

DEAN PROPERTY

MARKET ANALYSIS · MARCH 2026

IN THE LINE OF FIRE

— Making sense of UAE real estate

ABSTRACT

What follows is a forensic analysis of UAE real estate in the aftermath of the February 28, 2026 conflict. It draws on more than forty named institutional sources — including Goldman Sachs, the IEA, JPMorgan, Moody’s, Fitch, the Dubai Land Department, and a range of legal, shipping, and commodities specialists — and examines the market across four structural tiers, three conflict-duration scenarios, and the full historical record of comparable directly-struck cities.

The bear case is given equal weight to the investment case. No conclusion is stated before the evidence that earns it. This is not a market update. It is an attempt to think clearly about a genuinely uncertain situation.

PUBLICATION DETAILS

AUTHOR	Giles Dean · Co-Founder, Dean Property
PUBLISHED	March 2026
FORMAT	Market analysis article
PREPARED FOR	General release
CONTACT	giles@deanproperty.ae

ABOUT THE AUTHOR

Giles Dean read law at the University of Cambridge and has had a varied and distinguished career as a lawyer, business leader, and entrepreneur. He is Sales Director at Dubai World Trade Centre, a sovereign entity of the Dubai Government, where he oversees sales strategy and operations for major mixed-use and ultra-luxury residential developments. The role gives him a direct, inside understanding of how significant UAE projects are structured, priced, and brought to market at the highest level — knowledge that sits on the other side of the table from conventional agency advice.

He and his wife Karolina co-founded Dean Property, the leading residential property specialist in Ras Al Khaimah, to bring that combination of legal rigour, commercial experience, and market-level insight to international buyers making property decisions in the UAE.

DISCLAIMER

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STRUCTURE

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SECTION 01

THE ARGUMENT



GILES DEAN · MARCH 2026 · APPROX 18 MIN READ

On the morning of March 1, 2026, less than 24 hours after Iran's largest ever combined missile and drone barrage struck targets across the Gulf, the narrative around UAE real estate had already been written. Debris on Palm Jumeirah. The Dubai Financial Market down sharply. Brokerage inquiry lines going quiet. The story of one of the world's most remarkable real estate runs, as far as most commentators were concerned, was over: five years of record growth, brought to an abrupt halt by the first direct military strike on UAE soil in the modern era.

That narrative is not wrong about the shock. It is wrong about the conclusion.

This article argues that certain parts of the UAE property market, particularly prime and quality residential assets in established, supply-constrained communities, represent a compelling investment case right now, precisely because of the dynamics the conflict has set in motion. Not despite the shock, but in some respects because of it.

That argument rests on several pillars: the structural resilience of a market where the majority of transactions are settled in cash, limiting the forced-selling cascade that destroyed values in 2008; a supply pipeline already under pressure that now faces further physical constraint from the Hormuz closure; a historical record showing that comparable directly-struck cities recovered faster than immediate sentiment suggested; and a set of competitive advantages, including yield, tax, residency infrastructure, and demonstrated defence capability, that the conflict has not dismantled.

On off-plan specifically: the risk is not the product category, but the developer and the location. Quality off-plan in prime, supply-constrained communities from well-capitalised developers, particularly where sentiment is creating entry points below recent launch prices, may represent the most attractive near-term opportunity of all. The caution applies to speculative off-plan in untested corridors from developers whose financing has just become significantly more difficult to access.

The argument carries limits that must be stated plainly. It does not apply to tourism-linked short-term rental assets, where the income mechanism has been suspended by travel advisories. And it is conditional on the conflict not escalating into a sustained, multi-month campaign of direct strikes on UAE territory, a scenario this article addresses directly and does not dismiss. A conflict measured in weeks produces one set of outcomes. A conflict measured in months produces another.

02 · THE SHOCK: WHAT ACTUALLY HAPPENED

On February 28, 2026, following coordinated US-Israeli strikes that killed Supreme Leader Ali Khamenei, Iran launched more than 1,500 projectiles at Gulf targets: 221 ballistic missiles, 1,305 drones, and 8 cruise missiles. The UAE's air defence systems intercepted 93% of the ballistic missiles, 94% of the drones, and all eight cruise missiles. Four people died. Every fatality, and all 112 injuries, was caused by falling interception debris, not by direct strikes. Debris landed on Palm Jumeirah, near the Burj Al Arab, and at Dubai International Airport. The Strait of Hormuz was confirmed closed by the IRGC on March 2.

