HI 2026

Retail

UAE | Dubai

Market indicators’ calculation methodology

Starting in Q1 2025, Nikoliers has been using its own methodology to analyze the retail property market of Dubai, which may result in some differences from the indicators published by other companies and sources. Along with analyzing the market of Dubai’s shopping centers (SCs) as a whole, the company’s reports provide a more profound analysis of six **key** SCs: Dubai Mall, Mall of the Emirates, Dubai Marina Mall, Dubai Hills Mall, Mirdif City Centre and Dubai Festival City Mall.

Key SCs are shopping centers in highest demand among tenants and visitors, which have a significant influence on the Dubai market. Yet the given sample does not imply that there are no other modern conceptual facilities in the Emirate.

Two categories are distinguished within the sample of key SCs:

Landmark SCs: Dubai Mall and Mall of the Emirates, two biggest world-renowned projects, are cultural and commercial emblems, geared towards the attraction of not just local residents, but also tourists, drawing visitors from all over the world.

Top SCs — Dubai Marina Mall, Dubai Hills Mall, Mirdif City Centre and Dubai Festival City Mall are large SCs with a professional concept, a balanced tenant mix and a high share of most popular international brands.

To calculate the weighted average rental rates in key SCs, transactions from 200 to 10,000 sq ft are taken into account.

Key trends in Dubai’s retail property market

- The biggest event of the quarter was **the announcement of a mega project** in the south of the Emirate. In May 2026, **Dubai South and Majid Al Futtaim** announced the establishment of a mixed-use community worth AED 62 billion (USD 16.9 billion), having the total floor area of 22 million sq ft, near Al-Maktoum Airport (DWC), with a large shopping center as its anchor facility.
- Developers are shifting their focus to small-size community SCs, attending to the needs of specific residential clusters. A number of such facilities, including **NAS Gardens Community Mall** in Nad Al Sheba Gardens, are due to open in the second half of 2026.
- Owners continue **upgrading of flagship facilities**: Dubai Mall is being expanded and a phased renovation is under way in Mall of the Emirates. This allows the key SCs to retain leadership in the midst of limited quality space supply.
- The role of **online channels and fast delivery** keeps rising as consumers increasingly combine shopping at offline locations with online orders, which prompts retailers to develop omnichannel formats.

“The period since March 2026 has proven challenging for most retail property operators. Operators in large malls, whose audience largely depends on tourist flows, were affected more noticeably, and the food and beverage segment proved particularly sensitive. Community malls oriented toward local residents, by contrast, demonstrated the greatest resilience, with footfall in many of them having almost fully recovered. Overall, the market retains a solid foundation, and we expect a notable recovery in activity by the autumn.

It is significant that the operators working most resiliently are those with a recognizable concept and a loyal local audience: guaranteed footfall makes a business far less vulnerable to swings in the external environment”.

