

Abu Dhabi Residential Market

Q3 2026

savills

Abu Dhabi's residential market remained resilient in Q3 2026, with transaction activity moderating from earlier in the year while values remained supported. Continued off-plan activity and demand for higher-value homes point to sustained underlying confidence in the market.

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Director Research

Key Statistics



6,085

Residential Transactions

▼ 19% QOQ
▼ 7% YOY



AED 21.5BN

Total Transacted Value

▼ 10% QOQ
▲ 32% YOY



AED 22,700/SQM

Average Price (Apartments)

▲ 0.5% QOQ
▲ 9% YOY



AED 18,200/SQM

Average Price (Villas/Townhouses)

▲ 0.2% QOQ
▲ 8% YOY



62,000 UNITS

Future Supply Pipeline

SCHEDULED
THROUGH 2030

Key Takeaways

1

ACTIVITY MODERATES, OFF-PLAN REMAINS DOMINANT

6,085 transactions were recorded in Q3, down 19% QoQ and 7% YoY, with 81% of activity off-plan. Despite lower volumes, total transacted value reached AED 27.85bn, down 10% QoQ but 32% higher YoY, reflecting the market's shift towards higher-value transactions.

2

HIGHER-VALUE OFF-PLAN SALES SUPPORT TICKET SIZE

The average off-plan sale ticket increased to AED 5.0m, up 15% QoQ and 40% YoY, reflecting a shift towards higher-value transactions. The ready-market ticket remained relatively stable at AED 2.8m, down 7% QoQ but 17% higher YoY.

3

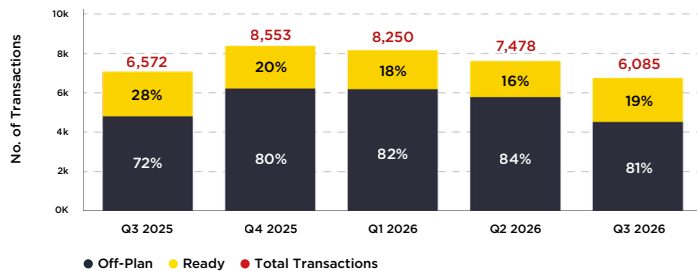
LUXURY ACTIVITY REBOUNDS

Transactions above AED 10m reached 582, increasing 35% QoQ and 104% YoY. 95% of transactions were off-plan, highlighting the strength of demand at the upper end.

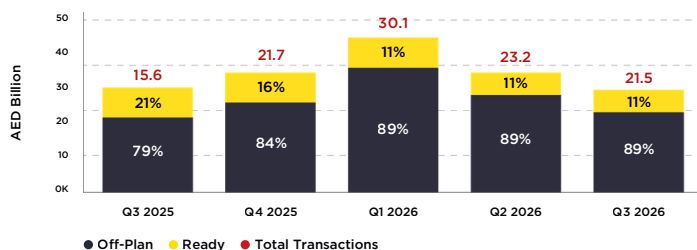


Note: Abu Dhabi City only, excluding Al Ain and Al Dhafra. Figures are indicative estimates based on ADREC data, cross-checked against Quanta, and may be subject to reporting lags.

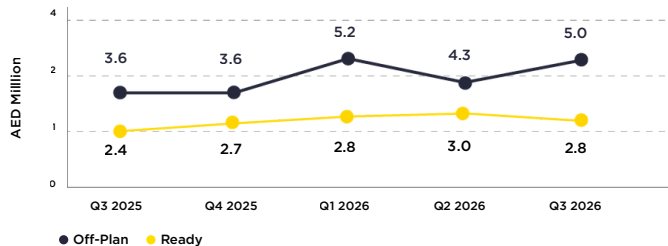
TOTAL RESIDENTIAL TRANSACTIONS



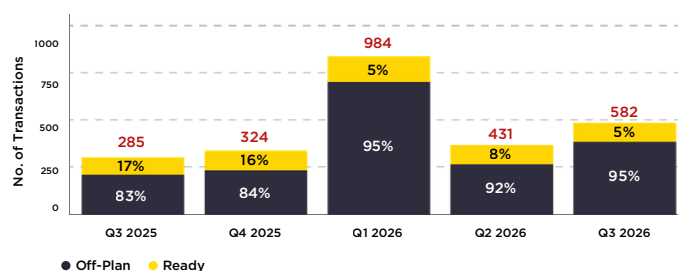
TOTAL TRANSACTED VALUE



AVERAGE SALE TICKET



AED 10M+ SEGMENT



PRIME PRICING

ANNUAL MEDIAN (AED/SQ FT)



