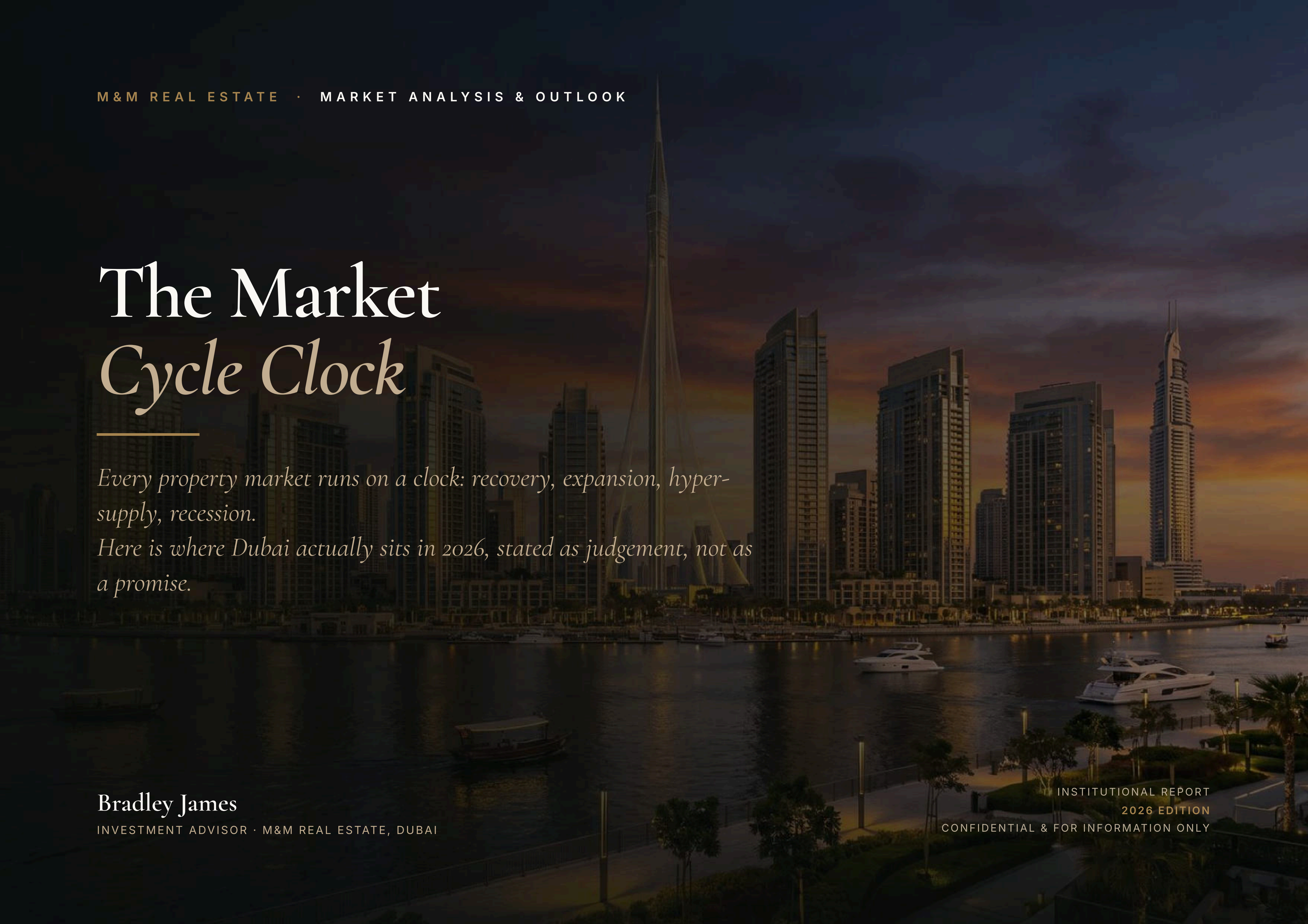

The Market *Cycle Clock*

Every property market runs on a clock: recovery, expansion, hyper-supply, recession.
Here is where Dubai actually sits in 2026, stated as judgement, not as a promise.

Bradley James
INVESTMENT ADVISOR · M&M REAL ESTATE, DUBAI

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What This Guide Covers

CHAPTER ONE

The Four-Phase Clock

Before you can say where Dubai is, you need a map of where any market can be. The property clock is that map, and it has four hands.

