

MARKET FUNDAMENTALS

7.6%
City-Wide Vacancy Rate

YoY Chg	12-Month Forecast
▼	▼

19%
YoY Increase in City-Wide Rents

YoY Chg	12-Month Forecast
▲	▼

AED 197
Asking Rent/sqft
(City-Wide Offices)

YoY Chg	12-Month Forecast
▲	▲

ECONOMIC INDICATORS

4.02 Mn
Dubai Population

YoY Chg	12-Month Forecast
▲	▲

4.8%
UAE Real GDP
Annual Growth (Q3 2025)

YoY Chg	12-Month Forecast
▲	▲

2.1%
UAE Unemployment

YoY Chg	12-Month Forecast
▼	▼

Source: IMF, World Bank, Dubai Statistics Centre

OFFICE SUPPLY: LIMITED IN 2025, WAVE OF NEW STOCK FROM 2027

As of YTD 2025, approximately 770,000 sqft of new office space has been delivered, including 411,000 sqft in Q3 from two buildings in Dubai CommerCity which saw steady pre-leasing and the office component of Wasl Tower. No further completions are expected in Q4, and supply tightness is likely to persist until 2027 as new deliveries remain limited. However, the pipeline is strengthening, with major completions planned for 2028 and 2029 expected to ease current supply crunch in certain areas. Approximately 72% of upcoming stock is Grade A, and 66% is institutionally owned, reflecting a shift towards higher-quality, professionally managed assets. Nearly 56% of supply is within free zones, 36% onshore, and 12% under dual licensing, highlighting Dubai's focus on flexible, occupier-friendly environments. Future supply is concentrated in key districts such as DIFC, Sheikh Zayed Road, JLT, and Business Bay, with an emphasis on ESG-compliant, globally benchmarked offices. Several Grade A free zone projects are already achieving strong pre-leasing momentum, supported by sustained demand from multinational occupiers. With prime stock operating near full occupancy, upcoming completions are well-positioned to support corporate expansion and regional headquarters consolidation, while maintaining healthy absorption of new supply.

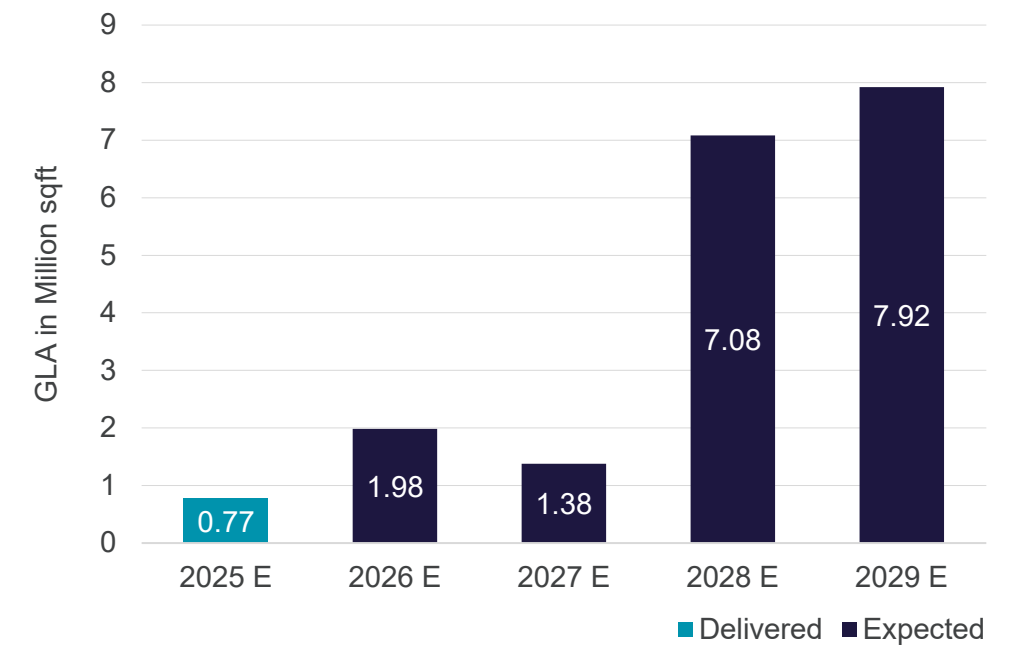
DEMAND: RECORD-HIGH OCCUPANCY, LED BY GRADE A ASSETS

Office occupancy across Dubai remains consistently strong, with Grade A assets leading at 95.5%. Grade B and C properties follow closely, averaging around 91%, resulting in a citywide occupancy rate of approximately 92.4%. Prime districts such as DIFC, Downtown Dubai, Sheikh Zayed Road, Dubai Design District (D3), and One Central continue to record the highest levels of tenant retention and sustained leasing activity.

