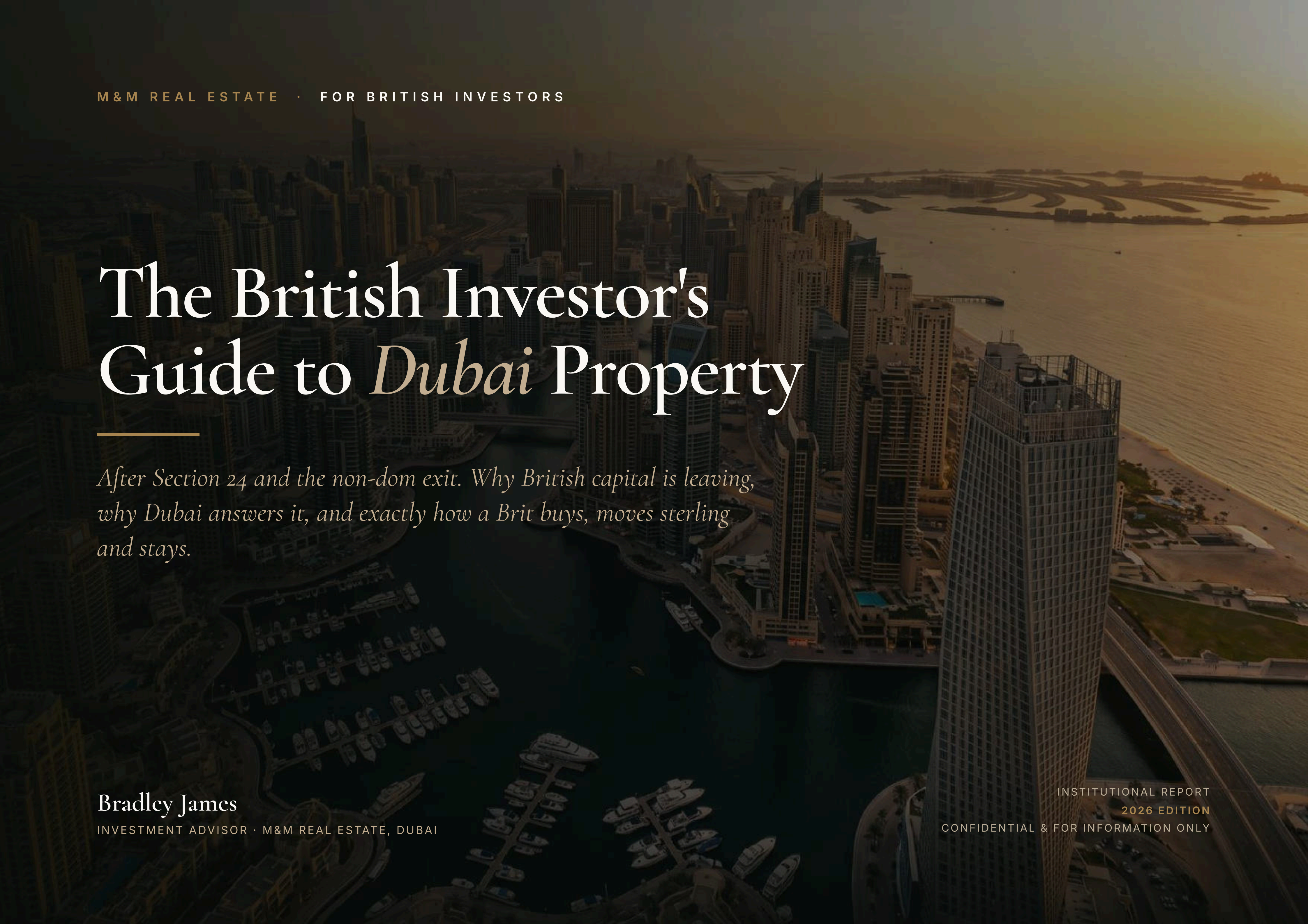

M&M REAL ESTATE · FOR BRITISH INVESTORS

The British Investor's Guide to *Dubai* Property

After Section 24 and the non-dom exit. Why British capital is leaving, why Dubai answers it, and exactly how a Brit buys, moves sterling and stays.

Bradley James

INVESTMENT ADVISOR · M&M REAL ESTATE, DUBAI

INSTITUTIONAL REPORT

2026 EDITION

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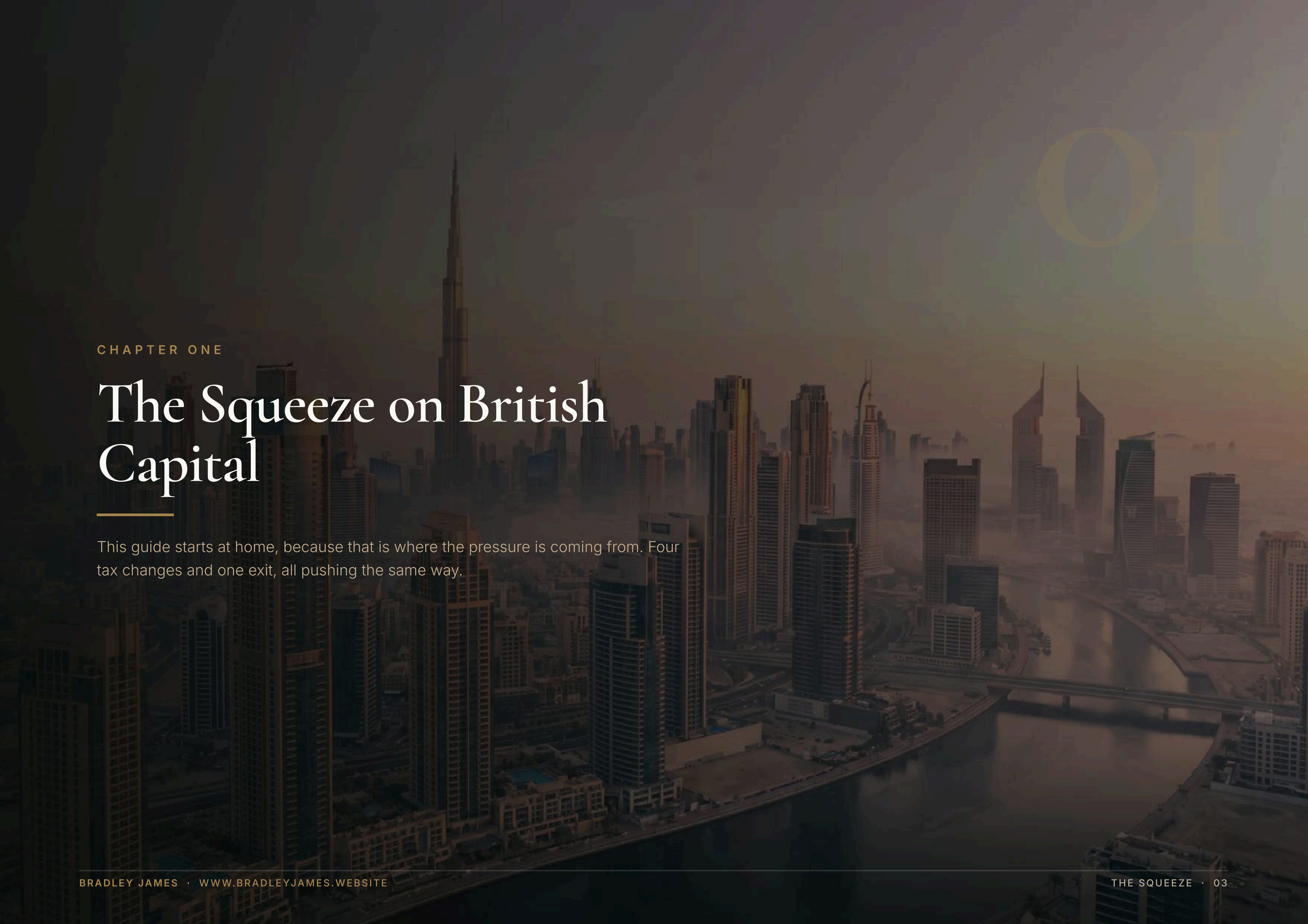


