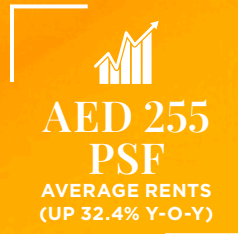


Dubai Office Market Report

Real Estate - Dubai - Q4 2025

savills

KEY STATS



Dubai's office market closed Q4 2025 with pricing continuing to trend upward, while the narrative increasingly reflects a focus on occupier strategy and tenure management. Across the Savills-tracked micro-markets, average office rents reached approximately AED 225 per sq ft in Q4 2025, up 1.3% quarter-on-quarter from Q3 2025 and 32.4% year-on-year compared with Q4 2024. The spread between lower and upper rental bands remains wide in several locations, reflecting a market where fitted availability and immediate handover timelines are often priced at a premium alongside traditional 'Grade A' classification.

At the same time, tenant decision making has become more pragmatic. In many cases, RERA-related rental



protection and renewal regulations are supporting occupiers in maintaining stability within their existing premises. The market is no longer defined solely by rental escalation, but increasingly by occupier considerations around tenure security, regulatory protection, and

long-term partnership with asset owners. While rental growth has moderated in certain prime micro markets following the sharper uplifts recorded in the previous quarter, underlying pricing momentum remains positive on both a q-o-q and y-o-y basis.

Macroeconomic Overview

The UAE's macroeconomic backdrop remained supportive through Q4. The Central Bank of the UAE's December 2025 Quarterly Economic Review forecast GDP growth of 5.0% in 2025 and 5.2% in 2026, underpinned by strong non-hydrocarbon activity and higher oil production. This is particularly relevant for the office market, as the strongest non-oil contributors, including financial services, manufacturing, construction and real estate, are also the sectors most active in current leasing demand.

Business formation has continued to provide a steady pipeline of new entrants and expansion-led

occupiers. Dubai's Media Office reported that more than 53,000 new companies joined Dubai Chamber of Commerce during the first nine months of 2025. This is reflected the office market through sustained demand for smaller office units and a broader mix of sectors across enquiries. Within Dubai, population growth continues to underpin labour market expansion and demand for corporate space. Data from the Dubai Statistics Centre shows the city's population surpassed four million in September 2025, supporting long term office absorption and the depth of the tenant pool.

Expo City

Expo City is now moving beyond its initial 'emerging' phase and entering a

period of active price discovery. The Savills rental tracker recorded the strongest q-o-q movement in this location in Q4 2025. Its appeal is driven less by price positioning and more by its distinct proposition, including campus-style planning, sustainability credentials, and an ecosystem-led environment that resonates with innovation-focused firms and regional occupiers seeking a modern workplace setting. While transactional evidence remains at an early stage, the quality of enquiry suggests that Expo City is increasingly becoming an active component of Dubai's evolving office ecosystem.



Rental Market Performance

Savills-tracked office rental data show that office rents across Dubai continued to rise in Q4 2025, although the pace of growth eased compared with earlier quarters. Across the tracked sub-markets, average rents reached approximately AED 238 per sq ft, representing a low single-digit q-o-q increase from Q3 2025 and a 25-30%y-o-y uplift compared with Q4 2024. On a q-o-q basis, pricing across established core business districts has largely stabilised, with locations such as DIFC and Downtown Dubai recording broadly flat movements. Incremental uplifts were more evident in supply-constrained and value driven submarkets, including Business Bay, JLT and selected TECOM clusters, where limited availability continued to support pricing.

On an annual basis, rental levels remain materially higher than those recorded in Q4 2024 across all major office locations. Business Bay and JLT, for example, recorded average rents of approximately AED 306 per sq ft, reflecting y-o-y growth more than 45%, while DIFC continued to command the highest pricing in the market at around AED 537 per sq ft, underlining sustained demand for licensed, premium office environments.

At the same time, the gap between upper and lower rental benchmarks has widened in several locations. This reflects a clear distinction between well managed, single-owned assets

and more fragmented, strata-controlled stock. In some instances, strata-titled assets are achieving rental levels that exceed those of traditional Grade A buildings underlining the premium occupiers are paying on immediately available, ready to occupy space alongside asset quality.

Occupier Demand

Occupier enquiry activity in Q4 2025 remained robust, with Savills tracked requirements continuing to be skewed toward small-to-mid-sized office units. Most enquiries were driven by relocation and expansion-led occupiers, highlighting that many businesses are moving in response to operational needs rather than solely to secure marginal improvements in office quality.

One of the defining features of Q4 has been the increasing influence of RERA rent protection on tenant decision-making. For many occupiers, particularly those who secured space three or more years ago, the financial incentive to relocate remains limited. In several cases, downsizing into smaller premises would result in higher overall occupancy costs than retaining existing space. As a result, many occupiers have chosen to remain in their current premises, even where the space no longer fully align with evolving operational requirements.

