CUSHMAN & WAKEFIELD | CORE

DUBAI ANNUAL MARKET UPDATE

2024/2025

Better never settles

RESIDENTIAL MARKET

KEY TAKEAWAYS

- Just 30,200 units handed over in 2024, 11% drop on initial forecasts and nearly 30% lower than 2023 due to global supply chain issues.
- 2025 to see a 41% surge in handover volumes with 42,700 units forecast for delivery.
- At 16% y-o-y, city-wide rents continue exponential growth.
- Overall residential market yields of 6.77% with apartments seeing higher yields than villas.
- Sharp increase in project launches in 2024, equivalent to one project launch every 15 hours; moderation of market expected within 3 to 5 years as pipeline materialises.
- Nearly 3 times more off-plan units sold than residential supply being handed over in 2024.
- Over 123% more off-plan transactions than secondary, as individuals look to buy homes and investors dominate the market.
- City-wide sales prices surged by 18% y-o-y, marking 18 consecutive quarters – entering 5th year of growth.
- Record-breaking year for ultra-prime transactions in Dubai as the UAE sees highest net inflow of global millionaires.

Soaring demand and limited supply defined the market in 2024.

SNAPSHOT

30,200
Total residential units handed over in 2024

42,700
Total residential units expected over 2025

18%
Y-o-y rise in city-wide residential sales

16%
Y-o-y rise in city-wide residential rents

5.2%
Gross villa yield

7.2%
Gross apartment yield

WHAT TO LOOK FOR IN 2025

- Sales prices in the affordable and mid-market segment should start to moderate, with overall prices set to increase by around 6 to 8% in 2025, thanks to steady residential supply coming online through the year.
- New RERA rental index to help stabilise the rental increases while also pushing landlords to invest in upgrades. New leases to continue steady yet moderate growth of 8 to 10%.
- As global wealth continues to gravitate to Dubai, and demand continues to outstrip supply, the ultra-prime segment will remain in demand however, the shortage of supply may soften transaction volumes.

MARKET RISKS

- Inflationary pressures and growing affordability concerns, particularly in the rental market, are resulting in migration to sub-urban locations and the Northern Emirates while also creating less favourable conditions like traffic congestion.
- End-users are being priced out of the market and the off-plan transaction market is becoming increasingly skewed towards investors.
- The UAE Central Bank's new directive, requiring a 6% additional down-payment for mortgage buyers, may slow mortgage transactions and affect buyer decisions, potentially driving some towards off-plan properties with appealing payment plans. However, the overall impact on Dubai's residential market will be limited, as cash transactions dominate the market.
- The strong U.S. dollar and high sales prices are expected to impact the purchasing power of traditional foreign investor nationalities, particularly India, Russia and China.

RESIDENTIAL SUPPLY

Delayed project completions saw 11% less handovers than expected in 2024, leading to strong 2025 supply forecasts.

Just 30,200 residential units were handed over in 2024, a 11% drop on initial forecasts and nearly 30% lower than in 2023. This shortfall stemmed from persistent global supply chain issues which led developers to push delivery to 2025, where handovers are expected to reach 42,700 units, nearly 41% more than in 2024.

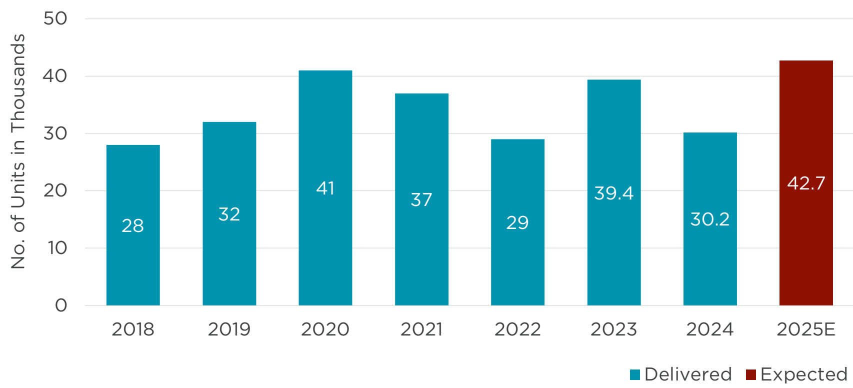
To put this into perspective, while nearly 116,000 off-plan transactions were completed in 2024, only 30,200 units were handed over - a sharp contrast that shows how much demand is still present in comparison to supply. Apartments dominated the handovers, at around 77% of the total, or 23,200 units. Meanwhile, the villa market saw just 6,900 units delivered, representing 23% of the supply and highlighting the continued undersupply of villas relative to sustained demand.

Key contributors to the 2024 residential supply were Jumeirah Village Circle (accounting for 15%), Meydan One (11%), and Al Furjan (9%). Among developers, Emaar Properties led with a 17% share, followed by Azizi Developments at 13% and MAG Property Development at 7%.

Looking ahead to residential supply in 2025, emerging areas are set to play a prominent role with most upcoming stock concentrated in the suburban areas of the city. In 2025, Damac Lagoons is expected to account for 11% of new supply, while Business Bay, Jumeirah Village Circle, and Arjan are each forecasted to contribute between 8% and 9%.

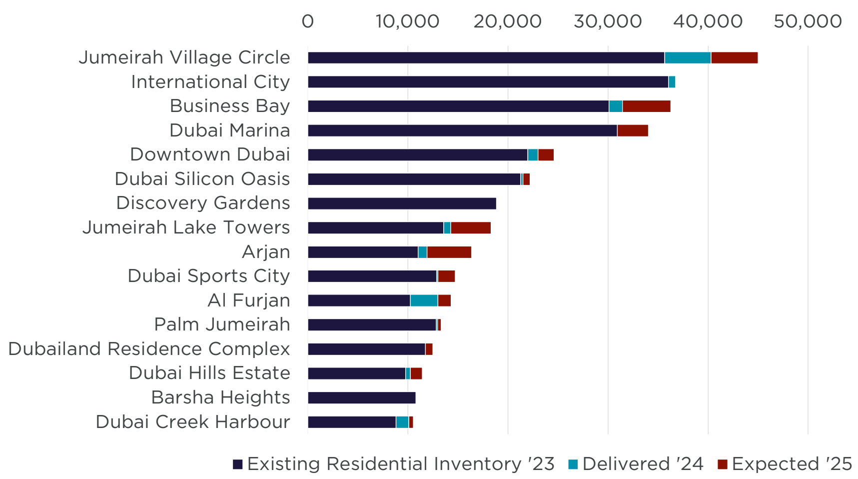
Jumeirah Village Circle and Business Bay are expected to dominate the upcoming supply in 2025.

Residential Deliveries in Dubai 2018 - 2024



Source: Cushman & Wakefield Core Research, REIDIN

Supply by Area - Existing vs. Upcoming



Source: Cushman & Wakefield Core Research, REIDIN

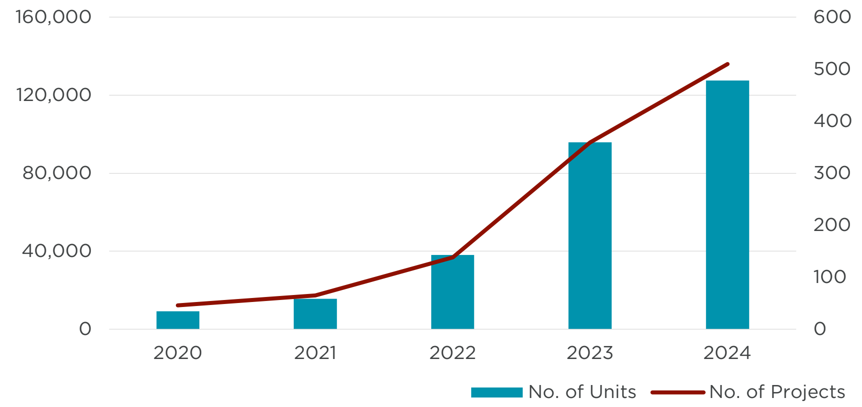
STRONG MARKET SENTIMENT REMAINS ACROSS THE CITY

PROJECT LAUNCHES

Sharp increase in residential project launches with over 570 projects launched in 2024, equivalent to one new project launch every 15 hours.

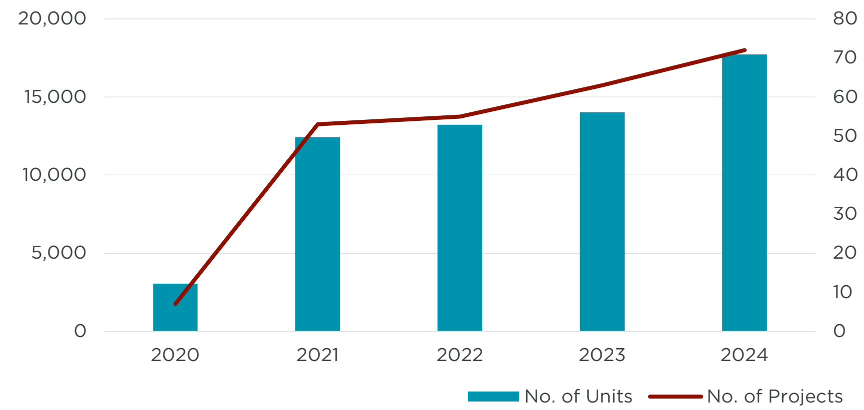
The surge in project launches and strong off-plan transactions reflect sustained market confidence, driven by investor interest, property-linked visas, and flexible payment plans. This momentum may help moderate prices over the next 3 to 5 years as supply materialises. Apartment project launches grew by nearly 42% y-o-y, while villa project launches also saw steady growth with a 14% y-o-y increase.