01

CHAPTER ONE

The Squeeze on British Capital

This guide starts at home, because that is where the pressure is coming from. Four tax changes and one exit, all pushing the same way.

CHAPTER 01 · WHY LOOK ABROAD

Why a British Landlord Is Even Reading This

If you own property in Britain, you didn't wake up one morning and decide to look at Dubai. You were pushed. Over roughly a decade, a stack of tax and regulatory changes has quietly turned a straightforward buy-to-let into one of the most heavily taxed ways to hold capital in the developed world, and the people with the most to protect have started to move.

Count the pressure points. **Section 24** stopped higher-rate landlords deducting their mortgage interest, so a geared investor can now pay tax on income they never actually kept. The Stamp Duty surcharge on an additional property rose to **5%** in October 2024, on top of the standard bands, so a GBP 500,000 buy-to-let now carries roughly GBP 37,500 of purchase tax before you own a brick. Income tax runs to **45%** above GBP 125,140, with the thresholds frozen so inflation drags more of you into higher bands every year. Capital gains tax on residential property is **18% or 24%** on exit. And **inheritance tax** takes 40% of an estate above GBP 325,000, a nil-rate band frozen since 2009.

Then, in April 2025, the government **abolished the non-dom regime**, ending the remittance basis that had kept internationally mobile wealth in London for two centuries. The response was immediate and measurable. This guide is about where that capital is going, why, and whether a slice of yours should follow it. It is written for you, the British investor, not as a comparison scorecard.

◆ THE FIVE POINTS OF PRESSURE

- Section 24: no full mortgage-interest relief for higher-rate landlords.
- A 5% Stamp Duty surcharge on every additional property.
- Income tax to 45%, on thresholds frozen into fiscal drag.
- Capital gains tax of 18% or 24% on a residential exit.
- Inheritance tax of 40% above a GBP 325,000 nil-rate band.

◆ THE STARTING POINT

"You're not chasing Dubai. You're responding to what Britain now does to a pound of invested capital. That distinction matters."

CHAPTER 01 · THE NUMBERS

What the Squeeze Looks Like in Figures

Put the headline rates in one place and the picture is stark. None of these is a forecast or an opinion. They are the published, current position for a British investor in 2026, and together they describe an after-tax return that has been eroded from several directions at once.

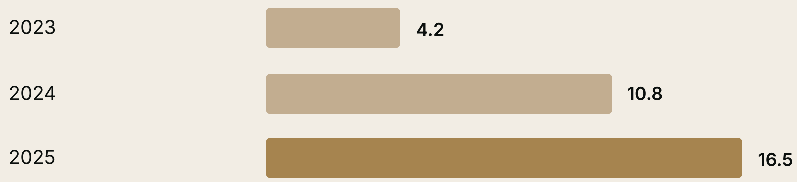
45%
TOP RATE OF INCOME TAX ON RENTAL PROFIT ABOVE GBP 125,140
HMRC

5%
STAMP DUTY SURCHARGE ON AN ADDITIONAL PROPERTY
HMRC

40%
INHERITANCE TAX ABOVE THE GBP 325,000 NIL-RATE BAND
HMRC

And the capital is voting with its feet. Henley & Partners estimate the UK lost roughly **16,500 dollar-millionaires on a net basis in 2025**, the largest single-year outflow of any country in the decade they've tracked it, taking an estimated USD 91.8 billion of investable wealth with them. Treat the precise number as a directional estimate rather than an official statistic, because the methodology is debated. But the trend, which has run from a net loss of about 4,200 in 2023 to 10,800 in 2024 to 16,500 in 2025, is not seriously disputed. The UAE, meanwhile, is the world's number-one destination for that migrating wealth.

NET UK MILLIONAIRE OUTFLOW, BY YEAR (THOUSANDS)



Henley & Partners / New World Wealth. Directional estimates, not an official register; the precise figures are debated, the direction is not.

◆ READ IT HONESTLY

Henley's method is LinkedIn-based and has been criticised as unverifiable. I quote it for direction, not decimal precision. Even halved, an outflow this size, accelerating for three straight years, is a signal worth reading.

02

CHAPTER TWO

Section 24, In Detail

The single change that broke the maths of a geared British buy-to-let. Worth understanding precisely, because it is the reason so many landlords are now looking out.

CHAPTER 02 · THE MECHANIC

The Tax That Charges You on Money You Never Keep

Most tax takes a share of your profit. Section 24 is different, and that difference is the whole story. For a geared higher-rate landlord, it taxes your turnover, and then hands back only a thin credit, so you can owe tax on rent that went straight to the bank as interest.

Here is the mechanic, plainly. Before Section 24, an individual landlord deducted mortgage interest as a cost, then paid tax on the profit that remained, exactly as any business does. Section 24, fully in force since April 2020, removed that deduction for individuals. Instead you're taxed on the full rent, and then given a flat **20% basic-rate credit** on your finance costs. If you're a higher-rate or additional-rate taxpayer, paying 40% or 45%, you get relief at 20% on interest you actually paid at 40% or 45%. On a heavily mortgaged property, in a period of higher rates, the after-tax cash flow can turn negative. You can run a property at a real-world loss and still receive a tax bill.

