TSK REAL ESTATES

RESEARCH GUIDE • Q2 2026

ABU DHABI INVESTMENT GUIDE

Market intelligence for investors evaluating residential property in Abu Dhabi.

AED 117B	AED 70.4B	AED 13.8B
Total real estate transactions in H1 2026	**Residential unit sales in H1 2026**	**Foreign direct investment in H1 2026**
ADREC	ADREC	ADREC

Built for investors who want the market context before the property pitch.

This guide explains what changed through the second quarter of 2026, where capital is concentrating, how prices and rents are moving, what the supply pipeline means, and how foreign buyers can structure a purchase. It separates official registered data from portal asking data and independent consultancy estimates.

Data period: January-June 2026. Publication cut-off: 30 September 2026. Market data released after 30 June is used only where it describes Q2/H1 2026 or current rules.

Q2 2026: a record first half, with signs of normalisation

89% **Share of residential sales value that was off-plan** ADREC	**+20%** **Apartment repeat-sales price growth YoY** ADREC	**+12%** **Villa repeat-sales price growth YoY** ADREC
116 **Nationalities represented among non-resident investors** ADREC	**50** **Investment zones after eight additions in H1** ADREC	**61%** **Share of ready purchases completed in cash** ADREC

The official picture

ADREC recorded AED 117 billion of total real estate transactions in H1 2026, up 112% year-on-year. Sales transactions contributed AED 86.1 billion and mortgages AED 26.7 billion. Residential unit sales reached AED 70.4 billion, while foreign direct investment rose to AED 13.8 billion.

The Q2 nuance

Independent datasets point to a slower second quarter after an exceptional Q1. Cavendish Maxwell reported Q2 residential sales value of AED 29.7 billion, down 22.1% quarter-on-quarter but still 143.9% above Q2 2025. Colliers also described softer quarter-on-quarter prices, rents and transaction activity while annual performance remained positive.

How to read that

The market entered Q3 with strong annual momentum but less evidence that every segment would continue rising at the same pace. For investors, that makes project selection, entry price, local supply and exit liquidity more important than relying on the citywide growth story alone.

Sources: ADREC H1 2026 transaction release and market report; Cavendish Maxwell H1 2026 reporting via Aletihad; Colliers UAE Real Estate Market Report Q2 2026. Consultancy datasets use different filters and may not reconcile exactly with ADREC registered totals.

Why Abu Dhabi continues to attract capital

Foreign capital is broadening

Non-resident real estate investment reached AED 13.8 billion in H1 2026, up 309% year-on-year. Investors from 116 nationalities participated, compared with 82 a year earlier. The UK, China, Russia, the US, Germany and France were among the leading source markets. Investment zones attracted AED 75 billion in total investment during the half.

Business and financial-sector expansion supports occupier demand

ADGM reported 54% year-on-year growth in assets under management in H1 2026 and a workforce of 49,027 across its jurisdiction, up 34%. Abu Dhabi also reported a 21% increase in new economic licences in Q1 2026 and a 12% increase in active licences. These are relevant housing-demand indicators for areas connected to Al Maryah and Al Reem, but they do not translate one-for-one into residential price growth.