Leasing Activity and Transactions

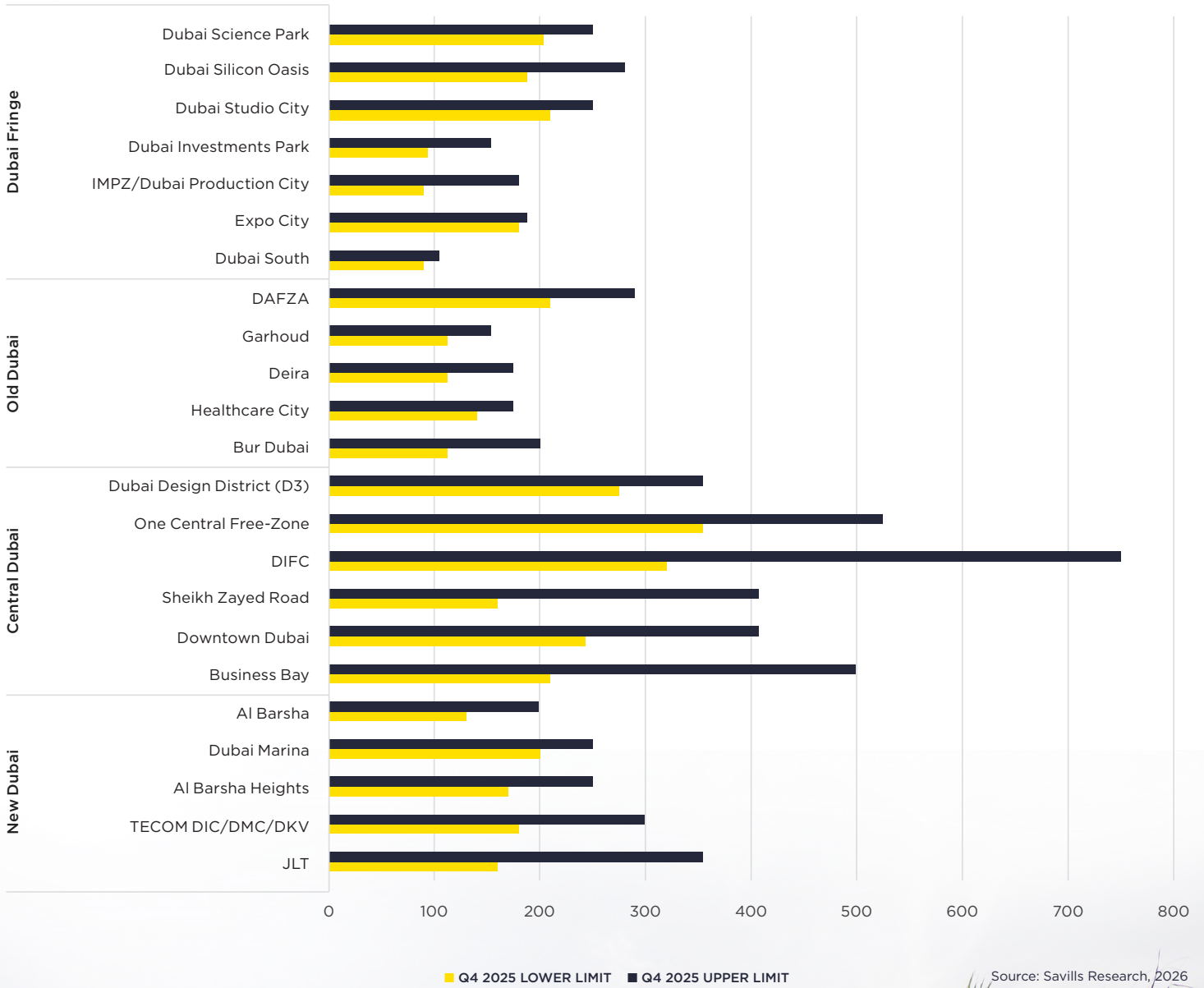
Transactional activity in Q4 2025 was more selective rather than volumetric, reflecting the limited availability of suitable stock. Established owners, including government-linked and

institutional landlords, continued to demonstrate a willingness to agree to longer lease tenures, in some cases extending up to nine years, prioritising covenant strength and long-term occupancy stability alongside rental performance.

In DIFC square, a financial services occupier completed an expansion lease, securing a shell-and-core office space at approximately AED 375 per sq ft. In Dubai Media City, a media occupier completed an expansion lease at approximately AED 170 per sq ft, with demand supported by the limited availability of space within the building at the time of the transaction. These deals highlight the market's continued capacity to transact at elevated levels where availability is constrained.



