

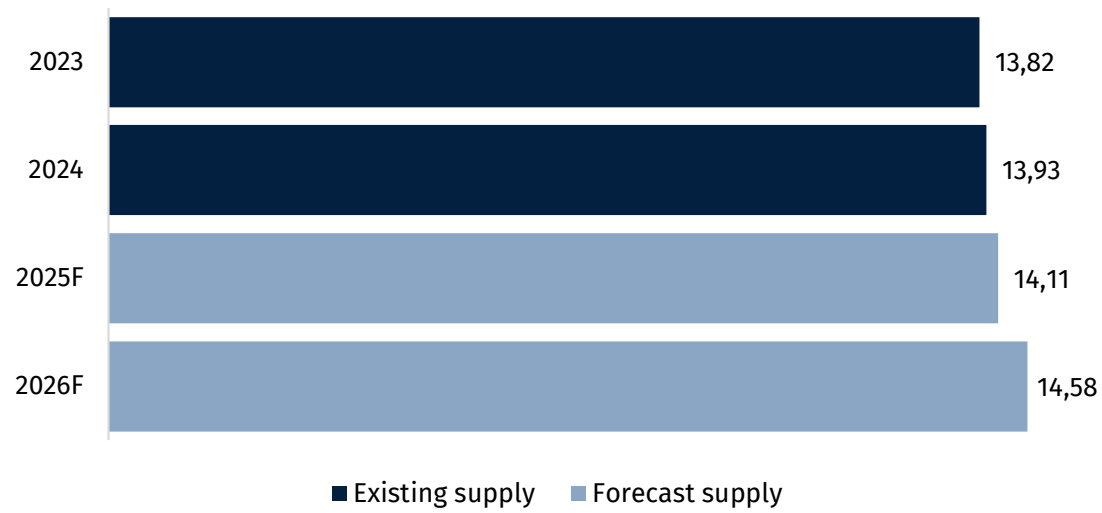
Office Real Estate Market Study United Arab Emirates

November 2025

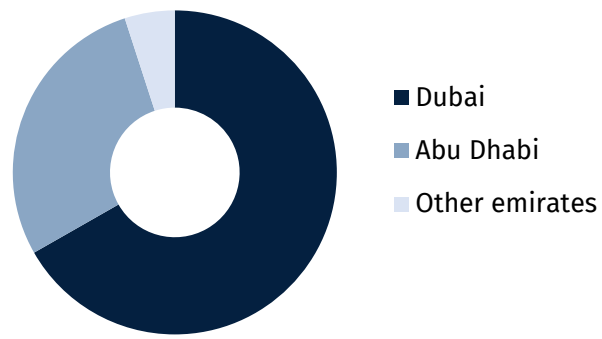


OFFICE REAL ESTATE MARKET

Market Supply (million sq m GLA)



Supply Breakdown by Emirate



Source: ASER estimates

Dubai

Key characteristics: The largest, most liquid, and dynamic market, serving as an international business and the startup ecosystem hub.

Demand drivers: Financial services, technology, tourism, and retail.

Trends: The strongest rental rate growth (up to 20% annually) for Grade A space, with a pronounced polarization between Premium and Grade B segments.

Abu Dhabi

Key characteristics: A stable, conservative, and high-quality market, focused on large corporations and the public sector.

Demand drivers: Energy sector, government-related entities, wealth management, and a growing tech cluster.

Trends: Moderate yet stable rental growth (2-5%), with high quality and ESG compliance standards.

Sharjah

Key characteristics: The key advantage is geographic proximity to Dubai and highly competitive pricing.

Demand drivers: Small and medium-sized enterprises, logistics, and industrial companies seeking a cost-effective alternative to Dubai.

Trends: Stable demand driven by affordability, with rental rates 50-70% lower than in Dubai.

Ras Al Khaimah

Key characteristics: A dynamically developing niche market, centered on its free economic zone.

Demand drivers: Manufacturing, tourism, and SMEs attracted by the RAKEZ programs.

Trends: Office infrastructure development around free economic zones.