CHAPTER 01 · THE FRAMEWORK

Every Market Runs on a Clock

Property doesn't move in a straight line. It moves in a cycle, and the cycle has a shape that repeats across cities and decades. If you can read the shape, you can stop guessing and start positioning.

The framework most institutions use is the real-estate market cycle model developed by Glenn R. Mueller, borrowed and rebranded by firms like JLL and CBRE as the **property clock**. It divides a full cycle into four phases. **Recovery**: occupancy is below its long-run average, nobody is building, and the market slowly absorbs the overhang left by the last downturn. Rents bottom and start to lift. **Expansion**: demand outpaces supply, occupancy climbs, cranes reappear, and rents and prices rise fastest. This is the phase everyone remembers fondly.

Then **hyper-supply**: all that construction started in the good times finally lands, new supply starts to run ahead of demand, occupancy peaks and begins to slip, and growth decelerates even though prices can still be positive. Finally **recession**: the overhang bites, occupancy falls, and rents and prices decline until the cycle resets. The clock is a framework, not a forecast. It tells you what the phases look like, not the date the hand moves. That distinction is the whole discipline of this guide.

◆ THE FOUR PHASES

- Recovery: absorbing overhang, rents bottoming, no new building.
- Expansion: demand over supply, prices and rents rising fastest.
- Hyper-supply: new stock overtakes demand, growth decelerates.
- Recession: overhang bites, occupancy and prices fall, cycle resets.

◆ THE POINT OF A CLOCK

"A clock tells you the phase, not the minute the hand will move. Read the phase, and stop pretending you can time the minute."

02

CHAPTER TWO

Where Dubai Sits in 2026

Late expansion, turning into hyper-supply and normalisation. That is the honest read, and the word honest matters, because this is a judgement, not a measurement.

CHAPTER 02 · THE PLACEMENT

Late Expansion, Turning

Here is the placement, stated plainly and then immediately qualified. Credible analysts put Dubai in 2026 at the end of Expansion, transitioning into Hyper-supply and normalisation.

What does that mean in practice? Growth is still positive but clearly decelerating. The ValuStrat capital value index that ran at **+28.9% year-on-year in Q3 2024** had cooled to **+21.3% by Q3 2025**. A record supply pipeline is arriving, with Moody's pointing to more than **150,000 new homes by 2027**. Rents are still rising but slowing. That combination, positive but decelerating with heavy supply landing, is the textbook signature of a market moving from expansion into hyper-supply.

Now the honesty that this whole guide is built on. **Placing a market on the clock is a judgement, not a fact.** Nobody rings a bell when the hand moves. Reasonable analysts read the same data and place the hand slightly differently, and every one of them can be wrong. What is NOT in dispute is the direction: the market is cooling from its 2024 to 2025 peak. Fitch frames the risk as a moderate correction of **up to 15%** peak-to-trough, explicitly not a crash. Treat the placement as a working view held with humility, not a coordinate you can bank on.

Late

EXPANSION, TURNING TO HYPER-SUPPLY (ANALYST JUDGEMENT)

ValuStrat / Fitch / S&P

+21.3%

VPI YOY Q3 2025, DECELERATING FROM +28.9% A YEAR EARLIER

ValuStrat

up to 15%

FITCH WORST-CASE PEAK-TO-TROUGH, 'NO CRASH'

Fitch Ratings

◆ WHY 'JUDGEMENT, NOT FACT'

The four phases are well defined. The problem is that a market gives you no clean signal as it crosses from one to the next. You only know a peak was a peak with hindsight. So when I say 'late expansion turning', I mean it as my best read of the weight of evidence, not as a measured coordinate. Anyone who states the phase as certain is overselling.

◆ THE DISCIPLINE

"The direction is clear: cooling. The exact position on the clock is opinion. Never confuse the two, and never let anyone sell you the second as the first."

CHAPTER THREE

The Trajectory That Got Us Here

You cannot read a clock without knowing which way the hands have been turning. Dubai's transaction value roughly five-x'd in five years. Here is the path.

CHAPTER 03 · THE PATH

Five Years, Roughly Five Times the Value

The placement only makes sense against the run-up. Dubai's total real-estate transaction value went from a pandemic trough to consecutive records in half a decade, and the slope of that line is the reason the cooling question even matters.

