

# Dubai Office Market Report

Real Estate - Dubai, Q3 2026

savills

## KEY STATS

**20.2K**  
RENTAL  
TRANSACTIONS  
Q3 2026 -8% VS  
Q2 2026

**AED  
241/SQ.FT**  
AVERAGE MARKET  
RENT  
STABLE Q2 2026

**66%**  
DEALS BELOW  
1,000 SQ.FT  
Q3 2026

**51% vs 49%**  
NEW VS RENEWAL  
TRANSACTION MIX

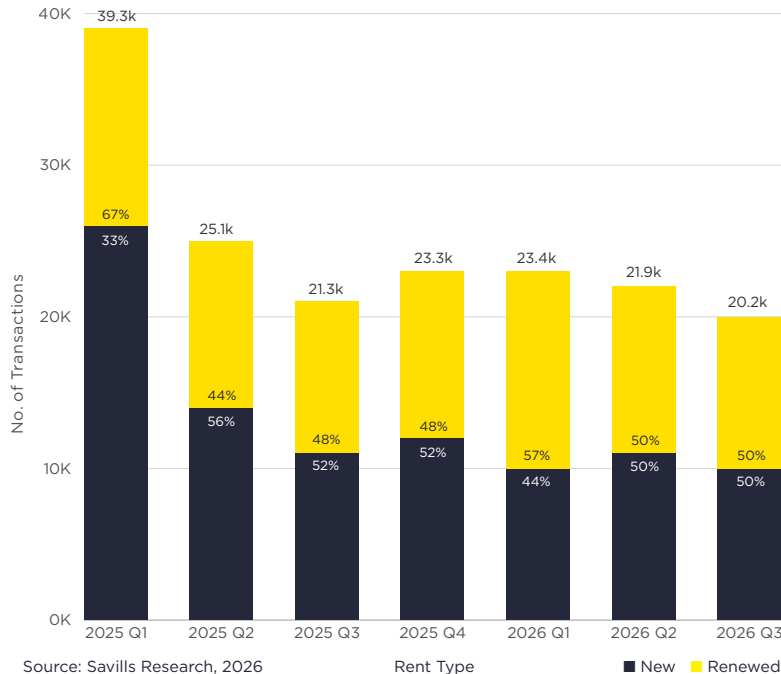
**20.4M SQ.FT**  
2026-30 SUPPLY  
PIPELINE  
EXPECTED OFFICE  
GLA

“Dubai’s office market remained broadly steady in Q3 2026, supported by occupier relocations, renewals and continued demand for well-located, high-quality space. Leasing activity remained resilient, while a measured development pipeline continues to shape availability across established and emerging business districts.”

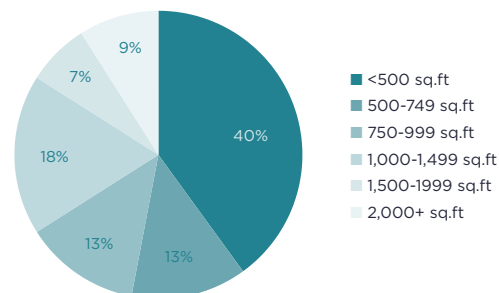
- Rachael Kennerley

## Market Review

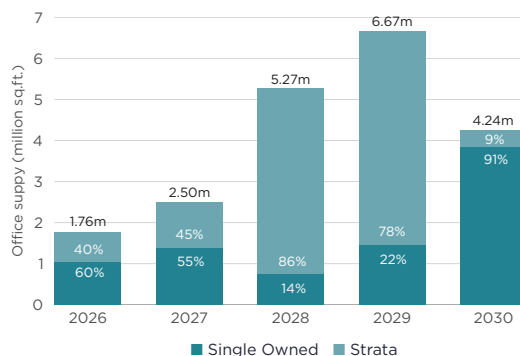
### NEW VS RENEWALS - NUMBER OF TRANSACTIONS



### RENTAL TRANSACTIONS BY SIZE



### PROJECTED OFFICE SUPPLY\*



## Key Takeaways

### Leasing activity remains resilient

Q3 2026 recorded 20.2K transactions, compared with 21.9K in Q2, with volumes remaining broadly within the 20K-23K quarterly range seen since Q3 2025.

### New leasing and renewals remain well balanced

New leases represented 51% of Q3 activity, marginally ahead of renewals at 49%, indicating continued occupier demand alongside a stable renewal base seen since Q3 2025.

### Smaller offices dominate leasing activity

Units below 1,000 sq ft account for 66% of transactions, led by sub-500 sq ft offices at 40%, highlighting the continued depth of demand for smaller, flexible office units.