The market reaction was immediate. UAE stock markets temporarily halted trading. The Dubai Financial Market Real Estate Index fell approximately 21% in under two weeks, wiping out all of 2025's gains. Emaar Properties fell 17.7% on the week. Brokerage inquiry levels dropped approximately 45%. Mall footfall dropped sharply before recovering to 76% of normal within five days.

The DLD's published weekly data for March 2-9, already in the public record as of this writing, shows 3,570 transactions totalling AED 11.93 billion, including a transaction at Aman Residences recorded at AED 422 million. Several brokerages have cited these figures as evidence that the market remains robust. That reading is almost certainly wrong, and it matters that it is wrong.

Standard property transfers in Dubai take ten to fourteen working days to complete registration from the signing of a memorandum of understanding. Complex transactions run to four to six weeks (Lex Estates / DLD data). The Aman Residences transaction, and the overwhelming majority of deals in the March 2-9 data, almost certainly reflect agreements made before February 28. What the DLD data shows is not post-conflict buyer confidence. It shows the tail end of a pre-conflict pipeline working through an administrative process. Any commentator presenting it as a real-time market signal is misrepresenting how the system works.

The true picture of how buyers are responding to the conflict will not appear in DLD data until mid-to-late April. The brokers most credibly positioned to read the current market are those tracking inquiry volumes and negotiation dynamics in real time, not those citing registration data with a two-to-four-week lag.

"Dubai has navigated many global events and market cycles over the past four decades. The interest is still there."

LOUIS HARDING · CHIEF EXECUTIVE · BETTERHOMES · MARCH 2026

SECTION 03

THE SECURITY PROPOSITION: SHATTERED OR STRESS-TESTED?

03

"The security aura has been shattered," said Jim Krane of the Rice University Baker Institute. It is a striking phrase, and it captures something real: the assumption that the UAE existed outside the reach of regional conflict, comfortable, untested, implicitly safe, no longer holds. That assumption was always theoretical. What February 28 did was force the theory to be tested.

The test result deserves as much attention as the test itself. The UAE's air defence intercepted 93% of ballistic missiles under live fire, for the first time, against the largest combined aerial barrage ever launched at Gulf targets. Not one civilian was killed by a direct strike. The defence architecture performed at a level that most Western nations, including the United Kingdom, have never had occasion to demonstrate. The claim that the UAE is safe was, before February 28, an assertion backed by crime statistics and institutional reputation. After February 28, it is a claim backed by operational evidence.

The aura of untested safety is gone. What has replaced it is something arguably more valuable to a risk-calibrating investor: demonstrated capability. The security proposition has not been diminished. It has been changed in character, from assumption to evidence. Investors who update their risk model to reflect a newly dangerous UAE without also updating it to reflect a newly proven defence capability are applying their analysis inconsistently.

SECTION 04

THE RECORD IT STOOD ON

That institutional safety record is the foundation on which the entire inward investment proposition was built. In Numbeo's 2025 Mid-Year Safety Index, the UAE ranked first globally among 168 countries with a safety score of 85.2. Five emirates placed in the global top six safest cities: Abu Dhabi first at a crime index of 11.2, held for nine consecutive years; Dubai fourth at 16.1; Ras Al Khaimah fifth at 16.2. The UAE Ministry of Interior recorded a fall in crime of more than 20% between 2020 and 2024. Gallup found 95% of UAE residents feel safe walking alone at night. Against London's crime index above 45 or New York's 48.7, these are a decade of consistent institutional performance, and they are what investors were pricing when they relocated.

In Dubai, total property transactions in 2025 reached AED 917 billion, approximately \$250 billion, a record (ANAROCK / DLD). More than 270,000 deals were completed, up 20% year-on-year. Prices had risen 60-75% since 2021. In January 2026 alone, residential transactions reached AED 55.18 billion, up 43.9% year-on-year. Approximately 60-69% of those transactions were settled in cash, and around 65% were off-plan.

