

## **UAE Flexible Office Space - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2025 - 2030)**

Market Report | 2025-04-28 | 150 pages | Mordor Intelligence

### **AVAILABLE LICENSES:**

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

### **Report description:**

The UAE Flexible Office Space Market size is estimated at USD 1.23 billion in 2025, and is expected to reach USD 1.91 billion by 2030, at a CAGR of 9.16% during the forecast period (2025-2030).

The United Arab Emirates is experiencing a rising demand for flexible office spaces, leading to more expansions than contractions in the office market and exacerbating the supply-demand imbalance. This trend and record-high new company registrations pose challenges for firms seeking high-quality office space across the market. The surge is primarily driven by new businesses establishing their operations in the city, as they find these flexible spaces more suitable during their initial phases than traditional offices.

A total of 34,075 new companies joined as members of the Dubai Chamber of Commerce during H1 2024, representing year-over-year (YoY) growth of 5%. The figures reflect the dynamism of Dubai's business environment and the emirate's high levels of competitiveness in attracting foreign direct investment. This increase is fueled by Dubai's appeal as a competitive global hub, attracting international startups and expanding companies, particularly from Asia, Central Asia, and the MENA region.

In Dubai, the market saw the addition of 92,000 square meters of new office space in 2023, bringing the total stock to 9.2 million square meters. An additional 44,000 square meters are expected by the end of 2024. Grade-A office rents in Dubai's Central Business District (CBD), surged by 15% year-on-year to AED 2,425 (USD 660) per square meter per annum, setting a new record and reducing vacancies to 8%.

Abu Dhabi's office market also remains strong, with 3.9 million square meters of total stock in 2023 and an expected increase of 112,000 square meters in 2024. Average Grade-A rents in the city rose 12% year-on-year to AED 2,000 (USD 544) per square

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

meter per annum, with vacancies slightly decreasing to 22%.

The demand for hybrid working is notably high in the United Arab Emirates, with 90% of employees favoring hybrid models and 83% reporting employer support for these schemes, per industry associations. In response, IWG launched two new flexible office spaces in 2023: "Spaces" in Dubai and Signature Workspace in Abu Dhabi. The UAE's real estate sector thrives due to the high demand for quality office spaces, limited availability, and a favorable investment climate.

## UAE Flexible Office Space Market Trends

### UAE is Experiencing a Surge in Demand for Flexible Co-Working Office Space

Dubai's co-working space market is rapidly growing, driven by its unique environment that promotes networking, collaboration, and innovation-advantages often missing in traditional office settings. Leading this expansion, Dubai offers modern, well-designed co-working spaces at competitive rates.

Startups, entrepreneurs, and SMEs are increasingly drawn to these co-working flexible spaces. For instance, in January 2023, the Bureau Business Center introduced the UAE's first female-focused co-working space in Dubai's Gold & Diamond Park, providing tailored amenities to support women in entrepreneurship.

As the number of SMEs and startups rises, Dubai's co-working flexible office space market is set for continued growth. Ranked 18th globally for flexible office spaces, the city benefits from a robust economic recovery and favorable regional conditions, enhancing its appeal as a hub for Middle Eastern ventures. In May 2024, South Korea's Ministry of SMEs and Startups (MSS) and the UAE Ministry of Economy signed a Memorandum of Understanding (MOU) to establish the South Korea-UAE SME and Startup Committee. This first-of-its-kind committee aims to bolster bilateral cooperation in the SME and startup sectors through information exchange, institutional collaboration, and infrastructure development.

Dubai is breaking records with a surge in new business registrations. As these companies set up shop, there's a marked pivot towards serviced offices. These offices provide flexibility and swift setups, making them the go-to for businesses keen on sidestepping the hassles of long-term leases and extensive fitouts. This trend has led to a burgeoning supply in the market, with prominent coworking entities like iSpace, Space 1, The Executive Centre, RICE Offices, and Unbox broadening their reach. Abu Dhabi mirrors this trend, with players such as Office Square and Cloud Space enriching the city's coworking landscape.

### FDI Surge and Grade-A Offices Demands Propelling UAE Flexible Office Space Market

As of May 2024, Abu Dhabi and Dubai witnessed significant demands for Grade-A office space due to expanding business activities and supportive government policies.

In Abu Dhabi, the demand is surging, with key locations like Maryah Island, Capital Centre, Masdar City, and Al Raha in high demand. Prominent assets such as the Abu Dhabi Global Market and the International Tower are nearing 95% occupancy. Over 90,000 square meters of new Grade A office space is under development and expected by 2026. Rental rates have risen by 1% quarterly, with ADGM seeing increases of up to 30% annually.

In Dubai, Grade-A office space demands have led to a 14% year-on-year rental growth, with some markets experiencing spikes of 20% to 30%. High-demand areas like DIFC have seen a 6% quarterly increase, and premium developments have shown nearly 30% year-on-year growth. Free Zones like Dubai Internet and Media City, Expo City, and DWTC are also active.

In 2023, the United Arab Emirates ranked as the third-largest global foreign direct investment (FDI) market, attracting USD 23

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

billion across 1,277 projects. This success highlights the country's appeal due to investor-friendly policies, such as 100% foreign ownership and relaxed visa restrictions. With targets of AED 550 billion (USD 150 billion) in FDI by 2030 and AED 1 trillion (USD 270 billion) by 2051, the United Arab Emirates continues to attract substantial investments despite global FDI declines. The UAE's focus on innovation and strategic partnerships, including comprehensive economic partnership agreements (CEPA), further boosts its attractiveness.