Two things soften it, and both are worth stating so this stays honest. Section 24 does **not** apply to property held inside a limited company, which is why so many British landlords have incorporated. And a cash buyer, with no mortgage, isn't touched by it at all. But for the classic geared individual landlord, the model that built most British buy-to-let portfolios, Section 24 is the change that quietly rewrote the returns.

◆ SECTION 24 IN ONE LINE

It denies higher-rate individual landlords full relief on mortgage interest, replacing it with a flat 20% credit. Gear up at 40% or 45% and you're relieved at 20%, so you can be taxed into a loss.

◆ WHY IT PUSHES CAPITAL OUT

"A tax on turnover rather than profit is a tax you can't out-earn by being a good landlord. That's why people stop trying and start looking elsewhere."

CHAPTER 02 · THE CONTRAST

The Same Rent, Under Two Regimes

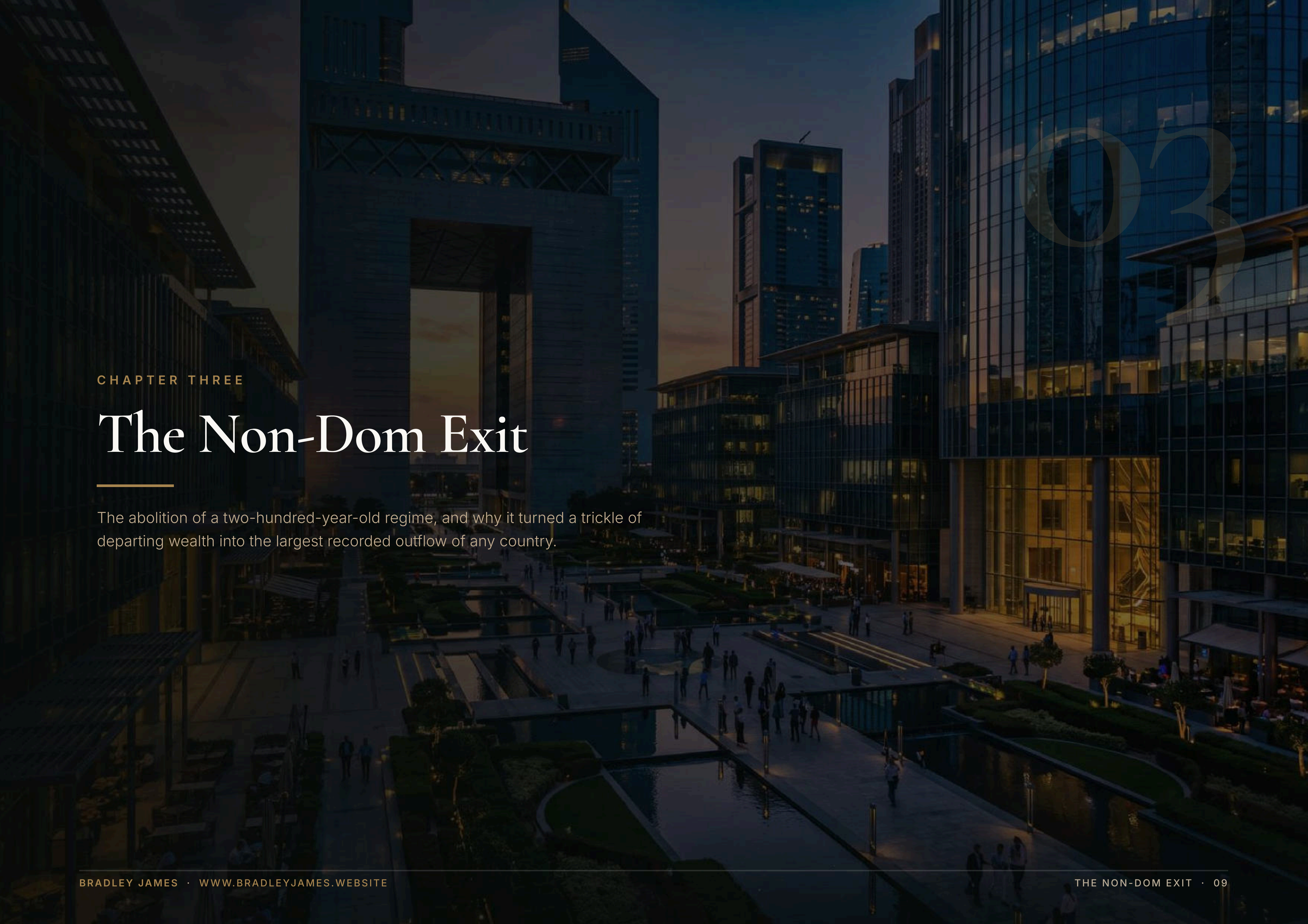
The reason Section 24 sends people to look at Dubai specifically is that Dubai has no equivalent. Rent from a property you own personally in Dubai isn't subject to personal income tax at all, and there's no mechanism that taxes your gross rent while denying your genuine costs. The **9% corporate tax** introduced in June 2023 applies to **business** profits above AED 375,000, not to an individual's personal rental income. Own a flat in your own name and let it, and the rent isn't caught by it.

MEASURE	UNITED KINGDOM (GEARED, HIGHER-RATE)	DUBAI (PERSONAL OWNERSHIP)
Mortgage interest treatment	No deduction, 20% credit only	Not applicable to personal rent
Rate applied to rental profit	40% or 45%	0% personal income tax
Can you be taxed into a loss?	Yes, on high gearing	No
Held in a company to escape it?	Common workaround	Not needed for the personal case

HMRC and PwC / u.ae, 2026. Dubai's 9% corporate tax applies to business profits above AED 375,000, not to an individual's personal rental income.

◆ THE HONEST CAVEAT, EARLY

Escaping Section 24 by buying in Dubai only works on the Dubai asset. Your existing UK property stays inside the UK tax net wherever you live, a point Chapter Nine returns to in full. This is about where new capital goes, not a way to un-tax old holdings.



03

CHAPTER THREE

The Non-Dom Exit

The abolition of a two-hundred-year-old regime, and why it turned a trickle of departing wealth into the largest recorded outflow of any country.