Demographics and tourism add depth

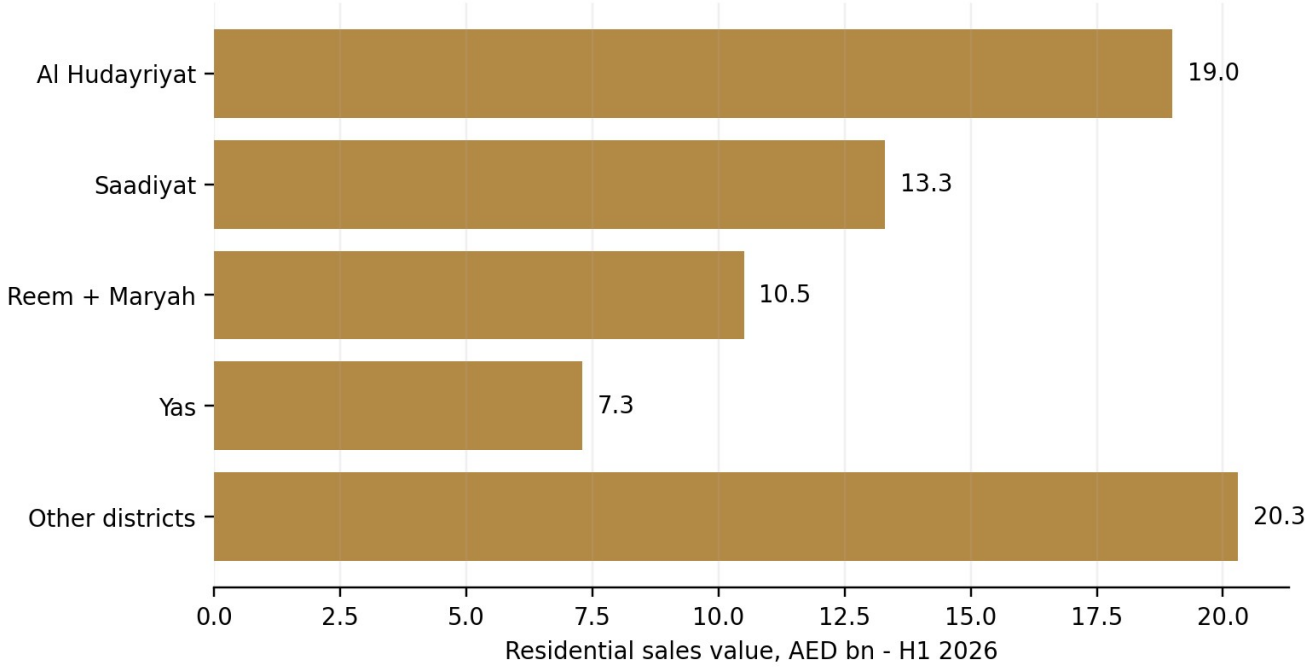
The latest official population release showed Abu Dhabi at 4.14 million residents in 2024, up 7.5% year-on-year. Tourism also reached a record 26.6 million visitors in 2025, with 5.9 million hotel guests. These trends support the long-term demand base, although 2026 regional travel disruptions created a softer near-term backdrop for aviation and hospitality.

Macro context

At national level, UAE real GDP grew 6.2% in 2025 and Q1 2026 real GDP expanded 3.0%, with non-oil activity representing 79.4% of output. Abu Dhabi-specific quarterly GDP data for Q2 2026 was not yet published at this guide's cut-off, so this guide does not present an unverified Q2 Abu Dhabi GDP figure.

Sources: ADREC; ADGM H1 2026 results; Abu Dhabi Registration Authority Q1 2026; SCAD population release; DCT Abu Dhabi 2025 tourism results; Federal Competitiveness and Statistics Centre / WAM.

Where residential investment concentrated in H1 2026



Al Hudayriyat Island accounted for AED 19.0 billion of residential sales value - 27% of the H1 total - followed by Saadiyat Island at AED 13.3 billion, Al Reem and Al Maryah at AED 10.5 billion combined, and Yas Island at AED 7.3 billion. The pattern is important: much of 2026 capital formation has been concentrated in investment-zone islands and large master-planned launches rather than evenly distributed across the city.