Apartment Project Launches



Source: Cushman & Wakefield Core Research, REIDIN

Villa Project Launches



Source: Cushman & Wakefield Core Research, REIDIN

2024 Prominent Apartment Launches

Sobha Orbis by Sobha Real Estate LLC
Motor City

Bayz 101 by Damac Properties
Business Bay

Burj Azizi by Azizi Developments
Sheikh Zayed Road

2024 Prominent Villa Launches

Damac Riverside by Damac Properties
Dubai Investment Park

Athlon by Aldar Properties
Dubailand

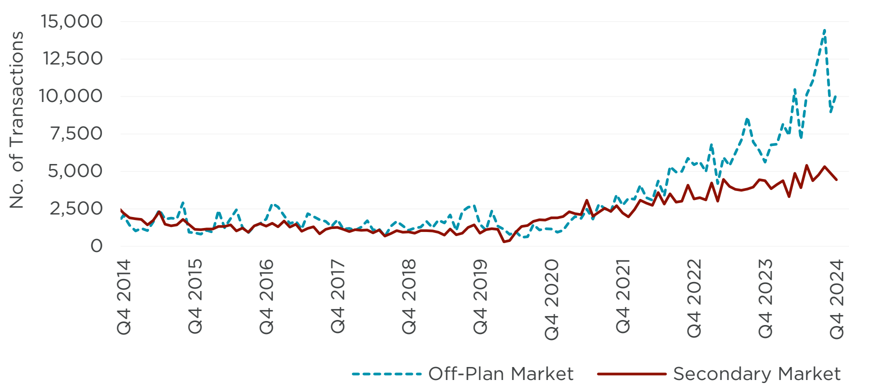
The Valley – Venera by Emaar Properties
The Valley

“

2024 saw the equivalent of one new project launch every 15 hours.

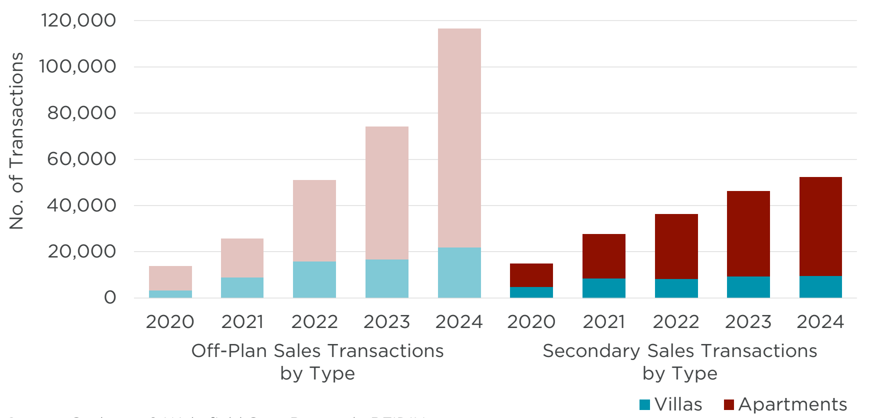
OFF-PLAN SALES VOLUMES SURGE

Dubai Market Transaction Trends



Source: Cushman & Wakefield Core Research, REIDIN

Residential Sales Transaction Trends



Source: Cushman & Wakefield Core Research, REIDIN

RESIDENTIAL TRANSACTIONS

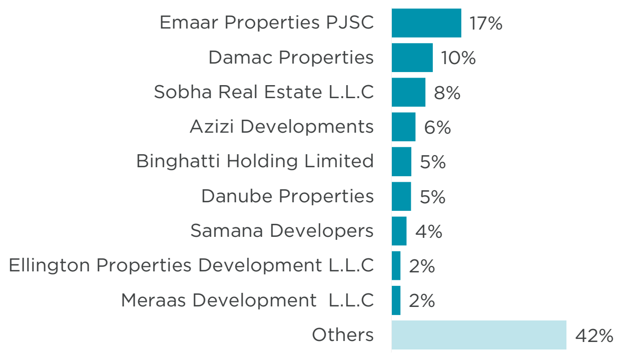
Off-plan transaction volumes surged 8.4 times while secondary market transactions more than tripled in 2024 compared to 2020. Furthermore, off-plan transactions were nearly 2.3 times more than in the secondary market in 2024, indicating a market dominated by investors rather than end-users.

The strong off-plan sales growth reflects the ongoing evolution of Dubai's residential market. Attractive payment plans and competitive pricing have seen investors look to new developments, while the steady trajectory of the secondary market highlights the growing appeal of established communities and move-in-ready properties as a rising number of end-users transition to home ownership.

Emaar Properties continues to lead the market share in both off-plan and secondary market transactions while Damac Properties had the second highest percentage share.

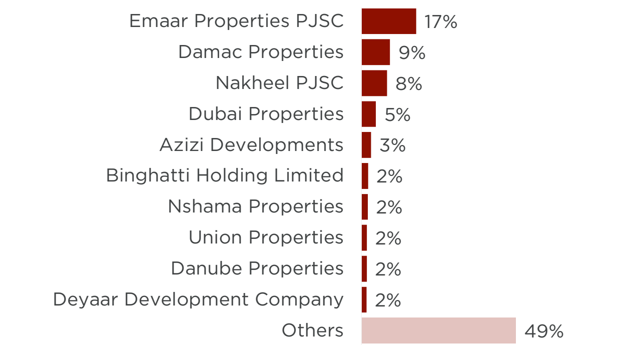
The UAE Central Bank's new directive, requiring a 6% additional down payment for mortgage buyers, may slow mortgage transactions and influence buyer decisions, potentially driving some toward off-plan properties with attractive payment plans. However, its broader impact on Dubai's residential real estate market is expected to be limited, as mortgage transactions account for only 36% of the secondary market, with the remaining 64% consisting of cash purchases. Additionally, off-plan transactions, which account for more than double the activity in the secondary market, are primarily cash-based, underscoring the investor-driven nature of the market.

Off-Plan Market Sales Transactions by Developer - 2024



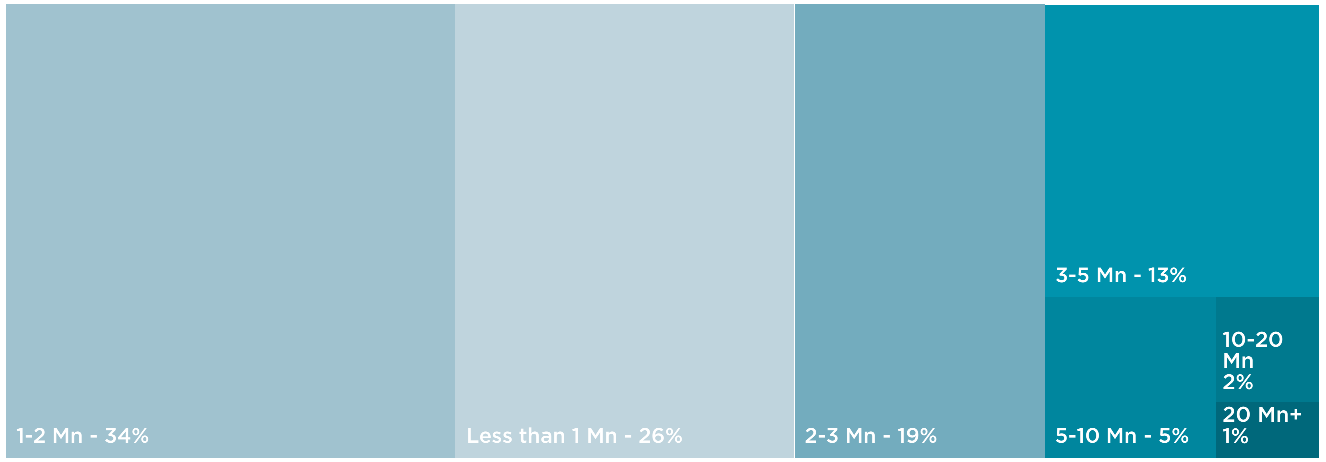
Source: Cushman & Wakefield Core Research, REIDIN

