



MARKET FUNDAMENTALS

	YoY Chg	12-Month Forecast
5% Grade A Vacancy Rate	▼	▼
AED 490 Asking Grade A Rent/sqm	▼	▼
13% Change in Rent	—	—

ECONOMIC INDICATORS

	YoY Chg	12-Month Forecast
2.82 Mn Abu Dhabi City Population	▲	▲
4.8% UAE Real GDP Annual Growth (Q3 2025)	▲	▲
2.1% UAE Unemployment	▼	▼

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

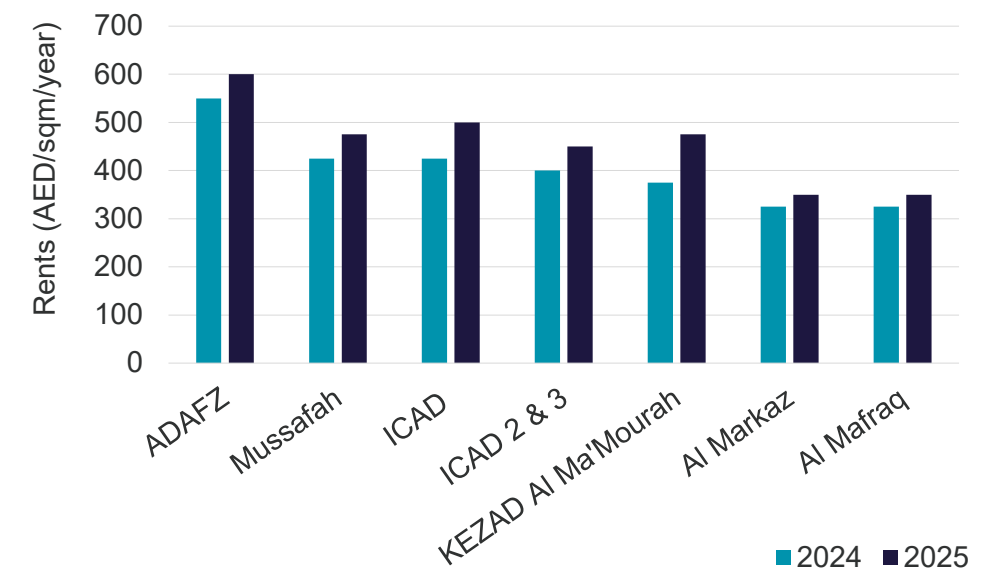
ABU DHABI'S LOGISTICS AND INDUSTRIAL RENTS CLIMB 13% YoY

Abu Dhabi's industrial market continues to see strong demand, supported by an improving business ecosystem and government incentives such as rental rebates and subsidised utilities. Lower operating costs compared to Dubai, availability of Grade A options across free zones and mainland areas, and proximity to Dubai are attracting both spillover demand and new international entrants. These factors reinforce Abu Dhabi's position as a key regional hub for logistics and light industry. Demand is broad-based, led by supply chain and logistics operators, alongside continued strength from the oil and gas sector and growing activity in manufacturing and SMEs focused on downstream and export-oriented industries. Rents continue to rise across most districts, with the sharpest YoY increases in KEZAD Al Ma'mourah (+27%), ICAD (+18%), Mussafah (+12%), and ADAFZ (+9%). The market remains two-tiered, with premium international-grade stock recording stronger gains than older industrial areas. Despite several upcoming projects by KEZAD, MSM, Radius, and Aldar, international-grade warehousing remains limited, concentrated in KEZAD, Abu Dhabi Business Hub, Al Markaz, and ADAFZ. New projects such as Khalifa Logistics Park and KEZAD Metal Parks are expected to provide some relief, with benchmark rents averaging around AED 490 per sqm per year.