Henley & Partners recorded 9,800 millionaires relocating to Dubai in 2025, bringing an estimated \$63 billion in wealth. Dubai is now home to 237 centimillionaires and more than 20 billionaires. The top 120 families managed through DIFC collectively control over \$1.2 trillion in assets. This is not a speculative fringe. It is the infrastructure of permanent, concentrated wealth.

The bears had already staked their positions. UBS ranked Dubai fifth highest bubble risk globally in September 2025. Fitch, through analyst Anton Lopatin, had forecast a correction of up to 15% in the mid-market driven by a supply pipeline already threatening to overwhelm demand. The conflict is additional pressure on an already-known risk.

04

AED 917bn

2025 TRANSACTIONS
ANAROCK / DLD

60-75%

PRICE GROWTH SINCE 2021
ANAROCK · FITCH

9,800

MILLIONAIRES RELOCATED · 2025
HENLEY & PARTNERS

SECTION 05

THE MARKET IS NOT ONE STORY: UNDERSTANDING THE TIERS

The most consequential analytical error in commentary on Dubai real estate is treating it as a single, undifferentiated market. Different segments are exposed to entirely different forces. The conflict acts as a sorting mechanism between assets that absorb bullish dynamics and assets that absorb bearish ones. The table sets out the structural characteristics of four tiers. Price scenario ranges across three conflict duration outcomes follow in Section 12.

DUBAI'S REAL ESTATE TIERS · STRUCTURAL CHARACTERISTICS · PRICE SCENARIOS BY CONFLICT DURATION IN SECTION 12

TIER	DEMAND TYPE	SUPPLY POSITION	PRIMARY RISK	PRIMARY OPPORTUNITY
Tier 1 Prime / Ultra-Prime	End-user; HNW wealth preservation	Severely constrained. 990 sales above AED 10M in Jan 2026.	Sentiment pause in transaction volumes	Flight-to-quality inflows; access to previously locked stock at negotiable terms
Tier 2 Quality Residential	Long-term resident; professional tenant base	Limited in established communities	Short-term yield compression if rental demand softens	6-8% yields; sentiment discount entry; supply compression tailwind
Tier 3 Mid-Market	Investor-led; off-plan heavy	81% of total pipeline. Overhang predated the conflict.	Supply glut compounded by construction cost surge; developer financing stress	Developer incentives and post-handover plans creating near-term access
Tier 4 STR / Hospitality	Tourism and short-term rental income	Pipeline exposed to Hormuz-driven construction delays	Income mechanism suspended; insurance repricing; hospitality demand collapsed	Motivated sellers; entry for well-capitalised buyers with long horizons only

SECTION 06

HOW THE FORCES HIT EACH TIER

Bearish forces are most intense in weeks one to four and then fade. Bullish forces are slow to build but durable. Developer incentives are a new force, immediate and broad-based, created by developers' need to maintain transaction volumes while buyers reduce upfront commitment.

WAR FORCES MATRIX · DIRECTIONAL ASSESSMENT · BULL = STRUCTURAL POSITIVE · BEAR = STRUCTURAL NEGATIVE

FORCE	DIR.	TIER 1	TIER 2	TIER 3	TIER 4	WHEN IT PEAKS
Flight to Quality	Bull	Strong +	Mod +	Mild –	Neg	Months 1-2
Safe-Haven Inflows	Bull	Strong +	Positive	Neutral	Neutral	Builds over months
Oil Revenue Surge	Bull	Positive	Positive	Mild +	Neutral	Immediate, sustained
Supply Compression	Bull	Mild +	Positive	Positive	Mild –	Quarters 2-3
Developer Incentives	Bull	Mild +	Positive	Strong +	Positive	Immediate; all tiers
Pent-Up Demand	Bull	Positive	Strong +	Strong +	Positive	Post-resolution
Expat Sentiment	Bear	Mild –	Mod –	Negative	Strong –	Weeks 1-4, then fades
Tourism Collapse	Bear	Negligible	Mild –	Mod –	Severe –	Until advisories lift
Insurance Repricing	Bear	Negligible	Mild –	Mod –	Severe –	May persist for years
Construction Cost Surge	Bear	Negligible	Mild –	Mod –	Strong –	Worsens if Hormuz stays closed
Developer Financing Stress	Bear	Negligible	Negligible	Mod –	Mod –	Immediate; smaller developers

