

## Dubai's Luxury Real Estate Market Breaks Record with 62.7% Surge in AED 10M+ Sales in H1

*Engel & Völkers Middle East latest report shows Dubai continues to attract investors and high-net-worth individuals, reinforcing its position as one of the world's most desirable cities to live, work, and invest*

**Dubai, UAE; 9 July 2025** - [Engel & Völkers Middle East](#), a leader in premium residential and commercial real estate services, reported a record-breaking first half of 2025, as Dubai's luxury property market outpaces global peers in scale, growth, and momentum. With 3,731 properties transacting above AED 10 million in H1 — up 62.7% from the same period last year — the emirate continues to redefine the global standard for ultra-prime living.

The second quarter alone saw 2,388 high-end transactions, the highest quarterly total ever recorded. This segment now accounts for over 4% of the total market volume, compared to just 1.1% in 2020, marking a structural evolution in Dubai's real estate profile. A landmark AED 425 million sale in Emirates Hills and an AED 300 million beachfront villa deal on Palm Jumeirah were among the standout transactions in the first six months of the year.

Engel & Völkers Middle East's performance reflects this surge in premium demand. The brokerage recorded a 48% year-on-year increase in transactions and a 40% rise in net commission income (NCI) in the first half of 2025, driven by sustained activity across the luxury and upper mid-market segments. This growth reflects the company's ability to consistently serve a global network of clients seeking exceptional real estate.

Engel & Völkers Middle East also reveals a shift in buyer nationalities. Indian investors emerged as the top purchasing group, followed closely by buyers from Germany, the United Kingdom, and Portugal, underscoring the growing movement of people and capital from Europe and South Asia. Activity from many European countries, including Spain, Austria, the Netherlands, and Portugal, gained momentum. These are markets where Engel & Völkers has a well-established presence, enabling seamless support for clients relocating to or investing in Dubai.

“Dubai is no longer simply a hotspot for speculative investors but is now a permanent home for the world's elite,” observed Daniel Hadi, CEO of Engel & Völkers Middle East. “With 62% growth in AED 10 million-plus sales and a growing population of resident millionaires, the luxury segment is no longer a niche, it is central to Dubai's real estate identity. From Emirates Hills to Palm Jebel Ali, we're seeing a structural shift in demand from global capital moving here for the long term.”

The surge in ultra-luxury activity is mirrored by Dubai's broader economic trajectory. The emirate is on track to surpass 4 million residents this year, its fastest population growth since 2018 (Dubai Statistics Centre). Simultaneously, the UAE is expected to attract 9,800 new millionaires in 2025, more than any other country (Henley & Partners), reinforcing its status as a premier wealth haven. This ongoing inflow is underpinned by favourable tax

conditions, lifestyle advantages, and long-term economic policies aligned with global capital migration trends.

Dubai's residential market recorded a 22.7% year-on-year increase in sales in H1 2025, with transaction volume now more than six times higher than in H1 2020, underscoring the scale and velocity of the city's real estate expansion. Off-plan sales grew by 19.9%, reaching 54,742 transactions, while secondary market activity surged by 26.8% to hit 38,168 sales.

Apartments remained the cornerstone of Dubai's residential market in H1 2025, with sales volumes climbing 18.2% year-over-year to reach 71,879 units. This segment accounted for nearly 79% of all transactions and over half of the total sales value. The off-plan segment continued to lead activity, driven by investor appetite in areas such as Jumeirah Village Circle, Business Bay, and Dubai Residence Complex.

Notably, the secondary market's share of total transactions rose to 41.1%, marking its first H1 increase in several years — a sign of growing maturity and confidence among end-users and investors alike. Secondary market apartment demand remained concentrated in the areas of Dubai Marina, Downtown Dubai, and MBR City.

Villas recorded a 27.6% year-on-year growth in transactions, with the total value rising to AED 78.3 billion, which is 53.5% increase compared to H1 2024. Demand was particularly strong for off-plan villas in emerging suburban communities, driven by the rising appeal of family-oriented living and the availability of larger homes at competitive entry points.