Ajman, Fujairah, Umm Al Quwain

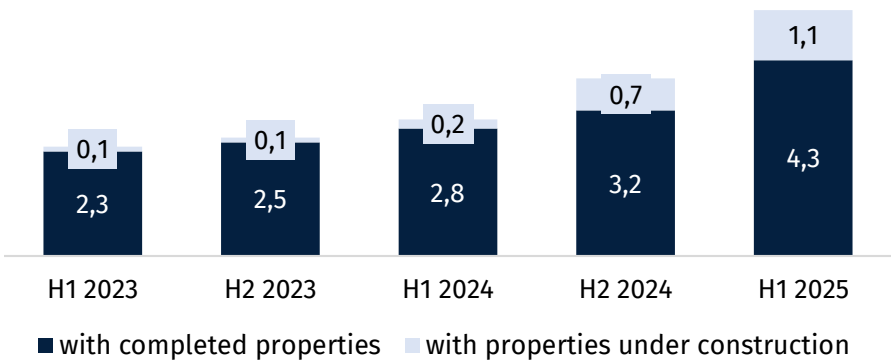
Key characteristics: The least developed office markets, characterized by narrow specializations.

Demand drivers: Local businesses, and companies in maritime logistics (Fujairah), industry, and tourism.

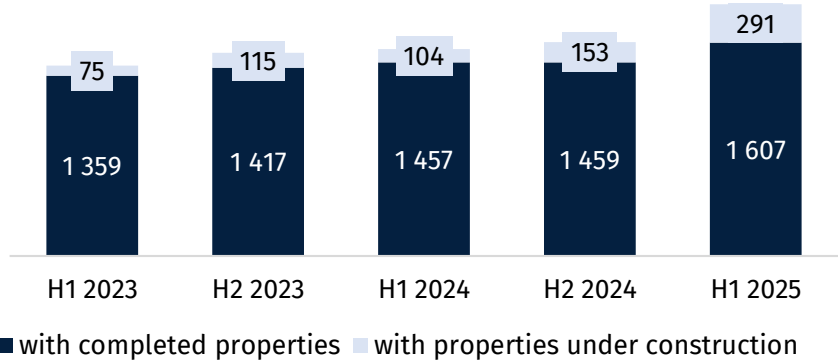
Trends: Very limited supply of quality office space and a highly fragmented market.

OFFICE REAL ESTATE MARKET, DUBAI

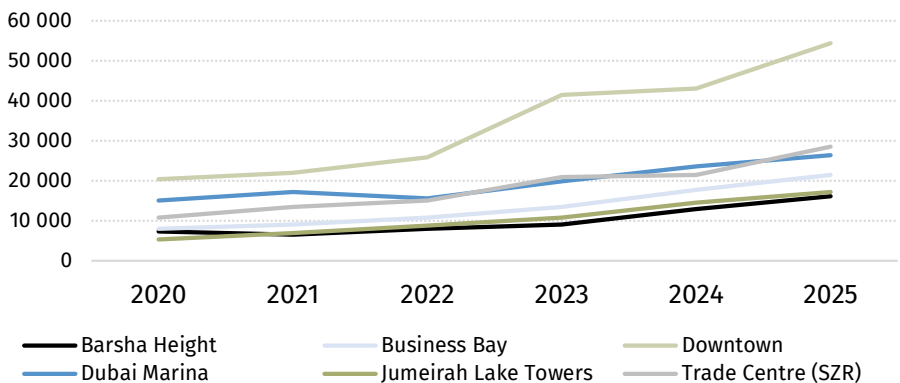
Volume of Transactions in the Office Real Estate Market
(AED billion)



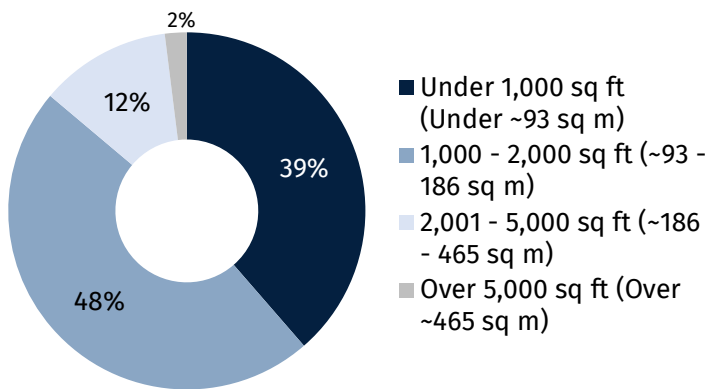
Number of Transactions in the Office Real Estate Market
(units)



