INVESTMENT INTELLIGENCE · JUNE 2026

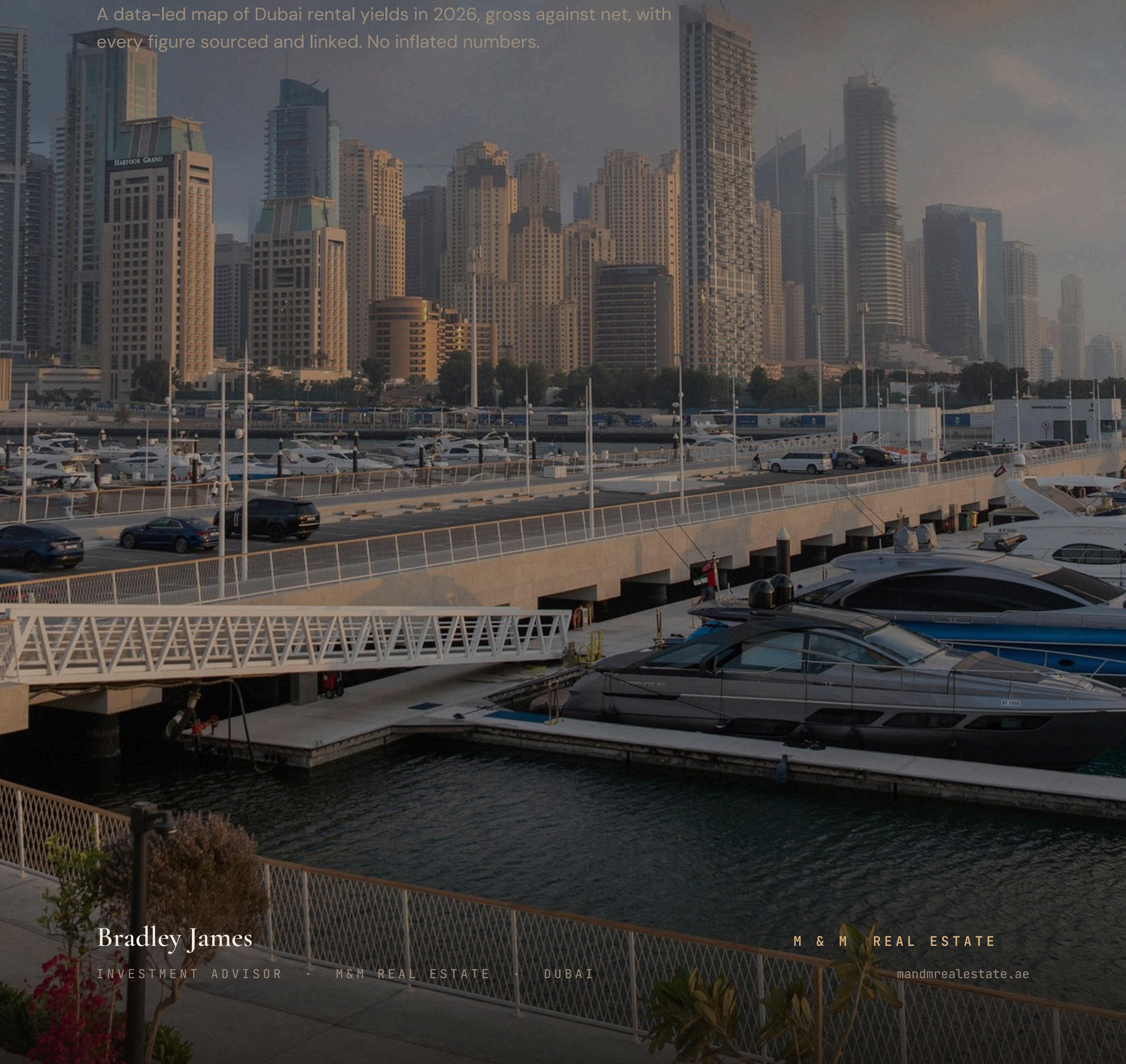
Dubai

The Yield Map

Where Property Pays

The communities that pay the most, the costs that quietly eat your return, and the honest net yield behind every headline gross.

A data-led map of Dubai rental yields in 2026, gross against net, with every figure sourced and linked. No inflated numbers.



Bradley James

INVESTMENT ADVISOR · M&M REAL ESTATE · DUBAI

M & M REAL ESTATE

mandmrealestate.ae

THE PRINCIPLE

Gross Is the Story. Net Is the Truth.

Dubai is one of the highest-yielding mature property markets in the world: apartments average roughly 6.5 to 7 per cent gross, against 3 to 4 per cent in London and 2 to 3 per cent in Singapore, with zero personal income tax on the rent. But the number an agent quotes is almost always gross, and your real return is net, typically 1.5 to 2.5 percentage points lower once service charges, management, maintenance and voids are paid. This guide maps where the yield actually is, and what it actually becomes.

