RESEARCH BRIEF · 5 SEPTEMBER 2026

Dubai Property Deals Fell 37% in August. The Real Story Is Selectivity, Not Decline

Dubai Land Department data shows August transactions down 37% year on year, a headline that will alarm anyone watching from London or Geneva. But market sources describe the shift as buyers becoming more selective rather than ...

MEDIUM	7.5	4 September 2026	7/10
INVESTOR IMPACT	SIGNIFICANCE SCORE	EVENT DATE	SOURCE RELIABILITY

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EXECUTIVE SUMMARY

01 Dubai Property Deals Fell 37% in August. The Real Story Is Selectivity, Not Decline

Dubai Land Department figures for August 2026 show property transaction volume down 37% compared to the same month last year. On its own, that number reads as a warning sign. Market sources close to the data describe the shift differently: buyers are still active, they are simply being more selective about which projects they commit capital to. This matters because August is structurally the slowest month in the Dubai calendar, hit by summer heat and the European holiday period every year. The distinction between a market that is cooling and a market that is filtering matters enormously for anyone deciding whether to enter now or wait. For context, July 2026 recorded 13,930 transactions worth 34.9 billion AED, with off-plan making up 69.1% of sales by count, so the market coming into August was not weak. Whether August's selectivity is a seasonal blip or the start of a structural shift will not be clear until Q4 data confirms the pattern one way or the other.

- Dubai Land Department data shows August 2026 transaction volume down 37% year on year
- Market sources describe the shift as buyers becoming more selective, not disappearing from the market
- August is historically Dubai's slowest transaction month due to summer heat and the European holiday period
- July 2026 recorded 13,930 transactions worth 34.9 billion AED, with off-plan at 69.1% of sales by count, showing the market entered August from a position of strength
- The 3 month EIBOR stood at 4.0% in September 2026, a financing cost backdrop worth weighing against any project you are evaluating
- Whether selectivity persists into Q4 will determine if this is a seasonal pause or a structural change in buyer behaviour

THE EVENT

02 What happened, and why it matters

WHAT HAPPENED

Dubai Land Department data for August 2026 showed property transactions down 37% compared to August of the prior year, according to reporting from tradearabia.com dated September 4, 2026. Market sources cited in that reporting characterised the change as the market becoming 'more selective' rather than buyers withdrawing altogether, suggesting demand is present but concentrated on specific projects rather than spread evenly across the market.

WHY IT MATTERS

A 37% year on year drop is the kind of number that travels fast and gets stripped of context by the time it reaches an investor's inbox. But August carries a structural seasonal handicap every single year: the summer heat keeps viewings down and the European holiday calendar removes a large share of Dubai's overseas buyer base from the market entirely. Layered on top of that seasonal pattern, the 'more selective' framing from market sources points to something more specific than a broad slowdown. Weaker projects appear to be struggling to sell while stronger projects with attractive phase one pricing are still attracting serious capital. That is a very different story to a market in decline, and the two should not be confused.

WHO IT AFFECTS

Overseas buyers weighing entry timing, developers with projects that lack strong fundamentals or pricing, and anyone who has been sitting on the sidelines waiting for competition to ease. It also affects how you read every Dubai headline for the rest of this year, because the same data can support two opposite narratives depending on which context gets attached to it.

INVESTOR READ

03 Implications, risks and opportunities

HISTORICAL CONTEXT

August is consistently Dubai's slowest transaction month, a pattern driven by summer heat locally and the European summer holiday period removing a large portion of the overseas buyer base. July 2026, the month immediately preceding this data, recorded 13,930 transactions worth 34.9 billion AED with off-plan sales at 69.1% by count, indicating the broader market was not weak heading into the seasonal slowdown.

IMPLICATIONS

If you are hesitating because you think you are late to the market or facing too much competition for the right unit, this data point cuts against that concern. A market that is filtering out weak projects is a market where due diligence on the developer, the payment structure and the phase of pricing matters more than speed of decision. That said, one month of data from one reporting period is not evidence of a durable trend, and the 3 month EIBOR at 4.0% in September 2026 is a real cost to factor into any financed purchase regardless of how the transaction data reads.

RISKS

Be honest about what this data does not tell you. A single data point covering one month, reported by one outlet, is not enough to confirm whether 'more selective' is truly what is happening beneath the 37% figure or whether it is a softer way of describing genuine demand weakness. August's seasonal weakness is real, but it does not fully explain a drop of this size on its own, and the fact sheet available here does not include a breakdown by area, developer or price band that would let you verify the selectivity claim directly. If this pattern continues into Q4, when seasonal excuses run out, that would be a materially different and more concerning signal than a summer lull. Anyone acting on this data now should treat it as a reason for careful due diligence, not as confirmation that all is well.

OPPORTUNITIES

If the selectivity read is correct, well positioned projects with credible developers and reasonable phase one pricing may be attracting disproportionate demand even as headline volumes fall. For a buyer doing proper diligence rather than chasing speed, a market that is filtering out weaker stock is arguably a healthier one to be transacting in than a market where everything sells regardless of quality.

WHAT TO WATCH

Whether the 'more selective' pattern persists into Q4 2026, once the seasonal excuses of summer heat and European holidays are no longer available as an explanation. That is the point at which this either confirms itself as a structural shift toward quality over volume, or resolves as nothing more than Dubai's usual summer pause.

04

THE BOTTOM LINE

What this means for Dubai investors

THE MEANING

For someone protecting capital rather than chasing a quick flip, this is not a signal to panic and it is not a signal to rush either. It is a signal to look harder at what you are actually buying. A market becoming more selective rewards the buyer who does the same.

> *"Here's the thing about a headline number like 37% down. It gets forwarded around without the context that makes it meaningful. Every year August goes quiet in Dubai, that's not news, that's the calendar. What I'd actually want to know before reacting to a number like this is what's happening underneath it, which projects are still moving and which ones have gone completely cold. The 'more selective' language in this report tells me buyers haven't left, they've just stopped tolerating weak offers. That's not a bad thing if you're the kind of buyer who was already doing your homework. It's only bad news if you were relying on a rising tide to carry a mediocre purchase. I'd want to see how this looks once we're past the summer before drawing any firm conclusion, and I'd be cautious about anyone using one month of data to tell you the market has either collapsed or is bulletproof. Neither is true from what's in front of us.*
>
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SOURCES AND VERIFICATION

tradearabia.com, 'Dubai data shows August property deals down 37%; market now more selective', September 4, 2026 (citing Dubai Land Department data). Dubai Land Department, transaction data, July 2026. Central Bank of the UAE, 3 month EIBOR, September 2026.

Begin the conversation.

Every allocation starts with a candid, numbers-first discussion shaped around your mandate, risk profile and timeline.

Bradley James

ASSOCIATE DIRECTOR & SENIOR INVESTMENT ADVISOR

Bradley James is an Associate Director and Senior Investment Advisor based in Dubai, specialising in Dubai real estate, off-plan investment, strategic wealth allocation, portfolio diversification, and relocation and residency planning. He advises private investors and family offices on entering the Dubai market with the same rigour he applies to his own capital.

SPECIALISMS

- Dubai Real Estate
- Off-Plan Investment
- Strategic Wealth Allocation
- Portfolio Diversification
- Relocation & Residency Planning

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SOURCES
tradearabia.com, 'Dubai data shows August property deals down 37%; market now more selective', September 4, 2026 (citing Dubai Land Department data). Dubai Land Department, transac

SCAN TO MESSAGE