### Strata supply will become increasingly prominent

Strata stock is expected to represent 86% of new supply in 2028 and 78% in 2029, potentially increasing the availability of individually owned and smaller office units, before the pipeline shifts towards 91% single-owned supply in 2030.

## Key Market Sentiment

### 1. Stable market outlook

Market conditions remain resilient, with activity improving towards September. In DIFC, a recently delivered scheme that saw some occupier withdrawals following the onset of regional conflict has since returned to full occupancy, reinforcing the depth of demand for prime Grade A space.

### 2. Renewal-driven activity

Around 42–50% of current transactions are renewals, reflecting occupiers' preference to retain space.

### 3. Flexible space selective

Flexible space demand remains steady, though it is increasingly selective, with occupiers focusing on quality, amenities and strategic locations.

### 4. Fewer terminations

Noticeable reduction in lease terminations compared to previous quarters, indicating greater occupier confidence.

### 5. Cautious landlords

Landlords remain selective, focusing on stronger covenant tenants and longer lease terms amid market uncertainty.

### 6. Relocations drive demand

Corporate relocations remain the primary driver of leasing activity across both local and international occupiers. Savills has seen some significant space requirements of more than 30,000 sq ft, linked to relocations in Q3 2026.

### 7. Due diligence remains key

Occupiers continue to undertake detailed due diligence, with greater focus on cost efficiency, flexibility and location quality.

### 8. Fintech and Chinese interest

Growing interest from fintech firms and Chinese companies, particularly for Grade A space in prime locations.

### 9. Metro proximity preferred

Buildings with strong metro connectivity continue to see higher enquiries and faster lease-up.

### 10. Sustainability in focus

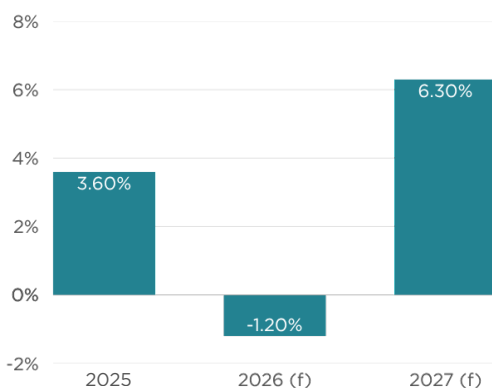
Greater emphasis on ESG and sustainable workplaces, with Expo legacy and green-certified buildings gaining traction.



## Macroeconomic Overview

UAE GDP is forecast to contract by 1.2% in 2026, before rebounding to **6.3% in 2027**, supported by non-oil sector expansion, continued foreign investment and a resilient population base. Inflation is forecast to remain contained, maintaining a stable operating environment for businesses.

### ■ UAE REAL GDP GROWTH (%)



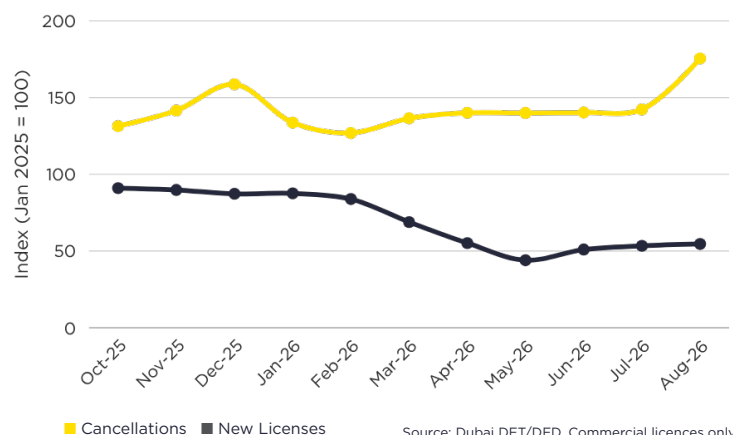
Source: Oxford Economics, September 2026

## Business Formation Trends

New business activity is beginning to recover. After weakening through late 2025 and early 2026, new Dubai Mainland commercial license issuance has improved steadily since May. While cancellations remain elevated, rising sharply in August, potentially reflecting a lag in formal closures, the recent turnaround in new licenses points to improving business momentum in recent months.

### ■ DUBAI MAINLAND COMMERCIAL LICENCE ACTIVITY

3-month moving average | Data Oct 2025 to Aug 2026



■ Cancellations ■ New Licenses

Source: Dubai DET/DED. Commercial licences only. Indexed series; cancellation timing may lag formal business closure.

