**Jake Nazer Analysis**

# Why Abu Dhabi Off-Plan?

I still believe in some Dubai offplan projects over the medium to long term — but if you want less risk, lower per-sqft pricing versus completed property (which means better value and more upside), Abu Dhabi is the smarter move. I own 4 offplan villas in Abu Dhabi over AED 40 million, I own 0 in Dubai.

## 1. Payment Plans Are Actually Investor-Friendly

In Dubai, big developers like Emaar and Dubai Holding often ask for 70 or 80% during construction and 20 to 30% on handover — and typically the handover portion is the only part you can mortgage.

But in Abu Dhabi, no developer payment plan requires that much during construction. For example, Modon — which is 84.76% owned by L'imad Holding, a company wholly owned by the Abu Dhabi Government — typically takes 40% during construction and 60% on handover, or a 50/50 split. Aldar, Eagle Hills and Ohana also typically ask for 50% during construction and 50% on handover.

## 2. Supply

Off-plan generally takes 3–4 years to complete from launch. So to understand future supply, we need to look at what has previously been launched.

**Off-plan apartments sold (2024, 2025 and 2026 to September):**

- **Dubai: 286,184 offplan apartments (data source Property Monitor / DLD)**
- **Abu Dhabi: 27,541 offplan apartments (data source ADREC)**

Dubai sold 939% more off-plan apartments than Abu Dhabi across 2024, 2025 and 2026 (to September). For every one Abu Dhabi sold, Dubai sold 10.39.

**Offplan townhouses and villas sold (2024, 2025 and 2026 to September)**

- **Dubai: 29,718 offplan villas and townhouses (data source Property Monitor / DLD)**
- **Abu Dhabi: 12,486 offplan villas and townhouses (data source ADREC)**

Dubai sold 138% more off-plan villas and townhouses than Abu Dhabi across 2024, 2025 and 2026 (to September). For every one Abu Dhabi sold, Dubai sold 2.38.

The above shows less villa supply is coming in Abu Dhabi than in Dubai. It also shows Dubai's villa oversupply is far milder than its apartment oversupply, which is where the value in Dubai off-plan villas sits. With apartments, the more I look at it, the more I see supply starting to outpace demand in Dubai. In Abu Dhabi, apartments still make sense.

| Abu Dhabi Off Plan Transactions 2024, 2025 & 2026 (to 10 Sep) | | | | |
|---|---|---|---|---|
| | **VILLAS** | **TOWNHOUSES / SEMI D** | **APARTMENTS** | **TOTAL** |
| **2024** | 2,434 | 1,189 | 5,951 | 9,574 |
| **2025** | 3,388 | 1,083 | 10,157 | 14,628 |
| **2026 to 10 Sep** | 3,827 | 565 | 11,433 | 15,825 |
| **TOTAL** | **9,649** | **2,837** | **27,541** | **40,027** |

| Dubai Off Plan Transactions 2024, 2025 & 2026 (to 12 Sep ) | | | |
|---|---|---|---|
| | **VILLAS / TOWNHOUSE** | **APARTMENTS** | **TOTAL** |
| **2024** | 12,350 | 94,696 | 107,046 |
| **2025** | 9,371 | 122,481 | 131,852 |
| **2026 to 12 Sep** | 7,997 | 69,007 | 77,004 |
| **TOTAL** | **29,718** | **286,184** | **315,902** |

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## 3. Demand / Population Growth

Both emirates run their own census and publish through their own statistics centres. The figures below are the most recent each has released, both covering the end of 2024.

- **Abu Dhabi:** 4,135,985, up 7.5% — Statistics Centre Abu Dhabi (SCAD)
- **Dubai:** 3,863,600 — Dubai Statistics Centre

Abu Dhabi has around 270,000 more residents. What matters more is what each emirate is building against that population.