Average Office Space Selling Price (AED per sq m)



Breakdown of Transaction Volume by Unit Size in 1H 2025

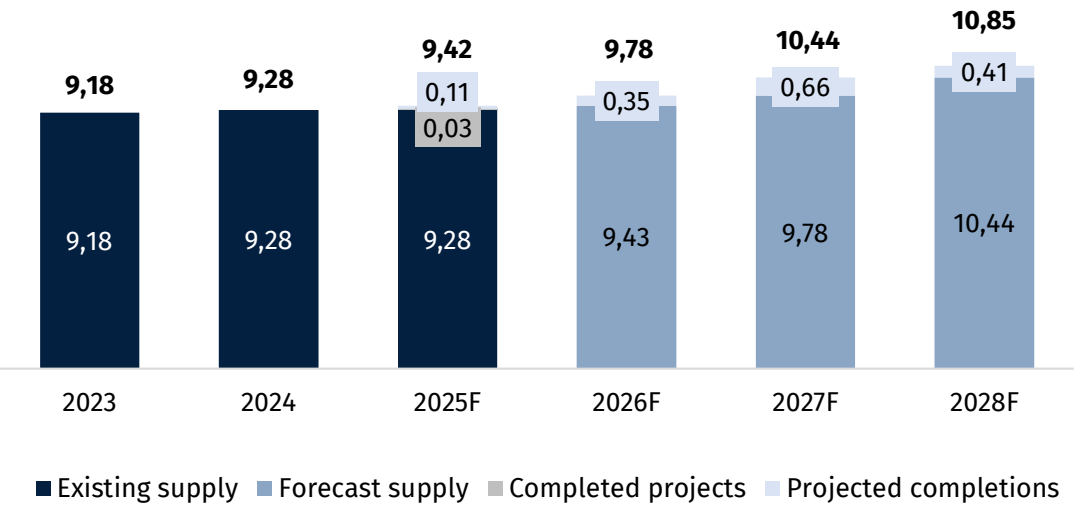


Market Snapshot

- **Supply-Demand Imbalance:** Company expansion is outpacing the rate at which developers can lease new office space.
- **Rising Yields:** Legacy rental rates are being revised upward, with yields on some office floors reaching double digits.
- **Global Brands Entering:** Luxury residential developers are breaking ground on commercial towers for the first time.
- **Business Growth:** Over 70,000 new companies were registered in Dubai last year, fueling sustained demand.

OFFICE REAL ESTATE MARKET, DUBAI

Market Supply, million sq mGLA



The office vacancy rate in Dubai is estimated to have fallen to 7.7%, while the vacancy rate in the premium market segment remained extremely low at just 0.3%. Class A towers in Business Bay and DIFC are experiencing tenant waiting lists.