The surge in FDI, driven by sectors like legal services, wealth management, and technology, is heightening the demand for flexible office spaces. As global firms from Singapore, China, and the United Kingdom expand in the United Arab Emirates, the need for adaptable, cost-effective work environments is growing, fueling the expansion of co-working and flexible office spaces in the region. For instance, Three Arrows Capital, a crypto hedge fund, relocated its headquarters from Singapore to Dubai in 2022.

In response, the UAE's flexible office space market has expanded. Dubai CommerCity partnered with IWG to launch Spaces CommerCity, and Letswork, a co-working marketplace, has grown from zero to over 55,000 users across the United Arab Emirates and beyond. This growth highlights the need for adaptable, high-quality work environments, with technology and digital solutions pivotal in meeting evolving business needs.

### UAE Flexible Office Space Industry Overview

The UAE's flexible office space market is getting more competitive and divided, with many local and regional players and a few global players. During the forecast period, the market is expected to grow because companies in the industry are getting a lot of money and investments.

Some of the key players in the market include WeWork, Regus Group, Nasab, Astrolabs, Nook, LetsWork, and WitWork. Major companies in the market have used partnerships, business expansions, acquisitions, and new technologies as their primary ways to grow and offer better services to customers. For instance, in 2023, the US-based co-working giant WeWork expanded its presence in Dubai by opening several new locations in high-demand areas, such as DIFC and Dubai Marina. This expansion is part of WeWork's strategy to capitalize on the region's growing demand for flexible office solutions. It reflects its broader strategy of strengthening its global footprint through targeted market entries and collaborations with local workspace providers.

### Additional Benefits:

- The market estimate (ME) sheet in Excel format
- 3 months of analyst support

### Table of Contents:

#### 1 INTRODUCTION

- 1.1 Study Deliverables
- 1.2 Study Assumptions
- 1.3 Scope of the Study

#### 2 RESEARCH METHODOLOGY

- 2.1 Analysis Methodology
- 2.2 Research Phases

#### 3 EXECUTIVE SUMMARY

#### 4 MARKET INSIGHTS

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- 4.1 Current Economic and Flexible Office Space Market Scenario
- 4.2 Technological Innovations in the Flexible Office Space Sector
- 4.3 Impact of Government Regulations and Initiatives on the Industry
- 4.4 Insights into Flexible Office Space Construction Costs
- 4.5 Insights into Rents, Leasing, and Rental Yields in the Flexible Office Space Segment
- 4.6 Impact of Geopolitics and Pandemic on the Market

## 5 MARKET DYNAMICS

- 5.1 Market Drivers
  - 5.1.1 Rising Demand for Hybrid Work Models
  - 5.1.2 Expansion of Startups and SMEs
- 5.2 Market Restraints
  - 5.2.1 Market Saturation
  - 5.2.2 High Commercial Real Estate Costs
- 5.3 Market Opportunities
  - 5.3.1 Expansion in Secondary Cities
  - 5.3.2 Corporate Partnerships and Collaborations
- 5.4 Industry Attractiveness - Porter's Five Forces Analysis
  - 5.4.1 Threat of New Entrants
  - 5.4.2 Bargaining Power of Buyers/Consumers
  - 5.4.3 Bargaining Power of Suppliers
  - 5.4.4 Threat of Substitute Products
  - 5.4.5 Intensity of Competitive Rivalry
- 5.5 Supply Chain/Value Chain Analysis

## 6 MARKET SEGMENTATION

- 6.1 By Type
  - 6.1.1 Co-working Space
  - 6.1.2 Serviced offices / Executive suites
  - 6.1.3 Others (Hybrid, Virtual Office)
- 6.2 By End Use
  - 6.2.1 Information Technology (IT and ITES)
  - 6.2.2 BFSI (Banking, Financial Services, and Insurance)
  - 6.2.3 Business Consulting & Professional Services
  - 6.2.4 Others
- 6.3 By User
  - 6.3.1 Freelancers
  - 6.3.2 Enterprises
  - 6.3.3 Start-Ups
  - 6.3.4 Others

## 7 COMPETITIVE LANDSCAPE

- 7.1 Overview (Market Concentration and Major Players)
- 7.2 Company Profiles
  - 7.2.1 Nasab
  - 7.2.2 Astrolabs
  - 7.2.3 Nook

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

- 7.2.4 Letswork Inc.
- 7.2.5 WitWork
- 7.2.6 Instant Group
- 7.2.7 WeWork
- 7.2.8 Regus Group
- 7.2.9 ServCorp
- 7.2.10 SpaceBox
- 7.2.11 Black Swan
- 7.2.12 DTEC\*
- 7.3 Other Companies

## 8 FUTURE OF THE MARKET

## 9 APPENDIX

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

**UAE Flexible Office Space - Market Share Analysis, Industry Trends & Statistics,  
Growth Forecasts (2025 - 2030)**

Market Report | 2025-04-28 | 150 pages | Mordor Intelligence

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scotts-international.com

**ORDER FORM:**

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

\*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

\*\* VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2026-02-27"/>
		Signature	

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