## 4. Supply vs Demand (2024 only):

For every off-plan unit sold:

- Dubai added 1.59 new residents
- Abu Dhabi added 30.12 new residents

→ That's **19x more** population growth per unit in Abu Dhabi than in Dubai

## 5. Off-Plan Launch Prices Are Much Lower Than Ready Units

This isn't Abu Dhabi versus Dubai. It's off-plan versus ready within the same city. In Abu Dhabi the gap on entry is far wider. Profit in any business is the difference between what you buy at and what you sell at — property, fruit and vegetables, it's the same principle. If your off-plan purchase is lower per sqft than the ready comparable, it's a better purchase whichever emirate you're in.

## 6. Payments Are Tied to Construction Progress

In Abu Dhabi, payments must be linked to construction milestones. That's the law — Law No. 3 of 2015, as amended by Law No. 2 of 2025. Each payment has a date in your SPA, but the developer can only charge you if the milestone tied to it is complete. If the work isn't done, the date moves. I've just had payments on Hudayriyat move for exactly that reason.

The same law stops developers withdrawing from escrow until 20% of construction is complete, and bans escrow funds being used for land or broker commissions. In Dubai, even if the site hasn't started, you still pay on the date.

## 7. Abu Dhabi price per sqft — January to September 2025 vs January to September 2026

**Ready resale:**

- Yas Island villas and townhouses — 1,439 to 1,930, **up 34.1%**
- Saadiyat Island villas and townhouses — 2,418 to 2,997, up 24.0%
- Al Raha apartments — 1,275 to 1,609, up 26.3%
- Saadiyat Island apartments — 1,480 to 1,800, up 21.7%
- Al Reem Island apartments (ADGM) — 1,184 to 1,354, up 14.4%
- Yas Island apartments — 1,683 to 1,796, up 6.7%

All of the above is year on year — and that's before Disneyland opens, Hudayriyat's full sports facilities open, and ADGM expands further.

## 8. Dubai's Yield Compression Is Already Happening

Many Dubai apartments are netting under 5% net yield, including premium locations, while a bank pays around 4% with no tenant, no service charge and no void period. The risk premium has narrowed to almost nothing.

Prices are no longer flat. Comparing August to February, the last month before the Iran conflict, apartment sale prices per sqft fell in 18 of 26 communities. Madinat Jumeirah Living down 13.1%, Bluewaters 11.7%, Jumeirah Bay 11.5%, Palm Jumeirah 8.0%, Sobha Hartland 5.9%, Dubai Hills 4.2%, Downtown 3.7%, DIFC 3.6%. These are established, space-constrained locations. If values fall there, it is not a good sign elsewhere. Villas are the exception. Over the same period villa sale prices per sqft rose in 12 of 23 communities, led by DAMAC Hills up 9.6%, Palm villas 9.2% and Victory Heights 8.4%.

Rents are falling faster and wider. In August, 25 of 26 apartment communities were down month on month. Since February, Jumeirah Bay is down 15.0%, JVT 12.7%, Downtown 12.1%, Dubai Hills 11.5%, Sobha Hartland 10.3%, MJL 10.1%, Palm Jumeirah 10.0%. Villa rents fell in 18 of 23 communities, with DAMAC Lagoons down 18.4% and Al Barari 8.7%.

Transaction volumes have declined. Off-plan apartment sales fell from 12,486 in August 2025 to 6,859 in August 2026, down 45%. Ready villa and townhouse sales were 637 in August against 1,666 a year earlier, down 62%. Ready apartments were 2,401 against 3,176, down 24%.

Supply is still arriving. 286,184 off-plan apartments sold across 2024, 2025 and 2026 to September, much of it yet to hand over. More completions, lower yields, and off-plan is harder to flip.

# Infrastructure: The Rail Line That Changes the Map

A new high-speed rail is confirmed between Abu Dhabi and Dubai, running at up to 350 km/h and covering the journey in 30 minutes.

Six stations. Four in Abu Dhabi: Marsa Al Saadiyat, Al Reem Island, Yas Island and Zayed International Airport. Two in Dubai: Al Maktoum International and Al Jaddaf. In Abu Dhabi they go underground.