Apartments

AED 42,500/SQM
Q3 2026

▼ 8.5% QOQ ▼ 1% YOY

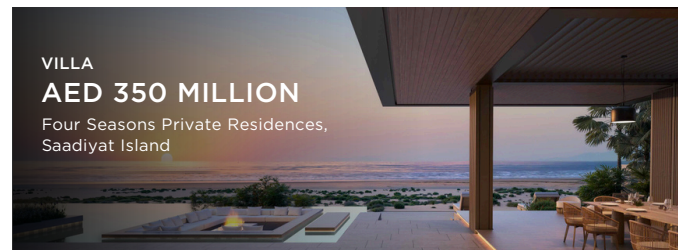


Villas / Townhouses

AED 27,800/SQM
Q3 2026

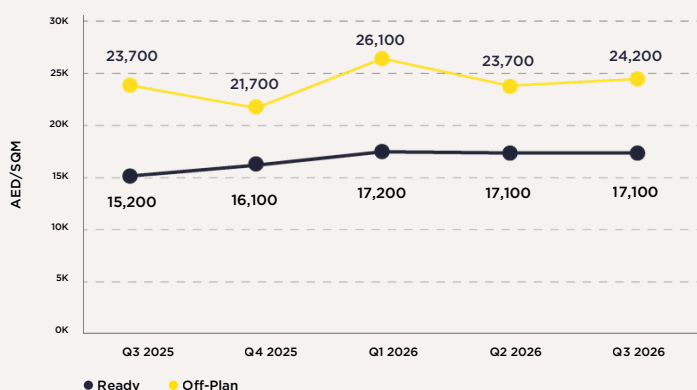
▼ 0.4% QOQ ▲ 48% YOY

TROPHY TRANSACTION — Q3 2026

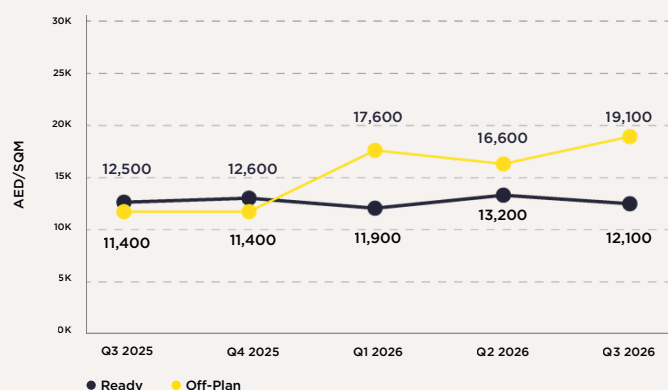


Residential Pricing Trends: Ready vs Off-Plan - AED per sqm

APARTMENTS



VILLAS/TOWNHOUSES



SOURCE: ADREC, SAVILLS RESEARCH

1

UNDERLYING PRICE GROWTH REMAINS MODERATE

On a like-for-like basis, price movements were moderate, with apartments up 0.5% QoQ and 9% YoY, and villas/townhouses up 0.2% QoQ and 8% YoY. Ready values continue to track around AED 17,100/sq m for apartments and AED 11,500-12,000/sq m for villas/townhouses.

2

VILLA / TOWNHOUSE OFF-PLAN PREMIUM REFLECTS NEW STOCK

The average off-plan price for villas/townhouses has risen to AED 19,100/sq m in Q3 2026, compared to around AED 11,500/sq m in the ready market, reflecting a higher quality mix of new launches, including more premium villa product entering the market in 2026.

