

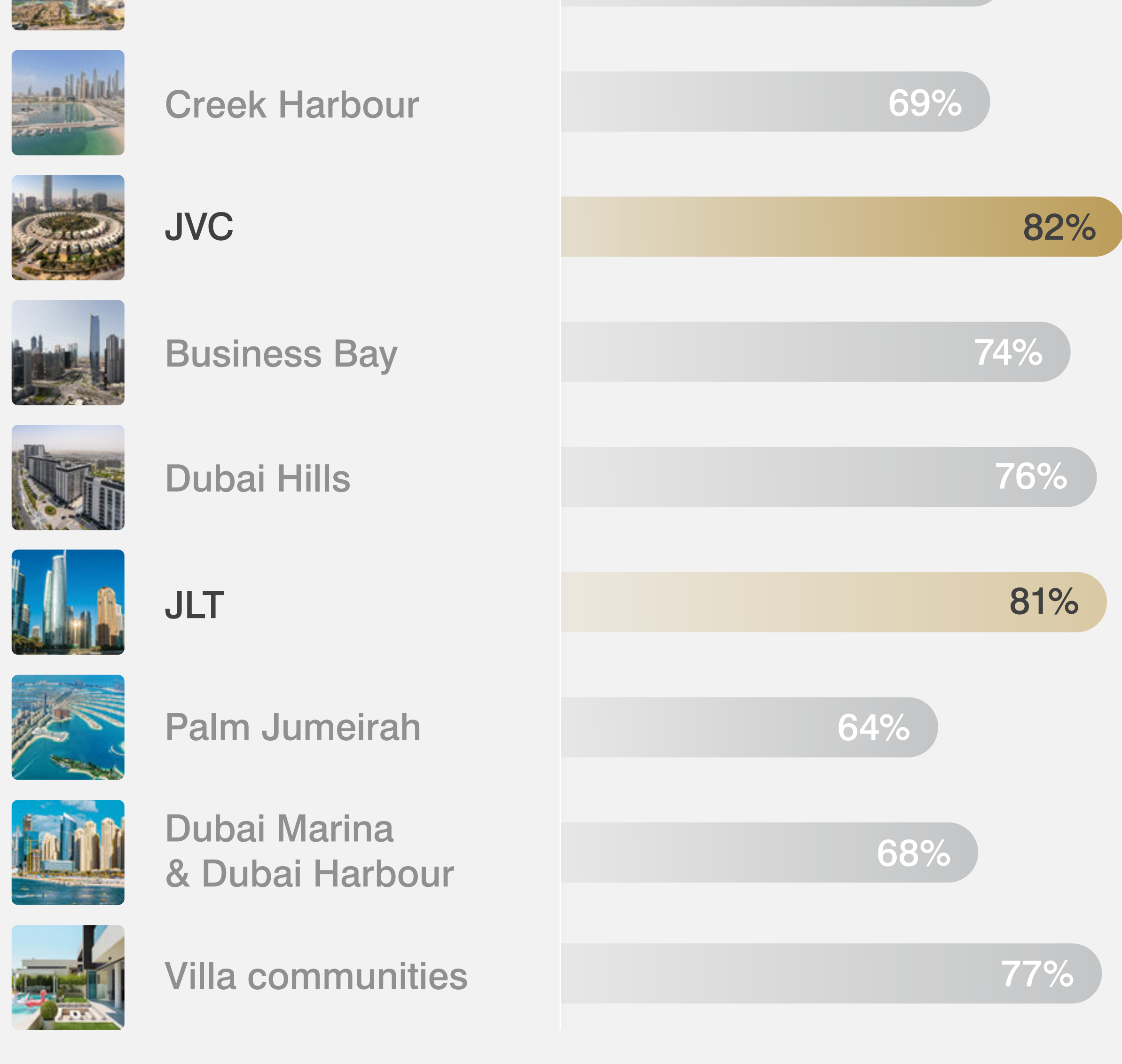


Q1 2026 Market Overview

Dubai's short-term rental market entered 2026 from a position of strength, with strong occupancy, pricing power and continued demand across key locations. More recently, regional uncertainty has started to influence sentiment, bringing a natural shift in how the market is performing.

For landlords, this doesn't signal a drop in demand, but rather a change in who is booking, how long they are staying, and what they expect from a property. Understanding that shift is key to maintaining occupancy and protecting returns in the months ahead.

