



# UAE Island Investment Report 2026

## Top 10 Waterfront Investment Zones | ROI & Rental Trends | Off-Plan Opportunity Map

### Executive Summary

The UAE waterfront and island market is entering a new cycle driven by scarcity, infrastructure investment, Golden Visa demand, and lifestyle migration. The strongest opportunities in 2026 are concentrated in emerging island masterplans where infrastructure is visible but pricing has not fully matured.

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### Top 10 Waterfront Investment Zones (2026 Ranking)

Rank	Zone	Investment Theme	Expected Yield	Appreciation Potential
1	Hudayriyat Island	Early-cycle luxury island	5-7%	Very High
2	Ramhan Island	Natural island villas	4-6%	Very High
3	Fahid Island	Ultra-prime waterfront	4-5%	Very High
4	Palm Jebel Ali	Mega-growth beachfront	5-7%	Very High
5	Dubai Islands	Tourism + residential growth	6-8%	High
6	Saadiyat Island	Luxury capital appreciation	4-6%	High
7	Yas Island	Lifestyle + short-term rentals	6-8%	High
8	Al Marjan Island	Wynn Resort effect	6-9%	High

Rank	Zone	Investment Theme	Expected Yield	Appreciation Potential
9	Palm Jumeirah	Wealth preservation	4.5-6%	Medium
10	Dubai Creek Harbour	Waterfront urban growth	7-9%	Medium-High

Sources indicate Palm Jebel Ali, Dubai Creek Harbour, Dubai Islands and emerging Abu Dhabi islands remain among the strongest growth corridors for 2026 investors.

## ROI & Rental Yield Outlook

### Yield Leaders (Income Focus)

Area	Gross Yield
Al Marjan Island	6-9%
Yas Island	6-8%
Dubai Islands	6-8%
Dubai Creek Harbour	7-9%
Dubai Marina Waterfront	6-7.5%

([thoe.com](http://thoe.com))

### Capital Appreciation Leaders (Growth Focus)

Area	Growth Score
Hudayriyat Island	9.5/10
Ramhan Island	9.3/10
Palm Jebel Ali	9.2/10
Fahid Island	9.0/10
Saadiyat Island	8.8/10

## Off-Plan Opportunity Map (Investor Focus)

**Tier A – Highest Convict**



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## **Hudayriyat Island**

- Infrastructure already operational
- Lifestyle ecosystem built before residential density
- Strong institutional backing
- Best 3-5 year appreciation play in Abu Dhabi

## **Ramhan Island**

- Freehold natural island
- Early handovers starting Q4 2026
- Scarcity premium due to limited inventory
- Strong HNWI appeal

## **Palm Jebel Ali**

- Dubai's largest luxury waterfront expansion
- Entry pricing still below mature Palm Jumeirah
- Significant upside through 2030

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## **Tier B – Strong Growth Opportunities**







MONK & CO.  
REAL ESTATE

# MARKET REPORT

04 JUNE 2026 – 10 JUNE 2026



**3,108**

TOTAL TRANSACTIONS



**AED 7.22B**

TOTAL WORTH



**2,845**

UNITS



**126**

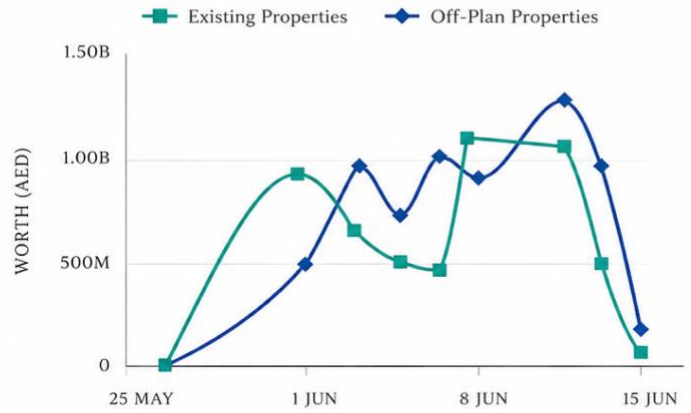
BUILDINGS



**137**

LANDS

## MARKET VALUE TREND (AED)



**OFF-PLAN LEADS**  
Higher values and strong investor demand.



**STRONG ACTIVITY**  
Peak activity between 6 – 8 June.



**POSITIVE OUTLOOK**  
Market remains strong and investor-focused.





### **Dubai Islands**

- Tourism-led demand
- Multiple developer launches
- Attractive payment plans
- Growing investor activity in 2026