Marsa Al Saadiyat has a station built into the district. Al Reem sits inside ADGM, so the financial district gets its own stop. And both major airports are on the line.

For anyone working in finance, tech or AI between the two emirates, that changes the calculation. You could live on Saadiyat, reach ADGM in minutes, be at either airport directly, and be in Dubai in half an hour on a train with wifi rather than losing the time to a car. Tendering is complete, designs are approved, and construction is under way on the Abu Dhabi section, with the line targeted for completion around 2030.

# ADGM, AI, and Why It Will Push Property Prices Higher in Abu Dhabi

ADGM and DIFC are the UAE's financial free zones, where hedge funds, asset managers and multinationals base their offices because the civil courts run in English on English law. That makes international deals frictionless, and where those firms choose to go is a signal of intent. ADGM sits on Al Maryah Island and covers all of Al Reem. BlackRock, Brevan Howard, Goldman Sachs and JP Morgan have all moved in or are expanding, and Capital Group, Man Group, Barings and Bain Capital have opened offices this year.

ADGM published its half year numbers this week. Workforce reached 49,027 at the end of June, up 34% year on year. Assets under management are up 54%, active licences are close to 14,000, and the fund and asset managers based there now oversee more than $2.1 trillion globally. DIFC publishes once a year. Its last figures, for the end of 2025, showed a workforce of 50,200, up 9%. Both will keep growing.

Why does this matter for real estate? These people are paid extremely well.

## It's not just finance. It's tech — and AI.

Abu Dhabi isn't just targeting hedge funds. It's pushing to be a leader in artificial intelligence and not just talking about it, it's putting the money in with data centres and deep tech. Through G42 — which already partners with Microsoft, OpenAI and Cerebras — Abu Dhabi is setting itself up as the AI capital of the region.

Its sovereign wealth fund Mubadala, and its AI fund MGX, have invested directly in the biggest AI labs. MGX co-led Anthropic's $30 billion round in February 2026, co-led OpenAI's $122 billion raise in March, and participated in Anthropic's $65 billion Series H in May. In July 2026, MGX closed a $49 billion fund — the largest dedicated AI fund ever raised.

The UAE was the first country in the world to appoint a Minister of State for Artificial Intelligence, back in 2017. That strategic decision is how they have a head start on the rest of the Gulf.

In 2024, Microsoft announced a $1.5 billion strategic investment into G42.

In 2025, G42, OpenAI, Oracle, NVIDIA, SoftBank Group and Cisco announced Stargate UAE — a next-generation AI infrastructure cluster running inside a newly established 5-gigawatt UAE–U.S. AI Campus in Abu Dhabi.

We currently have the perfect mix of wealthy people looking to leave the West due to economic pressure, rising taxes, and declining living standards — while Abu Dhabi is becoming more attractive, creating jobs, and investing heavily in finance and AI.

Property prices only rise when demand is more than supply and people have the funds to pay the higher price. You tell me how the Abu Dhabi market does not fit that definition right now.

## Abu Dhabi's Advantage Over Dubai (Right Now)

Abu Dhabi isn't chasing Instagram influencers — it's deliberately building a city that attracts high-net-worth families who want space, privacy, world-class entertainment, and long-term residency. And that matters, because when these buyers keep moving in, the price will continue to increase.

Here's why wealthy families are starting to pick Abu Dhabi over Dubai:

## 1. Family-Focused Development (With Real Billions Behind It)

Abu Dhabi is investing billions to make the capital the region's best city to raise a family. Here's just a sample:

- Louvre Abu Dhabi — open already, a global cultural landmark
- Zayed National Museum — newly opened
- Guggenheim Abu Dhabi — opening 11 December 2026, epic modern architecture
- Natural History Museum — newly opened
- Warner Bros. World Abu Dhabi — fully operational, massive indoor theme park
- Formula 1 Yas Marina Circuit — annual Grand Prix with global visibility
- Disneyland Abu Dhabi — the first Disney-branded theme park in the Middle East

No other city in the region comes close to this lineup — and it's not just for tourists. This is a deliberate strategy to make life better for the residents there now and attract wealthy families who want long-term residency, education, and lifestyle.