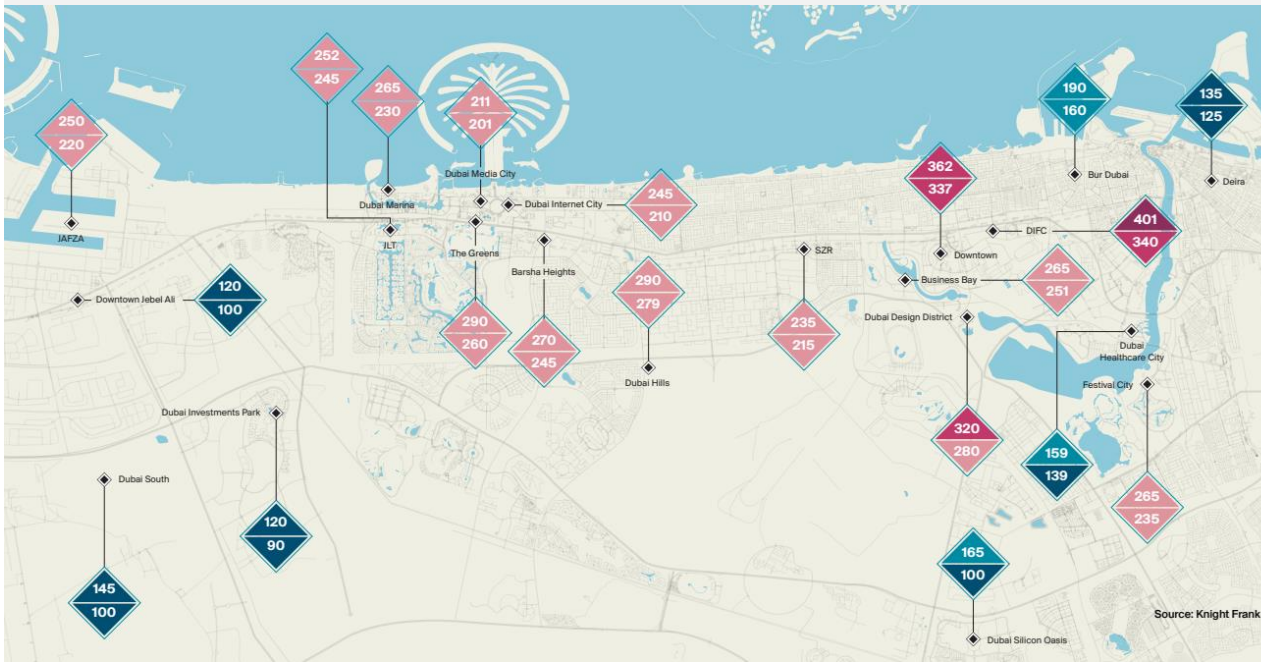
Approximately 1 million square feet of new space is expected to be delivered in late 2025 and the first quarter of 2026. A significant portion of this space is pre-committed. Key projects include the Wasl Tower, Immersive Tower, and DIFC Square by DIFC; Sweid One by Sweid & Sweid; Uptown Towers in Jumeirah Lakes Towers (JLT); Capital One in Jumeirah Village Circle (JVC); among others.

Sources: Property Monitor, Cavendish Maxwell, Knight Frank, ASER




Tight market conditions, defined by limited supply and rising rental rates, are driving earlier lease renewals as tenants feel pressure to make timely decisions.

Prime office rents remain significantly higher than Grade A spaces, averaging 50.8% more in Dubai. The yield gap between new Grade A assets and other secondary assets is expected to widen.

Average Prime Office Rent by Submarket (AED per sq ft) | H1 2025
*Price includes service charge



MARKET PLAYERS, DUBAI

Developer		Profile	Key Office Projects in Dubai	Approximate Total Office Area
	Emaar Properties	One of the UAE's largest developers, focused on mixed-use mega-districts. A major office player; creator of Dubai's primary business cluster (Downtown).	Burj Khalifa (offices in Downtown), The Dubai Mall / Address office podiums, Business Bay projects	~150,000–300,000 sq m (estimate based on major office blocks and mixed-use areas)
	DIFC Authority	A financial free zone with one of the region's premier Grade A office portfolios. Manages and develops the entire DIFC district.	DIFC Square, Immersive Tower, Daman Tower	~200,000+ sq m (including planned major phases: DIFC Square, Immersive Tower)
