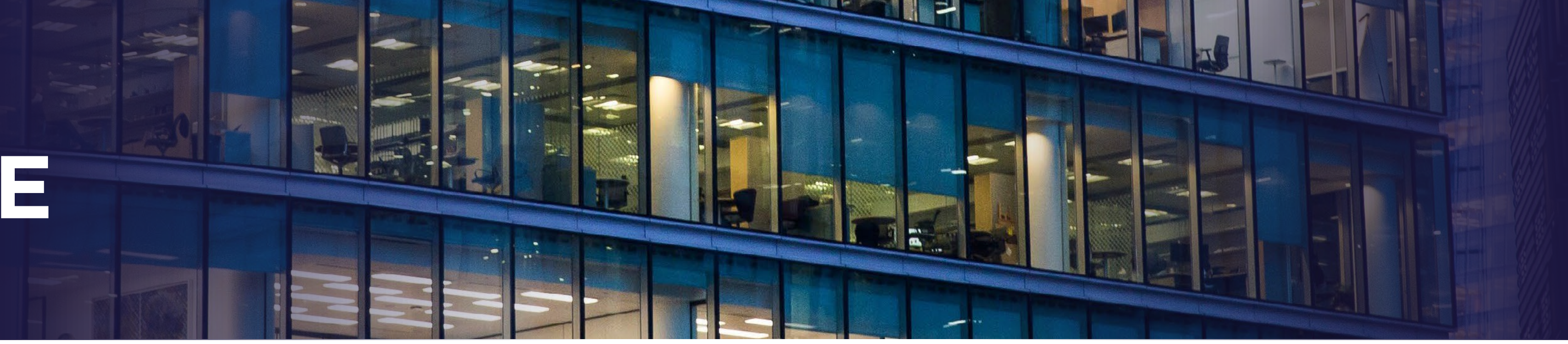


MARKETBEAT
ABU DHABI, UAE
OFFICE Q2 2026

MARKET FUNDAMENTALS

	YoY Chg	12-Month Forecast
93.4% City-Wide Occupancy Rate	▲	▼
33% YoY Increase in City-Wide Rents	▲	▼
AED 2,182 Asking Rent/sqm *(City-Wide Offices)*	▲	▼

ECONOMIC INDICATORS

	YoY Chg	12-Month Forecast
2.82 Mn Abu Dhabi City Population	▲	▼
3.1% UAE Real GDP Annual Growth (Q1 2026)	▲	▼
2.2% UAE Unemployment	▼	▲

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

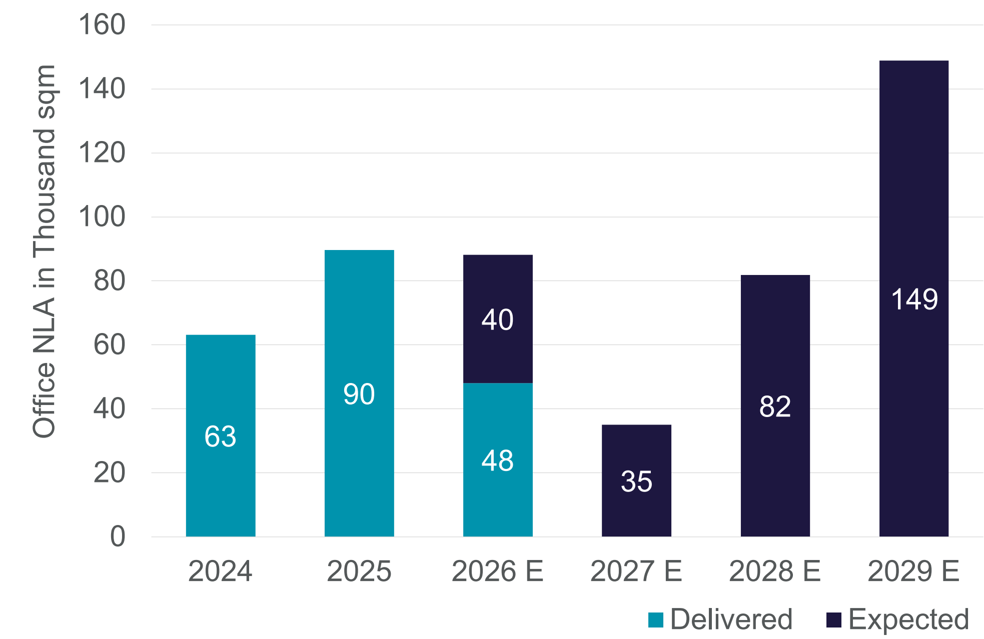
UNDERSUPPLY IS EXPECTED TO UNDERPIN MARKET FUNDAMENTALS

Abu Dhabi's office market remains structurally undersupplied, with no new office completions recorded in Q2 2026. A further 40,000 sqm is expected to be delivered by year-end, primarily across multiple buildings in Masdar City, where strong pre-leasing activity reflects continued occupier demand. This follows several years of limited completions, during which demand has consistently outpaced supply, sustaining exceptionally tight market conditions across prime office locations. While the future development pipeline is substantial, the majority of new stock is not expected to be delivered until after 2029, supporting continued market resilience over the near to medium term.