Foreign ownership access expanded

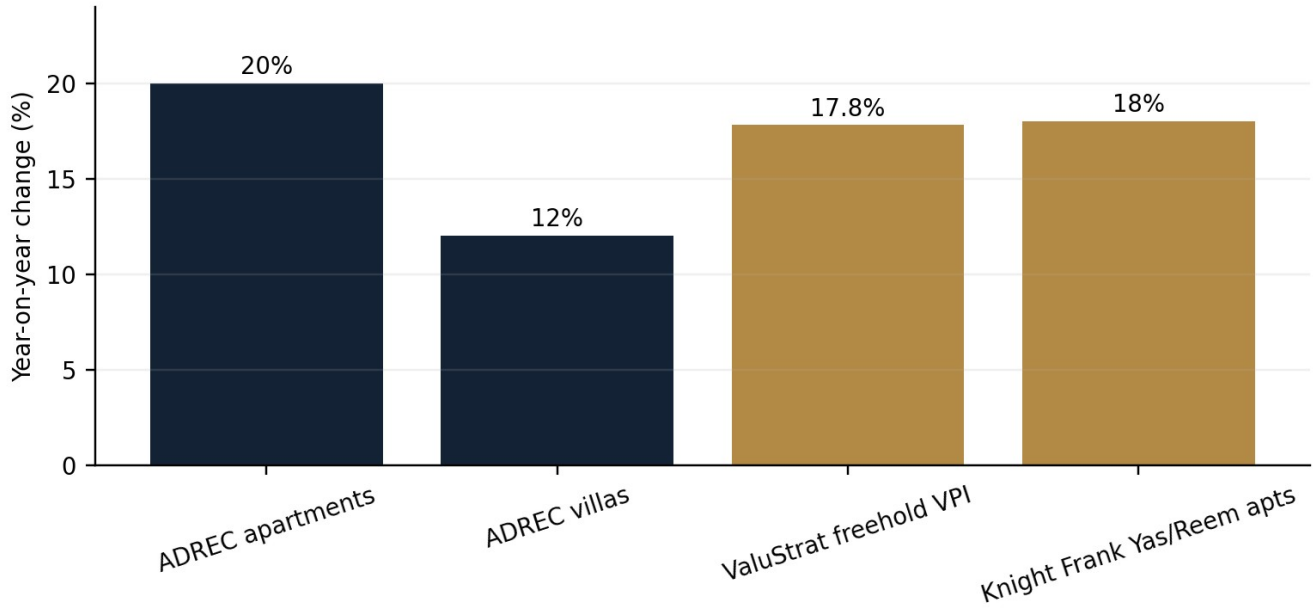
ADREC approved eight new investment zones during H1, bringing the emirate-wide total to 50. Under Abu Dhabi law, non-UAE natural and legal persons may own and acquire principal and accessory real rights in properties located within designated investment areas.

Concentration is both a strength and a risk

Ten projects accounted for 43% of residential unit sales value in H1, while ten leading developers represented 90% of off-plan primary sales. Strong master developers can create pricing power and destination value, but investors should also test how much resale demand exists outside the original launch cycle.

Sources: ADREC H1 2026 market report; ADREC H1 transaction release; Abu Dhabi Law No. 13 of 2019 / ADREC registration rules.

Prices are still higher year-on-year - but Q2 was more selective



Official repeat-sales data

ADREC's H1 report recorded a 20% year-on-year increase in repeat apartment sale prices and 12% for villas. ValuStrat's Q2 freehold capital value index rose 17.8% annually and 2.1% during the quarter; it reported apartment values up 24.1% year-on-year versus 12% for villas.