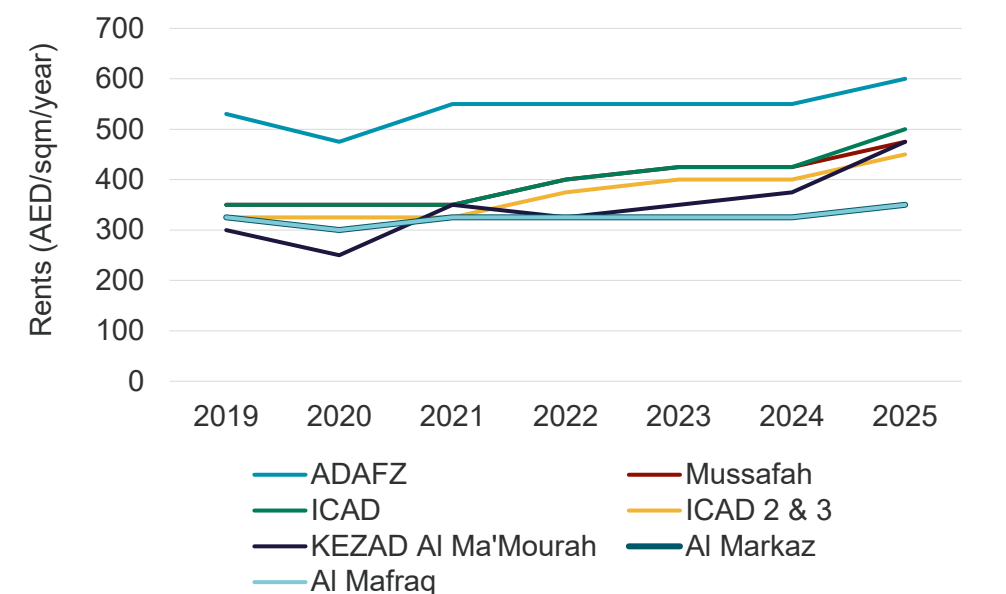
DEMAND CONTINUES TO FAR EXCEED SUPPLY

Abu Dhabi's logistics market is set for a supply surge between 2025 and 2028, mainly across KEZAD, Musaffah, and ADAFZ. The largest phase in Q4 2025 will add over 335,000 sqm of speculative space through projects such as Khalifa Logistics Park Musaffah 1, KEZAD Free Zone Phase 3, and KEZAD Metal Park. While these will ease short-term shortages, tight occupancy above 95% means the market will remain undersupplied. A further 110,000 sqm is due in 2026 across Musaffah and KEZAD Al Ma'mourah, with additional projects at ADAFZ through 2027-2028 sustaining availability. The mix of speculative and build-to-suit projects reflects Abu Dhabi's strategy to boost capacity while meeting specialised demand.

AVERAGE RENT CHANGE



AVERAGE ASKING RENT EVOLUTION



MARKET STATISTICS

SUBMARKET	WAREHOUSING RENTS (AED/SQMYEAR)	QoQ CHANGE	YoY CHANGE
Abu Dhabi Airport Free Zone	600	2%	9%
Mussafah	475	3%	12%
ICAD	500	4%	18%
ICAD 2 & 3	450	3%	13%
KEZAD Al Ma'mourah	475	7%	27%
Al Markaz	350	2%	8%
Al Mafraq	350	2%	8%

KEY LEASE TRANSACTIONS Q3 2025

SUBMARKET	SQM	PRICE/SQFT	TYPE
ICAD III	219	457	New
ICAD I	151	728	New
ICAD I	306	621	New
ICAD I	182	813	New
ICAD I	182	879	New
ICAD I	436	560	New
ICAD I	436	530	New

*Renewals not included in leasing statistics

KEY CONSTRUCTION UPDATES

PROPERTY	SUBMARKET	DEVELOPER	SQM	YEAR OF DELIVERY
KEZAD Logistics Park Freezone Phase 3	KEZAD Al Ma'mourah	KEZAD	58,686	Q4 2025
KEZAD Metal Park 1 & 2	KEZAD Al Ma'mourah	KEZAD	93,000	Q4 2025
Khalifa Logistics Park Phase 1	Musaffah 1	KEZAD	145,000	Q4 2025
Khalifa Logistics Park Phase 2	Musaffah 1	KEZAD	39,000	2026
Al Falah Freezone	ADAFZ	MSM Logistics	90,000	2027

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