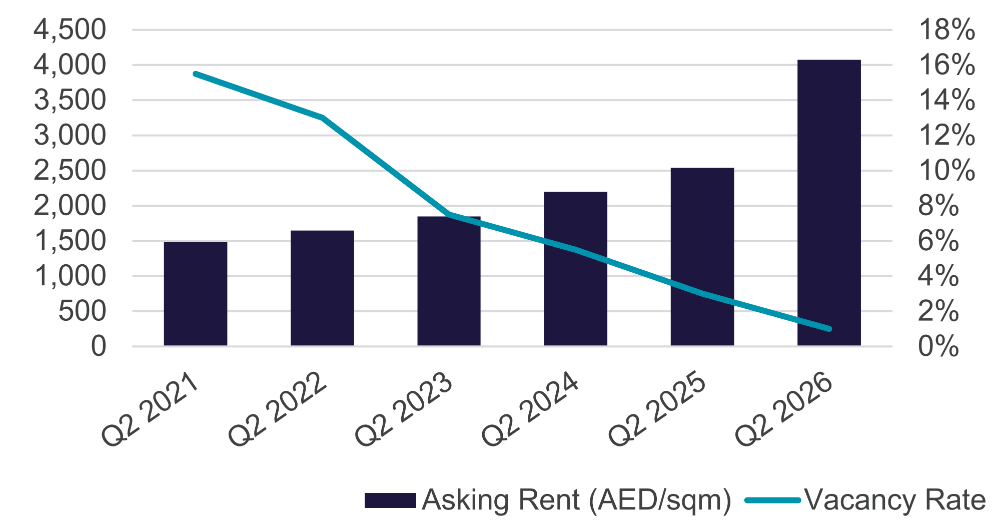
OFFICE RENTS REMAINS RESILIENT UNDERPINNED BY HIGH OCCUPANCY LEVELS

Despite heightened regional uncertainty and a moderation in leasing activity, Abu Dhabi's office market remained resilient in Q2 2026, supported by constrained supply and record occupancy levels. As a result, city-wide office rents continued their upward trajectory, increasing 15% QoQ and 33% YoY to an average of AED 2,182 per sqm per annum. Prime rents in ADGM now exceed AED 6,000 per sqm, prompting some occupiers to explore more cost-effective alternatives on Al Reem Island. Unlike the wider Abu Dhabi market, ADGM and Al Reem Island are exempt from the recently announced rental freeze, enabling rents to respond to strong market fundamentals. Robust demand from global funds, asset managers, financial institutions and the wider BFSI sector, combined with an acute shortage of available office space, drove prime office rents up to these record levels in Q2 2026. Looking ahead, market fundamentals are expected to remain supportive. While occupier demand may soften modestly if economic uncertainty persists, the limited development pipeline over the remainder of 2026 and 2027 is expected to keep market conditions in landlords' favour. With no meaningful additions anticipated until the next phase of ADGM and Al Reem Island developments from 2029 onwards, occupiers are likely to continue competing for a limited pool of quality office space.

SUPPLY: DELIVERY/EXPECTED



GRADE A VACANCY & ASKING RENT



Source: Cushman & Wakefield Core Research

ABU DHABI, UAE
OFFICE Q2 2026

MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	DIRECT VACANT (SQM)	OVERALL OCCUPANCY RATE	UNDER CONSTRUCTION (SQM)	OVERALL AVG ASKING RENT (ALL OFFICE GRADES)*
ADGM/ Al Maryah	239,137	2,391	99%	98,000	6,000
Al Reem Island	377,038	60,326	84%	50,851	1,400
Al Raha	55,741	7,525	87%	-	1,750
Masdar City	157,902	1,579	99%	83,100	1,750
Khalifa City	86,905	11,587	87%	-	1,100
Yas Island	57,786	0	100%	35,000	2,050
Corniche	271,117	9,489	97%	-	2,200
Capital District	88,257	0	100%	-	1,650
Airport Road / Al Falah	222,519	11,126	95%	-	1,200
Muroor	158,726	7,936	95%	-	1,250
MBZ	76,281	5,721	93%	-	1,200

Rental rates reflect asking inclusive of service charges

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	LOCATION	CLIENT SECTOR	SIZE (SQM)	TYPE
Omega Tower	Al Reem Island	Healthcare	5,000	New
Sky Tower	Al Reem Island	Geology	2,000	New
Al Sila Tower	Al Maryah Island	Financial Services	425	New
The Landmark Tower	Al Markaziyah	N/A	375	New
Capital Gate	Capital Centre	Semi-government	337	New
Al Sarab Tower	Al Maryah Island	N/A	224	New

KEY UPCOMING HANDOVER PIPELINE H2 2026

PROPERTY	SUBMARKET	SIZE (SQM)	DEVELOPER
M-19 A to D	Masdar City	27,300	Masdar City
Souk Al Jubail	Jubail Island	12,800	Jubail Island

PRATHYUSHA GURRAPU MRICS
Head of Research
Tel: +971 52 714 7175
prathyusha.gurrapu@cushwake.ae

DAVID SHORT MRICS
Head of Abu Dhabi
Tel: +971 56 989 1584
david.short@cushwake.ae