## 2. Built for Serious Sport

Yes, Dubai has great gyms. But Abu Dhabi is building world-class sports infrastructure for people who train seriously.

- Hudayriyat Island — wide, clean, purpose-built cycling and running tracks
- Surf Abu Dhabi — open since 2024, already ranked as one of the best surf parks in the world
- Olympic-standard indoor velodrome — opening December 2026 with a 250m UCI Class 1 Olympic track, allowing pro-level cycling year-round

It's all being built with longevity, health, and quality of life in mind. That naturally brings in high-income earners — and pushes up demand for real estate near these zones.

## 3. Less Chaos, More Clarity

There is less traffic and chaos in Abu Dhabi because the infrastructure is planned and executed at a slower but deliberate pace to not have congestion issues. It's calm, well-run, and not trying to do hypergrowth for the last 10 years. For families, that matters. For investors — it means the value of high-end, liveable areas will keep rising.

## 4. Cleaner Water, More Green

Mangroves have been planted across the coastline to naturally purify the ocean water — and it works. In areas like Saadiyat and Al Jubail, the water is crystal clear. It feels more like the Maldives than the Gulf. There's more grass, more trees. That kind of environment matters when you're buying a 15–30M AED villa — and the type of buyers in that price range notice.

## 5. Better Value — But Not For Long

Right now, you're paying less in Abu Dhabi for beachfront or prime villas compared to Dubai in the desert. And you're getting larger plots, better locations and finishes, and more controlled supply.

That pricing gap won't last. Not with how infrastructure, lifestyle, and institutions are expanding in Abu Dhabi. If you're buying now, you're still early — and that's where the money's made.

# Why Off-Plan Resales in Dubai Are Flatlining

We're seeing way more off-plan resales at original price — sometimes even below — just so people can get out.

**Why is this happening?**

- **Too many launches**. Across 2024, 2025 and 2026 (to September), 315,902 off-plan properties have sold in the Dubai market — over 320 new units a day.
- **High capital required to resell**. Emaar now wants 50% paid before they approve a resale. Nakheel and Meraas are around 40%. That's a lot of cash tied up — with handover years away.
- **More completed units coming to the market**. People don't need to buy your resale when they can just buy ready-to-move.
- **Tougher payment plans**. Post-COVID, we saw 50/50 plans and post-handover deals. Now? Developers want more money up front. That makes it harder for buyers to pick up your payment plan.

## How regulations differ in Abu Dhabi and Dubai

A lot of people say they're worried about Abu Dhabi's "values" or "regulations." But when I ask which ones — no one can give a real answer.

Here's how it works:

**The UAE is a federation of 7 emirates**

- Abu Dhabi is the capital and hosts the federal government.
- Dubai's ruler is also the country's Vice President and Prime Minister.

**Federal law covers:**

- Immigration and visas (that's why we get Emirates IDs)
- Central bank, VAT, corporate tax
- Foreign policy, criminal law, defence
- Healthcare and telecom regulation

**Dubai controls its own:**

- Real estate transfer fees and property rules
- Business licensing and free zones
- Tourism and infrastructure

All of the big rules? They're the same.

## Final Word: Why Abu Dhabi

- Less supply
- Lower entry prices for beachfront
- Construction-linked payments lower risk, less paid in construction, and discounted more to complete comparable.

For the first time, Abu Dhabi's biggest developer outsold Dubai's biggest developer in the UAE in the first half of 2026, and there is a reason for that. Dubai is the bigger market today, and it will remain the bigger market on transactions and total value for the next few years. Abu Dhabi may never overtake it. What Abu Dhabi offers instead is stable growth through controlled supply, and a deliberate approach to building the emirate rather than chasing hypergrowth. It is building sustainable premium living. Many wealthy people already see Abu Dhabi as the best emirate to live in. Over the next three to five years, I believe the majority will.