## DUBAI OFFICE RENTAL RANGES - Q3 2026

### NEW DUBAI

|                       | AED/SQ.FT.<br>LOWER LIMIT | UPPER LIMIT |
|-----------------------|---------------------------|-------------|
| 1. JLT*               | 165                       | 130         |
| 2. TECOM DIC/DMC/DKV* | 180                       | 300         |
| 3. Al Barsha Heights  | 170                       | 250         |
| 4. Dubai Marina       | 200                       | 350         |
| 5. Al Barsha          | 130                       | 200         |

### CENTRAL DUBAI

|                                |     |     |
|--------------------------------|-----|-----|
| 6. Business Bay                | 210 | 500 |
| 7. Downtown Dubai              | 220 | 410 |
| 8. Sheikh Zayed Road           | 140 | 410 |
| 9. DIFC                        | 325 | 750 |
| 10. DWTC (FZ)                  | 350 | 550 |
| 11. Dubai Hills Business Park  | 325 | 375 |
| 12. Dubai Design District (FZ) | 280 | 350 |

### OLD DUBAI

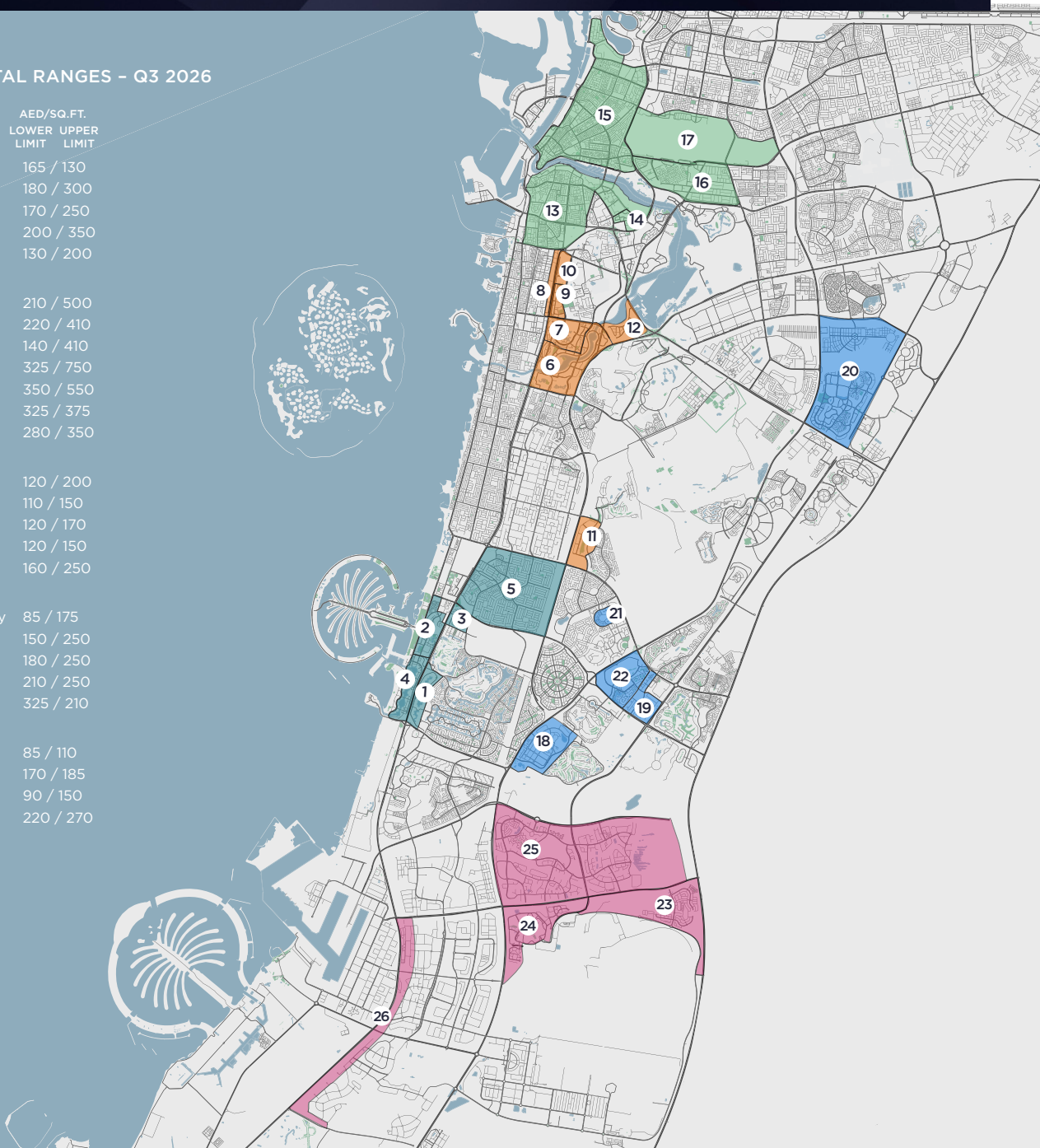
|                     |     |     |
|---------------------|-----|-----|
| 13. Bur Dubai       | 120 | 200 |
| 14. Healthcare City | 110 | 150 |
| 15. Deira           | 120 | 170 |
| 16. Garhoud         | 120 | 150 |
| 17. DAFZA           | 160 | 250 |