Prime island performance

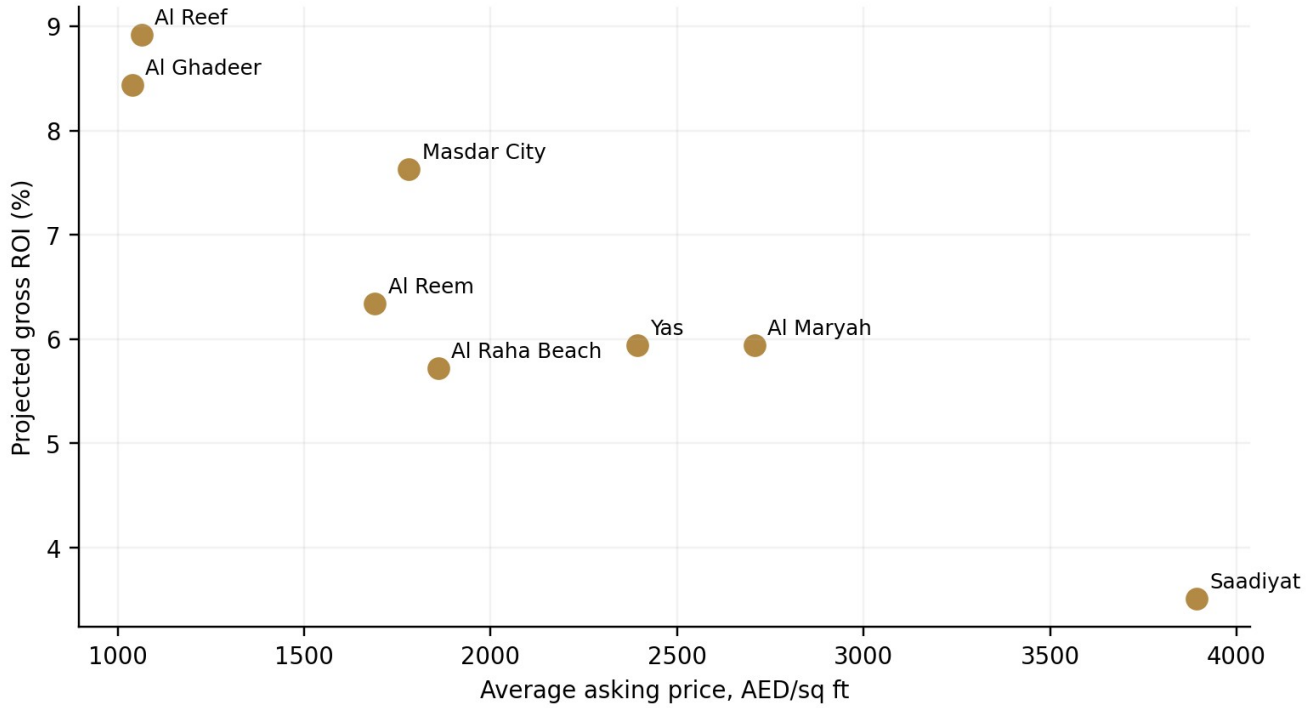
Knight Frank reported apartment prices on Yas Island and Al Reem Island up about 18% year-on-year to June. Saadiyat remained the most expensive apartment market in its tracked set at about AED 43,100 per sqm, while Jubail Island led villa price growth at roughly 40% year-on-year.

But quarterly momentum has cooled

Colliers reported average apartment sale prices down 3% quarter-on-quarter in Q2 and villa prices down 1%, even as annual gains remained 19% and 10% respectively. This does not negate the annual uptrend; it shows that entry timing and submarket selection became more important during Q2.

Sources: ADREC H1 2026 market report; ValuStrat Abu Dhabi Real Estate Review Q2 2026; Knight Frank Abu Dhabi Residential and Office Market Review Summer 2026; Colliers UAE Real Estate Market Report Q2 2026.

Asking-price and projected-yield benchmarks



Community	AED/sq ft	Projected ROI	Market positioning
Saadiyat Island	3,893	3.51%	Ultra-prime / capital-led
The Marina	2,831	5.40%	Prime / central
Al Maryah Island	2,707	5.94%	Business-district / luxury
Yas Island	2,393	5.94%	Lifestyle / balanced
Al Raha Beach	1,859	5.72%	Waterfront / established
Masdar City	1,781	7.63%	Income / mid-market
Al Reem Island	1,690	6.34%	Established / balanced
Zayed City	1,472	3.87%	Emerging / growth-led
Al Reef	1,065	8.92%	Income-led / affordable
Al Ghadeer	1,039	8.44%	Income-led / commuter

Source: Bayut Abu Dhabi Sales Market Report H1 2026. These are advertised ready-property asking-price and projected gross-ROI benchmarks, not completed transaction prices or guaranteed net returns.