Secondary Sales Transactions by Developer - 2024

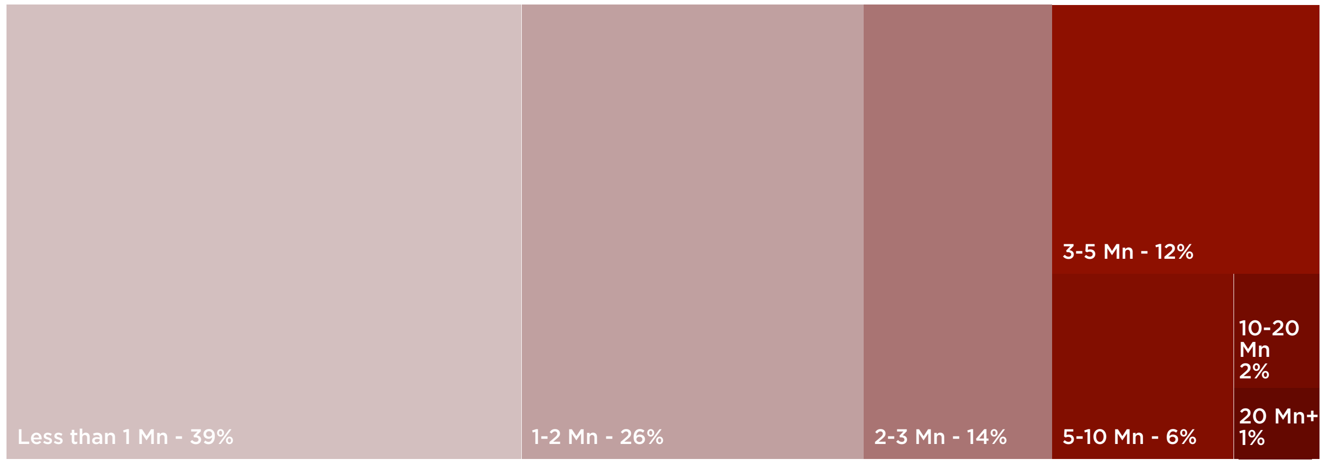


Source: Cushman & Wakefield Core Research, REIDIN

Off-Plan Sales Transactions by Ticket Size (AED) - 2024



Secondary Sales Transactions by Ticket Size (AED) - 2024



Source: Cushman & Wakefield Core Research, REIDIN

Dubai market continues price sensitivity with nearly 62% of all transactions below the AED 2 Million mark.

Contrary to market perception, Dubai buyers remain price sensitive with nearly 62% of all transactions below the AED 2 Million mark. The secondary market is significantly more price sensitive with 39% of all transactions below the AED 1 Million mark compared to 26% in the off-plan market.

RESIDENTIAL SALES

City-wide sales prices surged by 18% y-o-y, marking 18 consecutive quarters and entering a fifth year of sustained upward momentum.

We expect Dubai's real estate market to maintain its upward trajectory in 2025, though price growth will moderate as supply increases. In 2024, villa prices surged 20% year-on-year, outperforming apartments, which rose 18%.

Upper-mid market communities saw the highest gains, with Arabian Ranches up 29% and The Springs & The Meadows rising 28%. Ultra-prime villa districts, such as Palm Jumeirah (9%) and Emirates Hills (7%), have stabilised with single-digit growth.

Villa districts in the southern part of Dubai, such as Jumeirah Village Circle (22%) and Dubai South (22%), have also witnessed sharp price increases. The Al Maktoum Airport expansion announcement has underpinned these trends, boosting investor confidence and demand. In the apartment segment, Discovery Gardens led with 32% growth, followed by Jumeirah Lake Towers at 30%.

Villa Sales Price Trends by District

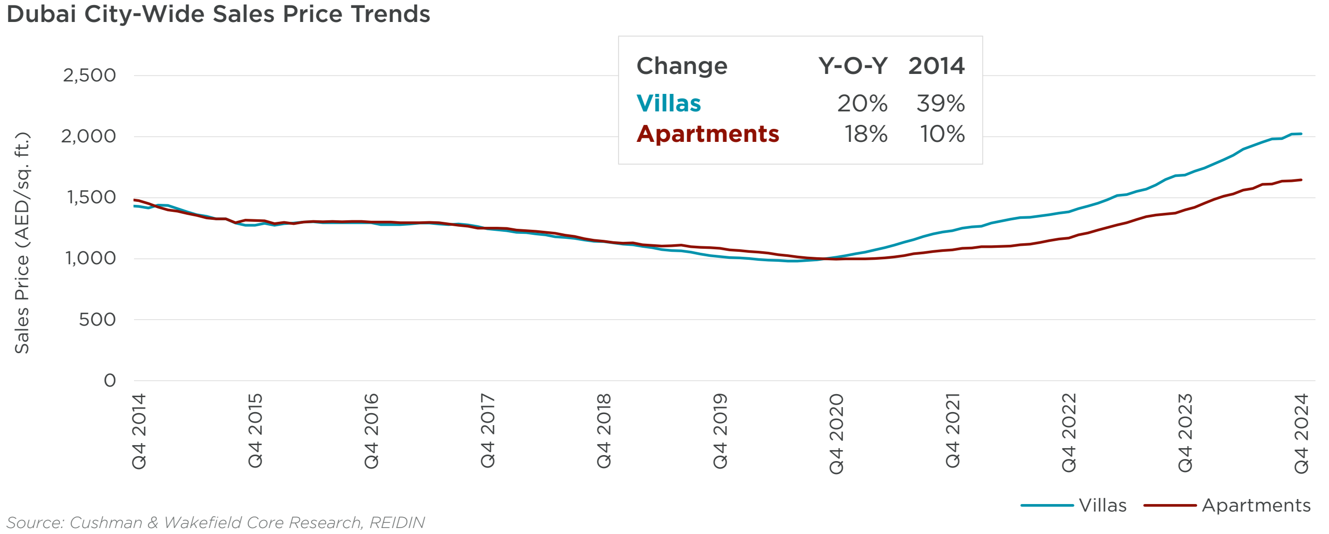
	Q4 2024 Avg. Sales Price/sq. ft.	Y-O-Y Change
Palm Jumeirah	5,748	9%
Emirates Hills	2,875	7%
Dubai Hills	2,385	20%
The Lakes	2,291	18%
The Springs and The Meadows	2,005	28%
Arabian Ranches	1,917	29%
Jumeirah Park	1,709	11%
Dubailand	1,238	16%
Jumeirah Village Circle	984	22%

Apartment Sales Price Trends by District

	Q4 2024 Avg. Sales Price/sq. ft.	Y-O-Y Change
Palm Jumeirah	2,982	20%
Downtown Dubai	2,840	10%
City Walk	2,643	11%
Dubai Hills	2,292	11%
DIFC	2,282	20%
Business Bay	2,027	5%
Dubai Marina	1,912	15%
The Greens and The Views	1,707	0%
JLT	1,578	30%
Jumeirah Village Circle	1,295	17%
Dubai Sports City	977	21%
Discovery Gardens	905	32%
Dubailand	895	20%

Source: Cushman & Wakefield Core Research, REIDIN

Dubai City-Wide Sales Price Trends



Source: Cushman & Wakefield Core Research, REIDIN

RESIDENTIAL RENTS

At 16% y-o-y, rents rise for the 16th consecutive quarter, but gradual moderation expected.

In 2024, city-wide villa rents rose by 13% y-o-y, while apartment rents increased by 16%, driven by high occupancy levels and ongoing population growth. These factors have contributed to the 16th consecutive quarter of rising rents.

Jumeirah Village Circle led villa rental growth with a 48% increase, driven by high demand for affordable villas, while The Springs and The Meadows saw a 10% rise, reflecting steady demand for upper mid-market family homes.

On the other hand, Palm Jumeirah saw a slight 5% decline in villa rents, indicating a stabilisation in its rental market, though overall ticket sizes remain high due to the area's ultra-prime waterfront appeal.

In the apartment market, Discovery Gardens led rental growth with a 20% increase, followed by Downtown Dubai with a 17% rise.

Like the sales market, we expect the rents to gradually moderate with the delivery of new supply and the new RERA Rental index bringing further parity between new rents and renewals.

Villa Rent Price Trends by District

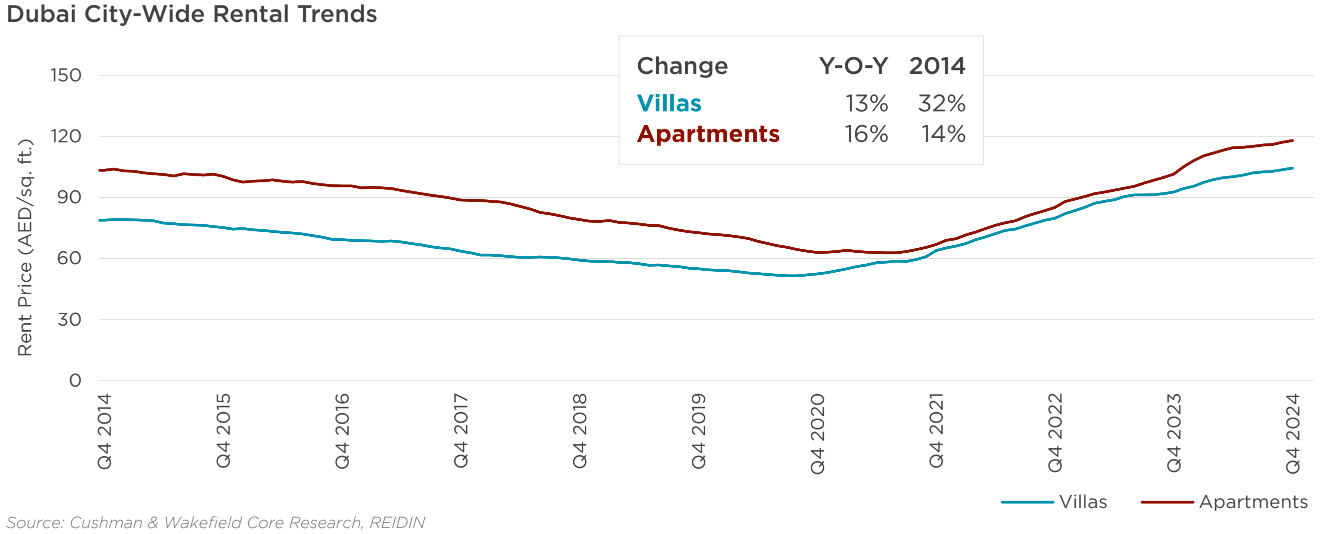
	Q4 2024 Avg. Rent Price/sq. ft.	Y-O-Y Change
Palm Jumeirah	146	-5%
Dubai Hills	132	7%
The Lakes	121	19%
Emirates Hills	116	5%
The Springs and The Meadows	96	10%
Jumeirah Village Circle	95	48%
Arabian Ranches	83	-4%
Jumeirah Park	76	8%
Dubailand	70	1%