SECTION 07

THE DEVELOPER RESPONSE: INCENTIVES ACROSS ALL TIERS



One development that most market commentary has not yet adequately addressed is the speed and scope of the developer response to changed market conditions. Developers cannot easily reduce headline prices without undermining the confidence of existing buyers and creating adverse DLD comparative data. What they can and are doing is adjusting the terms on which they sell. According to The National, developers are “keeping launch pricing the same while providing more flexible payment options to maintain investor trust.”

Those structures take several forms. Post-handover payment plans allow buyers to receive keys while continuing payments over two to five years, with rental income available to service instalments. Construction-linked plans with extended timelines reduce cash required during the build period. DLD fee waivers, which several major developers have the capacity to offer, remove a 4% upfront cost from the transaction. Some developers are offering one-percentage-point-per-month structures, converting ownership into a predictable monthly commitment.

The effect is to make the effective entry cost meaningfully lower across all tiers in the short term. This is a transient market condition: as sentiment recovers, these incentives will be withdrawn. The buyer who secures a post-handover plan with a DLD fee waiver from a well-capitalised developer on a quality project has captured a structurally improved entry point that will not be available on the same terms once the conflict resolves.

Critical caveat on developer quality

Bloomberg has confirmed UAE corporate bonds are the worst performers in emerging markets this month, with real estate names suffering the heaviest losses. Smaller developers relying on bond markets for construction financing now face a genuine funding gap. A post-handover plan from a developer in that position is a materially different product from the same plan offered by Emaar, Aldar, or Meraas. Developer financial resilience and escrow compliance must be assessed with greater rigour than in the pre-conflict market.

SECTION 08

THE SUPPLY PARADOX: WHEN THE SHIPS STOP COMING

The supply pipeline of 131,234 units, 81% apartments, was already a known risk before the conflict. What the conflict has introduced is a second-order variable that may paradoxically reduce that pressure at exactly the moment it was expected to arrive. The UAE imports approximately 80-90% of its food by sea (INN / CNBC). Construction materials, including structural steel, aluminium, curtain wall systems, and mechanical equipment, are overwhelmingly imported via Jebel Ali. There is no significant domestic manufacturing base for these materials in the UAE.

The Hormuz closure has effectively shut that supply line. Hapag-Lloyd added a war-risk surcharge of \$3,000 per standard container, rising to \$4,000 for specialised units (AGBI). Maersk, CMA CGM, MSC, and Ocean Network Express all suspended Arabian Gulf transits or rerouted via the Cape of Good Hope. Aluminium spiked to \$3,544 per tonne on the London Metal Exchange, a near four-year high; Aluminium Bahrain declared force majeure on Hormuz-transit shipments; Qatalum began a controlled shutdown. CRU Group and BMI (Fitch) warn of \$4,000 per tonne if disruptions persist.

The CEO of a UAE-based building materials business, speaking anonymously to AGBI, was direct: "Most of us will not be able to ship at these rates even if cover is available." The UAE has partial relief: Fujairah and Khor Fakkan on the Gulf of Oman coast sit outside the chokepoint and can absorb some diverted cargo. Their capacity is limited and rerouting costs remain material. They qualify the picture; they do not change it.

THE LEGAL LAYER

Force majeure under the UAE Civil Code (Article 273) requires genuine impossibility of performance, not merely increased cost (Afridi & Angell, March 2026). Contractors facing 90%-plus freight cost increases cannot simply exit fixed-price contracts. They can file for Extension of Time, or seek hardship relief under Article 249. Neither resolves quickly. Both produce delays. A further complication: the UAE's new Civil Transactions Law (Federal Decree-Law No. 25 of 2025) enters force on June 1, 2026, meaning the legal framework governing these disputes will change mid-conflict (BSA Law). QatarEnergy has already invoked force majeure on all LNG shipments.