How to read Abu Dhabi’s main investment districts

District	Investment case	Main diligence point
Al Hudayriyat	Highest H1 residential sales value; launch-driven premium demand.	Limited mature rental history for many new launches; future supply and handover execution matter.
Saadiyat Island	Abu Dhabi’s prime cultural and beach-led residential market; high capital values.	Lower headline yield; premium depends on exact view, brand, beach access and scarcity.
Yas Island	Strong lifestyle, tourism and family demand; Knight Frank tracked about 18% annual apartment price growth.	Large pipeline - Knight Frank tracks about 7,700 units under construction - so product differentiation matters.
Al Reem / Al Maryah	Deep apartment market plus proximity to ADGM employment; Reem holds the largest stock among key investment zones.	Building quality and service charges vary widely; resale liquidity is building-specific.
Masdar City / Al Reef	Higher projected gross yields at lower acquisition costs.	Income case should be checked against service charges, tenant profile and future competing stock.
Zayed / Khalifa City	Major share of future supply and mid-market family demand; expanding development footprint.	More development-stage risk and less uniform secondary-market evidence than mature islands.

A district is not an investment by itself

Two units in the same community can produce very different outcomes because of original purchase price, floor, view, layout efficiency, service charge, tenancy status, payment plan, developer quality and the amount of directly competing stock scheduled to hand over.

Sources: ADREC H1 2026; Knight Frank Summer 2026; Bayut H1 2026. TSK positioning is an analytical framework, not a forecast or guarantee.

Off-plan dominates the market - which makes due diligence more important

89%	82%	AED 51B
Off-plan share of residential sales value ADREC	**Off-plan share of residential deals** ADREC	**Primary off-plan sales by top 10 developers** ADREC

Factor	Off-plan	Ready property
Income timing	No rent until handover	Immediate or near-immediate rent possible
Entry cash flow	Payment plan may reduce initial cash requirement	Larger upfront equity / mortgage completion
Price discovery	Launch pricing; fewer completed comparables	More completed transactions and lease evidence
Execution risk	Construction, handover, specification, delays	Building condition, maintenance and tenant risk
Exit liquidity	May be subject to developer resale rules / paid-percentage threshold	Typically clearer secondary-market process
Best evidence to check	Project registration, escrow, SPA, developer delivery record	Title deed, service charge, lease, condition, comparable sales

TSK off-plan diligence checklist

- Confirm the project and developer are properly registered and buyer funds are handled through the required project escrow structure.
- Read the SPA for handover definition, grace periods, default clauses, cancellation rights and any resale/NOC restrictions.
- Compare the launch price with realistic ready-market comparables and competing future handovers - not only another launch brochure.
- Model total cash required through handover and the financing assumption for the final payment.
- Stress-test the exit: resale before handover, resale after handover, and hold-to-rent should all be considered.

Source: ADREC H1 2026 market report and ADREC regulatory framework. Contract terms vary by project and should be reviewed before commitment.

Rental demand is strong, but income growth is now regulated more tightly

233K	AED 9.3B	+8%
Active residential lease contracts	**Registered residential lease value**	**Lease value growth YoY**
ADREC	ADREC	ADREC

New-lease prices rose sharply into H1

ADREC reported new-lease prices up 17% year-on-year for apartments and 9% for villas across the emirate. Within investment zones, the increases were 21% and 16%. Rental units represent 69% of occupied units in the Abu Dhabi Region, which supports a deep tenant market.

The June 2026 rental measure changes underwriting

From 3 June 2026, Abu Dhabi temporarily set annual rental increases to 0% until further notice for residential, commercial and industrial properties under the measure. ADREC stated that renewals and new agreements should reference the property's last registered Tawtheeq rental rate. Investors should therefore avoid assuming that recent market rent growth can automatically be passed through to an existing tenancy.

Gross yield is only the first screen

Bayut's H1 asking-market data ranged from 3.51% projected gross ROI on Saadiyat apartments to 8.92% on Al Reef apartments. Net return can be materially lower after service charges, vacancy, management, maintenance, furnishing, insurance and acquisition costs.

Sources: ADREC H1 2026 market report; ADREC Temporary Update to Annual Rental Cap Increase, 3 Jun 2026; Bayut H1 2026 sales market report. Confirm the applicable tenancy framework for the specific property and jurisdiction.