In 2020 the market was in its trough, with roughly **AED 174 billion** of transactions as sales fell during the pandemic. Recovery began in 2021, and by 2022 total value had reached **AED 528 billion**, up more than 76% in a single year. Then came the records the whole world noticed: **AED 761 billion in 2024** and **AED 917 billion in 2025**. Value roughly five-x'd from the 2020 trough to the 2025 peak. That is not a normal expansion. That is a very fast one, which is exactly why the deceleration matters so much now.

Here is the distinction that most commentary blurs. **Q1 2026 was a record quarter**, with **AED 252 billion** of transactions, up **31% year-on-year**. So how can the market be cooling if the quarter was a record? Because volume and price are two different things. Transaction activity, the number and value of deals changing hands, was still climbing into early 2026. Price growth per square foot was decelerating at the same time. A market can be busier and slower at once. Read the two separately, always.

1	2	3	4	5
Trough	**Expansion**	**Record**	**Record**	**Still climbing**
2020 · ~AED 174bn, pandemic low	2022 · AED 528bn, +76.5% value YoY	2024 · AED 761 billion, 226,000 deals	2025 · AED 917 billion, 270,000 deals	Q1 2026 · AED 252bn, +31% YoY

~5x

TOTAL TRANSACTION VALUE, 2020 TROUGH TO 2025 PEAK

DLD

◆ VOLUME IS NOT PRICE

The single most useful habit in reading Dubai right now is to keep transaction VALUE and price-per-square-foot GROWTH apart. Q1 2026 set a value record while price growth was already slowing. Both are true. A busy market and a cooling one are not contradictions, they are the normal texture of a late expansion turning.

◆ THE READ

"Value roughly five-x'd in five years. A line that steep does not stay that steep. The question was never whether it would slow, only when and how gently."

CHAPTER 03 · THE BACKDROP

The Rate Cycle Turned Down Underneath It

One more piece of the trajectory matters, and it sits underneath the transaction line rather than on it: the cost of money. Because the dirham is pegged to the US dollar at **3.6725**, the Central Bank of the UAE mirrors the US Federal Reserve. When the Fed cuts, Dubai's rates follow. And across 2025 the Fed cut, taking the **CBUAE base rate to 3.65%** by December 2025, roughly **75 basis points** lower over the year, with 3-month EIBOR, the benchmark most local mortgages price off, sitting near **3.74%**.

Why does this belong in a chapter about the clock? Because the phase of the interest-rate cycle and the phase of the property cycle don't have to move together, and right now they're pulling in different directions. Property growth is decelerating while the cost of borrowing is easing. For a leveraged buyer, a falling-rate environment lowers the carry of holding, which is a genuine offset to a cooling price trajectory. It doesn't cancel the cooling. It changes the arithmetic of waiting through it.

Keep the honesty here too. A rate cut is a forecast turned into a decision by a committee, and the path from here is not promised. The peg means Dubai imports the dollar's monetary cycle in both directions, so if US rates were to turn back up, local borrowing costs would follow. The point is not that rates only fall. It's that, as of this writing, the rate cycle and the property cycle are out of phase, and that gap is part of reading where we are.

3.65%
CBUAE BASE RATE, HELD SINCE DEC 2025
Central Bank of the UAE

~-75bps
UAE RATE MOVE ACROSS 2025, TRACKING THE FED
CBUAE / Khaleej Times

~3.74%
3-MONTH EIBOR, THE LOCAL MORTGAGE BENCHMARK
CBUAE EIBOR

◆ TWO CYCLES, OUT OF PHASE

The property clock and the rate clock are separate instruments. In 2026 they're reading differently: property growth easing, borrowing cost easing too. For a cash buyer the rate cycle is largely irrelevant. For a leveraged buyer it's a real, quantifiable offset to a softer price outlook, and worth modelling against your own numbers.

◆ THE NUANCE

"A cooling price cycle and an easing rate cycle at the same time. That's not a contradiction. It's the reason 'just wait' is a more complicated call than it sounds."

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CHAPTER FOUR

Reading the Index

The trajectory in one number: the ValuStrat capital-value index. In November 2025 it stood at 237.3. What that tells you, and what it hides.

One Number, Two Very Different Markets

If you want a single instrument for the clock, use the ValuStrat Price Index. It tracks residential capital values against a January 2021 base of 100, and in November 2025 the headline sat at **237.3 points**.

That headline was up **20.2% year-on-year** and just **1.4% month-on-month**, and the gap between those two numbers is the story. Twenty percent over the year, barely over one percent in the latest month. That is deceleration you can see in a single index, a market still growing but with the annual pace flattering a much slower recent run rate. The headline says growth. The monthly momentum says the growth is running out of road.