	DMCC	A state-backed free zone and the developer of Jumeirah Lakes Towers (JLT), one of the largest office districts. Developing Uptown Dubai with new Grade A stock.	Uptown Towers, JLT office portfolio, Uptown Phase 2	~250,000–400,000 sq m (including JLT portfolio + Uptown phases)
	Wasl Properties	A state-backed developer of housing and integrated communities. Offices are a non-core segment, present in select mixed-use projects.	Wasl Tower, office spaces in Downtown / city-wide office portfolio	~50,000–120,000 sq m (portfolio of commercial and office spaces)
	Sweid & Sweid	A private developer specializing in commercial real estate. One of the few private players actively creating new Grade A offices.	Sweid One (JLT)	~46,000 sq m (Sweid One is a benchmark for a large Grade A office)
	Nakheel / Dubai Holding / Meraas	A category of large, state-backed mixed-use developers. Core focus is residential and major urban projects; office portfolio is limited but present in several districts.	Palm / Jumeirah / City Centre and various mixed-use projects with offices	Fragmented portfolio – large mixed-use campuses (tens of thousands of sq m)
	DAMAC Properties / Omniyat / Select Group	A category of large private premium segment developers. Core specialization is residential and high-end mixed-use. Office projects are present but limited.	Select Group – Business Bay projects; DAMAC – business components in mixed-use projects	~150,000–300,000 sq m (estimate based on major office blocks and mixed-use areas)
	Centurion / Royal Centurion	A niche developer in the mid-market commercial real estate segment, primarily focusing on small to medium-sized office assets.	Capital One (JVC) – a commercial tower	~200,000+ sq m (including planned major phases: DIFC Square, Immersive Tower)