Supply is catching up - especially from 2027 to 2028

~409K	~71K	21.8K
Residential units in Abu Dhabi emirate H1 2026 ADREC	**Additional units projected by 2030** ADREC	**Projected delivery peak in 2028** ADREC

Future supply is concentrated

ADREC expects six districts - Saadiyat, Reem, Yas, Zayed City, Khalifa City and Hudayriyat - to account for 77% of incremental supply through 2030. Nine major developers represent 76% of the development-project pipeline. This means citywide demand can remain healthy while a particular building or micro-market still faces a sharp increase in competing inventory.

Independent pipeline estimates differ because methodologies differ

Knight Frank tracks about 36,900 homes currently under construction for 2026-2030, with Yas Island the largest community-level pipeline at roughly 7,700 units, followed by Fahid Island at 3,550 and Saadiyat at 3,250. ADREC's broader 71,000-unit projection includes a wider emirate-level future supply universe, so the two figures should not be treated as contradictory.

Development activity remains high

DMT approved 20.8 million sqm of gross floor area in Q1 2026, up 17.3% year-on-year. New permit requests rose 14% and work-start notices 14.3%, reinforcing the point that investors need a forward supply view, not only today's occupancy and rent data.

Sources: ADREC H1 2026 market report; Knight Frank Summer 2026; Abu Dhabi Department of Municipalities and Transport Q1 2026 development approvals.

Foreign ownership, financing and residency - the practical framework

Topic	Current published framework
Foreign ownership	Non-UAE natural and legal persons may acquire property rights inside designated Abu Dhabi investment areas. ADREC reported 50 investment zones by H1 2026.
Golden Residency	ICP states real-estate investors may qualify with one or more UAE properties totalling at least AED 2 million. Approved local-bank financing and qualifying off-plan purchases are permitted under the published criteria.
Mortgage - expatriate first home	CBUAE maximum LTV: 80% up to AED 5m property value; 70% above AED 5m.
Mortgage - subsequent property	CBUAE maximum LTV for expatriates: 60%.
Mortgage - off-plan	CBUAE maximum LTV: 50%.
Broker commission	ADREC's published regulation sets sale/purchase broker commission at 2% of the contract value, capped at AED 500,000.
Registration fees	ADREC's schedule states sale registration is set by the Executive Committee within a 1%-4% range and normally divided equally unless agreed otherwise; off-plan disposition registration is listed at 2% of value, equally split, subject to the published cap. Confirm the exact route and fee for the specific transaction.

Budget beyond the purchase price

An investor should model registration/transfer charges, brokerage, VAT on taxable services, mortgage valuation and bank fees where financed, NOC or administrative charges where applicable, service charges, insurance, furnishing and any fit-out or maintenance reserve. Exact costs depend on whether the unit is ready, off-plan, within ADGM jurisdiction, financed or cash.

Sources: ADREC registration regulations and ownership law; CBUAE mortgage regulations; ICP Golden Residency Guide. This page is a market guide, not legal, immigration, mortgage or tax advice.

What to watch in H2 2026

Theme	What the data says	Investor response
Q2 normalisation	Q2 transaction and price momentum softened in several independent datasets.	Use recent building-level comps; do not extrapolate Q1 growth.
Off-plan concentration	82% of residential deals and 89% of value were off-plan in ADREC data.	Assess developer concentration, handover timing and resale rules.
2028 supply peak	ADREC projects the largest delivery year in 2028.	Map competing units by micro-market and bedroom type.
Rental regulation	Temporary 0% rental-increase measure affects renewal assumptions.	Underwrite current registered rent and confirm tenancy jurisdiction.
Regional macro volatility	CBRE noted 2026 disruptions to trade, tourism and aviation.	Stress-test exit timing and avoid leverage that requires uninterrupted appreciation.
Construction costs / delays	Knight Frank highlighted raw-material and shipping-cost pressure.	Allow for delayed handover and longer cash lock-up in off-plan cases.
ADGM expansion	ADGM workforce and financial-services ecosystem are growing quickly.	Track residential demand around Reem/Maryah and commuting corridors.
Foreign capital breadth	FDI and the number of investor nationalities rose sharply in H1.	Favour assets with broad end-user and resale appeal, not only launch demand.