Then the index splits, and this is where the clock gets interesting. The **villa sub-index stood at 318.5** in November 2025. The **apartment sub-index stood at 184.2**. Same city, same month, two markets on different parts of the clock. Villas have run far harder and sit far higher above their base. Apartments have lagged. A single citywide number averages away the most important thing an investor needs to know, which is that you are not buying 'Dubai', you are buying a segment, and the segments are in different places.

VALUSTRAT VPI, NOVEMBER 2025	VILLAS	APARTMENTS
VPI sub-index, Nov 2025 (base Jan 2021 = 100)	318.5	184.2
Position vs post-pandemic Jan 2021 base	~+206% above	~+84% above
Position vs the 2014 cycle peak	~+86% above peak	Only just cleared peak in late 2025

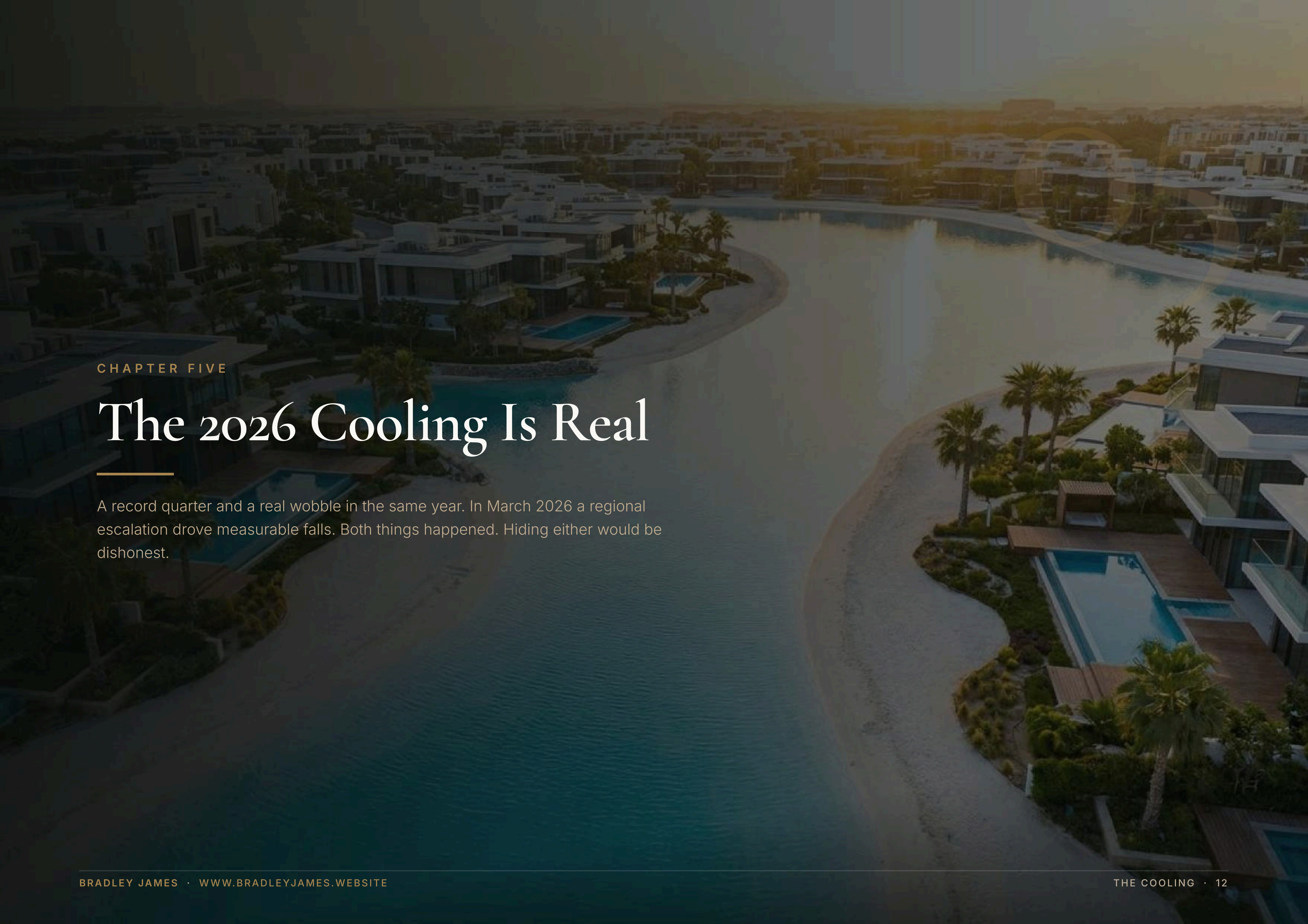
Source: ValuStrat Price Index, November 2025 (base January 2021 = 100). Sub-index levels and vs-peak positions are realised index readings, not forecasts.