CHAPTER 03 · THE POLICY SHIFT

The End of the Remittance Basis

For most British landlords the non-dom regime was somebody else's story. Its abolition isn't, because it's the event that put Dubai on the map for a whole tier of internationally mobile capital, and that capital is now reshaping the buyer pool you're competing with.

From **6 April 2025**, the government abolished the remittance basis of taxation for non-domiciled individuals, the arrangement that for two centuries let UK residents with a foreign domicile keep their overseas income and gains outside the UK tax net unless they brought the money in. In its place sits a residence-based system that brings worldwide income and, over time, worldwide assets into charge, including for inheritance tax. For someone with substantial international wealth, the effect was to change the fundamental deal of living in Britain.

You don't have to agree with the old regime to read the consequence clearly. A population that is, almost by definition, mobile and advised was given a strong reason to reconsider where it's tax-resident. Many did. And the destinations they chose share a profile: political stability, a credible legal system, and either low or zero personal taxation. Dubai sits at the centre of that map.

1

The Turning Point

2016 · The Brexit referendum year, later identified as the start of sustained UK HNW outflows.

2

Section 24 Bites

Apr 2020 · The mortgage-interest restriction reaches full force for geared individual landlords.

3

Surcharge Rises

Oct 2024 · The additional-property Stamp Duty surcharge is raised from 3% to 5%.

4

Non-Dom Exit

Apr 2025 · The remittance basis is abolished; a residence-based regime replaces it.

5

Record Outflow

2025 · Henley estimates the largest net millionaire outflow of any country on record.

The UAE as the World's Number-One Destination

Capital that leaves has to land somewhere, and in 2025 it landed disproportionately in the UAE. Henley project a net inflow of about **9,800 dollar-millionaires to the UAE**, the largest of any country in the world and roughly 2,000 ahead of the United States in second place. The source markets they name are led by the United Kingdom.

Why the UAE, and Dubai specifically, rather than the other low-tax options? Because it pairs the zero personal tax with things a family actually needs to relocate around: a currency pegged to the US dollar at **3.6725** since 1997, a 10-year Golden Visa attached to **AED 2 million** of property, world-leading safety rankings, and direct air links to London several times a day. For a British family weighing a move, or simply a diversification of where their capital sits, that combination is why Dubai keeps coming up. The chapters that follow take each element in turn.

+9,800

NET UAE MILLIONAIRE INFLOW FORECAST, 2025 (WORLD #1)

Henley & Partners

-16,500

NET UK MILLIONAIRE OUTFLOW ESTIMATE, 2025

Henley & Partners

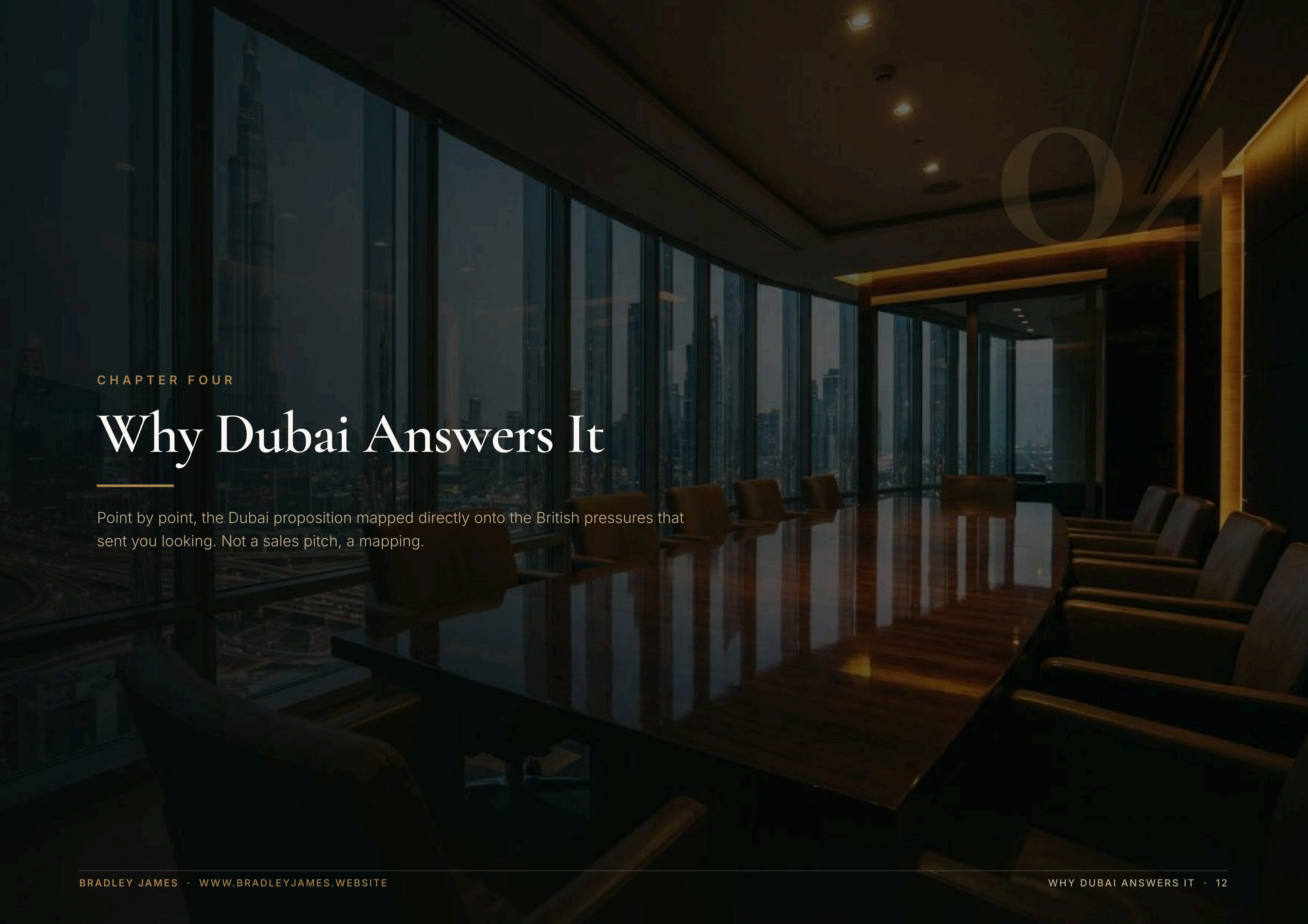
#1 safest country

UAE SAFETY RANKING, NUMBEO INDEX 85.2

Numbeo 2025

◆ THE BUYER POOL YOU'RE IN

This flow doesn't just tell you where wealth is going. It tells you who you're buying alongside in Dubai: end-user families relocating with real capital, which underpins demand differently from a purely speculative market.