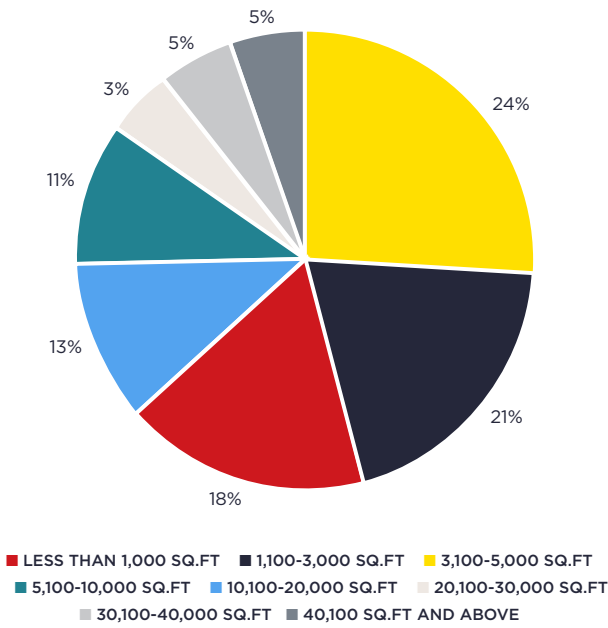
RENTAL TREND - Q4 2025



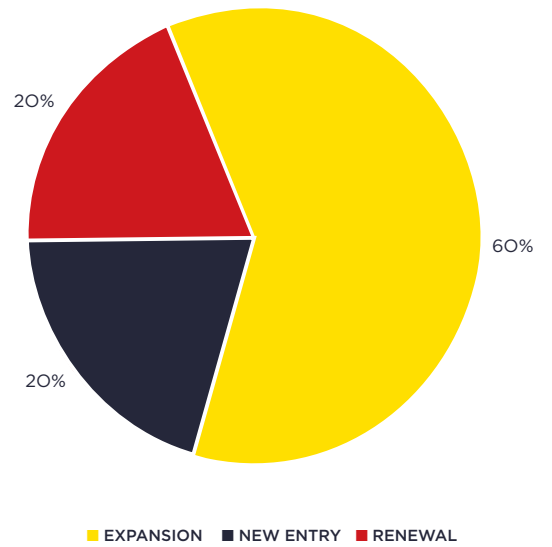
Source: Savills Research, 2026



■ AVERAGE INQUIRY SIZE - Q4 2025



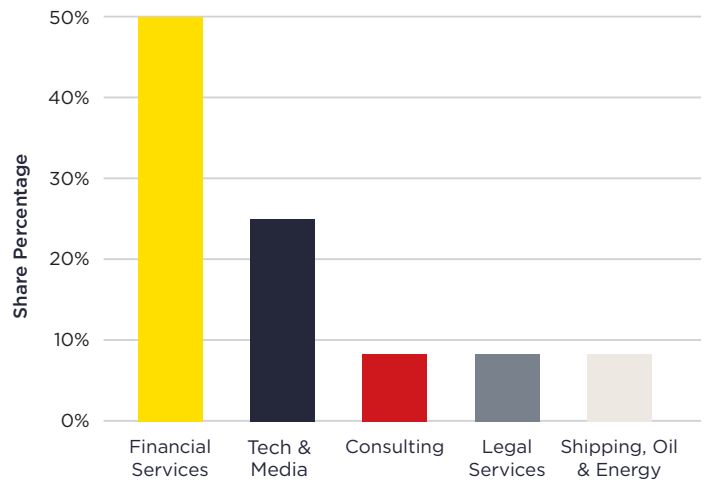
■ TRANSACTION TYPE - Q4 2025



2026 Outlook

Looking ahead, the Dubai office market is expected to transition from a phase of uniform supply scarcity to one characterised by pockets of opportunity. As new developments complete and secondary space is released, tenants currently occupying high-cost strata units may pursue ready to move-in and fitted office spaces, improving both operational efficiency and cost certainty. Prime areas should remain supported by depth of demand from financial services, professional services, and new entrant corporate activity. Macro fundamentals remain supportive, with the Central Bank of the UAE projecting GDP growth of 5.2% in 2026, which should keep the demand pipeline active. Licensing constraints, sustained business formation and Dubai's continued appeal as a regional headquarters location will remain fundamental demand drivers. Savills expects 2026 to be defined less by headline rental growth and more by strategic repositioning within selected submarkets.

■ SECTOR LEVEL TRANSACTION - Q4 2025



Source: Savills Research, 2026

Savills Real Estate LLC, 22nd Floor, Aresco Tower, Sheikh Zayed Road, PO Box 3087, Dubai, UAE | +971 4 365 7700 | www.savills.me



Savills Research

Working alongside investors, developers, operators and owners, we inject market insight and provide evidence-based advice at every stage of an asset's lifecycle. We have unrivalled reach across the Middle East with extensive market experience in UAE, Bahrain, Oman, Egypt and KSA. www.savills.com/insight-and-opinion/



Toby Hall
Head of Commercial Agency
toby.hall@savills.me



Paula Walshe
Director Transactional Services
paula.walshe@savills.me



Rachael Kennerley
Head of Research
rachael.kennerley@savills.me



Atif Ajir
Research Analyst
atif.ajir@savills.me