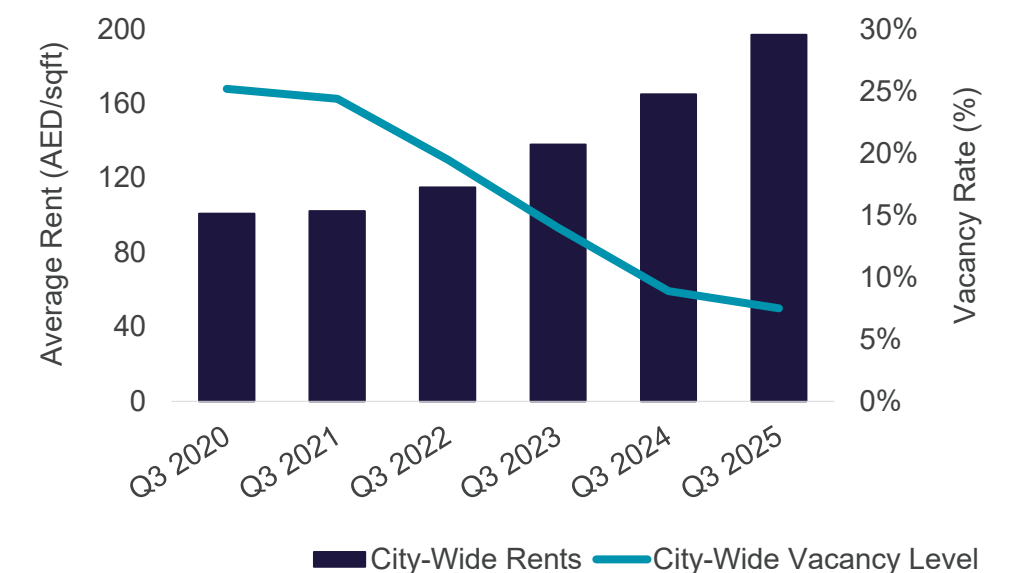
PRICING: RENTS CONTINUE UPWARDS WITH LIMITED STOCK

Average office rents in Dubai have climbed to AED 197 per sqft, a 19% YoY increase. DIFC maintains the highest rental levels, followed by One Central and Downtown Dubai. Persistently low vacancy rates have reinforced landlord confidence, driving continued rental growth and establishing a premium for well-located, high-spec office space.

SUPPLY: DELIVERY/EXPECTED



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SQFT)	DIRECT VACANT (SQFT)	OVERALL VACANCY RATE	UNDER CONSTRUCTION (SQFT)	OVERALL AVG ASKING RENT (ALL OFFICE GRADES)*
Downtown Dubai	4,874,585	97,492	2%	-	AED 450
SZR (Trade Center-Interchange 1)	7,501,689	225,051	3%	2,000,663	AED 310
DIFC	7,347,952	146,959	2%	3,915,216	AED 520
DIC/DMC	12,543,656	1,003,492	8%	188,000	AED 320
Business Bay	17,100,986	855,049	5%	2,672,355	AED 190
Jumeirah Lakes Towers	13,334,863	1,333,486	10%	1,925,120	AED 210

*Rental rates reflect asking, inclusive of service charges

KEY LEASE TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	TENANT	SIZE (SQFT)	TYPE
The Offices 4 at One Central	One Central	N/A	35,327	New
Emaar Business Park 3	The Greens	N/A	24,200	New
Dubai Design District 02	D3	N/A	22,845	New
Uptown Tower	Jumeirah Lake Towers	N/A	20,177	New
U-Bora Tower 2	Business Bay	N/A	17,071	New

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	SALE TYPE	SIZE (SQFT)	PRICE / AED PER SQFT
Emaar Square 1	Downtown Dubai	Ready	28,274	AED 95,000,000 / AED 3,360
Enara by Omniyat	Business Bay	Off-Plan	15,381	AED74,866,865 / AED4,868
Enara by Omniyat	Business Bay	Off-Plan	13,263	AED 65,662,248/ AED 4,951
Burj Khalifa	Downtown Dubai	Ready	8,807	AED 45,000,000/ AED 5,110

KEY HANDOVER PIPELINE 2026

PROPERTY9+	SUBMARKET	SIZE (SQFT)	DEVELOPER
Sweid One	Jumeirah Lake Towers	500,000	Sweid & Sweid
City Tower 1	Shiekh Zayed Road	75,000	H&H
DIFC Square	DIFC	460,000	DIFC

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