Andrey Kosarev
Partner
UAE

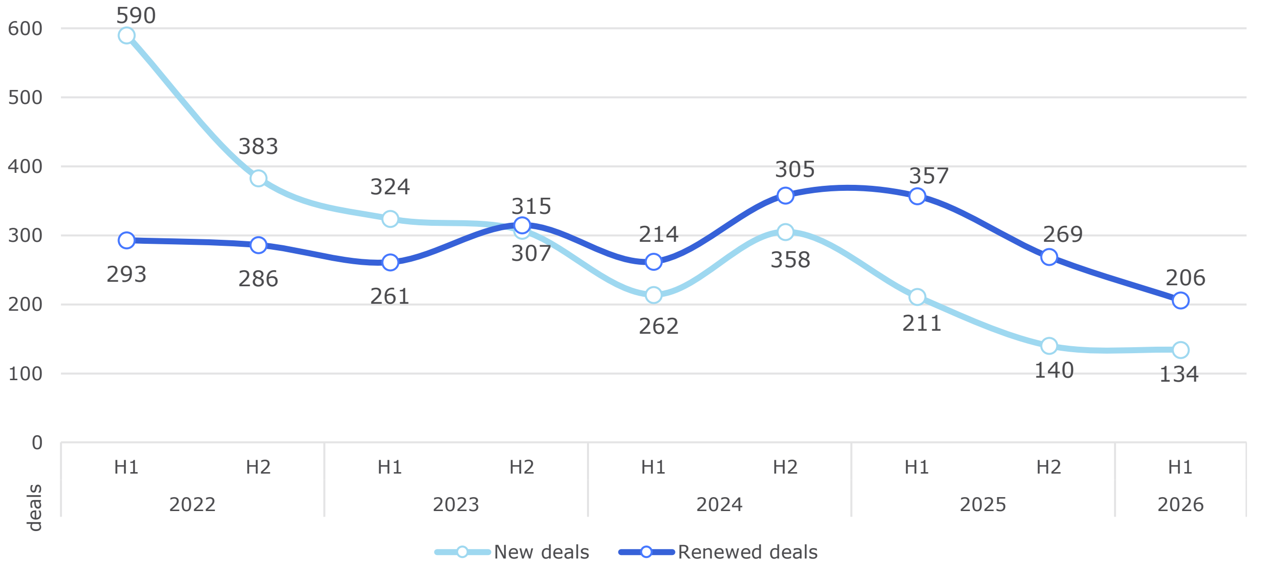
Key shopping malls of Dubai: demand

During the first half of 2026, the key shopping centers of Dubai reported 134 new lease agreements, which is 36% lower than in the same period of 2025. Relative to the peak in H1 2022, the reduction reached 77%. The current dynamics reflect above all a more cautious attitude of some tenants, given the regional uncertainty at the beginning of the year, as well as a limited supply of quality retail space.

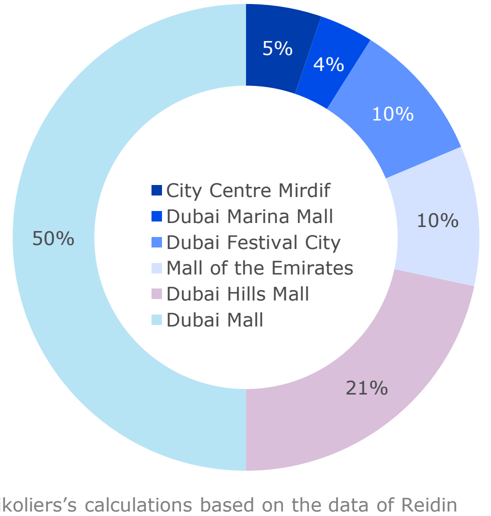
The greatest number of new lease deals was concluded for units ranging between 1,000 and 5,000 sq ft (93-465 sq m). The average floor area of a leased unit was 2,008 sq ft (187 sq m).

The number of lease renewals in the Emirate's key shopping malls during H1 2026 amounted to 206. Coupled with low level of new lease activity, this resulted in the emergence of vacant spaces in key SCs.

Lease transactions in Dubai's key SCs, 2022 — H1 2026



Breakdown of new lease agreements in Dubai's key SCs, H1 2026



- Dubai Mall accounted for 50% of all new leases in Dubai's key SCs, consistently ranking first by the number of leases, due to its size and the highest amount of retail spaces. Dubai Hills Mall retains the second position, its share standing at 21%.
- Amid the retail space scarcity in existing key SCs, the tenant demand is increasingly shifting toward new projects, including facilities under commissioning and those undergoing re-conception.
- After the expansion of Mall of the Emirates and Dubai Mall is complete, the volume of quality retail space in the key SCs will increase, which will open new opportunities for tenants in the future.

