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Emaar Chairman: Developer Could Sell Nothing for 5 Years and Still Profit

Emaar chairman Mohamed Alabbar said the developer could halt new sales for 5 years and remain profitable, pointing to an AED165bn revenue backlog and AED77bn cash position. The statement lands as Dubai off-plan launches fell ...

HIGH	8.2	23 September 2026	7/10
INVESTOR IMPACT	SIGNIFICANCE SCORE	EVENT DATE	SOURCE RELIABILITY

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EXECUTIVE SUMMARY

01

Emaar Chairman: Developer Could Sell Nothing for 5 Years and Still Profit

Emaar, Dubai's largest developer, disclosed on 23 September 2026 that it could go 5 years without a single new sale and still turn a profit, according to chairman Mohamed Alabbar speaking to AGBI. The claim rests on a revenue backlog of AED165bn as of 30 June 2026, a cash position of about AED77bn including unconsolidated joint ventures against AED9.4bn of debt, and a UAE customer default rate below 1% of sales value. Group property sales fell 42% and UAE specific sales fell 45% in the first half of 2026, which the company attributes to the Iran war deterring buyers. Off plan launches across Dubai fell about 90% between the first and second quarters, according to Savills, while completions hit their highest quarterly volume in 5 years. For overseas investors, the core message is that Dubai's largest developer is holding pricing rather than discounting, and is cash generative enough that a sales slowdown does not force it to sell inventory cheaply.

- Emaar chairman Mohamed Alabbar said the developer could sell nothing for 5 years and remain profitable, backed by an AED165bn revenue backlog as of 30 June 2026
- Emaar holds about AED77bn in cash and equivalents including unconsolidated joint ventures against AED9.4bn of debt, with net cash of roughly AED64.1bn at the end of June
- Group property sales fell 42% and UAE specific sales fell 45% in the first half of 2026, which Alabbar attributes to the Iran war
- Emaar's UAE customer default rate on off plan payments sits below 1% of sales value, and the company says it is not discounting: 'We don't give discounts. We still sell at the same prices'
- Off plan launches across Dubai fell about 90% between the first and second quarters of 2026 according to Savills, while completions hit their highest quarterly volume in 5 years

- Dubai sales volumes and values fell almost a third in the second quarter even as price per square foot rose, and Emaar's own stock is down 18.5% year to date

THE EVENT

02 What happened, and why it matters

WHAT HAPPENED

On 23 September 2026, Arabian Gulf Business Insight reported comments from Emaar chairman Mohamed Alabbar stating the developer could go 5 years without a new sale and stay profitable. This is supported by a revenue backlog of AED165bn as of 30 June 2026, which Emaar continues to convert into recognised earnings as construction progresses on already sold units, regardless of new sales activity. Profits rose 26% on that backlog even as group property sales fell 42% and UAE specific sales fell 45% in the first half of 2026, a slowdown Alabbar attributed to the Iran war deterring buyers. Emaar holds about AED77bn in cash and equivalents including unconsolidated joint ventures against AED9.4bn of debt, with net cash of roughly AED64.1bn at the end of June. The UAE development business default rate sits below 1% of sales value. Alabbar said the company is not marking down prices to attract buyers: 'We don't give discounts. We still sell at the same prices. We have no change.' He said Emaar is still launching new projects but 'not as much as we used to do,' and expects the sales slowdown to be temporary, running for another 2 to 3 months. Separately, company filings cited by AGBI show other Dubai developers, both privately held and state backed, drawing down escrow accounts and increasing borrowing by between a third and two-thirds in the first half of 2026 as sales collections fell short of funding construction and handovers. Off plan launches across Dubai fell about 90% between the first and second quarters of 2026, according to Savills, while completions hit their highest quarterly volume in 5 years.

WHY IT MATTERS

This is a structural confidence signal, not a marketing claim. For overseas investors who worry that a slowdown in transactions means developers will discount inventory or that the market is overextended, Emaar's disclosure directly addresses that fear with balance sheet detail: an AED165bn backlog, AED77bn in cash, and a sub 1% default rate. Because Dubai developers book revenue as construction progresses rather than when cash changes hands, the largest player in the market is demonstrating it can absorb a sales downturn without needing to cut prices or force sales. That said, the same fact sheet shows other developers taking the opposite path, drawing down escrow and increasing borrowing by a third to two-thirds as collections fell short. The market is bifurcating between cash rich leaders and stretched followers, and that distinction now matters more than headline transaction counts.