VPI SUB-INDEX LEVEL, NOV 2025 (JAN 2021 = 100)

ValuStrat VPI, Nov 2025. Higher = further above the Jan 2021 base, not necessarily 'better value'.

◆ WHAT THE AVERAGE HIDES

A 237.3 headline is the blend of a villa market at 318.5 and an apartment market at 184.2. Quote the headline and you describe neither. The single most useful thing the index does is force you to ask which segment you actually mean before you talk about the cycle at all.



CHAPTER FIVE

The 2026 Cooling Is Real

A record quarter and a real wobble in the same year. In March 2026 a regional escalation drove measurable falls. Both things happened. Hiding either would be dishonest.

A Record Quarter With a Real Wobble Inside It

This is the chapter that keeps the guide credible, because it refuses to smooth over the bad month. Q1 2026 was a record. It also contained the clearest cooling signal of the cycle so far. Both are true at once.

In March 2026 a regional geopolitical escalation hit sentiment directly, and the numbers moved. Transaction **volume fell roughly 37% year-on-year that month**. ValuStrat recorded its **first monthly decline since 2020**, with the capital-value index down **5.9%** in the month. Market trackers reported around **AED 2.36 billion of price reductions** as some sellers repriced to move stock. After years of one-way traffic, that is a genuine inflection, and it happened inside the same quarter that set an all-time record for total value. That is not a contradiction. It is what a market looks like when the hand is near the top of the clock and a shock arrives.

Keep the honesty symmetrical. The escalation was an external shock, not proof the whole thesis has broken, and geopolitics in this region has repeatedly proven to be an event, not a trend. But pretending the wobble didn't happen, or that a single record quarter cancels it out, is exactly the kind of selling this guide exists to avoid. The cooling is real. The market is still large, liquid and structurally supported. Hold both facts at the same time.

~-37%
TRANSACTION VOLUME YOY, MARCH 2026
market data / DLD

-5.9%
VALUSTRAT MONTHLY DECLINE, FIRST SINCE 2020
ValuStrat VPI

~AED 2.36bn
REPORTED PRICE REDUCTIONS AS SOME SELLERS REPRICED
market trackers

◆ SHOCK, OR TREND?

A single sharp month driven by a geopolitical event is a shock, and shocks in this region have historically reversed once the headline fades. A sustained run of falling months against a heavy supply pipeline would be a trend. As of this writing it reads as the former, but I will not pretend to know which it becomes. That is why the caveats chapter exists.

◆ THE HONEST LINE

"The quarter was a record and the month was a wobble. Tell people both, or you are not advising them, you are marketing to them."

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CHAPTER SIX

Villas and Apartments

The single most important nuance in Dubai 2026. Two segments, two clock positions, two different risk profiles. Do not average them away.

Two Segments, Two Positions on the Clock

If you take one idea from this guide, take this one. 'Dubai' is not a single market on the clock. Villas and apartments are in materially different places, and conflating them is how investors get the risk wrong.

Villas are the extended segment. They sit roughly **86% above their 2014 cycle peak** and have run hardest through this expansion. That strength is real, driven by scarce land and family demand, but a segment this far above its prior peak is, by definition, later on the clock and has priced in more of the good news. ValuStrat's own 2026 outlook still forecasts villas up **17.7%**, the most constructive segment call in the market, which tells you the momentum is genuine. It also means there is more height to give back if sentiment turns. Being the strongest and being the most extended are the same sentence.

Apartments are the earlier, more exposed segment. They only **just cleared their 2014 peak in late 2025**, so on valuation they carry less froth. But the bulk of the incoming supply pipeline is apartments, which is why S&P flags the downside risk as apartment-concentrated: less over-valued, but more supply-exposed. So which is 'safer'? Neither cleanly. Villas carry valuation risk, apartments carry supply risk. The honest answer is that the right segment depends on your horizon and your tolerance, and anyone who gives you a single blanket answer hasn't done the work.