UPCOMING PROJECTS, DUBAI



Project: Immersive Tower
District: DIFC
Developer: DIFC
Office Area: ~630,000 sq ft (~58,573 sq m)
Office Grade: Grade A
Estimated Completion: H1 2027



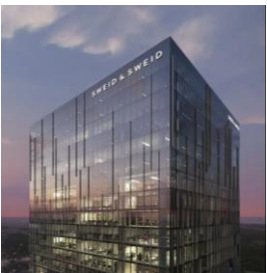
Project: Capital One
District: JVC
Developer: Centurion
Office Area: 91 standard offices (870–1,370 sq ft) and 34 terrace offices (1,165–3,110 sq ft)
Office Grade: Grade A
Estimated Completion: 2028



Project: DIFC Square
District: DIFC
Developer: DIFC
Office Area: ~600,000 sq ft (~55,740 sq m)
Office Grade: Grade A
Estimated Completion: 2026



Project: Dubai CommerCity – Office Cluster Phase 3
District: DAFZA / CommerCity
Developer: Dubai Airport Freezone
Office Area: ~370,000–430,000 sq ft (~35,000–40,000 sq m)
Office Grade: Grade A
Estimated Completion: H1 2026

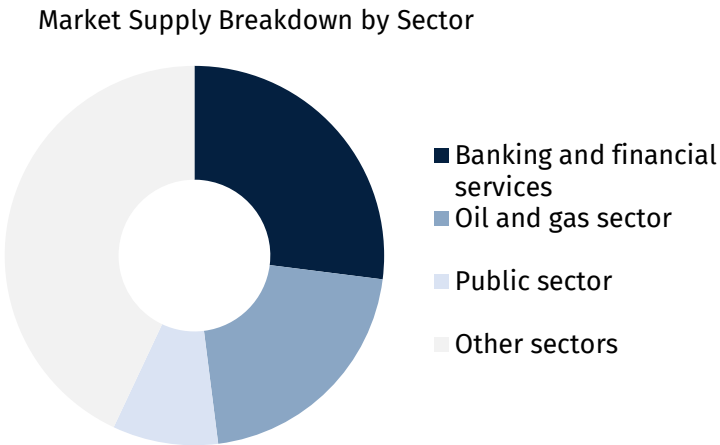
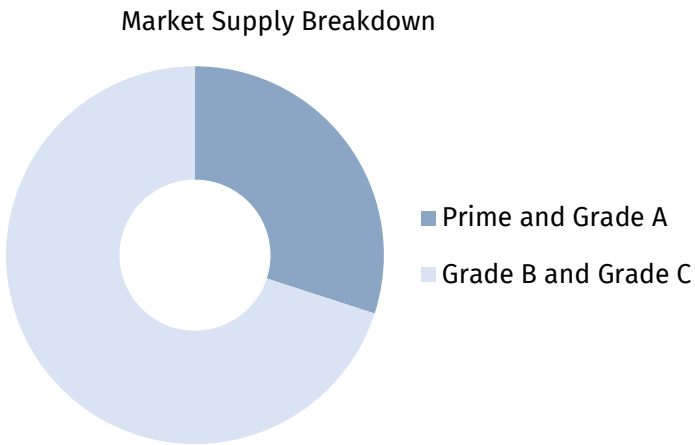
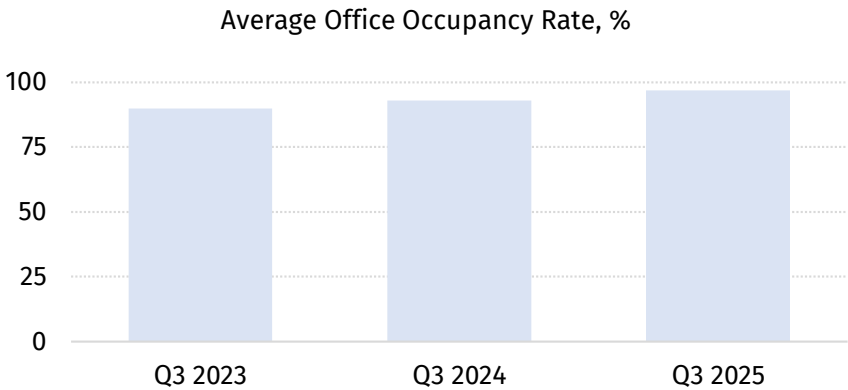
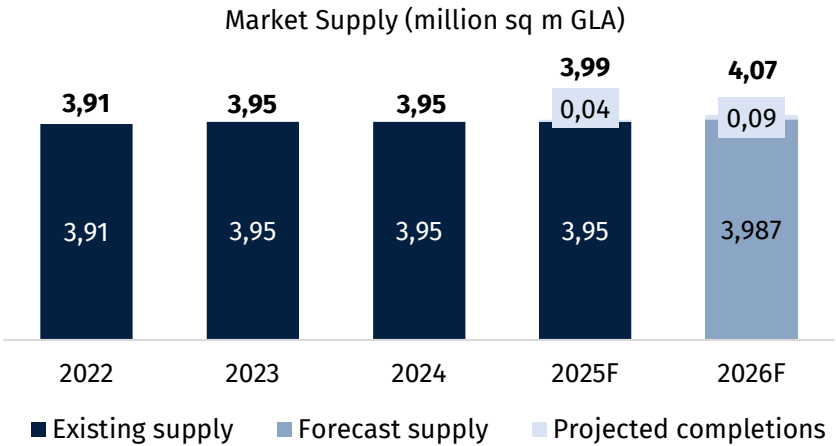


Project: Sweid One
District: Jumeirah Lakes Towers
Developer: Sweid & Sweid
Office Area: ~500,000 sq ft (~46,450 sq m)
Office Grade: Grade A
Estimated Completion: 2026



Project: Expo City – Commercial District Phase 2
District: Expo City Dubai
Developer: Expo City
Office Area: ~320,000+ sq ft (~30,000+ sq m)
Office Grade: Grade A
Estimated Completion: H1 2026