### **Al Marjan Island**

- Wynn integrated resort catalyst
- International investor attention
- Strong holiday-home demand potential

## Yas Island

- Entertainment-driven rentals
  - Consistent occupancy
  - Balanced yield and growth profile
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## Recommended Strategy by Budget

### AED 2M – 3M

- Ramhan Island
- Yas Island
- Dubai Islands

### AED 3M – 6M

- Hudayriyat Island
- Palm Jebel Ali
- Saadiyat Island

### AED 6M+

- Fahid Island
  - Palm Jumeirah
  - Prime Ramhan Beachfront Villas
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## Monk & Co Investment Scorecard (2026)

Location	ROI	Appreciation	Scarcity	Overall Score
Hudayriyat Island	8/10	10/10	10/10	<b>92/100</b>
Ramhan Island	7/10	10/10	10/10	<b>91/100</b>
Palm Jebel Ali	8/10	9/10	9/10	<b>89/100</b>
Fahid Island	6/10	10/10	10/10	<b>88/100</b>
Dubai Islands	8/10	8/10	8/10	<b>85/100</b>
Saadiyat Island	5/10	9/10	9/10	<b>84/100</b>
Yas Island	8/10	8/10	7/10	<b>83/100</b>

## Investment Thesis for 2026

For investors seeking the highest probability of outsized returns over the next 3–5 years, the strongest combination of entry timing, infrastructure visibility, and scarcity currently exists in **Hudayriyat Island, Ramhan Island, and Palm Jebel Ali**. For income-focused investors, **Dubai Islands, Yas Island, and Al Marjan Island** offer a stronger balance of rental yield and future appreciation.

## DLD Market Performance – Year-on-Year Sales Data

Dubai's waterfront investment story is supported by record transaction growth registered by the Dubai Land Department (DLD).

Year	Sales Transactions	Sales Value (AED)	YoY Volume Growth	YoY Value Growth
2023	180,900*	522B*	—	—
2024	226,000	761B	+25%	+46%
2025	215,060	682.6B	+20% vs 2024 sales dataset	+31%
2026 YTD	Strong pace	On track for another record year	—	—

\*Different DLD publications classify transactions slightly differently (sales vs total real estate transactions), but the trend is consistently upward.

### Five-Year Growth Trend

Year	Sales Value (AED)
2021	151B
2022	265B
2023	412B
2024	522B
2025	682.5B

Dubai has delivered five consecutive record years of real estate sales, with transaction value increasing more than 4.5x since 2021.

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# Island Market Performance

## Waterfront & Island Communities

Dubai's island communities generated approximately AED 58.1 billion in sales across more than 8,100 transactions during 2025, representing around 13% of Dubai's total property sales activity.

Island Zone	2025 Sales Value
Palm Jumeirah	AED 13.9B
Palm Jebel Ali	AED 13.2B
Other Waterfront Islands	AED 31.0B+

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## Why This Matters for Investors

### Cycle Position Analysis (2026)

Location	Current Cycle Stage	Investor Opportunity
Hudayriyat Island	Early Growth	Highest Upside
Ramhan Island	Early Growth	Highest Upside
Fahid Island	Launch Phase	Strategic Entry
Palm Jebel Ali	Expansion Phase	Strong Appreciation
Dubai Islands	Growth Phase	Yield + Growth
Palm Jumeirah	Mature Phase	Wealth Preservation

The data suggests that mature waterfront assets such as Palm Jumeirah have already captured much of their appreciation cycle, while Hudayriyat, Ramhan, Fahid Island and Palm Jebel Ali are still in the value-creation phase where the largest capital gains are typically achieved.

### Monk & Co Investment Conclusion

#### AED 2M–3M Investors

- Ramhan Island
- Dubai Islands
- Yas Island

#### AED 3M–6M Investors

- Hudayriyat Island
- Palm Jebel Ali
- Saadiyat Island

#### **AED 6M+ Investors**

- Fahid Island
- Prime Ramhan Beachfront
- Palm Jumeirah Trophy Assets

#### **2026 Highest Conviction Investment Ranking**

1. Hudayriyat Island (92/100)
2. Ramhan Island (91/100)
3. Palm Jebel Ali (89/100)
4. Fahid Island (88/100)
5. Dubai Islands (85/100)

This ranking combines DLD transaction momentum, scarcity, infrastructure delivery, payment-plan attractiveness, and expected 3–5 year appreciation potential.