SEGMENT	VILLAS	APARTMENTS
Position on the clock	More cycle-extended	Earlier, less over-extended
vs 2014 peak	~+86% above	Only just cleared it
Main risk to weigh	Valuation, more height to give back	Supply, most of the pipeline is here
2026 house view	ValuStrat forecast +17.7%	Slower, apartment-skewed downside (S&P)

Index positions from ValuStrat VPI (Nov 2025). 2026 figures are house forecasts (ValuStrat, S&P), not realised outcomes. Segment risk is a framing to weigh, not advice.

◆ **THE TRAP TO AVOID**

The citywide headline invites a lazy conclusion: 'Dubai is up 20%, so buy Dubai.' But a villa buyer and an apartment buyer in 2026 are making very different bets on very different parts of the clock. Decide the segment first, then read the cycle for that segment. Never the other way round.

◆ **THE NUANCE**

"Villas: strongest and most extended, the same fact. Apartments: cheaper on valuation, heavier on supply. There is no free lunch, only a choice of which risk you'd rather hold."

Rents Tell the Same Divergence Story

Capital values are one hand on the clock. Rents are another, and they often move first, because a tenant reprices every year while an owner only reprices on sale. So watch the rent curve for an early read on where each segment sits, and it tells the same divergence story in a different key.

The rent boom has clearly decelerated, and decelerated unevenly. In 2024 new-contract rents ran hot, with **apartments up around 16%** and **villas up around 5%**. By the third quarter of 2025 the pace had cooled to roughly **apartments +5.6%** and **villas +3.5%** year-on-year, with asking rents stabilising quarter-on-quarter. Still positive, clearly slowing, exactly the rent signature of a market moving from expansion toward normalisation. Notice the pattern flips against capital values: apartments led on rent growth while villas led on price. Segments don't just sit at different clock positions, they lead on different gauges.

Here's the capital-preservation read, stated honestly. A slowing-but-still-rising rent curve means a buyer who holds keeps collecting income while the price hand slows, and rent stabilisation tends to arrive before a price floor, so a firming rent is often the first constructive signal in a cooling market. But rents can turn too, and a heavy apartment supply pipeline is precisely the thing that pressures apartment rents. Positive today is not a promise for tomorrow. Read the rent curve as a leading gauge, not a guarantee.

RENT GAUGE	APARTMENTS	VILLAS
New-contract rent growth, 2024	~+16%	~+5%
Rent growth YoY, Q3 2025	~+5.6%	~+3.5%
Direction into 2026	Decelerating, supply-exposed	Decelerating, scarcer stock

Source: ValuStrat rental data (2024 new-contract; Q3 2025 YoY). Rent figures are realised readings; the 2026 direction is a qualitative read, not a forecast number.

◆ RENTS LEAD, PRICES FOLLOW

A tenant reprices annually, an owner only on sale, so the rent curve usually signals a phase change before the price index does. Apartments and villas are both slowing on rent, unevenly, which is a cleaner early confirmation of 'expansion turning' than any single price number can give you.

◆ THE READ

"Still-rising rents in a cooling market mean you're paid to hold while the price hand slows. A real edge, as long as you don't mistake 'positive now' for 'positive forever'."

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CHAPTER SEVEN

What the Houses Actually Say

Not one forecast, a range. From the most cautious to the most constructive, every major house agrees on moderation and disagrees only on the size. Here is the honest spread.

Everyone Agrees on Moderation

There is no single '2026 number', and anyone who gives you one is guessing with confidence. What exists is a range of published forecasts, and the useful signal is how tightly they cluster on direction and how they spread on magnitude.

Read from most cautious to most constructive. **S&P Global Ratings** sees moderating growth, not decline, decelerating toward roughly **5% to 8% in 2026**, with a low-probability stress scenario of a **5% to 10% correction concentrated in oversupplied apartment stock**, and explicitly no 2008-style crash. **Fitch** models a moderate correction of up to **up to 15%** peak-to-trough, again no crash. **CBRE** sees roughly **+3% to +6%** with rents normalising. **Knight Frank** forecasts about **+1% mainstream and +3% prime**. **ValuStrat**, the most constructive, forecasts around **~10% citywide** with villas up 17.7%. Every one of these is a forecast, an opinion about the future, not a fact about it.

Notice what the spread actually tells you. The houses **agree** that 2026 is a year of moderation. They **disagree** only on the sign and size of the apartment segment, from mildly positive to a low-probability single-digit dip. That is a remarkably narrow disagreement by the standards of market forecasting. It doesn't make any of them right. It does mean the base case, gentle moderation rather than collapse, is a genuine consensus rather than one firm's house view. Position for the consensus, respect the tails.

