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INVESTOR GUIDE · 2026 EDITION

The Off-Plan *Buyer's Guide*

The complete mechanics of an off-plan purchase in the UAE. Escrow protections, every fee, payment structures, the resale window and the Golden Visa pathway.

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MATHEMATICAL INVESTING

BEFORE YOU START

Why this guide *exists*

Off-plan took 71% of Dubai's transaction volume in the first half of 2026. AED 291.7 billion moved across roughly 87,800 deals. That is not a niche any more. It is the default way property changes hands in this market.

And yet most buyers enter it with a brochure and a feeling. They know the tower. They know the payment plan sounds generous. They do not know what happens to their money between the day they sign and the day they get keys, which developer clause decides whether they can sell in year two, or what the total cost actually is once registration, trustee and service charges are stacked on the headline price.

This guide is the mechanics. Not the marketing. Every stage of the purchase in the order you will meet it, every fee with its timing, the escrow law that protects your capital and the exact points where that protection has limits.

I am paid by developer commission that exists on every transaction whether or not you use an advisor. That is why I can cover all of them and recommend none of them by default. The math decides.

> *The exit is modelled before the entry. If you cannot describe how you get out, you are not investing. You are hoping.*

CONTENTS

What is *inside*

CHAPTER ONE

The six stages to *keys*

Off-plan purchase runs a fixed sequence. Knowing it removes most of the risk.

An off-plan purchase is not one event. It is six, spread across two to five years. Each has its own paperwork, its own money movement and its own failure mode. Here is the whole sequence before we go deep on any single part.

THE PROCESS

Six stages, in order

01 Select and Reserve

Unit selection against district comps, then an EOI or booking deposit of typically 5 to 10% holds the unit at launch pricing. At this point you have a reservation form, not a contract. Check what happens to the deposit if you walk away, because that answer varies by developer and is rarely volunteered.

02 SPA Signing

The Sale and Purchase Agreement fixes the payment schedule, the handover date, the penalty regime and the resale conditions. This is the document that governs everything for the next several years. Terms get checked line by line before a dirham moves.

03 DLD Registration

4% Dubai Land Department fee plus Oqood registration, typically within 60 days of signing. Your interest is now legally recorded against the unit. The 4% covers the lifecycle. At handover the Oqood converts to a full title deed with no second 4% charge.

04 Escrow Payments

Instalments flow into a RERA regulated escrow account held at an approved bank. Money is released to the developer only against construction milestones certified by the account trustee. Your capital funds the building, not the developer's balance sheet.

05 Handover

Snagging inspection, final instalment, title deed transfer. Do the snagging properly and in writing. Golden Visa processing can begin once the qualifying value is met.

06 Deploy

Lease it, short let it, or resell into the secondary market. The exit was modelled before entry, so this stage should hold no surprises.

THE STAGE MOST BUYERS RUSH

Stage two. The SPA is signed in a sales gallery under time pressure with a queue behind you. Every clause that will matter later, penalties, resale threshold, handover grace period, is decided in that room. Slow it down. A launch price that expires is a sales tactic, not a market condition.

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— CHAPTER TWO

Where your money actually *sits*

Escrow is the single most important protection in UAE off-plan. Most buyers cannot explain how it works.

This is the chapter that separates an informed buyer from a hopeful one. Dubai Law No. 8 of 2007 created the escrow framework for off-plan development, and it is the reason this market recovered credibility after 2008. Here is precisely how it functions.

LAW NO. 8 OF 2007

How escrow works

The account

Every off-plan project must have a dedicated escrow account at a RERA approved bank, registered to that specific project. Your instalments go into that account, not into the developer's general operating funds. One project, one account, legally ring fenced.

The release mechanism

Funds leave the account only against certified construction milestones. An appointed escrow trustee verifies that the work claimed has actually been built before releasing the corresponding tranche. The developer cannot draw down on a promise.

Permitted uses

Money in escrow can only be spent on core project costs. Land payments, construction, consultancy and approved sales and marketing. It cannot be moved sideways to fund a different tower in a different district.

Developer skin in the game

Before sales launch, a developer must deposit at least 20% of estimated construction cost into escrow, or post an equivalent bank guarantee. This is the clause that filters out developers funding construction purely from buyer deposits.

The retention fund

A 5% maintenance retention is held for 12 months after handover to cover latent defects. Under the 2026 Smart Audit mandate, RERA applies real time digital tracking to disbursements, tightening oversight of how and when money moves.

Verify before you deposit

- [ ] Project is registered with RERA and has a project number
- [ ] Escrow account exists and is named for that specific project
- [ ] Developer licence is current, not pending renewal
- [ ] Construction milestone certification is by an independent trustee
- [ ] Payment goes to the escrow account, never to a personal or company account

WHAT ESCROW DOES NOT PROTECT YOU FROM

Escrow protects against misappropriation. It does not protect against delay, against a market correction between launch and handover, or against a developer building exactly what was promised in a location that fails to appreciate. Regulatory protection is not the same as investment protection. The first is given to you. The second you have to do yourself.