04

CHAPTER FOUR

Why Dubai Answers It

Point by point, the Dubai proposition mapped directly onto the British pressures that sent you looking. Not a sales pitch, a mapping.

CHAPTER 04 · THE DIRECT ANSWER

Each UK Pressure, and Dubai's Reply

The neat thing about Dubai, for a British investor, is that its advantages line up almost one for one with the specific things squeezing you at home. Read this as a mapping, not a claim that Dubai is risk-free, because it isn't, and Chapter Nine says so plainly.

WHAT SQUEEZES YOU AT HOME	THE UK PRESSURE	DUBAI'S REPLY
Section 24 taxes geared rent	0% personal income tax on rent from a personally owned property	
Up to 45% income tax on profit	No personal income tax on investment income	
18% or 24% CGT on exit	No capital-gains tax on a personal disposal	
40% inheritance tax on the estate	No inheritance tax on an individual's estate	
Yields near 5%, thin after tax	7.0% to 7.2% gross apartment yields	
Sterling and a domestic-only base	A currency pegged to the US dollar at 3.6725 since 1997	

HMRC, PwC / u.ae, ValuStrat, CBUAE, 2026. Yields are gross, before costs. Personal-ownership tax position; corporate structures differ.

◆ THE YIELD LINE, READ CORRECTLY

A Dubai apartment grosses roughly 7.0% to 7.2% against a London flat's 5% or so, and the gap widens after tax because Dubai takes nothing from the rent while a higher-rate British landlord loses a large slice. Yield is where the edge is clearest.

◆ THE FRAME

"Dubai isn't a better bet than Britain in the abstract. It's a direct answer to the particular things Britain now charges you."

CHAPTER 04 · THE STRUCTURE BEHIND THE NUMBERS

Why the Zero Is Real, and What Sits Behind It

A zero-tax headline is only worth trusting if the state behind it can afford it, and Dubai's can. The government runs a light balance sheet, with debt near **20.8% of GDP**, and about **76% of UAE GDP now comes from outside oil**. This isn't a petro-economy taxing nothing until the barrel price turns. It's a diversified trade, tourism, logistics and finance hub that has chosen low personal tax as a deliberate strategy to attract exactly the capital Britain is shedding.

Behind the property demand sits real machinery. The D33 agenda targets a cumulative **AED 32 trillion** economy by 2033. The 2040 plan targets a population of **5.8 million**, up from the **4.0 million** reached in August 2025. Tourism drew **19.59 million** overnight visitors in 2025. Each is a demand pipeline for housing. Ambition isn't delivery, and some targets will slip, but the direction and the funding are real, and they're the demand side of the case.

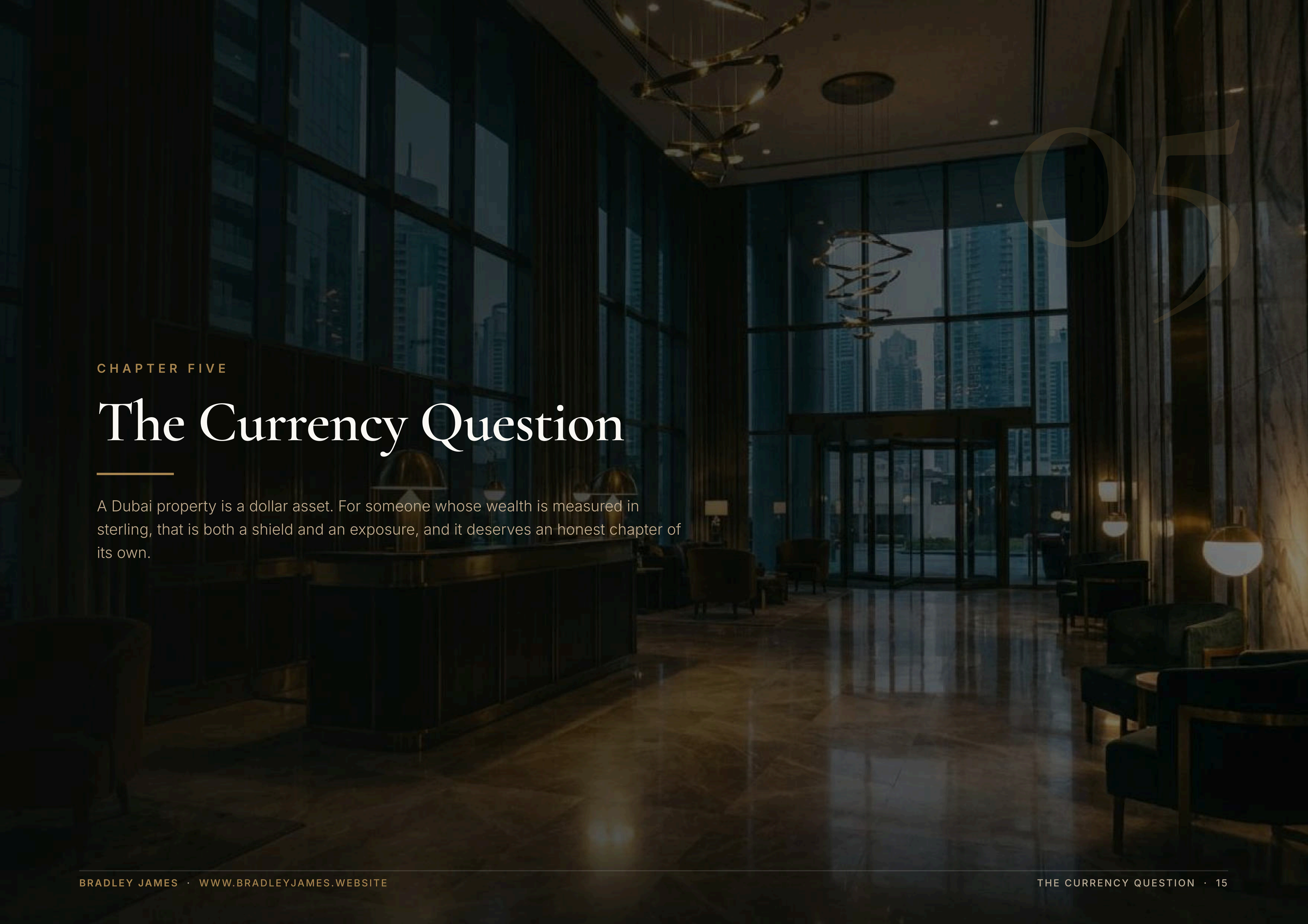
76%
NON-OIL SHARE OF UAE GDP
IMF / FCSC

20.8%
DUBAI GOVERNMENT DEBT TO GDP
Dubai DMO

5.0%
UAE REAL GDP GROWTH FORECAST, 2026
IMF

◆ WHY THIS MATTERS TO YOU

A zero-tax base only preserves capital if it's durable. A diversified economy on light debt can keep personal tax at zero without being forced into a reversal. That durability is part of what you're buying.