The central investment question

Abu Dhabi's 2026 story is no longer simply "prices are rising." The more useful question is whether the specific asset has enough rental depth, end-user appeal and scarcity to outperform the amount of competing stock that will arrive before the planned exit date.

Sources: ADREC, Cavendish Maxwell, Colliers, Knight Frank, CBRE, ADGM. "Investor response" is TSK's analytical framework and is not a promise of performance.

How TSK would screen an Abu Dhabi investment

Step	Question to answer
1. Define objective	Income, capital appreciation, own-use flexibility, Golden Residency eligibility, or a blend.
2. Set total capital	Purchase price plus every acquisition cost and the cash needed through handover.
3. Verify market price	Use recent registered transactions and realistic comparable units, not only asking listings.
4. Verify rental case	Check registered/achievable rent, tenant demand, lease status, service charge and vacancy risk.
5. Map future supply	Count competing handovers in the same building cluster, bedroom type and price band.
6. Check developer / building	Delivery record, construction progress, escrow/project status, building quality and management.
7. Model exit routes	Off-plan resale, post-handover sale and hold-to-rent should each be viable under conservative assumptions.
8. Stress test	Run lower rent, slower resale, delayed handover and higher operating-cost cases before committing.

A simple way to segment opportunities

Strategy	What matters most	Typical profile
Income-led	Established tenant demand + higher net yield after service charges	Al Reef / Masdar type profile
Balanced	Established liquidity + rental demand + lifestyle/end-user appeal	Al Reem / Yas type profile
Capital-led	Scarcity, premium location, brand and long holding horizon	Saadiyat / prime waterfront type profile
Development-led	Early-stage district growth, infrastructure and master-plan execution	Hudayriyat / Zayed City type profile

TSK rule of thumb: do not buy a headline. Buy a specific unit whose entry price, income, future competition, holding cost and exit audience have been checked together.

Research references

Abu Dhabi Real Estate Centre (ADREC) - H1 2026 transaction release Source

Abu Dhabi Real Estate Centre (ADREC) - Abu Dhabi Real Estate Market Report H1 2026 Source

ADREC - Temporary Update to Annual Rental Cap Increase - 3 Jun 2026 Source

ADREC - Registration rules, ownership and published fee framework Source

Knight Frank - Abu Dhabi Residential and Office Market Review - Summer 2026 Source

ValuStrat - Abu Dhabi Real Estate Review Q2 2026 Source

Colliers - UAE Real Estate Market Report Q2 2026 Source

CBRE - UAE Real Estate Market Review Q2 2026 Source

Bayut - Abu Dhabi Sales Market Report H1 2026 Source

ADGM - H1 2026 AUM, licence and workforce update Source

Statistics Centre - Abu Dhabi / DGE - Abu Dhabi population update Source

DCT Abu Dhabi / Media Office - 2025 tourism performance Source

Central Bank of the UAE - Mortgage Loan Regulations Source

ICP - Golden Residency Guide Source

Methodology note

ADREC is treated as the primary source for registered Abu Dhabi market data. Independent consultancy datasets are used to add quarterly direction and submarket context; their totals can differ because of data cut-off dates, asset definitions and transaction filters. Bayut figures are used only where clearly labelled as advertised asking-price or projected-ROI data.

Important note

This document is general market information and does not constitute investment, legal, tax, mortgage, immigration or financial advice. Property performance varies materially by building, unit, developer, view, payment plan, service charge, lease status, financing and purchase price. Regulations and fees can change. Any proposed purchase should be checked against current official records and the specific property documents before commitment.

Talk to TSK Real Estates

For a unit-level investment comparison, TSK can model entry cost, comparable sales, achievable rent, service charges, payment plan, financing assumptions, supply risk and exit scenarios before you commit.

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