6.5-7%
DUBAI APARTMENT GROSS AVERAGE

4-6%
A HEALTHY NET YIELD

0%
TAX ON RENTAL INCOME

~4.1%
RENT GROWTH, Q1 2026 (COOLING)

> *Chasing the highest gross yield is how amateurs buy. Protecting the net yield is how professionals keep what they earn.*
>
> BRADLEY JAMES · M&M REAL ESTATE

THE LEAGUE TABLE

The Yield Map

The highest yields sit in affordable, investor-heavy communities where low entry prices meet deep tenant demand. Prime districts yield less but offer stronger appreciation and tenant quality. Net figures are estimates after the typical cost drag explained on the next page; verify the service charge of any specific building.

COMMUNITY	GROSS	NET (EST.)	BEST FOR
International City	8-9%	6-7%	**Pure cash flow**
Discovery Gardens	7.5-9%	5.5-6.5%	**Stable income**
Dubai Silicon Oasis	7-8.5%	5-6%	**Steady long-term**
Jumeirah Village Circle	7-8%	5-5.5%	**Yield + liquidity**
Arjan	6.5-7.5%	4.5-5.5%	**Growth + yield**
Business Bay	5.5-7%	4-5%	**Location + liquidity**
Dubai Marina	5-6.5%	3.5-4.5%	**Prestige + stability**

INVESTOR TAKEAWAY

International City and Discovery Gardens top the table on raw cash flow, but JVC offers the best balance of yield, tenant demand and resale liquidity. The right pick depends on whether you are buying for income or for the easiest exit.

GROSS TO NET

The Trap That Eats Your Return

The single most important fact in Dubai buy-to-let: the yield an agent quotes is gross, and your real return is net. Every recurring cost below comes out of the rent before you earn a dirham. Service charge is the largest variable, which is why two near-identical units can deliver very different net returns.

COST	TYPICAL LEVEL	YIELD DRAG
Service charge	AED 10-25 / sqft	0.8-1.5%
Property management	5-10% of rent	0.4-0.7%
Maintenance / AMC	~1% of value / yr	0.3-0.5%
Vacancy allowance	2-4 weeks / yr	0.3-0.6%
Insurance + re-letting	Variable	0.1-0.3%
Total drag	Gross to net	~1.5-2.5%

INVESTOR TAKEAWAY

An advertised 8 per cent gross usually nets around 5.5 to 6 per cent; a 7 per cent gross nets about 4.5 to 5. Always convert the headline to net before you compare deals, and read the building's service-charge history on Mollak first.

THE MATH, IN FULL

A Worked Example: JVC One-Bed

Numbers make it concrete. A typical mid-market one-bedroom shows how a strong gross becomes a healthy, but lower, net once real costs are applied.

850k
AED PURCHASE PRICE

65k
AED ANNUAL RENT

7.65%
GROSS YIELD

5.16%
NET YIELD

THE BREAKDOWN	JVC 1-BED
Annual rent	AED 65,000
Less service charge (~AED 14/sqft)	(9,500)
Less management (6%)	(3,900)
Less maintenance + insurance	(4,000)
Less vacancy (~3 weeks)	(3,750)
Net annual income	AED 43,850
Net yield	5.16%

INVESTOR TAKEAWAY

A genuinely good deal: gross in the strong band, net comfortably in the healthy 4.5 to 5.5 per cent zone. The 2.5-point gap between 7.65 gross and 5.16 net is exactly the figure most buyers forget to price in.

CASH FLOW VS GROWTH

Which Investor Are You?

Yield and capital growth pull in opposite directions across price tiers. The highest-yield areas grow slowest; the prime areas yield least but appreciate most. There is no universally best tier, only the one that matches your objective.

AFFORDABLE / MID-MARKET

7-9% gross, highest cash flow

JVC, International City, Discovery Gardens, Dubai Silicon Oasis and Arjan. Low entry prices and deep tenant demand drive the highest yields, traded against slower capital growth, more turnover and a weaker resale premium. The right home for a pure income strategy.

ESTABLISHED / UPPER-MID

6-7% gross, the balanced path

Communities that blend respectable yield with genuine appreciation and a broad tenant base. The middle road for investors who want real income without giving up on capital growth over the hold.

PRIME / ULTRA-PRIME

4-6% gross, growth over income

Downtown, Palm Jumeirah and parts of Dubai Marina. Lower yields, but stronger appreciation, premium tenants and far easier liquidity. Here the capital growth, not the rent, is what carries the total return.