05

CHAPTER FIVE

The Currency Question

A Dubai property is a dollar asset. For someone whose wealth is measured in sterling, that is both a shield and an exposure, and it deserves an honest chapter of its own.

What the Peg Means for a Pound

Here's the part most Dubai pitches skate over, so let's not. When you buy in Dubai, you convert sterling into dirhams, and the dirham is pegged to the US dollar. You're not really buying a dirham asset, you're buying a dollar-denominated asset with your pounds. That has a good side and a real side, and a British investor needs both.

The good side is stability you don't get at home. The dirham has held at **3.6725 to the US dollar since 1997**, defended through oil shocks, a financial crisis and a pandemic. So the value of your Dubai asset, in dollar terms, doesn't get inflated away by a local central-bank decision. For anyone whose main worry is the long, slow erosion of a single domestic currency and tax base, anchoring part of your wealth to the world's reserve currency is a genuine diversification, not a gimmick.

The real side is that your **return, measured back in pounds, now depends on GBP/USD**. At the time of writing sterling buys about **1.34 US dollars**, which puts the dirham near **4.92 to the pound**. If sterling weakens against the dollar over your holding period, your Dubai asset is worth more in pounds when you bring it home, a tailwind. If sterling strengthens, it's worth less in pounds, a headwind, regardless of what the property itself did. That's not a reason to avoid Dubai. It's a reason to size the position as a deliberate dollar allocation and not to pretend the currency leg doesn't exist.

3.6725
DIRHAMS PER US DOLLAR, FIXED SINCE 1997
Central Bank of the UAE

1.34
US DOLLARS PER POUND, MID-2026
US Federal Reserve H.10

4.92
DIRHAMS PER POUND, DERIVED AT THE PEG
Derived, CBUAE peg

◆ THE TRADE, STATED PLAINLY

The peg removes local devaluation risk and anchors you to the dollar. In exchange, your sterling-measured return carries GBP/USD translation risk both ways. Shield and exposure, from the same fact.

◆ HOW TO HOLD IT

"Treat a Dubai purchase as a conscious slice of your wealth held in dollars, timed and sized with that in mind, not as a sterling investment that happens to be abroad."

06

CHAPTER SIX

How a Brit Actually Buys

The practical mechanics, from a British starting point: moving sterling, the FX decision, financing options, and the RERA-protected purchase process itself.

Getting Sterling Into a Dubai Purchase

Buying in Dubai from Britain is more straightforward than most people expect, but the money leg is where the avoidable costs hide. Get the sequence right and the mechanics are clean.

1. **Decide the currency plan first.**
You'll convert GBP to AED at roughly 4.92 to the pound. Use a specialist FX broker rather than a high-street bank's spot rate, and consider a forward contract to fix the rate once you've committed, so a swing in GBP/USD between reservation and completion doesn't move your price.

2. **Budget the all-in costs.**
Round-trip purchase costs in Dubai run about ~7% of price: a 4% Dubai Land Department transfer fee, roughly 2% agency plus VAT, and trustee, registration and title-deed fees. That compares with a British investor's 8% to 15% once the 5% Stamp Duty surcharge is counted.

3. **Choose cash or finance.**
Many British buyers pay cash to keep it simple and to capture the full yield. Non-resident mortgages exist, typically at lower loan-to-value than a UK resident is used to, so plan for a larger deposit if you finance.

4. **Complete at the DLD.**
Transfer happens at a registration trustee office, title registers with the Dubai Land Department, and for off-plan your money sits in a RERA-regulated escrow account released against construction milestones under Law No. 8 of 2007.

◆ THE FX POINT MOST PEOPLE MISS

On a GBP 500,000 purchase, the difference between a bank's retail rate and a broker's rate can run to several thousand pounds. The currency decision is a real line item, not an afterthought. Plan it before you reserve.

◆ THE ORDER OF OPERATIONS

"Currency plan, then cost budget, then finance decision, then completion. Do them in that order and there are no surprises at the trustee's desk."

What a Foreign Buyer Is, and Isn't, Protected By

A British buyer owns freehold in Dubai's designated freehold zones, including Dubai Marina, Downtown, Palm Jumeirah, Business Bay and Jumeirah Village Circle, with title registered at the DLD in the same way a local owner's is. There's no nationality bar and no leasehold-only trap in those zones. This is genuine ownership, not a long lease dressed up as one.

