7.0% ▼ ▼
City-Wide Vacancy Rate

26% ▲ ▼
YoY Increase in City-Wide Rents

AED 1,898 ▲ ▲
Asking Rent/sqm
(City-Wide Offices)

ECONOMIC INDICATORS

YoY Chg 12-Month Forecast

2.82 Mn ▲ ▼
Abu Dhabi City Population

4.2% ▲ ▼
UAE Real GDP Annual Growth (Q4 2025)

2.2% ▼ ▲
UAE Unemployment

Source: IMF, World Bank, Statistics Centre of Abu Dhabi

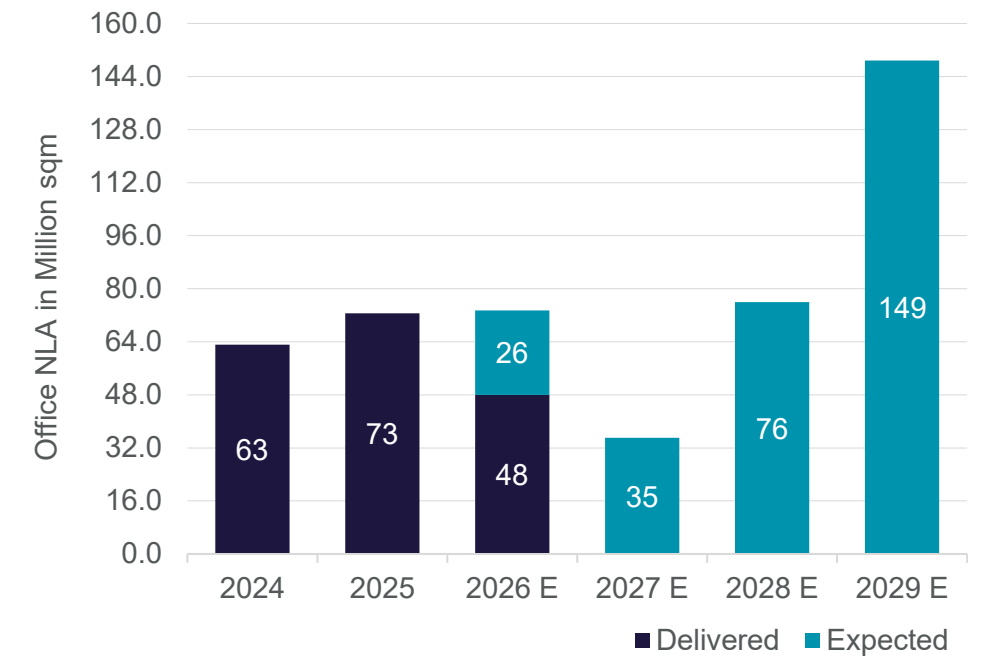
MODEST NEW STOCK, TIGHT MARKET CONDITIONS

Abu Dhabi's office market remains structurally undersupplied, with just 48,000 sqm delivered in Q1 2026, all of which was fully pre-let, and a further 25,500 sqm anticipated over the remainder of the year. This follows several years of limited completions, during which demand has consistently outpaced supply, sustaining tight market conditions across prime locations. While the future development pipeline remains significant in scale, much of the larger stock is expected to materialise beyond the near term, reinforcing supply discipline through 2026. Overall sentiment remains resilient, underpinned by Abu Dhabi's stable economic base, a sovereign-backed investment environment, and steady demand from government-linked entities, energy firms, and financial services occupiers. Supportive government measures for impacted businesses have further reinforced confidence amid the current period of regional uncertainty. Looking ahead, some new leasing enquiries may take longer to convert in the near term. However, occupiers approaching lease renewals or relocations are expected to continue transacting, and there remains limited evidence of downsizing among established corporates.