INVESTOR TAKEAWAY

Decide the game before you pick the area. Income-first buyers should lean to studios and one-beds in mid-market communities; growth and wealth-preservation buyers can rationally accept a 5 per cent prime yield for the appreciation and liquidity.

GLOBAL CONTEXT

Dubai Against the World

A yield that would be exceptional in London or Singapore is merely average in Dubai, and the gap widens after tax. Dubai charges no personal income tax on rent, while landlords in the major Western hubs lose a slice of an already thin gross yield to income tax.

CITY	APARTMENT YIELD	TAX ON RENT
Dubai	6–8%	**0%**
New York	4–5%	**Federal + state**
London	3–4%	**Up to 45%**
Singapore	2–3%	**Tax + heavy duty**

INVESTOR TAKEAWAY

On a net-of-tax, cash-on-cash basis, Dubai is in a different league from the traditional safe-haven cities. The trade-off is a more cyclical market, capital values move faster in both directions, which is the price of the higher income.

PROTECT THE YIELD

What Quietly Kills Your Return

A good yield on paper becomes a mediocre return through a handful of predictable, avoidable mistakes. Discipline at three moments, the price you pay, the building you choose and the speed you re-let, protects the net yields in this guide.

THE YIELD KILLERS

Over-paying at purchase

Buy 10% above fair value and you permanently cut yield by ~0.6–0.8 points. Benchmark against DLD transaction data, not the asking price.

High service charges

The biggest swing factor in net yield. AED 22/sqft instead of AED 14 can erase a full point; check the Mollak history before buying.

Voids and turnover

Every empty month is roughly 8% of annual rent. Price to let quickly rather than chase the last AED 2,000 of rent.

HOW TO PROTECT IT

Buy small, buy smart

Studios and one-beds in mid-market areas lead on yield; just verify the net, not the gross.

Judge on net, not gross

A 6.5% net in a low-charge building beats an 8% gross that nets 4% after a heavy charge and a long void.

Hold for the cycle

With rent growth normalising near 4%, buy for the yield the asset produces today, not an assumed rent spike.

VERIFY EVERY FIGURE

Sources & References

Every figure is drawn from the sources below. Links are live: tap any URL to open the original.

01 **What is a good rental ROI in Dubai 2026? Benchmark gross and net yields by type and tier** — REAL ESTATE CLUB DUBAI · JUNE 2026
https://realestateclubdubai.com/blog/market-analysis/good-rental-roi-dubai-2026-yields-by-property-type-area

02 **Which communities offer the best rental yield in Dubai in 2026 (per-area ranges)** — LUXHABITAT · 2026
https://www.luxhabitat.ae/the-journal/which-communities-offer-the-best-rental-yield-in-dubai/

03 **United Arab Emirates residential rental yields (UAE average and by size)** — GLOBAL PROPERTY GUIDE · NOV 2025
https://www.globalpropertyguide.com/middle-east/united-arab-emirates/rental-yields

04 **UAE rental yields hold strong; Dubai average and affordable-community peaks** — PROPERTY FINDER
https://www.propertyfinder.ae/blog/opportunity-knocks-for-investors-uae-rental-yields-hold-strong/

05 **Rental yield in Dubai: apartments ~7.07% vs villas ~4.93%** — ENGEL & VOLKERS
https://www.engelvoelkers.com/ae/en/resources/rental-yield-dubai

06 **UAE real estate market review, Q1 2026 (Dubai rent growth ~4.1% YoY)** — CBRE · Q1 2026
https://www.cbre.ae/insights/figures/uae-real-estate-market-review-q1-2026

07 **High ROI areas in Dubai for apartments and villas (JVC, International City)** — BAYUT
https://www.bayut.com/mybayut/best-roi-villas-apartments-dubai/

08 **Best rental yields in Dubai 2026 by area and unit type** — GUESTREADY · 2026
https://www.guestready.com/blog/best-rental-yields-in-dubai/

WORK WITH BRADLEY JAMES

Buy the Net Yield, Not the Headline.

The highest advertised gross is rarely the best investment. The real return is what lands in your account after service charges, management and voids, and the gap is wide enough to turn a great-looking deal into an average one. The investors who win in Dubai buy on net yield, in the right building, at the right price.

Send me a deal you are weighing and I will model the real net yield, service charges and void risk for you, before you commit a dirham.

WHATSAPP / CALL

+971 56 500 6162

EMAIL

b.james@mandmrealestate.ae

WEBSITE

mandmrealestate.ae

CLICK HERE TO CHAT

Bradley James

INVESTMENT ADVISOR

M&M REAL ESTATE

DATA: DLD · BAYUT · PROPERTY FINDER · GLOBAL PROPERTY GUIDE · CBRE · 2026