Apartment Rent Price Trends by District

	Q4 2024 Avg. Rent Price/sq. ft.	Y-O-Y Change
Downtown Dubai	172	17%
Dubai Hills	168	8%
City Walk	166	3%
Palm Jumeirah	147	10%
DIFC	144	11%
Business Bay	138	12%
Dubai Marina	126	-2%
The Greens and The Views	123	10%
JLT	114	11%
Jumeirah Village Circle	105	15%
Dubailand	87	16%
Discovery Gardens	84	20%
Dubai Sports City	81	16%

Source: Cushman & Wakefield Core Research, REIDIN

Dubai City-Wide Rental Trends



Source: Cushman & Wakefield Core Research, REIDIN

INTRODUCTION OF THE SMART RENTAL INDEX

The Dubai Land Department (DLD) launched the Smart Rental Index 2025; a significant advancement in the regulation and development of Dubai's real estate sector. By reflecting real-time rental trends and addressing dynamic shifts in demand and property values, the updated index supports regulatory clarity, prevents disputes, and reinforces confidence in Dubai's rental market.

KEY FEATURES

» **Advanced Building Classification System:** This system evaluates properties based on technical and structural characteristics, quality of finishes and maintenance, strategic location, and available services and facilities. The goal is to ensure accurate and fair rental valuations that reflect each property's true quality and advantages.

» **Artificial Intelligence Integration:** The index utilises AI technologies to provide precise rental valuations, enhancing transparency and building trust among stakeholders.

» **Alignment with Strategic Objectives:** The initiative supports Dubai's Digital Strategy and the Dubai Real Estate Sector Strategy 2033, aiming to create a balanced and sustainable environment for all parties involved in the real estate market.

DLD EXPANDS FREEHOLD OWNERSHIP - WHAT DOES IT MEAN FOR THE MARKET?

The Dubai Land Department (DLD) has opened freehold ownership in key areas along Sheikh Zayed Road and Al Jaddaf to all nationalities in a new initiative that will unlock potential for both investors and current landlords. The change affects 457 plots, including 128 along Sheikh Zayed Road (between the Trade Centre roundabout and the Water Canal) and 329 in Al Jaddaf, areas previously restricted to GCC nationals. However, a key question remains: will GCC landlords decide to sell, especially for developed properties that offer high rental yields with limited to no debt? On the other hand, vacant plots stand to benefit from a broader pool of potential buyers.

» **Higher asset values:** A broader pool of global investors is expected to drive demand in these sought-after areas.

» **Redevelopment opportunities:** Older leasehold properties can be refurbished or redeveloped for strata sales, enhancing overall property quality.

» **Diverse owner/occupier mix:** Family offices and long-term landholders may reposition assets, potentially diversifying the occupier mix.

» **Boost to FDI:** The initiative cements Dubai's reputation as a leading global real estate destination. Widening the pool of investors and encouraging FDI, will increase asset values in the impacted areas.

ULTRA PRIME MARKET

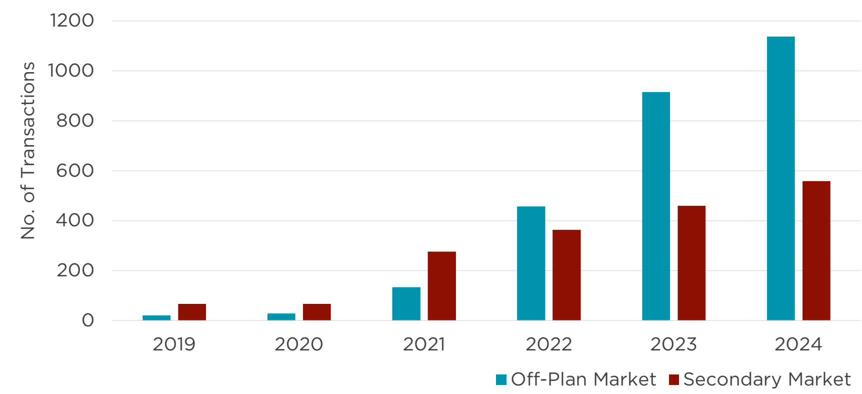
Record-breaking year for ultra-prime transactions in Dubai as the UAE sees the highest net inflow of global millionaires.

Over 1,600 transactions were classified as ultra-prime properties with off-plan sales accounting for approximately 67%, while the secondary market contributed 33%.

AED 130 Mn	Most expensive apartment sold in Q4 2024 - Six Senses Residences The Palm
AED 200 Mn	Most expensive villa sold in Q4 2024 - Signature Villa, Frond G, Palm Jumeirah
AED 28,571	Highest transacted residential sales price/sq. ft. in Q4 2024 - Signature Villa, Palm Jumeirah

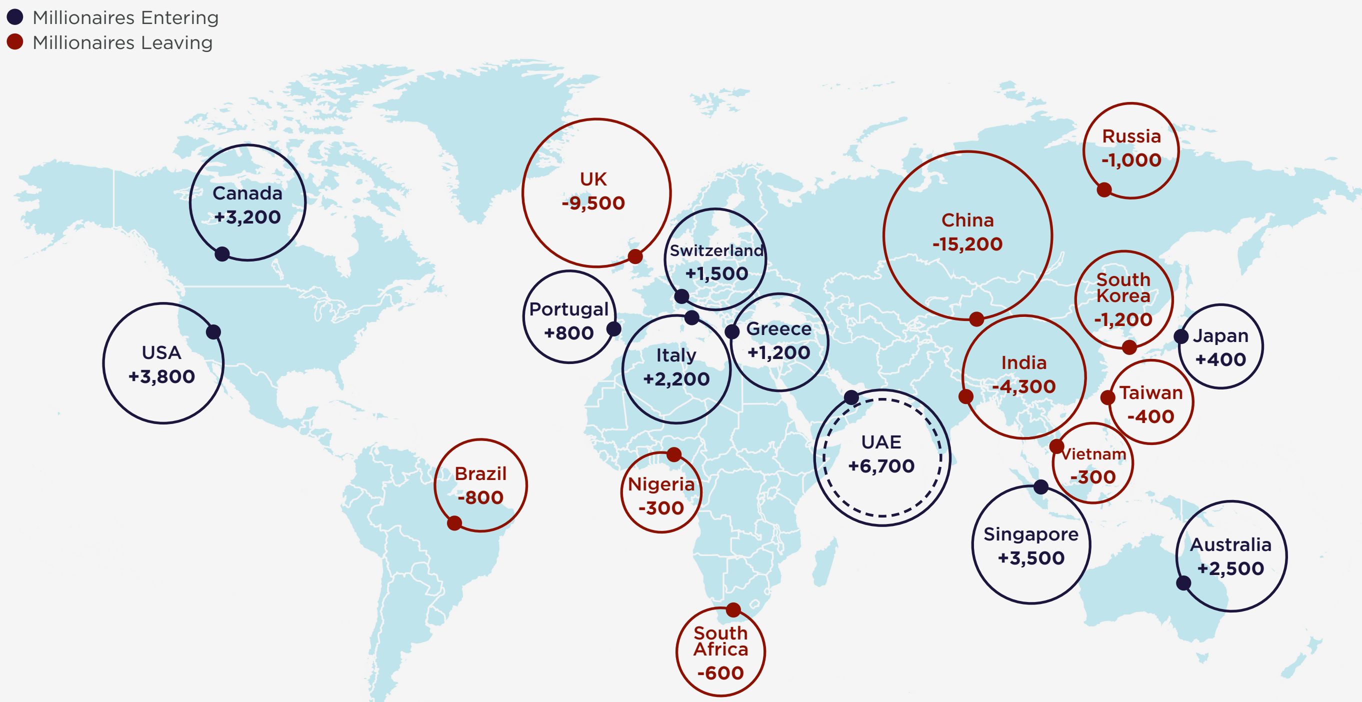
> *With an influx of talent and wealth, Dubai's ultra-prime market will remain in high demand in 2025.*

Ultra Prime Transactions in Dubai (AED 20 Million and Above)



Source: Cushman & Wakefield Core Research, REIDIN

Projected Net Inflows and Outflows of Millionaires in 2024



Source: Henley & Partners

TIDES OF CHANGE
DUBAI'S WATERFRONT EVOLUTION

The Iconic Palm Jumeirah vs. Emerging Contenders

We're seeing unprecedented transformation in Dubai's waterfront property market. With its record-breaking prices, **Palm Jumeirah** remains a globally renowned symbol of luxury thanks to its established infrastructure, and lifestyle offerings but, as demand continues, emerging districts like **Palm Jebel Ali** and **Dubai Islands** are vying for investment.