HOUSE	2026 RESIDENTIAL VIEW (FORECAST)
S&P Global Ratings	Moderation to ~5-8%; stress case -5% to -10%, apartment-concentrated; no crash
Fitch Ratings	Moderate correction up to up to 15% peak-to-trough; no crash
CBRE	~+3% to +6%; rents normalising as deliveries land
Knight Frank	~+1% mainstream, ~+3% prime; prime stabilising ~5-7% p.a. to 2028
ValuStrat	~~10% citywide, villas +17.7%; 'normalising phase'

Every row is a published FORECAST as of 2026, not realised data. Ordered most cautious to most constructive. Forecasts are opinion and are frequently wrong; treat the range, not any single point, as the signal.

◆ CONSENSUS IS NOT CERTAINTY

A narrow forecast range is comforting, and it should not be. The 2008 downturn and the 2020 trough both arrived against broadly constructive consensus. A tight cluster tells you the visible, modellable factors point one way. It tells you nothing about the shock nobody has modelled. Use the consensus as a base case, never as a guarantee.

◆ THE FRAMING

"They agree on moderation and argue about the decimal. That's the honest state of the debate: a slowdown almost everyone expects, a correction only the cautious ones price in."

Supply Is the Hand That Moves the Clock

If you want to know what decides whether the gentle-moderation base case holds or the cautious correction case wins, watch one variable above all others: **supply**. Hyper-supply is literally the phase named after it, and the pipeline arriving now is the largest in Dubai's history. This is the hand that actually moves the clock from here.

The numbers are large and, importantly, concentrated. S&P points to roughly **385,000 apartments under construction** across 2026 to 2028, and JLL flags **2027** as potentially the heaviest delivery year in a decade, with something like **146,000 units** anticipated. Moody's projects more than **150,000 new homes by 2027**. That the pipeline skews heavily to apartments is exactly why every cautious house puts the downside risk in the apartment segment rather than the villa segment. Supply and segment risk are the same story told twice.

Now the honest counterweight, because supply forecasts are notoriously soft. Historically only **40% to 60%** of announced Dubai supply completes on its stated schedule. Projects slip, launches get phased, and handover dates drift by quarters or years. So the headline pipeline is best read as a ceiling on what could land, not a schedule of what will. A softer materialisation rate is the single biggest reason the hyper-supply phase might prove milder than the raw numbers suggest. It's a real risk, genuinely large, and genuinely uncertain in its timing. All three of those are true at once.

~385,000
APARTMENTS UNDER CONSTRUCTION, 2026 TO 2028 (S&P)
S&P Global Ratings

~146,000
UNITS ANTICIPATED IN 2027, POTENTIAL DECADE-HIGH (JLL)
JLL

40-60%
TYPICAL SHARE OF ANNOUNCED SUPPLY THAT COMPLETES ON TIME
market data

◆ READ THE CEILING, NOT THE SCHEDULE

Announced supply is a ceiling on what could arrive, not a diary of what will. The gap between announced and delivered, roughly half historically, is the biggest reason the hyper-supply phase could land softer than the raw pipeline implies. Track actual completions, not press-release unit counts, especially in apartments.

◆ THE SWING

"Everything hinges on supply, and supply forecasts miss by half. That's precisely why 2026 is a range of outcomes, not a single number anyone can hand you."

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CHAPTER EIGHT

The Honest Caveats

The chapter that keeps the rest honest. A clock is a metaphor, not a mechanism. Here is everything the framework cannot do, stated as plainly as its uses.

What the Clock Cannot Tell You

A framework worth using is a framework worth stress-testing. The property clock is a genuinely useful lens. It is also a metaphor, and metaphors mislead when you forget they are metaphors. Here are the limits.

Cycles do not run on a timetable. The clock has no hours. A market can sit in late expansion for years, or tip into hyper-supply in a single quarter after a shock, as March 2026 showed. Anyone who tells you 'the correction comes in month X' is inventing precision the framework cannot supply. The phases are real. Their duration is not knowable in advance.

The hyper-supply risk is real, not rhetorical. A record pipeline is genuinely arriving, with more than **150,000 new homes projected by 2027** on Moody's read, concentrated in apartments. Historically only 40% to 60% of announced supply completes on schedule, which softens the blow, but softens is not cancels. If demand cools while that stock lands, the apartment segment carries a real downside. This guide is not arguing the risk away. It is telling you where it sits.