New districts such as The Oasis, Grand Polo Club, and The Valley led transaction growth, illustrating the shift in buyer preferences toward more spacious layouts and integrated community environments. As villa sales volumes continue to scale, Engel & Völkers Middle East notes a broadening of the luxury map, with high-end villas now extending well beyond traditional core zones.

Townhouses emerged as the fastest-growing residential segment in H1 2025. Sales surged by 57.4% year-on-year to 13,619 transactions, while total value climbed 64.7% to AED 42 billion — the strongest half-year performance on record for the segment.

This growth was powered by robust off-plan launches in Damac Islands, Damac Hills 2, and The Valley, catering to families and investors seeking a balance between value, space, and long-term livability. Engel & Völkers Middle East sees this trend as a strategic evolution, with townhouses bridging the gap between high-rise living and villa-style privacy — particularly attractive to first-time buyers and resident families.

Looking ahead, Engel & Völkers Middle East expects momentum to continue into the second half of the year. The launch of the First Home Buyer Programme, backed by major developers and UAE banks, is expected to unlock fresh demand from residents looking to transition from renting to ownership. Meanwhile, ongoing geopolitical neutrality, investor-friendly regulations, and the UAE's strong digital infrastructure are expected to shield the market from global economic headwinds.

Dubai's fundamentals remain compelling: a growing population, diversified economy, world-class infrastructure, and a clear strategic vision for innovation. The emirate retained

# Press Release

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its position as the world's #1 destination for entrepreneurship in 2025 (Global Entrepreneurship Monitor), and recent initiatives such as the US-UAE AI Acceleration Framework signal long-term policy alignment with global technology trends.

"With no significant oversupply risks on the horizon and demand surging across every segment, Dubai's residential market is set to remain on an upward trajectory," concluded Hadi. "As Engel & Völkers, we are proud to support this transformation — not just as brokers, but as long-term partners to the world's most discerning buyers."

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### Press contact:

Diana Džaka Bičo  
Marketing Director  
Office 21 Mezzanine Level, Golden Mile 2,  
Palm Jumeirah, Dubai UAE  
Dubai, United Arab Emirates  
Telephone number: +971 52 881 8057  
[diana.dzaka@engelvoelkers.com](mailto:diana.dzaka@engelvoelkers.com)

Flor Pamintuan  
PR Account Director  
Ishraq Communications LLC  
[flor@ishraqcomms.com](mailto:flor@ishraqcomms.com)

**About Engel & Völkers:** Engel & Völkers is one of the world's leading service companies specialized in the brokerage of premium residential property, commercial real estate, yachts and aircrafts. For over 45 years now, the wishes and needs of private and institutional clients have had top priority, giving rise to the ongoing development of a range of services relating to all aspects of real estate. Sales and leaseholds, as well as consultancy for various investment opportunities in the real estate segment are among the core competencies of more than 16,700 people operating under the Engel & Völkers brand. The company is currently operating in over 35 countries on five continents. Intensive training schemes in its in-house real estate Academy and the high level of quality assurance governing its systematically structured service provision are key factors that account for the company's success. Engel & Völkers develops digital tools and IT products on an ongoing basis in order to keep its service as efficient as possible. In doing so, the company is setting new standards in digital solutions for property brokerage. [www.engelvoelkers.com](http://www.engelvoelkers.com)

**About Engel & Völkers Middle East:** Established in 2014, Engel & Völkers Middle East has its offices in Dubai, United Arab Emirates. The team consists of over 200 trusted agents, each focusing on premium residential and commercial properties, serving as experts in their respective areas. The company recently established a separate entity for commercial real estate (Engel & Völkers Commercial Middle East). Engel & Völkers Commercial serves as an entry point to exceptional commercial real estate opportunities in Dubai, from attractive office spaces to industrial complexes. The Private Office provides services for affluent clients and has access to premium real estate globally. Whether you're in the market to rent, buy, or sell a property, Engel & Völkers Middle East is a perfect choice to achieve your real estate goals. [www.engelvoelkers.com/ae/en](http://www.engelvoelkers.com/ae/en)