



**PRESS RELEASE
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**DUBAI'S PROPERTY MARKET ENTERS STABILIZATION PHASE IN
2025, SIGNALING A MATURING INVESTMENT LANDSCAPE**

Dubai, UAE; 30 May 2025 – Asico, a prominent real estate brokerage and developer in Dubai, announces a significant shift in Dubai's property market dynamics. Following a period of remarkable growth where residential property prices surged by approximately 60% between 2022 and early 2025, driven by strong international investor interest, the market is now entering a phase of stabilization in 2025. This transition indicates a move towards a more balanced and sustainable trajectory.

Several key indicators point towards this stabilization:

- **Price Adjustments:** As of January 2025, the average price per square foot stood at AED 1,484, reflecting a slight 0.57% month-on-month dip, indicating a cooling from the rapid escalation witnessed in previous years.
- **Shift in Demand:** While luxury properties continue to attract interest, there's a noticeable shift towards mid-market and affordable housing. In 2024, two out of five ready home sales were valued at less than AED 1 million, highlighting a broader market appeal and a move towards more sustainable growth.
- **Supply Dynamics:** Developers are responding to the evolving market by accelerating construction schedules, aiming to bring handovers forward by 3-6 months. This proactive approach is designed to meet the current demand and prevent potential shortages, contributing to market equilibrium.

Wail Abualhamail, Director of Real Estate at Asico, commented on these developments, stating, "The current phase of stabilization reflects the natural progression of a maturing market. We are seeing a shift from speculative buying towards more strategic, long-term investments. At Asico, we believe this evolution is a healthy sign, indicating investor confidence, improved regulation, and a more sustainable future for Dubai's real estate sector."

Despite the stabilization, Dubai's real estate market continues to exhibit robust performance. In February 2025, the market recorded a 32% increase in transaction volume and a 37% rise in value compared to the same period in 2024, totaling over AED 50 billion.

The off-plan market remains a significant driver of this activity, with a 38% increase in volume and a 60% increase in value year-over-year. Key areas such as Dubai

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Creek Harbour, Mohammed Bin Rashid City, and Dubai Hills have been particularly popular for off-plan investments.

The Dubai government's ongoing strategic initiatives are also playing a crucial role in bolstering the real estate sector. The Dubai Economic Agenda (D33), which aims to double the emirate's economy by 2033, specifically focuses on enhancing the contribution of the real estate sector. Furthermore, policies such as the Golden Visa programme and the provision for 100% foreign ownership in certain sectors have further strengthened investor confidence in the market.

As the market enters this phase of stabilization, investors are presented with opportunities to make informed decisions in a more predictable environment. The increasing focus on mid-market properties opens avenues for a broader range of investments, while the sustained overall demand underscores the market's long-term strength. According to Asico, this stabilization period signifies a maturing of Dubai's property sector, where factors such as quality, thoughtful planning, and strategic location are expected to be the primary drivers of long-term returns, moving away from reliance on short-term speculation.

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About Asico

Asico is a full-service real estate brokerage and developer based in Dubai, UAE, specializing in sourcing premium listings, facilitating exclusive developer collaborations, and offering turnkey solutions to investors. With an integrated property management division, Asico provides end-to-end services, ensuring seamless experiences for property owners and tenants alike. With a customer-centric approach and deep market expertise, Asico caters to a diverse clientele, from individual homebuyers to institutional investors.

www.asico.ae

About Al Suwaidi Investment

Founded in the 1990s, Al Suwaidi Investment is a leading investment firm based in Dubai, UAE, with a diversified portfolio spanning real estate, hospitality, and other sectors. Known for its commitment to excellence and innovation, the company has played a significant role in shaping Dubai's economic landscape. Al Suwaidi Investment's ventures consistently reflect its vision of driving growth, fostering partnerships, and delivering value across industries.