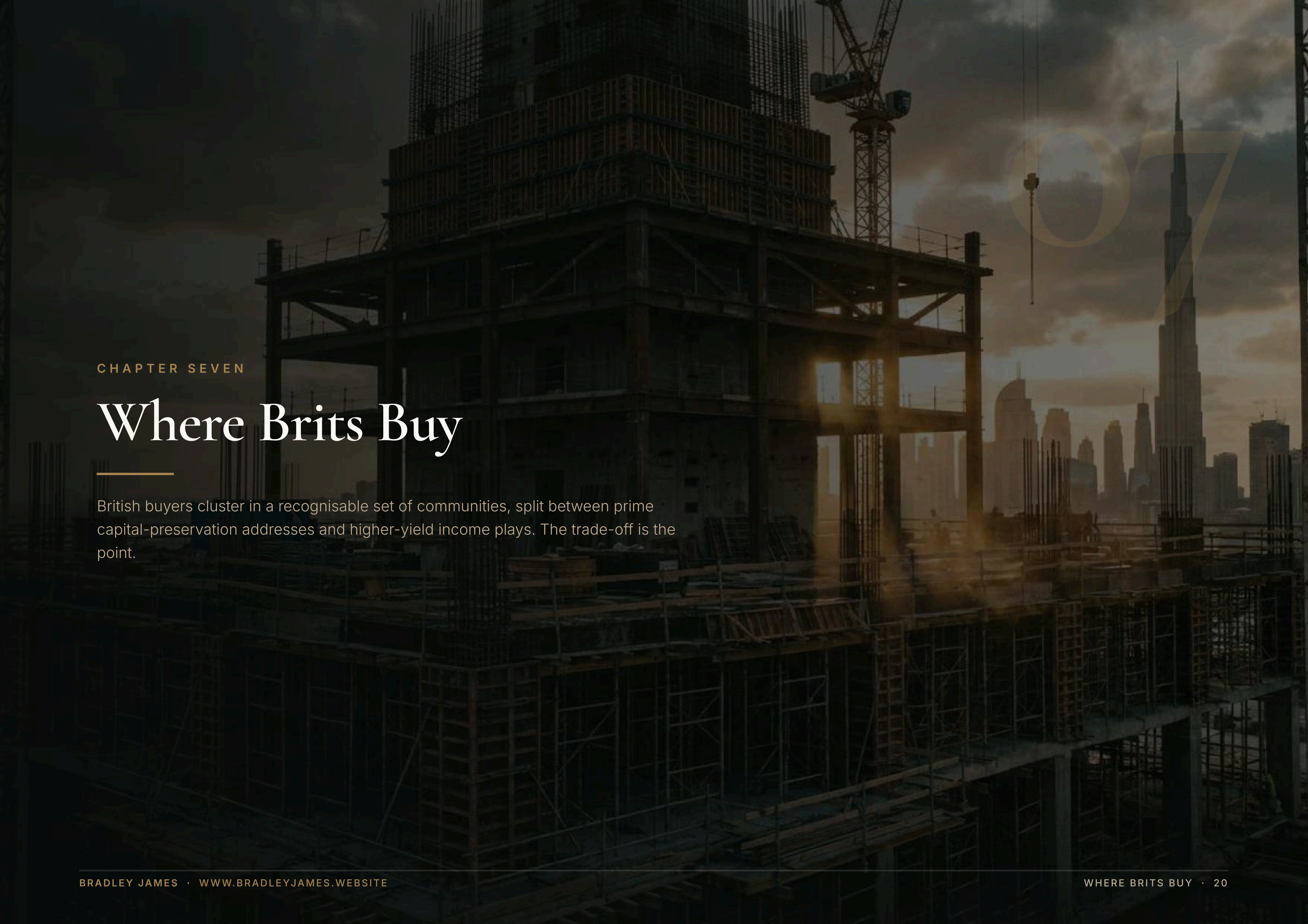
The buyer protection worth understanding is the escrow law. Under **Law No. 8 of 2007**, an off-plan developer can't freely spend your money. Instalments go into a project escrow account and are released to the developer against verified construction milestones, overseen by the DLD and RERA. It's the single biggest structural difference from the pre-2009 market, and it's why off-plan, which is about **60% of sales**, is a defensible route rather than a leap of faith. It protects your funds against milestones. It does not protect you against delivery delays or a market move during construction, so buy established developers and underwrite for time.

◆ FREEHOLD MEANS FREEHOLD

In the designated zones a foreign national holds registered freehold title, inheritable and sellable, on the DLD register. The Golden Visa route in Chapter Eight attaches to exactly this kind of ownership.

◆ THE ESCROW REFRAME

"Escrow makes your off-plan instalments a milestone-linked release, not a gift to a developer. Use it, and still buy names that deliver."



CHAPTER SEVEN

Where Brits Buy

British buyers cluster in a recognisable set of communities, split between prime capital-preservation addresses and higher-yield income plays. The trade-off is the point.

CHAPTER 07 · THE TWO STRATEGIES

Prime for Preservation, Community for Yield

There's no single right answer to where a Brit should buy, because it depends on whether you're chasing income or protecting capital. The two goals point to different parts of the map, and knowing which you're doing is more important than the specific building.

At the **prime** end, addresses like Downtown, Dubai Marina and Palm Jumeirah trade at the top of the market, with the ten prime areas averaging around **AED 3,767 per square foot**, up 8.4% year on year. Yields here are lower, roughly **5.5% to 6.5% gross**, because you're paying for scarcity, liquidity and a name that holds value through a cycle. This is the capital-preservation end, the part of a portfolio you buy to keep rather than to squeeze.

At the **income** end, established communities such as Jumeirah Village Circle, Arjan, Al Furjan and Dubai Sports City run higher gross yields, in the region of **7.5% to 9%**, against a market-average apartment price near **AED 1,798 per square foot**. You give up some of the prime prestige and secondary-market depth in exchange for materially stronger monthly cash flow. Most British buyers I work with end up blending the two, anchoring in something prime and adding an income unit, rather than forcing one strategy to do both jobs.

INDICATIVE GROSS RENTAL YIELD BY STRATEGY (%)

ValuStrat / Global Property Guide / Knight Frank, 2025. Gross, before costs. High-yield and prime shown as mid-range indicative figures.

◆ MATCH THE AREA TO THE JOB

Prime protects and stays liquid through a cooling. High-yield communities pay you more to wait but are thinner on exit. Decide which job the money is doing before you fall for a specific view.

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CHAPTER EIGHT

Residency and the Golden Visa

For a British family, the property can come with the right to live, bank and school here for a decade. What the visa is, and the honest limit of what it does.

A Purchase That Comes With a Decade of Residency

The feature that turns a Dubai purchase from an investment into a genuine base is the Golden Visa. Own **AED 2 million or more of property**, held in your own name, and you qualify for a **10-year, renewable residence visa** on the Dubai Land Department's investor route. It's self-sponsored, so you aren't tied to an employer, and since 2025 the minimum down-payment rule was removed, so off-plan and mortgaged properties qualify provided the DLD valuation reaches AED 2 million.

For a British family, what it unlocks matters more than the visa itself. It lets you **sponsor** your spouse and children on the same term, and in many cases your parents. It gives you the standing to **bank** properly, hold accounts and build local credit. It lets you settle schooling on a ten-year horizon rather than an anxious annual renewal. And it doesn't lapse if you spend extended periods back in the UK, because it was never tied to a job. For a family that still wants London several times a year, that flexibility is often the deciding factor.

AED 2 million

PROPERTY VALUE FOR THE 10-YEAR INVESTOR ROUTE

Dubai Land Department

10 years

RENEWABLE, SELF-SPONSORED RESIDENCE TERM

u.ae / DLD

Family

SPONSOR SPOUSE AND CHILDREN ON THE SAME VISA

u.ae

◆ THE HONEST LIMIT

The Golden Visa is a renewable residence visa, not citizenship and not a passport. And, crucially, it doesn't by itself make you UAE tax-resident or end your UK tax position. Chapter Nine spells out why that distinction is the one that catches people.

◆ THE REFRAME

"You're not buying a visa. You're buying an asset that happens to carry a decade of the right to live and bank here."