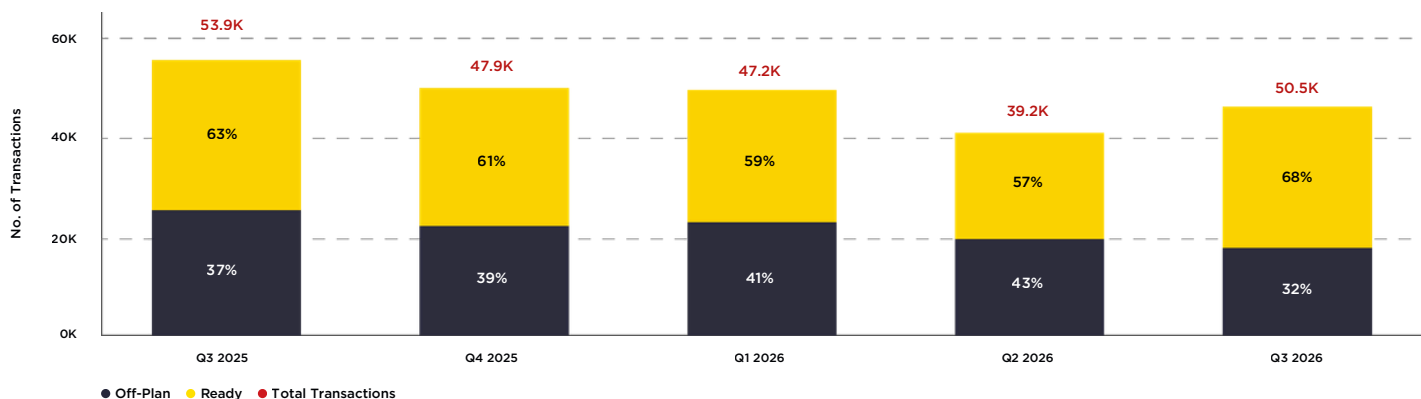
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APARTMENTS REMAIN MORE CONSISTENT ACROSS MARKET SEGMENTS

Both ready and off-plan apartment values have remained relatively resilient and in line with levels seen over the last two years, with ready prices around AED 17,100/sq m and off-plan prices at AED 24,200/sq m in Q3 2026.

Rental Activity

Total rental transactions rose in Q3 2026, driven by higher renewals, while new contracts moderated.



APARTMENT - NEW RENTAL RATE TRENDS

SELECTED DISTRICTS (AED/SQ M)

District	Q3 2026 New Rent (AED/sq m)	QoQ Change	YoY Change
Al Reem Island	-1,000	-1% to 0%	0% to +1%
Yas Island	-1,295	0% to +1%	-8% to -1%
Al Raha	875 - 950	-9% to -4%	-10% to -3%
Saadiyat Island	1,025 - 1,100	-14% to -8%	-14% to -7%
Khalifa City	935 - 1,025	+5% to +16%	-7% to -4%

VILLA / TOWNHOUSE - NEW RENTAL RATE TRENDS

SELECTED DISTRICTS (AED/SQ M)

District	Q3 2026 New Rent (AED/sq m)	QoQ Change	YoY Change
Yas Island	-1,090	-3% to -1%	-3% to -2%
Al Reef	705-745	-12% to -6%	-8% to -6%
Khalifa City	385-480	-5% to -1%	0% to +1%
Mohamed Bin Zayed City	325-330	-9% to -3%	-8% to +21%

Key Takeaways

1

TEMPORARY 0% RENT FREEZE HOLDS RENT

Abu Dhabi's temporary 0% rental increase measure, introduced in June 2026, has impacted rental growth. Existing tenants are able to renew at existing rates, rather than a 5% uplift, and new leases must be in line with the previously registered rent.

2

RENEWALS DRIVE Q3 RENTAL ACTIVITY

Total rental transactions increased to 50.5K in Q3 2026, up 29% QoQ, although still 6% lower YoY. Renewals accounted for 68% of activity (up from 57% in Q2), while new contracts declined by 4% QoQ.