Yet, as the market evolves, the long-term viability of these districts will hinge on the balance of demand and supply, coupled with the successful delivery of high-quality infrastructure and community amenities.

With its vast scale and ambitious vision, Palm Jebel Ali's appeal lies in its promise of modern living, larger plots, innovative waterfront concepts, and relative affordability compared to Palm Jumeirah. But questions remain around construction delays and perceptions of oversupply that may impact its ability to compete.

A lot will depend on the district's ability to differentiate - whether through pricing, innovative concepts, or lifestyle amenities - while avoiding long-term construction.

Although the launched phases have seen strong take-up and are reportedly sold out, the timeline for full delivery, social and physical infrastructure developments reaching critical mass for residents, and the pace of absorption in the market will be important factors determining its success.

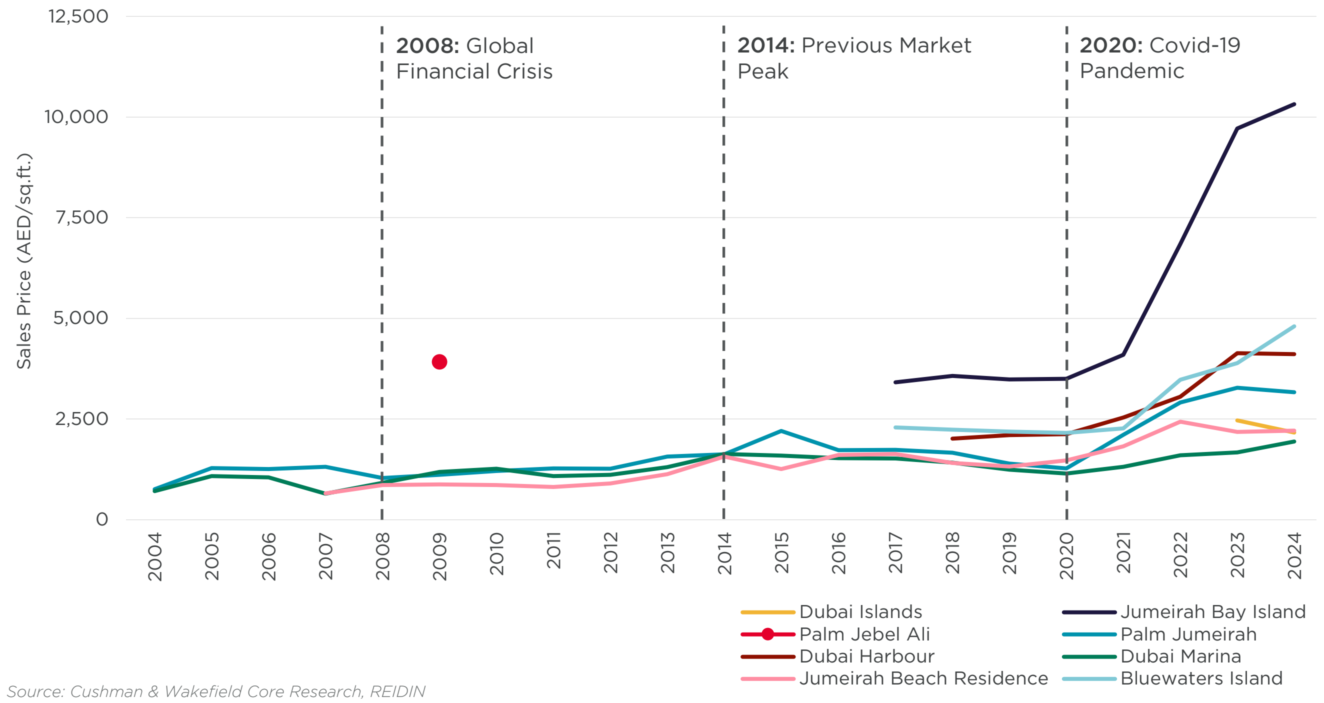
While the districts are at varying stages of development, it is interesting to note that average sales prices on Palm Jumeirah in 2024 were 130% higher than those on Palm Jebel Ali and 268% above Dubai Islands. This significant disparity highlights the premium associated with Palm Jumeirah, while also suggesting potential room for growth in the emerging districts as they mature and attract further investment. At the same time, other waterfront destinations like Dubai Islands are targeting HNI buyers with exclusive offerings and prime locations. Jumeirah Bay Island is in a league of its own, with its limited size and ultra-prime offerings attracting global billionaires while Dubai Harbour and Bluewaters continue to attract upwardly mobile cosmopolitan buyers seeking urban waterfront living.

Other proposed and highly exclusive ultra-prime island developments are currently under development yet to be released to market and would further solidify Dubai as the global ultra-prime waterfront destination.

Palm Jumeirah may remain unmatched for years to come, but Palm Jebel Ali and its contemporaries have the potential to carve out their own niche, redefining luxury and modern coastal living for the next generation.

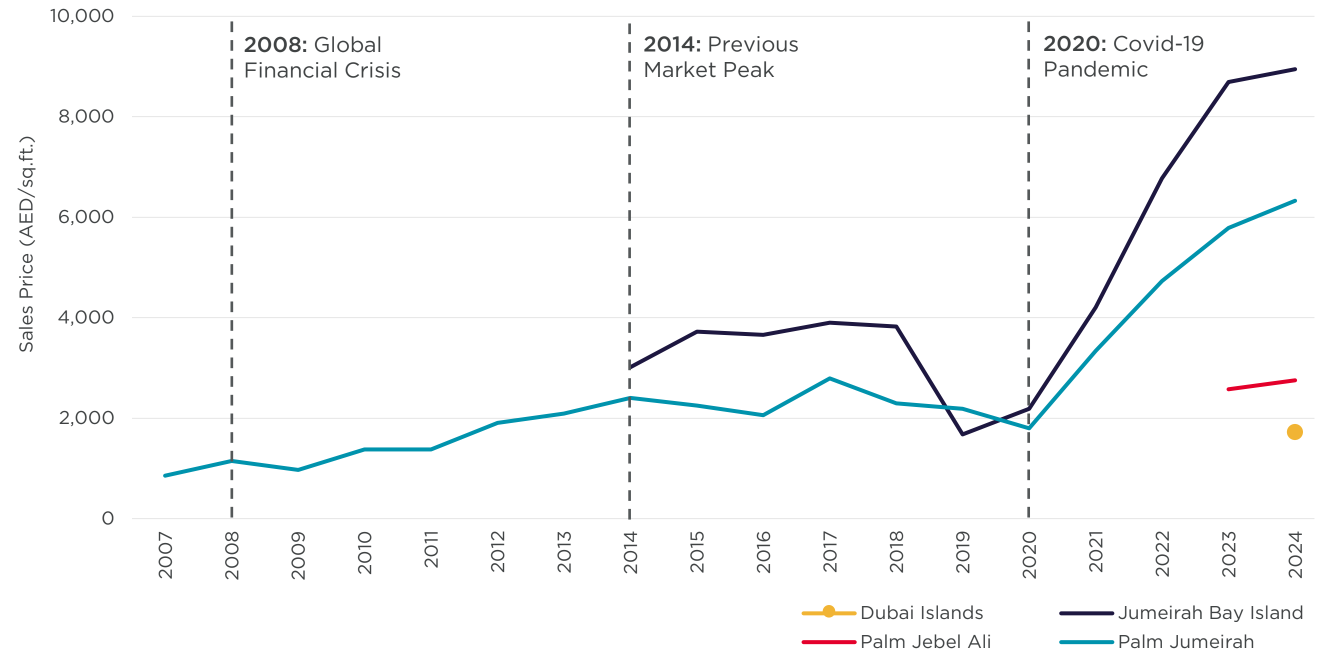
	Most Expensive Property Sold 2024	Highest Price Transacted 2024 (AED/sq. ft.)
Palm Jumeirah	275,000,000	28,571
Jumeirah Bay Island	175,000,000	23,582
Dubai Marina	108,830,000	9,312
Bluewaters Island	84,000,000	9,313
Palm Jebel Ali	49,278,800	4,243
Dubai Islands (Deira Islands)	45,145,000	5,779
Dubai Harbour	36,158,000	7,005