WHO IT AFFECTS

Overseas and UK based investors holding or considering off plan positions with Emaar or comparable large developers, buyers weighing entry timing against reports of a Dubai sales slowdown, and anyone assessing counterparty risk on a specific developer rather than the market as a whole. It is also relevant to investors who track price per square foot trends, since Emaar and the wider market saw prices rise even as transaction volumes fell.

INVESTOR READ

03 Implications, risks and opportunities

IMPLICATIONS

If you are holding off plan payments with Emaar, this disclosure suggests low counterparty risk from a cash flow perspective, since the developer is describing an ability to fund its pipeline without new sales for an extended period. If you are evaluating a purchase, the fact that Emaar is not discounting, even as volumes fall almost a third in the second quarter, tells you list prices are being defended rather than propped up by artificial demand. The DLD data in this brief shows Dubai wide sales transaction value at AED27.9bn in August 2026 across 11,601 transactions, with off plan making up 67.1% of sales by count, so off plan activity is still the majority of the market even during this slower period. The 3 month EIBOR at 4.2% in September 2026 remains a relevant financing cost backdrop for anyone using leverage. None of this is a signal to buy any specific unit. It is a signal that the largest developer's balance sheet can absorb a slowdown, which is different from every developer being equally positioned.

RISKS

Be straight about what this statement does not cover. Alabbar himself said continued revenue growth is still needed to sustain Emaar's development pipeline, meaning a permanent halt to sales is not cost free, only survivable for a period. He would not comment on whether rival developers are as prepared, saying only 'I don't know, it depends.' The fact sheet shows other developers, both private and state backed, drawing down escrow accounts and increasing borrowing by between a third and two-thirds in the first half of 2026, which means the resilience Emaar describes is not uniform across the market. Off plan launches fell around 90% between the first and second quarters, and Emaar's own stock is down 18.5% year to date, so equity markets have not treated this as unambiguously reassuring. Group and UAE sales fell 42% and 45% respectively in the first half, a sharp decline even if attributed to a specific geopolitical event. If the slowdown extends beyond the 2 to 3 months Alabbar expects, backlog conversion alone will not indefinitely offset the absence of new sales.

OPPORTUNITIES

For investors focused on capital preservation, a developer that defends pricing rather than discounting under pressure is generally the safer counterparty for long dated off plan commitments, since it signals confidence in the value of what you are buying rather than a need to fill order books. The gap between a cash rich leader and stretched followers is also useful due diligence information: it argues for weighting developer selection, cash position, and backlog strength as heavily as project or location when assessing new commitments in this part of the cycle.

WHAT TO WATCH

Whether the sales slowdown proves temporary as Alabbar expects, resolving within the 2 to 3 months he cited, and whether off plan launch volumes recover from the roughly 90% quarter on quarter drop reported by Savills. Also watch whether other developers' escrow drawdowns and increased borrowing referenced in this report translate into visible payment plan changes or delays, which would sharpen the contrast with Emaar's position.

THE BOTTOM LINE

04 What this means for Dubai investors

THE MEANING

This is a data point for assessing developer resilience, not a reason to rush a decision. The signal is that Dubai's market leader can fund its pipeline through a sales downturn without discounting, which supports the case that off plan property remains a credible wealth preservation vehicle when paired with careful developer selection. It does not mean every developer in the market is equally protected, and the honest reading is that this period is separating cash generative operators from those now leaning on debt and escrow drawdowns.

> *Here's the thing. When I get asked whether Dubai is slowing down, I point clients to exactly this kind of disclosure rather than the headline transaction count. A developer standing up and saying it doesn't need to sell for 5 years and showing the cash and backlog to back that up is a very different signal to a developer quietly drawing down its escrow account. Be straight with you, that gap is the whole story right now. It's not that Dubai is weak, it's that the market is separating who can hold the line on pricing from who can't. That's exactly the distinction I look at before recommending any developer to a client focused on capital preservation over a 5 or 10 year hold.*
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SOURCES AND VERIFICATION

Arabian Gulf Business Insight (AGBI), 'Alabbar: Emaar could sell nothing for 5 years and still turn a profit', 23 September 2026, https://www.agbi.com/analysis/real-estate/2026/09/mohamed-alabbar-emaar-could-sell-nothing-fo Dubai Land Department, sales transaction data, August 2026. Central Bank of the UAE, 3 month EIBOR, September 2026. Savills, off plan launch data cited in AGBI report.

Begin the conversation.

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

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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
Arabian Gulf Business Insight (AGBI), 'Alabbar: Emaar could sell nothing for 5 years and still turn a profit', 23 September 2026, https://www.agbi.com/analysis/real-estate/2026/09/

SCAN TO MESSAGE