### DUBAI FRINGE

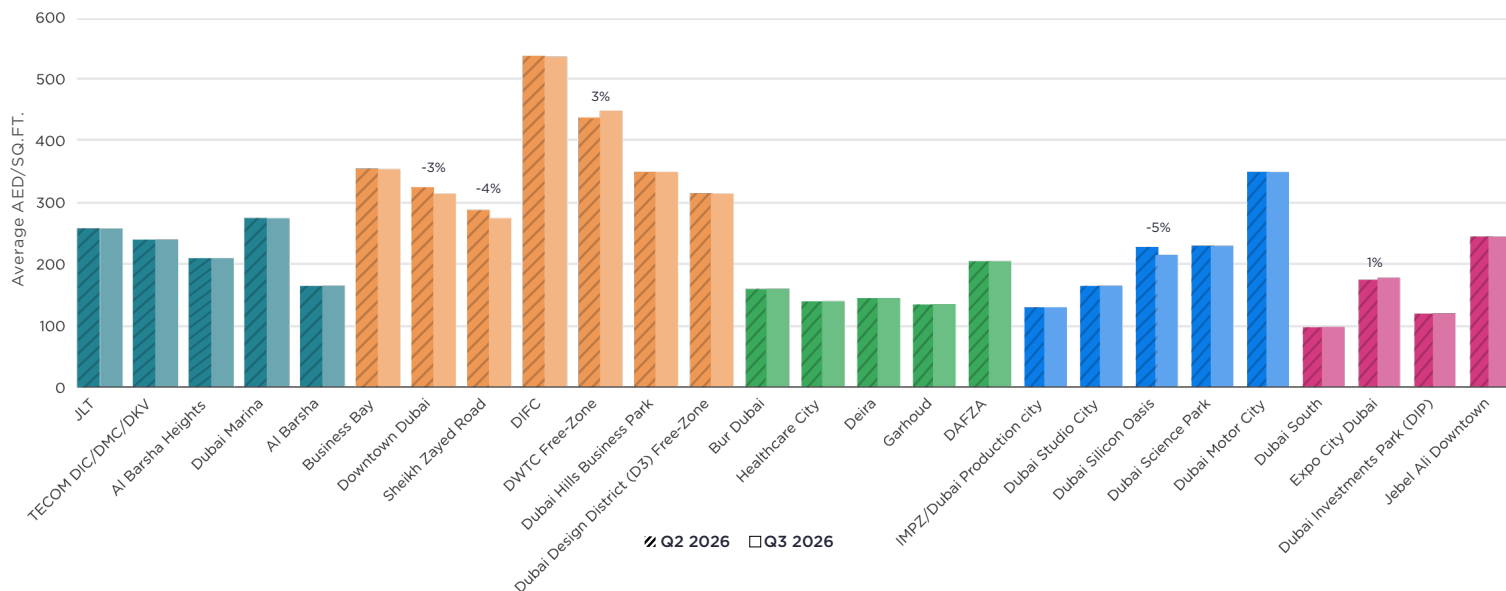
|                                |     |     |
|--------------------------------|-----|-----|
| 18. IMPZ/Dubai Production city | 85  | 175 |
| 19. Dubai Studio City          | 150 | 250 |
| 20. Dubai Silicon Oasis*       | 180 | 250 |
| 21. Dubai Science Park         | 210 | 250 |
| 22. Dubai Motor City           | 325 | 210 |

### DUBAI SOUTH

|                            |     |     |
|----------------------------|-----|-----|
| 23. Dubai South            | 85  | 110 |
| 24. Expo City Dubai        | 170 | 185 |
| 25. Dubai Investments Park | 90  | 150 |
| 26. Jebel Ali Downtown     | 220 | 270 |



## DUBAI OFFICE RENTAL TREND - Q2 2026 TO Q3 2026



## Outlook



### Stable fundamentals

We expect the Dubai office market to remain stable in H2 2026, with steady occupier demand.



### Continued demand

Relocations, regional expansions and renewed activity are likely to sustain absorption across key locations.



### Quality will matter

Prime, well-connected and ESG-compliant assets are expected to outperform, while secondary assets may face longer lease-up timelines.



### Selective new supply

Limited handover activity in 2026 will help maintain market balance, with supply expected to pick up from 2028 onwards.



### Savills Research

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