Placing the hand on the clock is an opinion. Everything in this guide about 'late expansion turning' is my honest read of the weight of evidence, and honest reads are wrong sometimes. The realised facts, the trajectory, the November 2025 index level, the March 2026 wobble, are facts. The phase label I hang on them is judgement. Hold the two apart.

And none of this is advice for your specific position. The cycle looks different for a cash buyer with a ten-year horizon than for a leveraged buyer who might need to sell in eighteen months. The clock is a market lens, not a personal plan. Your horizon, your leverage and your segment decide far more than the citywide phase ever will.

◆ THE LINE I HOLD

The framework is strong precisely because I'm willing to tell you what it can't do. It maps the phases. It cannot date them, it cannot price the next shock, and it cannot know your circumstances. Anyone using the clock to promise you a timed outcome has turned a lens into a sales prop.

◆ THE RULE

"The facts are the trajectory and the index. The phase is my judgement. The timing is nobody's to promise. Keep those three straight and you'll read Dubai honestly."

CHAPTER NINE

Straight Answers

The cycle question turned into the questions investors actually ask, answered straight and without a sales pitch.

The Questions Investors Actually Ask

Q. So is Dubai about to crash?

No major house forecasts a crash as its base case for 2026. The consensus, from S&P at the cautious end to ValuStrat at the constructive end, is moderation: growth slowing from the 2024 to 2025 pace, with a low-probability, apartment-concentrated correction risk that Fitch caps at around 15% peak-to-trough, explicitly not a 2008-style collapse. Cooling is real. A crash is nobody's base case. Both statements are honest.

Q. Where exactly is Dubai on the property clock?

My read is late expansion turning into hyper-supply and normalisation. But be clear that this is a judgement, not a measurement. The phases are well defined, yet no market gives a clean signal as it crosses between them, and reasonable analysts place the hand slightly differently. Trust the direction, which is cooling. Treat the exact position as an informed opinion.

Q. If Q1 2026 was a record, how can the market be cooling?

Because volume and price are different things. Q1 2026 set a record for total transaction value at AED 252 billion, up 31% year-on-year, while price growth per square foot was already decelerating. A market can be busier and slower at the same time. Read transaction activity and price momentum as two separate gauges, always.

Q. Should I buy a villa or an apartment right now?

That depends on which risk you'd rather hold, and I can't answer it blind. Villas sit about 86% above their 2014 peak, so they're the strongest segment and the most cycle-extended, carrying valuation risk. Apartments only just cleared their 2014 peak, so they're cheaper on valuation but hold most of the incoming supply, carrying supply risk. Decide your horizon and tolerance first, then pick the segment.

Q. What actually happened in March 2026?

A regional geopolitical escalation hit sentiment. Transaction volume fell roughly 37% year-on-year that month, ValuStrat recorded its first monthly decline since 2020 at 5.9%, and trackers reported around AED 2.36 billion of price reductions as some sellers repriced. It sat inside a record quarter, which tells you it was a shock near the top of the clock, not proof the whole thesis had broken. Whether it becomes a trend is genuinely unknown.

Q. Can't you just tell me when the correction will come?

No, and anyone who does is inventing precision. The property clock maps the phases of a cycle, not their dates. Markets can hold a phase for years or tip in a quarter after a shock. I'll give you the honest direction and the honest risks. I won't sell you a timed outcome I can't know.

Q. Does the cooling change the long-term case for Dubai?

The long-term structural case, zero personal tax, a dollar-pegged currency, record wealth migration and a deep transaction market, is a separate question from the cycle. A cooling year is a normal feature of a maturing market, not a refutation of the base. What the cycle changes is entry timing and segment selection, not whether the structure holds. Match the cycle read to your horizon, and the two questions stay distinct.

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Every Figure, Sourced

Every statistic in this guide is attributed. Where sources differ, a range is used. Links are live and clickable.

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◆ ABOUT BRADLEY

Not a broker, an advisor. I built a business in the UK and spent more than a decade advising people from all walks of life, before moving to Dubai and joining M&M Real Estate to work at a higher strategic level than the typical transactional broker. I specialise exclusively in off-plan investment for overseas and high-net-worth clients, I put my own capital into the projects I recommend, and my business is more than 80% referral-driven, because every client came through someone who trusted me first.

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