

UAE Commercial Real Estate - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2026 - 2031)

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Report description:

UAE Commercial Real Estate Market Analysis

UAE Commercial Real Estate Market size in 2026 is estimated at USD 54.17 billion, growing from 2025 value of USD 51.05 billion with 2031 projections showing USD 72.92 billion, growing at 6.12% CAGR over 2026-2031. The upbeat outlook rests on policy liberalization, world-class infrastructure, and a rising inflow of foreign capital that continues to treat the Emirates as the region's preferred operational base. Offices retain the largest share because global companies view Dubai and Abu Dhabi as indispensable headquarters locations, yet logistics enjoys the fastest expansion as industrial localization reshapes value chains. Prime office vacancies of 8.6% in Dubai and 2.3% in Abu Dhabi are pushing rents to new highs, while low borrowing costs in prior years have prompted investors to lock in income-producing assets ahead of potential rate swings. Geographic opportunity is widening beyond Dubai, especially in Ras Al Khaimah, where industrial corridors and competitive land values offer 6.5% CAGR upside. Competitive intensity remains moderate: leading developers are consolidating premium assets as international funds form joint ventures to secure exposure.

UAE Commercial Real Estate Market Trends and Insights

Golden Visa Reforms Accelerate Foreign Investment Flows

Removal of minimum down-payment thresholds allows off-plan commercial purchases backed only by a developer's clearance letter, encouraging earlier project entry. Property values now reference Dubai Land Department appraisals instead of legacy deed

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figures, creating valuation upside for agile investors. The policy dovetails with the national plan to attract USD 354 billion in FDI over six years, positioning commercial property as both a yield and residency gateway. Family offices and sovereign funds increasingly view the UAE Commercial Real Estate market as a two-benefit play that blends portfolio diversification with relocation optionality.

Manufacturing Localization Strategy Fuels Industrial Real Estate Boom

Operation 300bn aims to lift industrial GDP by AED 300 billion (USD 81.7 billion) by 2031, stimulating warehouse take-up and built-to-suit factories. Industrial rents rose 12.5% in Dubai and 10.9% in Abu Dhabi during 2024, and KEZAD Group is adding 250,000 m² of warehousing to meet pipeline commitments. Public-bank programs channel USD 8.17 billion in concessional financing, lowering the hurdle rate for developers delivering fit-out space to global manufacturers.

Interest-Rate Volatility Compresses Investment Returns

UAE banks' real-estate exposure remains steady at 14.8% of assets, yet impairment charges spiked 124.9% quarter-on-quarter in 2024. Lenders now demand higher equity buffers and stronger tenant covenants, shrinking debt-driven buyer pools. Currency hedging adds cost for overseas investors, nudging them toward REIT or joint-venture routes. Cash-rich sovereign funds gain a tactical edge in this climate.

Other drivers and restraints analyzed in the detailed report include:

Prime-Office Scarcity Drives Unprecedented Rental Growth
Tourism Infrastructure Expansion Drives Hospitality Growth
Freehold Ownership Restrictions Limit Institutional Capital Access

For complete list of drivers and restraints, kindly check the Table Of Contents.

Segment Analysis

Offices captured 46.02% UAE Commercial Real Estate market share in 2025 amid scarce Grade A supply and unabated headquarters demand. DIFC rents rose beyond USD 100 per ft² in 2024, helping offices anchor revenue even as logistics races ahead. Tenant mixes are diversifying toward fintech and professional services, uplifting fit-out standards. Secondary districts tap overflow demand and offer speculative retrofit plays for investors.

Warehouse rates in Dubai South rose above USD 12 per m² monthly, a record for the sub-market. Aldar's USD 272 million logistics program and KEZAD's land grants illustrate institutional confidence. Modern facilities emphasize sustainability under the Dubai Building Code, integrating rooftop solar and automated racking to satisfy global occupiers. Developers able to deliver turnkey industrial hubs with bonded-zone perks hold a clear competitive moat.

The UAE Commercial Real Estate Market Report is Segmented by Property Type (Offices, Retail, Logistics, Others), by Business Model (Sales, Rental), by End-User (Individuals/Households, Corporates & SMEs, Others), and by Geography (Dubai, Abu Dhabi, Sharjah, Ras Al Khaimah, Rest of UAE). The Market Forecasts are Provided in Terms of Value (USD).

List of Companies Covered in this Report:

Emaar Properties PJSC Aldar Properties PJSC TECOM Group PJSC Majid Al Futtaim Holding LLC Nakheel PJSC Dubai Holding LLC Meraas Holding LLC Wasl Asset Management Group DMCC (JLT Free Zone) Arada Developments LLC Sobha Realty RAK Properties Deyaar Development PJSC Union Properties PJSC Khansaheb Investments Al Habtoor Group Al Sahel Contracting Co. Dutco Group

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Additional Benefits:

The market estimate (ME) sheet in Excel format

3 months of analyst support

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