OFFICE REAL ESTATE MARKET, ABU DHABI



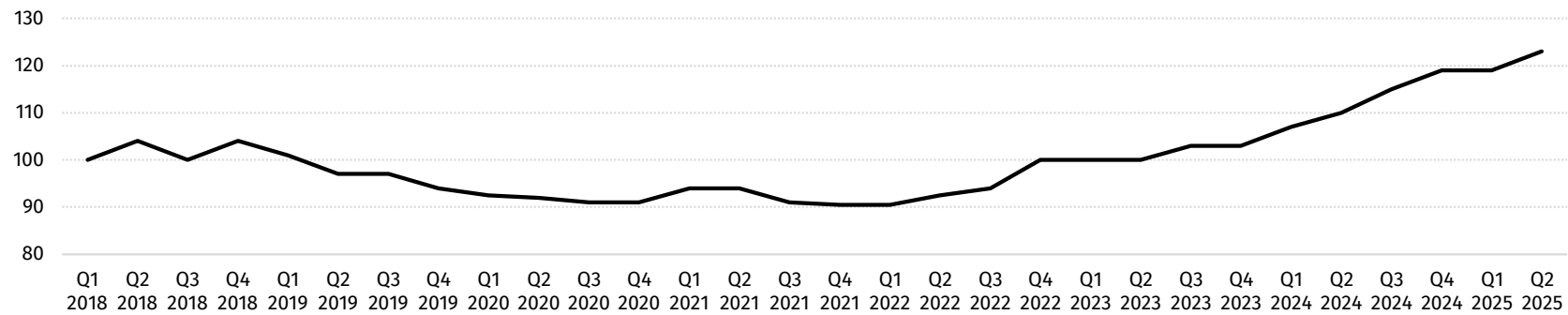
Market Snapshot

- The Abu Dhabi office market is experiencing sustainable growth, driven by government economic diversification initiatives, an influx of international companies, and strong demand for high-quality Grade A space.
- Compared to Dubai, the market is defined by more limited supply of premium properties and greater stability in rental rates.
- Key demand-driving sectors include the energy sector, financial services, and the public sector.

Sources: CBRE Research, ValuStrat, MarketBeat, ASER

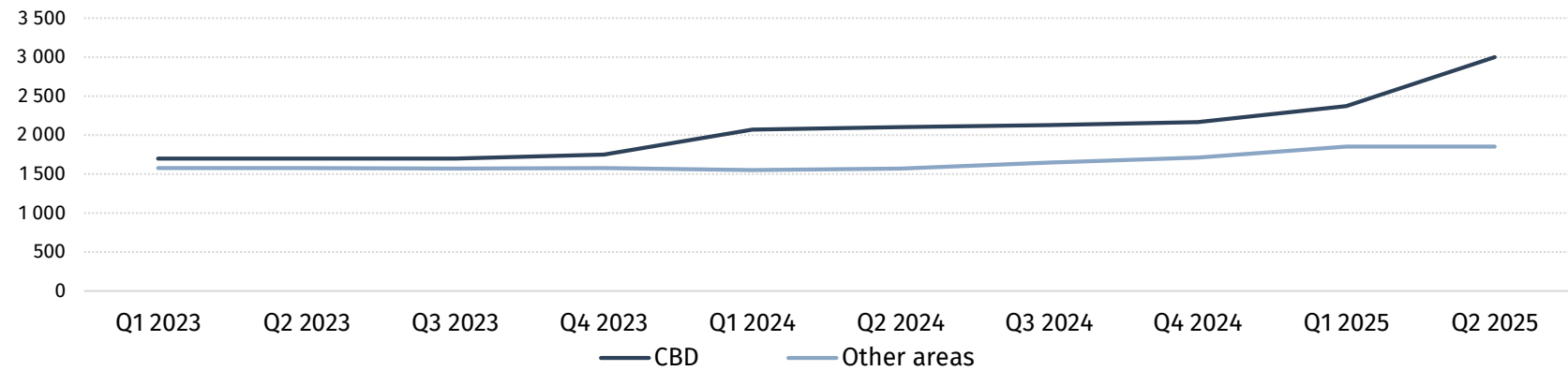
OFFICE REAL ESTATE MARKET, ABU DHABI

Rental Cost Index (Q1 2018 = 100)



Rising rental rates and limited Grade A supply continue to push tenants toward Grade B properties, particularly in areas such as the Corniche and Downtown Abu Dhabi.









Average Grade A Rental Rates (AED per sq m)



Meanwhile, prestigious districts including Capital Centre, Masdar City, and Al Maryah Island continue to see strong demand due to their superior build quality, accessibility, and comprehensive infrastructure and amenities.