Nikoliers's calculations based on the data of Reidin

Dubai Mall

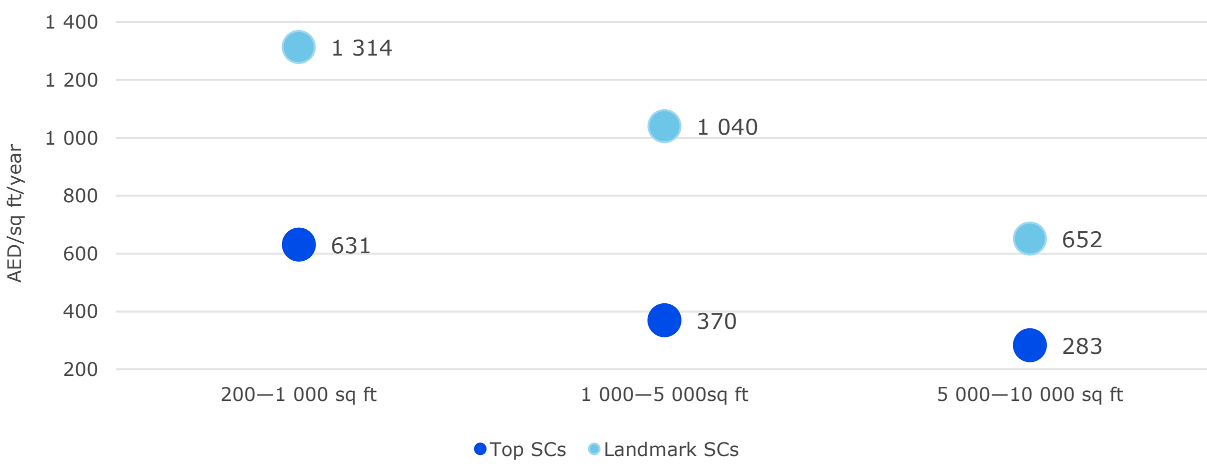
Key SCs of Dubai: rental rates

In H1 2026, the weighted average rental rate for new leases in the landmark SCs amounted to 1,031 AED/sq ft/year (3,001 USD/sq m/year); in the "top" malls it was 365 AED/sq ft/year (1,061 USD/sq m/year). Year on year, the trends diverge: +9% in the landmark malls and -3% in the "top" SCs.

The highest growth of the weighted average rental rate during H1 2026 in the "top" SCs could be seen among the spaces ranging from 200 to 1,000 sq feet. Relative to H1 2025, the weighted average rate for new leases in this segment has grown by 19%, reaching 631 AED/sq ft/year (1,836 USD/sq m/year).

In Dubai's "landmark" SCs, the main rental rate growth during the same period was provided by the segment of retail spaces from 1,000 to 5,000 sq feet. Here the weighted average rent in new leases rose 18% year on year to 1,040 AED/sq ft/year (3,027 USD/sq m/year).

Rental rates in Dubai's "landmark" and "top" SCs, H1 2026



Rental rates in Dubai's "landmark" and "top" SCs during H1 2026, USD/sq m/year (depending on retail space)

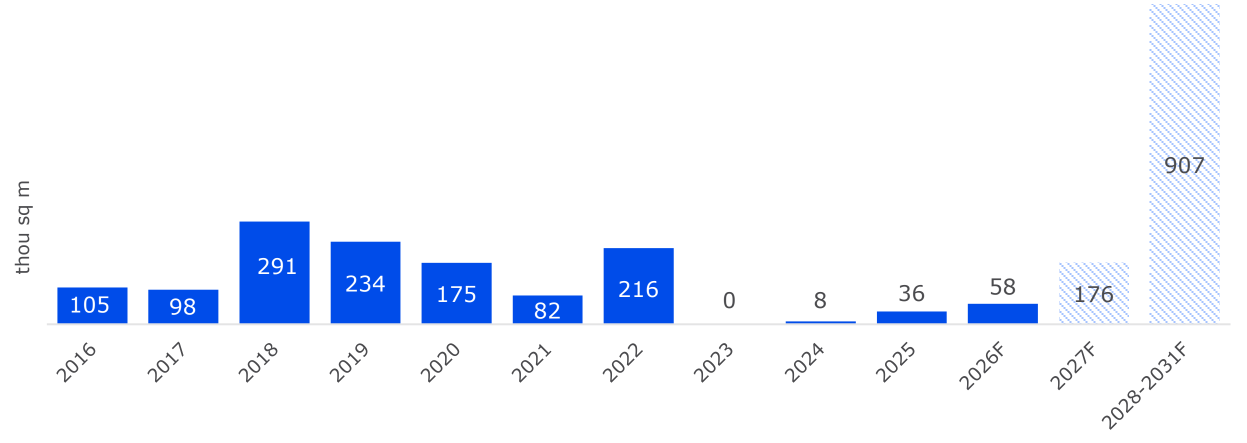
SC category	Average	Min.	Max.
Top	1 245	823	1 836
Landmark	2 915	1 897	3 823

Nikoliers' calculations based on the data of Reidin

New development

Following the restrained dynamics in 2023-2025, the Dubai retail property market is now getting ready for a new wave of launches. The main bulk of commissioning in 2026 will come to 58,000 sq m and will enter the market in the second half of the year - due to the opening of small-size community SCs (including Le Meryeme Mall, NAS Gardens Community Mall and others), serving the Emirate's fast-growing residential clusters.