Waterfront Districts Sales Price Trends - Apartments



Source: Cushman & Wakefield Core Research, REIDIN

Waterfront Districts Sales Price Trends - Villas

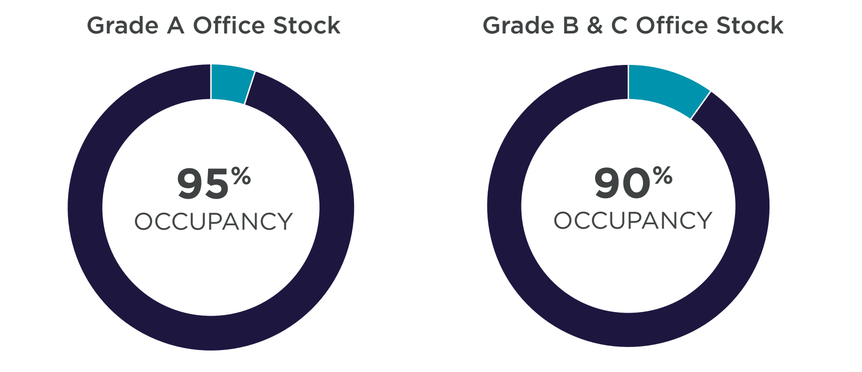


Source: Cushman & Wakefield Core Research, REIDIN

OFFICE MARKET

KEY TAKEAWAYS

- 2024 was a record-breaking year for the office market.
- Dubai boasts the second-highest occupancy rates globally, reaching an all-time high of 92%, and is projected to surpass 94% by the end of 2025.
- Major regional and global occupiers finding it increasingly challenging to secure large office spaces.
- Office rents have reached an all-time high, rising 22% y-o-y with further increases expected of 10 to 12% in 2025.
- Office supply is set to more than double in 2025 compared to 2024, but demand continues to exceed supply; Major project announcements in 2024 to provide relief by 2027/2028 in select areas.
- Significant development is expected as more private and institutional investors look at investing in the Dubai office market.
- Dubai office market firmly remains landlord-friendly, with most institutional landlords preferring multi-national tenants and long-term leases.



Source: Cushman & Wakefield Core Research

OUTLOOK

Dubai's office market had a landmark year in 2024, with increasing demand driving up rents and boosting occupancy levels. Despite the announcement of new projects in 2024 and a forecasted doubling of supply by 2025, the market is expected to remain undersupplied for the next two years.

Stabilisation is expected by 2027/2028 in select areas as a substantial portion of the planned developments reach completion. The supply crunch is making it challenging for major regional and global occupiers to find space, forcing occupiers to move fast on transaction timelines to secure units of their choice while others look to upcoming locations such as Expo City and Dubai CommerCity. The anticipated Commercial RERA Rental Index update is expected to moderate rent increases of incumbent tenants while pushing landlords with aging assets to consider upgrading to maintain rents.

DEMAND CONTINUES TO EXCEED SUPPLY

OFFICE SUPPLY

Office supply is set to more than double in 2025 compared to 2024, but demand continues to exceed supply.

In 2024, over 650,000 sq. ft. of office GLA was delivered, with the majority pre-leased. Looking ahead to 2025, a total of 1.66 million sq. ft. is expected to come online, yet demand continues to outpace supply.

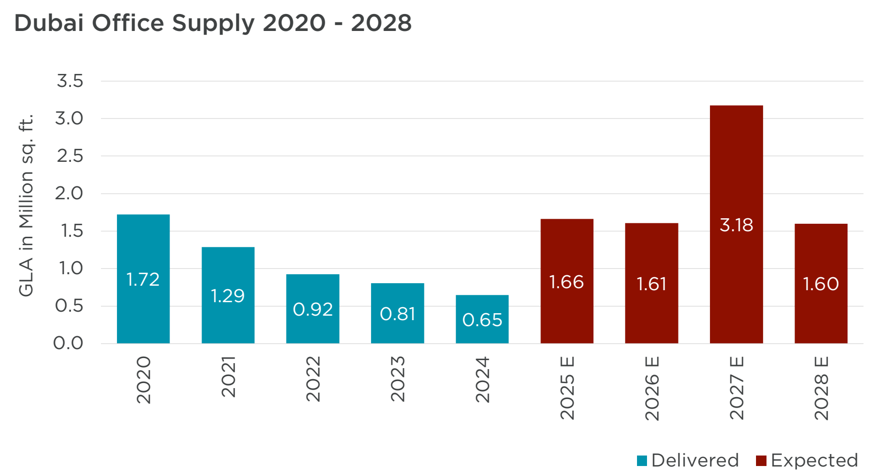
Key project handovers in 2024 included 6 Falak in Dubai Media City, A2 in Dubai CommerCity, Millennium Downtown on Sheikh Zayed Road, and Technohub3 in Dubai Silicon Oasis.

Significant future completions, particularly Grade A developments in DIFC and Sheikh Zayed Road, are anticipated between 2026 and 2028 and are expected to alleviate the supply crunch in those areas.

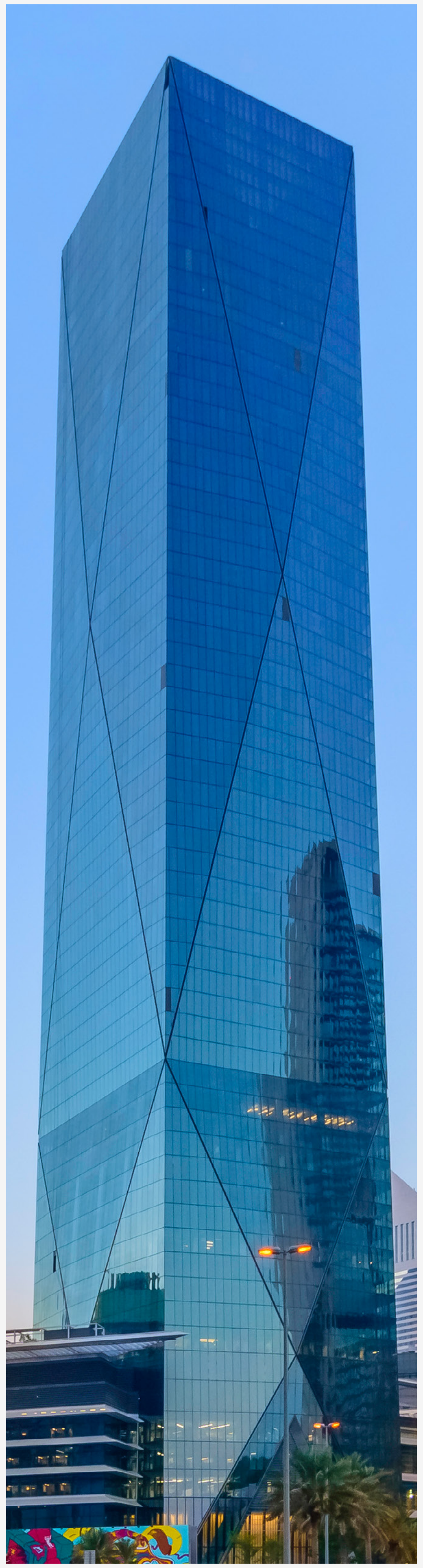
Key expected completions in the coming years include multiple developments in DIFC, Uptown Phase 2, D3 Phase 2, Sweid One JLT, and Aldar developments in DIFC and Sheikh Zayed Road.

Q4 2024 saw a landmark AED 2.3 Billion forward purchase transaction for a prime commercial development in Dubai International Financial Centre (DIFC). The state-of-the-art development will feature premium office and retail spaces, further enhancing DIFC's reputation as a leading global business hub. Cushman & Wakefield Core represented exclusively for the seller, H&H Development.

2024 also saw significant commercial institutional sales including the Al Thuraya Building in TECOM and the Office Park in Dubai Internet City, marking a maturing market through continued institutional investment in the city. With the opening of the Sheikh Zayed Road and Al Jaddaf assets from GCC Freehold to international freehold ownership, we expect a further increase in global institutional investment for built assets and land sales.



Source: Cushman & Wakefield Core Research



PROMINENT OFFICE DISTRICTS

Existing & Upcoming Supply

DIFC DOMINATES

Already a Dubai stalwart, DIFC is expected to dominate the city's office market for the foreseeable future as global and local occupiers compete for limited space.

DIFC will account for a third of the 8.04 million sq. ft. of total city-wide office supply expected over the next 3 years with landmark projects including DIFC Square, DIFC Living and Innovation Hub Two, Eden House, Immersive Tower and Alia Development by Aldar.

As demand continues to outpace supply and occupancy rates sit at a record 97%, we expect significant pre-leasing absorption of this new stock.

As part of its long-term growth strategy – and addressing the supply issue – DIFC plans to introduce DIFC 2.0, a mixed-use masterplan development comprising of more than 17 million sq. ft. to be introduced in multiple phases.

OFFICE DEMAND

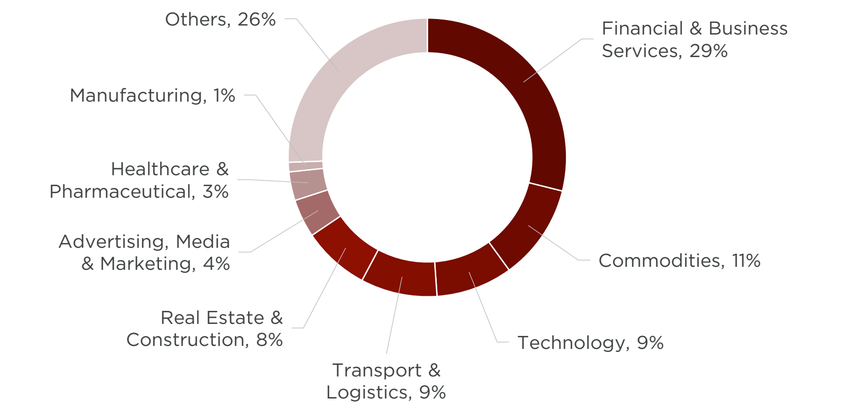
Office demand was predominantly driven by relocations and expansions in 2024. While first-phase expansion by new market entrants continued, they typically opted for smaller spaces or flexible office units during their initial period of operation. Even though regional occupiers dominated the demand in 2024, landlords are leveraging favourable market conditions to be selective, prioritising multinational tenants, particularly for larger spaces.