Developer financing stress deepens the picture. Developers fund construction partly through bond issuance. With UAE corporate bonds now the worst performers in emerging markets (Bloomberg), access to that capital has effectively closed for smaller developers. The consequences are direct: new project launches postponed; projects under construction facing funding shortfalls; and some developers generating cash by selling existing inventory quickly, creating motivated sellers across the market.

The conclusion: projects will be delayed. Some will be cancelled. The supply wave that Fitch had already identified as a correction risk before a single missile was launched will not arrive in the volume or on the timeline that was forecast. As Construction Week Online has noted, "a prolonged Hormuz closure could structurally elevate materials costs, extend delivery timelines, and erode the project economics underpinning both public and private sector development programmes across the GCC." For buyers of completed quality stock and off-plan from financially resilient developers, supply compression is a structural tailwind.

"Policy measures may have limited impact on oil prices unless safe passage through the Strait of Hormuz is assured."

JPMORGAN COMMODITIES RESEARCH · MARCH 10, 2026

SECTION 09

WHAT HISTORY SAYS: MARKETS THAT WERE ACTUALLY STRUCK

Only cities that were directly struck carry genuine analytical weight. The record: New York City after September 11, 2001, peak decline approximately 12% in directly affected areas; Bahrain during the 2011 Arab Spring, 15%; Beirut during the 2006 Israel-Hezbollah war, 25%; Kuwait following the 1990 invasion, 30%; Beirut after the 2020 port explosion and political collapse, 40%. These figures are the empirical foundation for the scenario price ranges in Section 12.

The September 11 comparison is the strongest structural parallel. Both are global financial and commercial centres built on foreign investment and international talent. Both depend heavily on reputations as places where the world's mobile capital feels welcome. Both were struck physically for the first time. The data, sourced to Miller Samuel and REBNY: the market froze for approximately five weeks; Manhattan condominium prices ended 2001 up 13% year-on-year; most boroughs exceeded pre-attack levels within nine months. The five-year outcome was the most explosive New York real estate cycle on record.

The relevant lesson for Dubai is not geographic: the UAE was targeted across multiple locations simultaneously, and proximity to any single site is not the relevant variable. The lesson is about asset type. In New York, the assets most impaired were those whose income depended on lower Manhattan's specific commercial and tourism ecosystem. In the UAE, the same distinction applies: assets dependent on tourism and hospitality flows are most directly impaired; assets serving the established resident population on residential yields are structurally more insulated.

The 2008-09 Dubai crash is the precedent bears will invoke. Prices fell 50-60%; recovery took six to seven years. The causes are structurally absent in 2026. In 2026, approximately 60% of transactions are settled in cash (DLD). Bank real estate exposure stands at 18.3% of credit risk-weighted assets against a 30% cap, "materially lower and better controlled than in previous cycles" in the words of Moody's AVP Francesca Paolino. Non-performing loans stand at approximately 2.9%. There are no margin calls to trigger. There is no cascade mechanism.

SECTION 10

THE INVESTMENT CASE: FIVE REASONS THE OPPORTUNITY IS REAL



ONE · THE UAE IS NOT A COMBATANT

The UAE did not initiate military action. Its Foreign Affairs Ministry affirmed a "long-standing policy of good neighbourliness, de-escalation and firm commitment to the Charter of the United Nations." Iran's foreign minister explicitly stated that strikes "are not targeting our brothers or neighbours in the Persian Gulf." The UAE is one of Iran's largest trading partners and home to a significant Iranian business community: bilateral economic incentives that no military planner can ignore. On March 5, the IRGC restricted closure to US, Israeli, and Western-allied vessels, with Chinese and Muslim-owned vessels already transiting. Investors pricing UAE as a conflict participant are mispricing the risk.

TWO · SAFETY IS A TRACK RECORD, NOW OPERATIONALLY TESTED

The 93% interception rate under live fire replaces a theoretical safety claim with operational evidence. Before February 28, UAE air defence was a comfortable but untested assumption. After February 28, it is a demonstrated fact. Investors who update their risk model to reflect a newly dangerous UAE without also updating it to reflect a newly proven defence capability are applying their analysis inconsistently.