3

NEW APARTMENT RENTAL RATES SHOW MIXED PERFORMANCE

New apartment rents were broadly stable in established markets such as Al Reem Island and Yas Island, while softer conditions continued in Al Raha and Saadiyat Island. Khalifa City showed signs of a quarterly rebound, although rents remained below Q3 2025 levels.

4

NEW VILLA RENTAL RATES GENERALLY SOFTEN

New villa/townhouse rents declined across most key communities in Q3. Yas Island and Khalifa City were relatively resilient, while larger corrections were observed in Al Reef and selected Mohamed Bin Zayed City cohorts, highlighting increasingly location-specific performance.

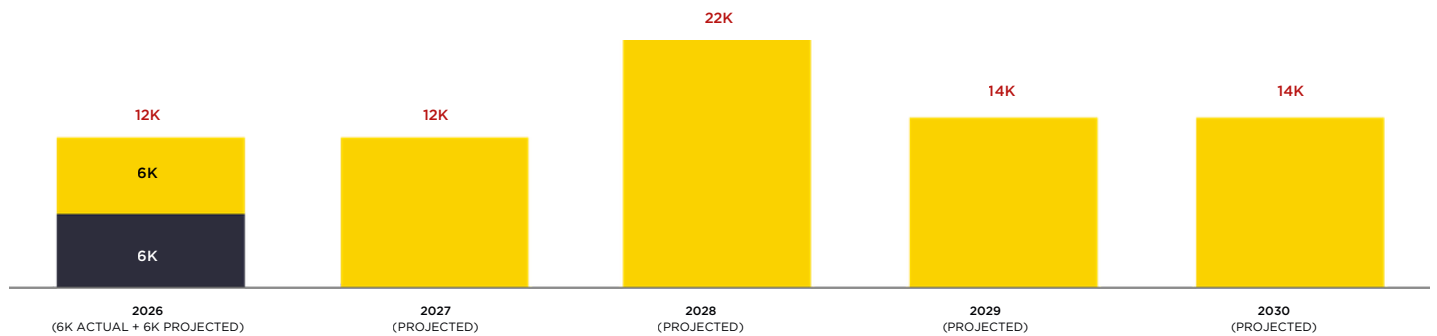
Note: New rental rates are based on like-for-like matched transaction analysis by property type and bedroom configuration (project and community level) for selected districts. Figures show indicative ranges across both matching methodologies. Only cohorts meeting minimum transaction thresholds are included. The Abu Dhabi temporary 0% rental increase measure introduced in June 2026 applies to most mainland areas; ADGM areas (e.g. Al Reem and Al Maryah Island) are not subject to this measure.

SOURCE: ADREC, SAVILLS RESEARCH



Supply Dynamics | Q3 2026

RESIDENTIAL HANDOVERS (NEW SUPPLY)



Total residential stock at year-end ('000 units)	330 (projected)	342 (projected)	364 (projected)	378 (projected)	392 (projected)
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SOURCE: ADREC, SAVILLS RESEARCH



1

SUPPLY GROWTH REMAINS ELEVATED

Total residential stock reached ~324,000 units in H1 2026, having grown at an average annual rate of 3.3% since 2022. Supply is projected to accelerate, with the regional stock expected to reach ~392,000 units by 2030, representing 4.6% annual growth.

2

FUTURE SUPPLY IS CONCENTRATED

Six districts are expected to account for 77% of incremental supply between H1 2026 and 2030: Saadiyat Island, Al Reem Island, Yas Island, Zayed City, Khalifa City and Al Hudayriyat Island. Apartments are particularly concentrated in Saadiyat, Reem and Yas.