The financial and business services sector accounted for nearly 29% of total office enquiries, as Dubai continues to attract regional and global players, including both first-phase expansions and established incumbents. The commodities sector comprised 11% of commercial enquiries, followed by Technology at 9%. Inquiries from technology firms, previously a key driver of office demand, have declined relatively, influenced by prevailing global market conditions.

While demand for all types of units remains high, CAT A fit-out spaces are particularly preferred due to their ready-to-occupy nature, requiring minimal design interventions and reducing occupational timelines. However, a growing scarcity of larger office units (2,000+ sq. ft.) is further intensifying competition for space. By area, Business Bay and DMCC (Jumeirah Lake Towers) remain the most sought-after districts, collectively comprising nearly 30% of Dubai's total office stock and 43% of all office enquiries.

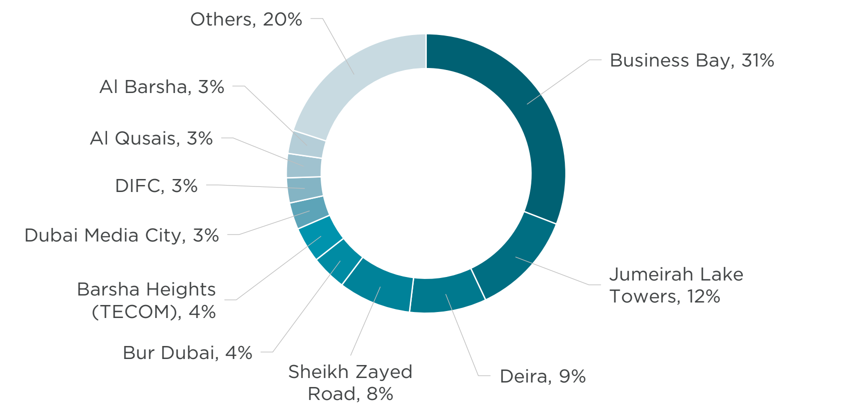
> *4 Million sq. ft. of office space absorbed in 2024 as demand continues to surge.*

Office Demand by Sector - 2024



Source: Cushman & Wakefield Core Research

Office Leads by Area - 2024



Source: Cushman & Wakefield Core Research, Data Finder

OFFICE MARKET PERFORMANCE

City-wide occupancy rates reached an all-time high of 92 % in 2024 with 4 million sq. ft. of office space absorbed – second only globally to Singapore. The record levels are in stark contrast to global markets which are at lower occupancy levels. While office space is available in some pockets across Dubai, such as Expo City Dubai and Dubai South, major regional and global occupiers are finding it increasingly challenging to meet large spatial requirements and are starting to look at built-to-suit opportunities with private and freezone developers.

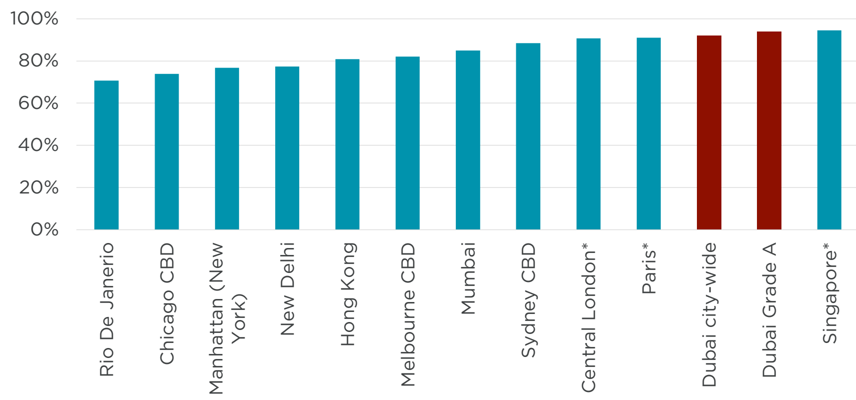
With a shortage of Grade A office supply and rising rents, relocations and upgrades remained dominant trends in Q4 2024. The banking sector has been a major driver of relocations, with institutions like Emirates NBD relocating to Dubai CommerCity to renovate their offices in Deira.

At the same time, many occupiers are renewing their existing leases and optimising their workspace through hybrid workplace strategies to maximise space utilisation. Furthermore, in a bid to enhance productivity, attract talent, and alleviate peak-hour traffic concerns in Dubai, the UAE government has been advocating for remote work adoption.

Flexible and co-working space providers continue to experience strong demand from global occupiers and SMEs, as their adaptable and tailored solutions make them a preferred choice in the current market. This high demand for flex spaces has led local and international flex-space providers to aggressively look to expand across the UAE. Dubai Hills and Dubai Media and Internet City have seen the most significant increases in occupancy rates. As major office districts approach full occupancy and demand continues to outpace supply, upward pressure on headline rents is expected to intensify further.

DUBAI HAS THE SECOND HIGHEST OCCUPANCY LEVELS AMONGST MAJOR GLOBAL CITIES AT 92%

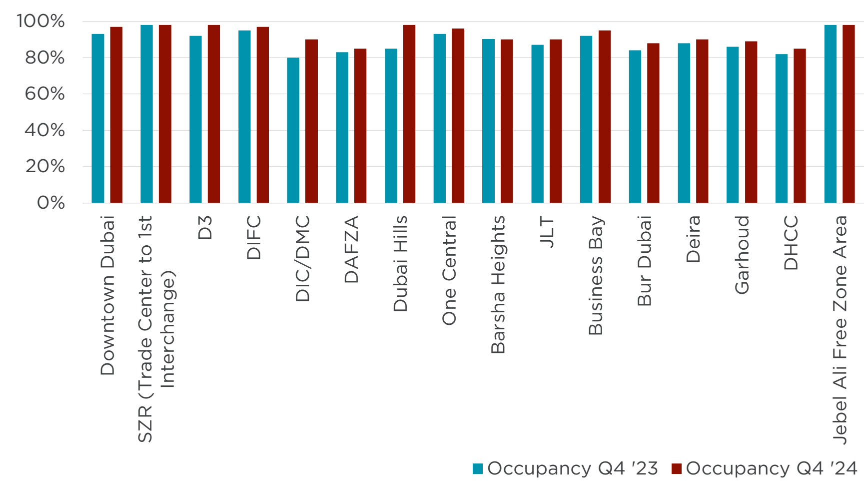
Occupancy Levels - Global Cities



*At the time of this publication, Q4 2024 data for these cities had not yet been released; therefore, Q3 2024 data has been referenced.

Source: Cushman & Wakefield Marketbeats

Dubai Office Occupancy - Q4 2023 vs. Q4 2024

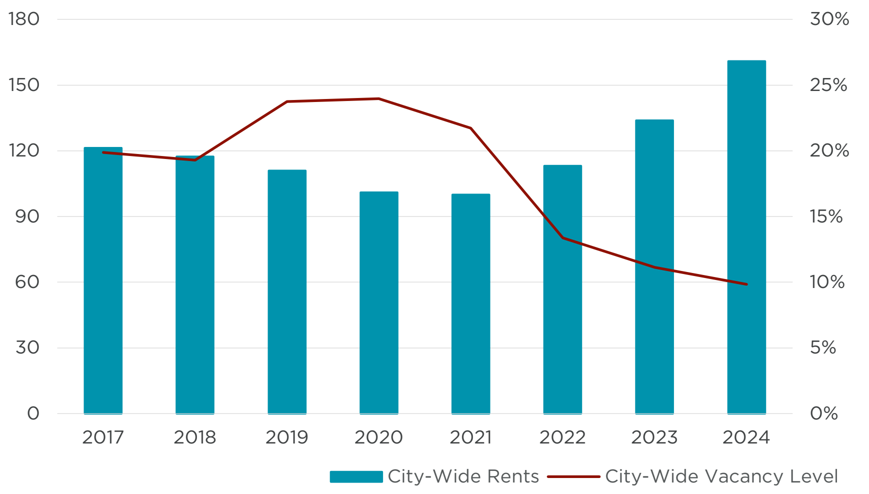


Source: Cushman & Wakefield Core Research

> *High demand for flex space has seen local and international flex-space providers actively look to expand across the UAE.*