THREE · QUALITY ASSETS ARE NEGOTIABLE FOR THE FIRST TIME IN YEARS

For three to four years, Emaar launches were oversubscribed before release day. That environment has paused. Mid-market negotiation discounts of 2-7% are appearing (DLD). Corporate relocations are releasing resale inventory in communities that rarely had secondary stock. Quality off-plan from major developers is available at prices below recent launch levels, with post-handover plans and DLD fee waivers improving effective entry economics further. Emaar's CEO told CNBC on March 6: "People with true capital will double down."

FOUR · THE YIELD ADVANTAGE HAS NOT CHANGED, AND HAS IMPROVED

Dubai prime residential delivers 5-9.5% gross rental yield. London prime delivers 2-4% gross with income tax of up to 45% reducing net returns further. Singapore has significantly tightened foreign buyer rules, with stamp duty for non-residents adding 60% to acquisition cost. In the established residential communities of Ras Al Khaimah, Al Hamra Village and Mina Al Arab carry yields averaging 6-8% (Colliers / CBRE) at a materially lower entry price than equivalent Dubai assets, within the same zero personal tax environment.

A cash buyer acquiring quality stock at a 5-10% discount to January 2026 peak pricing improves their acquisition-price yield by 50-100 basis points against a market already offering the best risk-adjusted residential returns of any comparable safe-haven city in the world. That improvement does not require an optimistic view of recovery. It requires a calculator.

FIVE · THE MARKET STRUCTURE LIMITS THE DOWNSIDE

Approximately 60% of transactions are settled in cash, eliminating the margin call as a trigger. Bank real estate lending exposure stands at 18.3% of credit risk-weighted assets against a 30% regulatory cap. The regulatory framework was specifically redesigned after 2008. The downside in 2026 is real, but it is bounded by fundamentals rather than amplified by leverage. Composite data across post-conflict markets shows an average initial decline of approximately 12%, recovery to baseline in roughly 60 days, and an average one-year return of approximately 18% (S&P / academic conflict datasets). 73% of post-war periods across major conflicts delivered positive asset returns within twelve months.

"People with true capital will double down."

EMAAR CEO · CNBC · MARCH 6, 2026

SECTION 11

THE BEAR CASE: WHERE THE ARGUMENT FAILS



Everything above carries a condition: it holds if the conflict does not escalate into something more sustained and more directly damaging. The security narrative has been damaged in ways that statistics alone cannot repair. The aura embedded in investment decisions and corporate location strategies was itself a market asset. Its recovery depends on events that cannot be timed or guaranteed.

The Hormuz situation has deteriorated materially since the initial strikes. Brent crude has passed \$100 per barrel. Iran's new Supreme Leader Mojtaba Khamenei has explicitly declared the strait will remain closed as a "tool of pressure." The IEA has stated: "The war in the Middle East is creating the largest supply disruption in the history of the global oil market." Goldman Sachs economists Manuel Abecasis and David Mericle have raised US recession odds to 25% and pushed back expected Federal Reserve rate cuts to September and December. KPMG chief economist Diane Swonk has warned the conflict could drag on for up to six more months, sending oil above \$130 per barrel.

Critically, Kpler's lead crude analyst Homayoun Falakshahi has noted that even if fighting stopped today, it could take one to three months to get the strait operational again. The economic disruption will outlast any ceasefire by months. Oxford Economics has modelled a scenario where \$140 per barrel would push the eurozone, UK, and Japan into economic contraction.

In Ras Al Khaimah, the Wynn Al Marjan Island resort remains under construction and is not due to open until 2027. Investors funding payment plans in advance of an income stream that has not yet materialised face a near-term cashflow challenge, and it is producing motivated selling in that segment. War-risk insurance reclassification does not resolve when fighting stops. Riyadh is competing directly for the capital flows that the inflow thesis assumes Dubai will capture. The worst historical outcome available as a comparison is Beirut 2020: a 40% peak decline and a multi-year recovery. That outcome is not the most likely scenario, but it is structurally available if the conflict does not resolve swiftly.