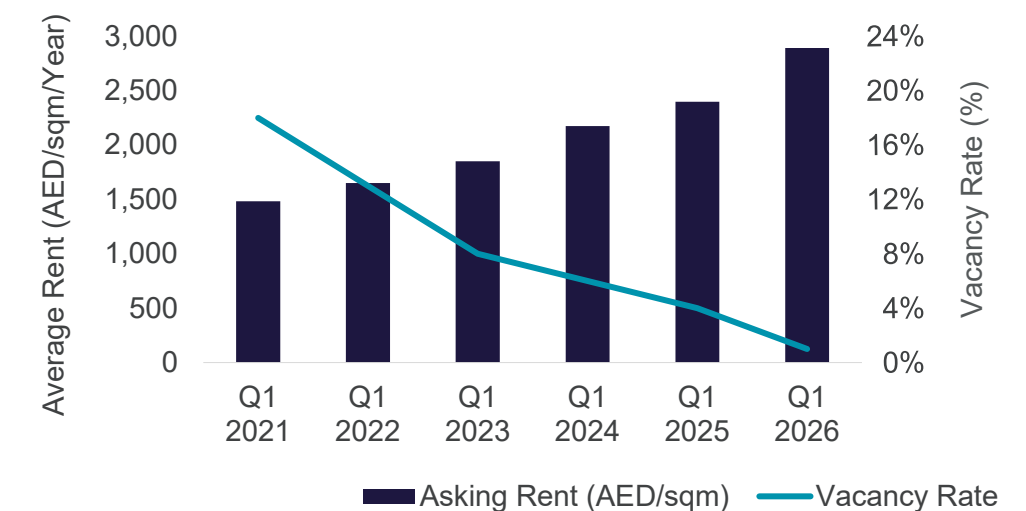
HIGH RETENTION SUPPORTS RENTAL GROWTH

City-wide occupancy remains robust at 93%, supported by strong tenant retention, limited near-term Grade A availability, and steady demand from existing occupiers as well as selective new entrants. As a result, most high-quality assets in core business districts and established office locations continue to record high occupancy levels. These market conditions are sustaining rental performance, with headline rents broadly stable. At the same time, landlords are increasingly open to negotiating lease terms, fit-out contributions, phased escalations, and selective incentives to secure renewals and strategic occupiers given the ongoing uncertainty.

SUPPLY: DELIVERY/EXPECTED



GRADE A VACANCY & ASKING RENT



Source: Cushman & Wakefield Core Research

MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	DIRECT VACANT (SQM)	OVERALL VACANCY RATE	UNDER CONSTRUCTION (SQM)	OVERALL AVG ASKING RENT (ALL OFFICE GRADES)*
ADGM/ Al Maryah	176,514	1,765	1%	98,000	3,660
Al Reem Island	283,636	51,054	18%	50,851	1,400
Al Raha	55,741	7,246	13%	-	1,750
Masdar City	157,902	1,579	1%	55,500	1,750
Khalifa City	51,096	7,664	15%	-	1,100
Yas Island	23,133	0	0%	35,000	2,050
Corniche	120,773	4,831	4%	-	2,100
Capital District / Airport Road / Al Falah	88,257	0	0%	-	1,650
Muroor	139,353	6,968	5%	-	1,250
MBZ	65,032	4,552	7%	-	1,200
Madinat Zayed	46,451	2,787	6%	-	1,100

*Rental rates reflect asking inclusive of service charges

KEY LEASE TRANSACTIONS Q1 2026

PROPERTY	LOCATION	CLIENT SECTOR	SIZE (SQM)	TYPE
Aldar HQ	Al Raha	Government	2,523	New
Al Qana	Rabdan	Semi-government	2,130	New
Al Sarab Tower - ADGM	Al Maryah Island	Finance	1,828	New
Marina Square	Al Reem Island	Serviced Office	1,557	New
Prestige Towers	Mohamed Bin Zayed City	NA	1,086	New
Inajzat Building	Mohamed Bin Zayed City	Semi-government	922	New
Capital Tower	Capital Centre	Semi-government	795	New

KEY HANDOVER PIPELINE 2026

PROPERTY	SUBMARKET	SIZE (SQM)	DEVELOPER
Masdar City Square	Masdar City	48,000	Masdar City
M-19D	Masdar City	27,500	Masdar City
Souk Al Jubail	Jubail Island	15,000	Jubail Island

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