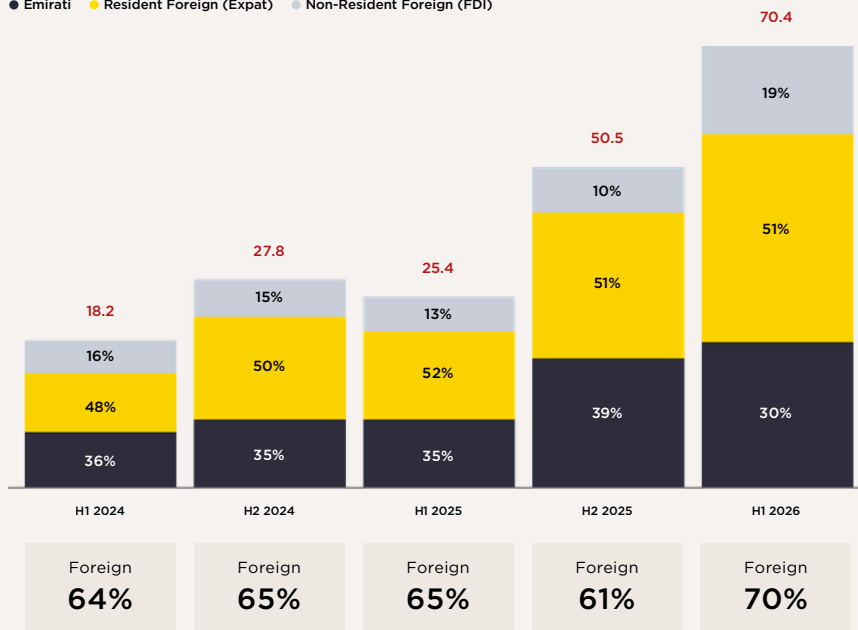
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DEVELOPER PLAYBOOK EVOLVES

The primary market remains launch-led, with off-plan accounting for the majority of sales. Developers are expanding buyer accessibility through more flexible payment structures and new off-plan financing solutions, including the ability for eligible buyers to secure mortgage financing during construction – up to 75% for certain projects.

TOTAL RESIDENTIAL UNIT SALES BY NATIONALITY - AED BILLION

● Emirati ● Resident Foreign (Expat) ● Non-Resident Foreign (FDI)



SOURCE: ADREC, SAVILLS RESEARCH. Q3 LAUNCH TOTAL IS APPROXIMATE

70%

of residential unit sales value in H1 2026 was driven by resident expatriates and non-resident foreign investors.



Total residential sales value increased 3.9x from AED 18.2bn in H1 2024 to AED 70.4bn in H1 2026.



Foreign buyers accounted for 70% of sales value in H1 2026, up from 64% in H1 2024.

Market Outlook



GROWING GLOBAL AND DOMESTIC INVESTMENT BASE

Strong foreign investment and a widening international buyer base continue to support the market, underpinned by Abu Dhabi's stable economy, investor-friendly policies and expanding opportunities across key sectors. Family buyers remain constrained by limited mid-market stock.



AED 13.8BN

Real estate FDI in H1 2026

+309%

YoY growth

116

Investor nationalities



MAJOR INFRASTRUCTURE AND DESTINATION INVESTMENTS

The government is actively strengthening Abu Dhabi's position as a global destination through investment in transport, tourism and lifestyle infrastructure. Projects such as Etihad Rail and new world-class attractions on Yas Island will enhance connectivity, visitor flows and long-term residential demand.



DISNEY

Theme park resort planned for Yas Island

HARRY POTTER

Major expansion (63,000 sqm) at Warner Bros. World

ETIHAD RAIL

Enhancing connectivity across the UAE



RESILIENT DEMAND WITH A MEASURED SUPPLY PIPELINE

Demand is expected to remain supported by a limited and well-managed supply pipeline, with the off-plan market likely to stay dominant. A growing pipeline of premium and branded residences is expected to sustain upward pressure on headline pricing. Continued interest from high-net-worth individuals and international investors in prime and luxury product will underpin growth, supported by Abu Dhabi's long-term economic and population fundamentals.



-324,000

Residential units (current stock)

-68,000

Additional units by 2030

PRIME & LUXURY

Demand to remain a key growth driver



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