SECTION 12

THREE SCENARIOS: HOW THE OUTCOMES DIFFER

12

Three trajectories based on conflict duration, the single variable that most determines the outcome. Price ranges are scenario estimates derived from historical comparable market drawdowns, not observed data. Real transaction pricing will not be visible until April. Goldman Sachs now assumes 21 days of minimal Hormuz flows followed by a 30-day recovery; Kpler notes the strait would take one to three months to normalise even after a ceasefire.

SCENARIO FRAMEWORK · PRICE RANGES ARE INDICATIVE ESTIMATES DERIVED FROM HISTORICAL COMPARABLES · NOT DLD FORECASTS

	SHORT RESOLUTION (4-6 WEEKS)	EXTENDED CONFLICT (6-14 WEEKS)	PROLONGED CONFLICT (4+ MONTHS)
Historical parallel	Manhattan post-9/11	COVID-19 recovery profile	Beirut 2020
Tier 1 (Prime)	Flat to +5% by year-end	-2% to -5%, then stable	-15% to -25%
Tier 2 (Quality)	-3%, then recovery	-8% to -12%	-20% to -30%
Tier 3 (Mid-Market)	-10%, then rebound	-15% to -20%	-25% to -35%
Tier 4 (STR / Hospitality)	-15%, partial rebound	-20% to -30%	-35% to -50%
Transaction volumes	-10% to -15%, then recovery	-20% to -30% YoY	-40% to -50% YoY
Recovery timeline	6-9 months	12-24 months	3-5+ years
Oil price trajectory	Falls toward \$75-85 on ceasefire	Volatile \$80-110; global slowdown moderates demand	Sustained above \$100; 25% recession odds (Goldman Sachs)
Key opportunity	Inflows absorb supply; developer incentive window closes fast	Quality assets at sentiment discount; recovery into 2027	Distressed acquisition only; long hold horizon essential
Key risk	Window misidentified or missed	Confidence erosion; smaller developer failures	Sustained UAE strikes; expat exodus; global recession

SECTION 13

CONCLUSION: WHO SHOULD BE ACTING, ON WHAT, AND WHY

13

The practical question for any buyer or investor right now is not whether the UAE will recover. Every historical comparable suggests it will. The question is whether the specific asset they are considering, at the price available today including all the payment structures now on offer, makes sense given an honest assessment of the risks and the timeline.

Five conditions supporting acquisition are present simultaneously for the first time in five years. Motivated sellers exist across two distinct categories: the overleveraged, and the yield investor whose income mechanism has been temporarily suspended. Developer incentives are creating a short-term access window across all tiers via post-handover plans, DLD fee waivers, and extended structures that reduce effective entry cost without changing headline prices. Supply compression is mechanically reducing the pipeline that was the biggest structural risk before the conflict. Historical precedent is consistent. And the entry window is real but its duration is uncertain.

What this argument does not support: mid-market off-plan in untested corridors from developers whose financial resilience is unclear; STR-positioned assets on Al Marjan Island without a frank cashflow model through to a realistic tourism recovery timeline; any acquisition premised on a rapid conflict resolution by a buyer who cannot withstand a prolonged one.

The assets this argument applies to are specific. In Dubai: Palm Jumeirah, Emirates Hills, Downtown, and quality mid-market in mature corridors. In Ras Al Khaimah: Al Hamra Village and Mina Al Arab, where the demand base is residential, the yields are genuine, and the investment thesis does not depend on any hospitality catalyst opening on schedule. Quality off-plan from major, well-capitalised developers in these communities, where post-handover plans are creating structurally improved entry terms that will not persist.

The investors who will be proven right over the next twelve to twenty-four months are not making the loudest claims in either direction right now. They are doing the arithmetic on yield, tier, developer quality, payment structure, and their own capacity to hold through the worst case, and acting on it before the moment passes.

APPENDIX A

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Advisory. Analysis. Access. Dean Property Real Estate FZ-LLC,
Ras Al Khaimah, UAE.

WEBSITE

deanproperty.ae

EMAIL

giles@deanproperty.ae

LICENCE

RAKEZ · 47030098

RAS AL KHAIMAH · UNITED ARAB EMIRATES

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