09

CHAPTER NINE

The Honest Both-Sides

The chapter that keeps the rest credible. What Britain still does well, where Dubai falls short in 2026, and the single caveat that undoes most people who get this wrong.

The Case Against Overreacting

A guide that only listed Britain's faults wouldn't be worth your trust. So here's the other side, stated as plainly as the squeeze in Chapter One, because a balanced decision is the only kind worth making.

Britain remains a mature, transparent, deeply liquid property market with centuries of case law behind title and contract. Its **chronic housing undersupply**, with completions running near 201,000 against a 300,000 target and forecast to fall toward 150,000, underpins long-run values and rents in a way few markets can match. Sterling assets sit in your home currency, with no translation risk on the way back. And the rule of law, the courts and the regulatory predictability are genuine assets that a young market can't simply manufacture. None of this guide argues that British property is a bad asset. It argues that the after-tax return on a good asset has been eroded, which is a different and narrower claim.

It's also worth naming the friction Britain is adding beyond tax. The **Renters' Rights Act 2025** abolished the Section 21 no-fault eviction from May 2026, lengthening and complicating possession for landlords. That's a real reason some are leaving, but it's also a reminder that regulation cuts both ways, and a market you know intimately has a value that a market you're learning does not.

◆ THE GENUINE UK STRENGTH

A persistent housing shortage supports long-run British values and rents. This guide doesn't dispute that. It argues the after-tax return on that strength has been steadily thinned, not that the strength isn't real.

◆ THE BALANCE

"Don't sell Britain in anger. The right question is which slice of your capital is working least hard after tax, not whether to abandon the UK entirely."

The Cooling, the Currency, and the Tax Trap

Now Dubai's side of the honest ledger. First, **2026 is a cooling year, not a boom.** ValuStrat's index has decelerated to **+21.3%** year on year and is expected near **~10%** in 2026, down from about 19.8% in 2025. Fitch expects a supply-led correction of **up to 15%** peak-to-trough, explicitly not a crash, as roughly **150,000 new homes** arrive by 2027. Dubai has corrected hard before, around 50% in 2008 to 2009 and a six-year soft cycle to 2020. Underwrite for flat-to-negative near-term capital growth and hold for income and the long story. Second, as Chapter Five set out, a Dubai asset is a **dollar asset**, so a sterling investor carries GBP/USD risk both ways.

And now the caveat that undoes more British investors than any market risk: **Dubai's zero tax doesn't switch off your UK tax until you genuinely change your tax residency, and even then it doesn't un-tax UK property.** Buying in Dubai, or even holding a Golden Visa, does not by itself make you non-UK-resident. That's decided by the Statutory Residence Test and a real change in where you live and your ties. Until that changes, your worldwide income can remain within UK charge. And under the **2016 UK-UAE double-taxation convention**, property is taxed where it sits, so a Dubai-resident owner of a Manchester flat still pays UK tax on that British rent and gain. The zero-tax advantage is a feature of owning the Dubai asset, not of holding a visa. Take cross-border advice before assuming a single pound of saving.

◆ THE COOLING, STATED PLAINLY

ValuStrat growth has slowed from the high twenties toward roughly ~10% in 2026, and Fitch's base case is a correction of up to 15%, not a collapse. A market catching its breath after a ~75% run, which the agencies read as healthy.

◆ THE LOAD-BEARING RULE

"The Dubai asset is untaxed. You are not, until you genuinely change your tax residency, and your UK property never leaves the UK tax net. Know that before you buy."

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CHAPTER TEN

Straight Answers

The questions a British landlord, high earner or their adviser actually asks, answered straight, caveats included.

CHAPTER 10 · FAQ

The Questions British Investors Actually Ask

Q. If I buy in Dubai, does my UK rental income become tax-free?

No. Buying a Dubai property doesn't change the tax on a property you own in Britain. Under the 2016 UK-UAE double-taxation convention, property is taxed where it sits, so your UK rent and gains stay within UK tax regardless of where you live. The zero-tax advantage applies to the Dubai asset, not to your existing UK holdings and not to you personally until you genuinely change your tax residency.

Q. Does owning property or holding a Golden Visa make me non-UK-resident for tax?

No. Immigration status and tax residency are separate. Your UK tax residency is decided by the Statutory Residence Test, based on days in the UK and your ties, not by owning a flat abroad or holding a UAE visa. The Golden Visa protects your right to live in Dubai; ending your UK tax exposure is a deliberate, properly advised process, not an automatic result of buying.

Q. Is rent from a Dubai property I own personally really untaxed?

Yes, at the personal level. The UAE levies 0% personal income tax and no capital-gains tax on personal disposals, and rent from a property you own personally isn't caught by the 9% corporate tax, which applies to business profits above AED 375,000. Your home-country position is the separate question above.

Q. What does it actually cost a British buyer to purchase?

Round-trip costs run about ~7% of price: a 4% Dubai Land Department transfer fee, roughly 2% agency plus VAT, and trustee and registration fees. That compares with a UK investor's 8% to 15% once the 5% Stamp Duty surcharge is included. Budget separately for the GBP-to-AED currency conversion, which is a real cost worth managing through a specialist broker.

Q. Isn't Dubai about to crash in 2026?

The market is cooling, not cracking. ValuStrat growth has slowed to +21.3% and is expected near ~10% in 2026, and Fitch's base case is a supply-led correction of up to 15%, explicitly not a crash. Buy quality, use RERA escrow, hold for the roughly 7.0% to 7.2% yield, and underwrite for flat-to-negative near-term capital growth rather than betting on the recent pace continuing.

Q. I'm exposed to sterling. Isn't a dollar asset a risk?

It's both a shield and an exposure, and you should hold it as such. The dirham's peg to the dollar at 3.6725 removes local devaluation risk and anchors you to the reserve currency, which is a genuine diversification from a sterling-only base. But your return measured in pounds moves with GBP/USD, so size a Dubai purchase as a deliberate dollar allocation, not as a sterling investment abroad.

Q. Should I sell my UK portfolio and move everything to Dubai?

For most people, no. The rational play is usually diversification, not exit. Keep what works at home, where you know the market and the rule of law is deep, and let the slice of your capital that's being taxed hardest after Section 24 work somewhere it isn't taxed at all. Start with which part of your portfolio is working least hard after tax, not with a purchase.

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.

WHATSAPP
+971 56 500 6162

EMAIL
b.james@mandmrealestate.ae

WEBSITE
www.bradleyjames.website

Bradley James

INVESTMENT ADVISOR · M&M REAL ESTATE · DUBAI