CITY-WIDE OFFICE RENTS REACH AN ALL-TIME HIGH

Dubai City-Wide Office Vacancy vs. Rental Trends



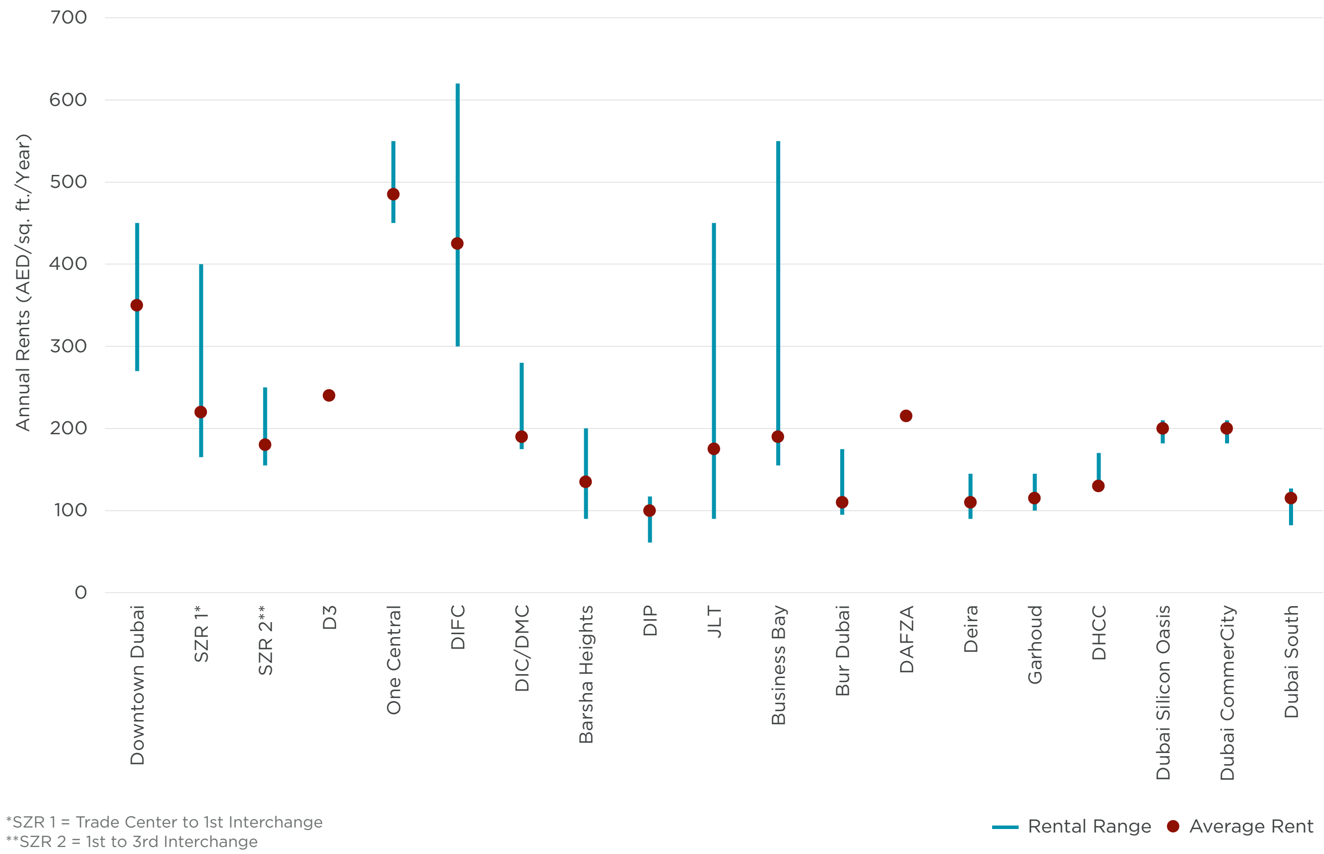
Source: Cushman & Wakefield Core Research

Average city-wide office rental rates reached AED 174 per sq. ft., marking a 22% y-o-y increase. DIFC maintains the highest average rental price per sq. ft., followed by One Central and Downtown Dubai.

Consistently high occupancy levels have bolstered landlord confidence, resulting in sustained rental price growth and premium rates for the limited office space available.

Strata landlords are actively investing in refurbishments and high-quality fit-outs to attract tenants willing to pay premium rents, while single-owned landlords are less inclined to make upgrades, benefitting from the landlord-favourable market conditions.

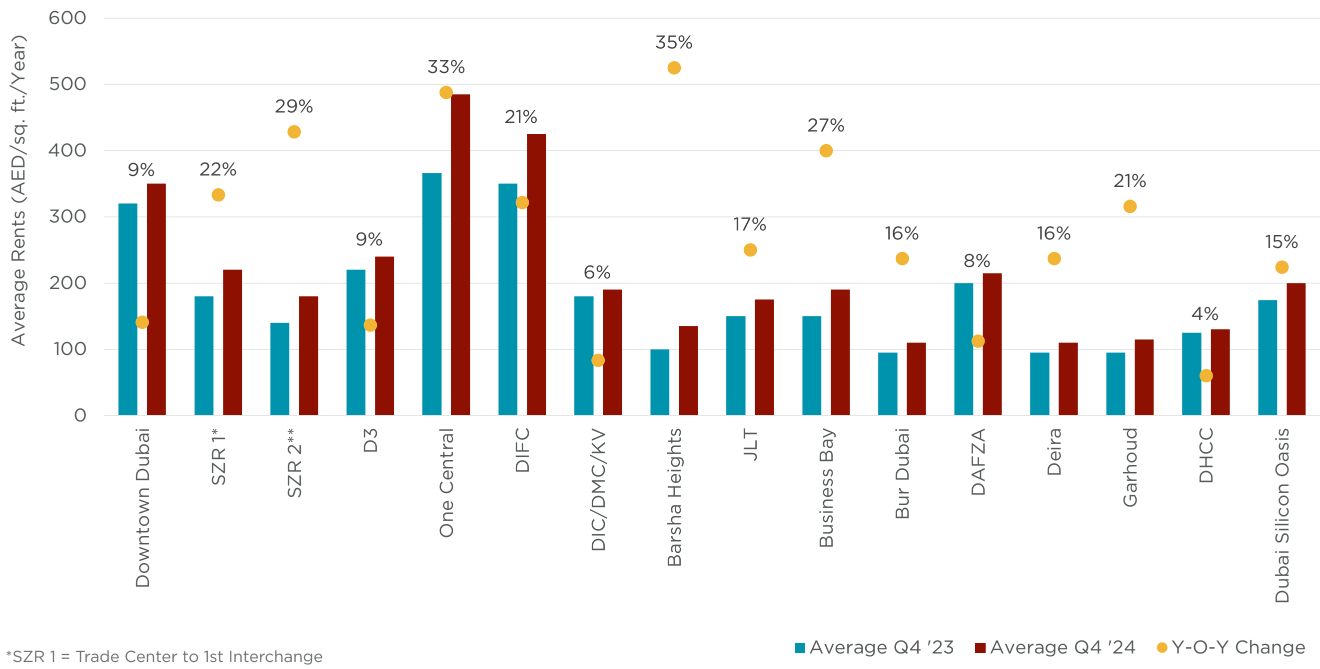
Dubai Office Rents - Q4 2024



*SZR 1 = Trade Center to 1st Interchange
**SZR 2 = 1st to 3rd Interchange
Note: The above rents are including service charges across fit-out types

Source: Cushman & Wakefield Core Research

Change in Average Office Rents - Q4 2023 vs. Q4 2024



*SZR 1 = Trade Center to 1st Interchange
**SZR 2 = 1st to 3rd Interchange
Note: The above rents are including service charges across fit-out types

Source: Cushman & Wakefield Core Research, REIDIN

AED 2.3 BILLION RECORD-BREAKING OFFICE DEAL

Highest Ever Single-Buyer Commercial Transaction

Cushman & Wakefield Core Capital Markets team exclusively represented H&H Development LLC in a record-breaking single buyer AED 2.3 Billion transaction for a prime commercial development in Dubai International Financial Centre (DIFC).

Aldar has acquired the under-construction, Platinum LEED-certified 40-floor tower, set for completion in 2028. This state-of-the-art development, designed by the acclaimed architects Herzog & de Meuron, will offer top-tier office and retail spaces, further enhancing DIFC's reputation as a leading global business hub.

> *This historic transaction is a testament to the ongoing strength and attractiveness of Dubai as a leading global investment destination.*

Key Investment Transactions in Dubai - 2024

Property	Submarket	Seller/Buyer	sq. ft.	Price
ICD Brookfield Place	DIFC	Brookfield/Olayan Group and Lunate	Stake Acquisition	AED 2.7 Bn (Split Sale of 24.5% Between 2 Buyers Equating 49% Stake Sale)
Alia Development	DIFC	H&H Development/Aldar Properties	Forward Purchase	AED 2.3 Bn
Office Park	Dubai Internet City	TECOM Investments FZ LLC/ Emirates REIT	370,761	AED 720 Mn
Emaar Square Building 3	Downtown Dubai	Emaar Properties/Driven Properties	210,000	AED 505 Mn
6 Falak	Dubai Internet City	Sweid & Sweid/Aldar Properties	90,000	AED 367 Mn
Emaar Business Park - Building 3	The Greens	Izdihar Real Estate Fund/Avighna Properties	150,000	AED 233 Mn
Thuraya Telecommunications Tower	Barsha Heights	Thuraya Telecommunications Company P.S.C./Indialand Group	348,000	AED 160 Mn

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Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2023, the firm reported revenue of $9.5 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), sustainability and more.

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