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# UAE Commercial Real Estate Guide

Invest with Confidence in a Thriving Market



# MARKET OVERVIEW

The Commercial Real Estate Market in the United Arab Emirates (UAE) is expected to experience significant growth from 2023 to 2027, with a projected compound annual growth rate (**CAGR**) of **7.8%**. This growth can be attributed to several factors, including the country’s strong economic performance, favourable government policies, and increasing investments in infrastructure development.



## UAE Commercial Real Estate Market

CAGR > 7.8%



2024

2029

Study Period	2020 - 2029
Base Year of Estimation	2023
Forecast Data Period	2024 - 2029
Historical Data Period	2020 - 2022
CAGR	> 7.8%
Market Concentration	Medium
Major Players	



The UAE is known for its robust economy, driven by tourism, retail, and finance sectors. This economic strength has created a favourable commercial real estate development environment, attracting domestic and international investors. The country’s strategic location as a global business hub and well-developed infrastructure further contribute to its attractiveness for commercial real estate investments.



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## MARKET OVERVIEW

Government policies aimed at diversifying the economy and reducing reliance on oil revenues have significantly driven commercial real estate growth. Initiatives such as the UAE Vision 2021 and Dubai Expo 2020 have spurred infrastructure development and increased demand for commercial properties across various sectors, including office spaces and retail outlets.

Overall, the Commercial Real Estate Market in the UAE is not just poised for substantial growth in the coming years, but also offers a promising opportunity for high returns on investment. With a favorable economic environment, supportive government policies, and increasing demand for commercial properties, investors and developers have ample opportunities to capitalize on the country's thriving real estate market.





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# Office Real Estate Market

The UAE's Office Real Estate Market is thriving, encompassing corporate offices, co-working spaces, and various business entities. The future looks bright for this sector, with significant growth on the horizon.

Abu Dhabi is set to play a crucial role, projected to account for 30% of the market by 2027. This growth is fueled by strategic economic initiatives, a welcoming business environment, and robust infrastructure.

Demand for office spaces is driven by technological advancements, flexible working options, and sustainability initiatives. Abu Dhabi's commitment to enhancing its business landscape is attracting multinational corporations, further boosting the demand for premium office spaces.



**Projected Growth**  
30% by 2027"



**Business-Friendly Environment**  
Abu Dhabi's Strategic Initiatives



**Global Appeal**  
Attracting Multinational Corporations



**Sustainability**  
Demand for Green Office Spaces



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# Future Outlook



The office space segment in the UAE is set to grow with a CAGR of 6.5%, driven by demand for flexible and co-working spaces and digital transformation. Office rents have exceeded pre-pandemic levels, increasing by 17% in 2023 compared to last year. Demand for Grade A office space remains strong, with premium towers like ICD Brookfield in DIFC maintaining over 95% occupancy.

Retail and industrial segments also have bright prospects. Retail will benefit from tourism and e-commerce growth, while the industrial segment will thrive due to the UAE's strategic location for logistics and distribution.

Leading companies like Emaar, Damac, and Aldar are expected to shape the market with innovative, sustainable real estate solutions.



## Office Space Growth

6.5% CAGR in office spaces



## Increase in Office Rents

17% rent increase in 2023



## Premium Office Space Demand

95% occupancy at ICD Brookfield



## Retail and Industrial Growth

Tourism and e-commerce boost retail and logistics

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