Sources: CBRE Research, Savills research, ASER

MARKET PLAYERS, ABU DHABI

Developer		Profile	Key Office Projects in Abu Dhabi	Approximate Total Office Area
	Aldar Properties	A developer and operator of residential and commercial real estate. In Abu Dhabi, it is a key developer of Grade A office projects that are shaping the city's business center.	One Maryah Place; Saadiyat Business Park; offices on Al Maryah, Saadiyat	~700-900 thousand sq m
	Mubadala Investment Company	Company engaged in investments and management of large assets. As part of these functions, acts as a developer of central office complexes in Abu Dhabi.	ADGM / Al Maryah office clusters (jointly with partners)	~500-650 thousand sq m (including joint projects)
	Masdar (subsidiary of Mubadala)	Develops projects in sustainable energy and technology. In Masdar City, implements campus office buildings for innovative and environmentally friendly companies.	Masdar City – The Link; Tech Park Offices	~30-300 thousand sq m (including campus areas)
	KEZAD Group (AD Ports)	Manages industrial and logistics zones. Within business clusters, constructs office towers for corporate tenants.	KEZAD Business District – Office Tower Phase 1	~21,000 sq m (first phase)
	Abu Dhabi Commercial Properties (ADCP)	Company owns and manages commercial real estate. Actively develops and leases office buildings in central areas of Abu Dhabi.	Commercial and office buildings in Al Danah, Khalidiya, Electra	~100-150 thousand sq m
	ADNOC Group	Core business - oil and gas activities. Additionally constructs large office campuses for corporate management and headquarters of subsidiaries.	ADNOC Headquarters and corporate campuses	~120-180 thousand sq m
	ADQ	Manages portfolio of state assets in various sectors. As part of this, develops office projects and business clusters, including joint initiatives with other developers.	Investments/participation in Twofour54, KEZAD and other office initiatives	~90-130 thousand sq m (portfolio assets)
	twofour54	Focus on media and creative industries. As part of this, constructs office spaces for media companies and creative startups.	Yas Bay Media Zone office campus (Yas Island)	~70-100 thousand sq m

UPCOMING PROJECTS, ABU DHABI



Project: One Maryah Place
District: Al Maryah Island, ADGM
Developer: Aldar Properties, Mubadala
Office Area: ~680,000 sq ft (~63,000 sq m)
Office Grade: Grade A
Estimated Completion: 2027



Project: Yas Creative Hub - Office/Media Campus
District: Yas Island / Yas Bay
Developer: Twofour54, Miral
Office Area: ~2,900,000 sq ft (~270,000 sq m) - total campus space
Office Grade: Grade A (Specialized)
Estimated Completion: 2026-2027



Project: Saadiyat Business Park (Saadiyat Grove)
District: Saadiyat Island
Developer: Aldar Properties
Office Area: ~270,000 sq ft (~25,000 sq m)
Office Grade: Grade A
Estimated Completion: 2027



Project: KEZAD Business District - Office Tower Phase 1
District: KEZAD
Developer: KEZAD Group (AD Ports)
Office Area: ~225,000 sq ft (~21,000 sq m)
Office Grade: Grade A
Estimated Completion: 2026-2027



Project: Sowwah / Central Plaza - New Office Towers
District: Sowwah Island / Al Maryah CBD
Developer: Mubadala
Office Area: ~1,900,000 sq ft (~183,000 sq m) - four Grade A towers
Office Grade: Grade A
Estimated Completion: 2027-2028



Project: Masdar City - The Link and New Office Block Phase
District: Masdar City
Developer: Masdar & Mubadala
Office Area: ~320,000+ sq ft (~30,000+ sq m)
Office Grade: Grade A, ESG
Estimated Completion: 2026-2027

CONCLUSIONS AND TRENDS

Sustained growth amid economic diversification – The market shows positive momentum, directly supported by government programs and an influx of international companies and capital.

Shortage in the premium segment – A significant shortage of high-quality Grade A space is evident, characterized by strong demand and rising rates.

Rising rental rates – Limited supply and growing demand are leading to a gradual increase in rental costs in key business locations.

Differing dynamics and strategies (Dubai / Abu Dhabi) – Dubai remains a more liquid, volatile market oriented toward the private sector; Abu Dhabi is characterized by stability, less supply, and reliance on government and energy sectors.

Shift toward modern formats and ESG – Demand is growing for flexible offices, highly energy-efficient spaces, and smart infrastructure; tenants are also increasingly choosing buildings with green certification.

Market consolidation and quality upgrade – The market is maturing, with competition shifting from volume to quality, sustainability, and service provision. Investment activity is expected to remain high.

Positive mid-term outlook – Further growth in transactions and supply expansion through new projects is expected, but upward pressure on rates will persist due to the limited availability of high-quality space.



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DSO-IFZA, IFZA Properties, Dubai Silicon Oasis
Dubai, UAE



+971 55 417 8477



sales@aser.ae