Commissioning of retail space in Dubai's SCs, 2016-2031



Russian brands

Russian retailers retain their presence in Dubai. As of the second quarter of 2026, the Emirate featured 78 retail and F&B operators of Russian origin.

During the period under review, a number of small-size projects sensitive to fluctuations of the tourist flow suspended their operations, most suspensions being temporary. In the meantime, new openings continued, with Lichi, Shvili (Tigrus) and Dodo Brands launching their new outlets.

Examples of openings in H1 2026

Profile	Brand	Name	Location	Outlet number
Public catering	Tigrus Holding	Shvili	Circle Mall, JVC	5
	Dodo Brands	Dodo Pizza	Al Barsha 1	13
	Dodo Brands	Drinkit	Dubai Creek Harbour	10
Clothing and footwear	Lichi	Lichi	Palm Jumeirah Mall	4

"Dubai has been and still is one of the most stable venues for business. The geopolitical background certainly affects the market; however, in recent years Russian retailers got adapted to operating under uncertainty: for many of them this is already a routine mode, some sort of developed "immunity."

It's indicative that the players already represented in the Emirate do not undertake any abrupt moves: most are cautiously observing the situation, retaining their current positions. This behavior can be explained by their confidence in the long-term stability of the market, which is a justified stance at the moment."

Vladimir Kalikin
Director for Development and Brokerage at the Property Management Department

Our calculations include brands from the following segments: Clothing and Footwear, Public Catering, Perfumery and Cosmetics, Homewares, Medical Centers, Jewellery, Entertainments, Beauty Salons, Sport Studios, Services, Tobacco and Alcoholic Beverages. .

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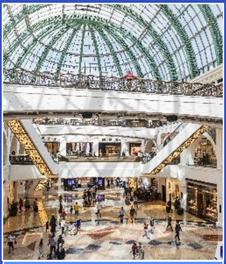

Retail

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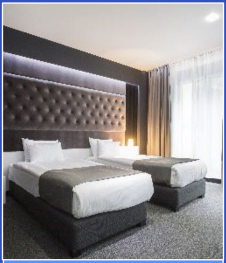

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Nikoliers’ Team

Nikolay Kazansky, FRICS, CCIM
Managing Partner
nikolay.kazanskiy@nikoliers.ru

Vladimir Sergunin PhD, MSF
Partner
vladimir.sergunin@nikoliers.ru

Anna Nikandrova
Partner
anna.nikandrova@nikoliers.ru

Igor Temnyshev
Partner
igor.temnyshev@nikoliers.ru

Dmitry Romanov, MRICS
Partner | Head of Professional Services
dmitry.romanov@nikoliers.ru

Andrey Kosarev, MRICS, PhD
Partner, UAE
andrey.kosarev@nikoliers.com

Eleonora Bogdanova
Regional Director
Industrial Real Estate and Land Department
Eleonora.Bogdanova@nikoliers.ru

Kirill Golyshev
Regional Director
Residential Real Estate and Land Development Department
kirill.golyshev@nikoliers.ru

Denis Platov
Head of the Capital Markets Department
denis.platov@nikoliers.ru

Irina Tsarkova
CEO, Saint Petersburg Office
irina.tsarkova@nikoliers.ru

Yulia Kuznetsova
Director of Retail Property Department
julia.kuznetsova@nikoliers.ru

Victoriya Goryacheva
Deputy Director
Office Estate Department
victoriya.goryacheva@nikoliers.ru

Marat Muradyan
Regional Director
Strategic Communications
marat.muradyan@nikoliers.ru

Contacts

Dubai Office

Andrey Kosarev, MRICS, PhD
Partner, UAE
Andrey.Kosarev@nikoliers.com

Retail Property

Vladimir Kalikin
Development and Brokerage Director
Vladimir.Kalikin@nikoliers.com

Marketing and PR Department

Marat Muradyan
Regional Director for Strategic Communications
Marat.Muradyan@nikoliers.ru

Research

Renata Akhmetshina
Junior Analyst
Renata.Akhmetshina@nikoliers.ru

Nikoliers

123112 Москва
Пресненская набережная, д. 10
БЦ «Башня на Набережной», блок С, 52 этаж
Тел. +7 495 258 51 51
www.nikoliers.ru