Short Term Rental Q1 Occupancy Rates

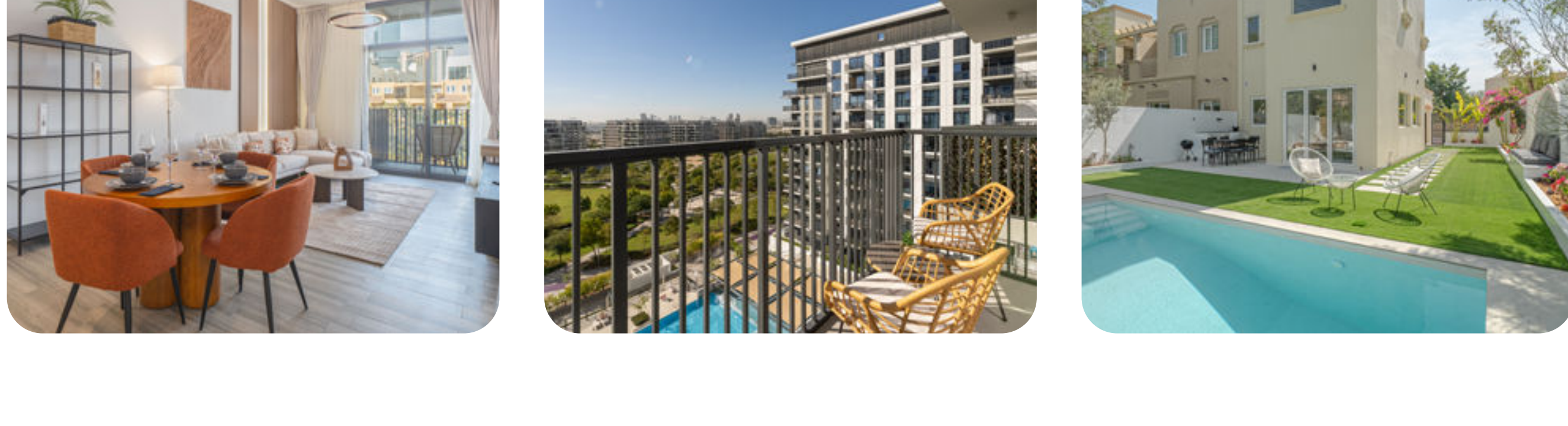


Occupancy for this Quarter stayed strong even with March's weaker performance. This in turned dragged the overall percentage downwards than what we would usually see for the first quarter of an annual year.

Top-performing areas included JLT and Jumeriah Village Circle, both of which delivered strong returns for our landlords. We believe these stayed on top due to the consistent local bookings that predominately settle in this area on a monthly basis.

We observed over March the demand shifted to hosting only regional expats and clients residing in Dubai due to political unrest alarming the tourists crowds - a trend that we expect to see continue over the next Quarter until the unrest subsides.

Quarter Top Performers



1. Belgravia 2, Jumeirah Village Circle

This one bedroom has outperformed its competitors due to the size, quality of furnishings and building amenities. The common areas and facilities are maintained to a high standard, the interior oozes a stylish & sleek look attracting numerous clients.

2. Executive Residences, Dubai Hills

This two bedroom apartment has views of the park from every aspect of the property. Families enjoy this park life and the community feel is spoken about highly in the market now.

3. Springs 14, Three bedroom villa

Overall this is a strong performing three bedroom villa due to the upgrades internally and the proximity to Meadows souk. The local nursery Raffles has enhanced the appeal to families in the area as well as the numerous children's play areas in reach.

Outlook for Q2 2026

For Q2 2026, we expect to see slightly longer stays, particularly among local guests prioritising location, comfort, and value. Properties with attractive presentation and competitive pricing are likely to retain a stronger market position.

Demand is still there, but it is more selective, more price-sensitive, and more experience-driven than before.

To remain competitive, landlords should focus on the factors that directly influence bookings:

- Regular price adjustments
- High-quality presentation and interior upgrades
- Professional managed operators with strong local presence
- Reliable operations and compliance

News & Updates

Following recent regional uncertainty, short-term rental demand has softened in traditional tourist-led areas, while extended stays and local bookings have become more prominent. This has created stronger interest in well-furnished units that offer flexibility, Guests are also placing greater emphasis on value, location, and overall property quality before confirming stays.

Dubai has experienced similar cycles before, including the 2008 financial crisis and the Covid19- pandemic, and has consistently demonstrated its ability to recover and rebuild momentum.

What we are seeing now is a rebalancing:

- A shift in traveller behaviour
- Increased competition between listings
- Greater emphasis on quality and management

This strong foundation is important, as it provides context for the current shift. The market has not dropped from weakness but adjusted from a position of strength.