— CHAPTER THREE

Every fee, *upfront*

The headline price is not the cost. Model the full stack before you commit.

Nobody is hiding these. They are simply spread across different documents and different moments, so buyers meet them one at a time and never see the total. Here is the whole stack in one place.

THE NUMBERS

Every fee, upfront

COST	AMOUNT	WHEN	NOTES
DLD Transfer Fee	**4%**	At registration	Sometimes split or absorbed in developer promotions
Oqood Registration	**AED ~3,000**	At registration	Off-plan pre title deed registration
Booking Deposit	**5 to 10%**	Reservation	Counts toward the purchase price
Agency Fee	**0% to you**	Not applicable	Developer paid on off-plan
Trustee / admin	**AED 1,000 to 5,000**	At registration	Knowledge and innovation fees sit here too
Mortgage registration	**0.25%**	If financing	Of the loan amount, where applicable
Service Charges	**AED 10 to 30 /sqft/yr**	Post handover	Model into net yield before purchase, not after

Worked example

AED 1,800,000 UNIT, 20/80 PLAN, NO MORTGAGE

Booking deposit (20%)	**AED 360,000**
DLD fee (4%)	**AED 72,000**
Oqood + trustee + admin	**AED ~5,000**
Cash required at entry	**AED 437,000**
Remaining over construction	**AED 1,440,000**

Entry cost is roughly 24% of headline price, not the 20% on the payment plan. The 4% DLD is the line buyers most often forget to fund, and it falls due early.

SERVICE CHARGES ARE A YIELD DECISION

AED 10 per square foot and AED 30 per square foot are both normal, and the difference decides whether an 8% gross yield becomes 6.5% or 5%. Branded and heavily amenitised towers carry the high end. Ask for the projected service charge in writing before signing, and treat any refusal to provide it as information in itself.

04

— CHAPTER FOUR

Payment plans and the *cost of leverage*

A payment plan is a financing structure. Read it as one.

Developers compete on payment plans because it is the cheapest lever they have. A generous plan feels like a discount. Sometimes it is one. Often it is priced into a higher per square foot number. Here is how to tell the difference.

STRUCTURES

The common plans

PLAN	STRUCTURE	WHAT IT MEANS
60/40	60% during construction, 40% at handover	Most common. Balanced exposure.
80/20	80% during construction, 20% at handover	Lower handover burden, higher carry through the build.
50/50	50% construction, 50% handover	Lower capital lock up. Usually a higher entry price.
Post handover	Instalments continue 1 to 3 years after keys	Asset can be generating rent while you still pay. Check the premium.

What you are actually buying

Deferred payment is interest free financing from the developer. That has real value. The question is whether it has been priced in. Compare the per square foot rate of a generous plan against a completed comparable in the same district. If the off-plan number is at or above ready stock, you are paying for the plan.

The leverage math

On a 20/80 plan, AED 360,000 controls an AED 1.8M asset through the construction period. If the unit appreciates 20% to handover, that is AED 360,000 of gain on AED 360,000 deployed, before costs. This is the genuine case for off-plan and it is a strong one.

The symmetry nobody mentions

That leverage works identically in reverse. A 15% decline against a 20% deposit is most of your deployed capital, and you still owe the remaining instalments. Off-plan is a leveraged position. Size it accordingly.

THE QUESTION THAT REPRICES A DEAL

Ask the developer what the price is on a 100% upfront payment. The gap between that number and the payment plan price is the true cost of the financing you are being offered. Sometimes it is nil. Sometimes it is 8%. You cannot evaluate the plan without it.

— CHAPTER FIVE

The exit, decided *before entry*

Three exits exist. Choose which one you are buying for on day one.

Every off-plan unit has three possible exits. Resale before handover, hold and lease, or sell completed. Each has different economics and different constraints, and the SPA you sign restricts which are available to you.

THREE ROUTES

How you get out

Resale before handover

Also called assignment or flipping. You transfer your contract position to a new buyer. Requires developer NOC, and most developers will only issue one once 30 to 40% of the purchase price is paid. Some SPAs set the floor at 50%. All in transaction costs typically land around 7 to 11% of sale price, including NOC fees of roughly AED 1,000 to 5,250 and developer assignment fees that commonly run 2 to 5%.

Hold and lease

Take handover, furnish, lease long term or short let. Net yields of 5 to 8% on premium completed assets are realistic. Model service charges, void periods, management fees and furnishing capital before quoting yourself a gross number.

Sell completed

Take handover and sell into the secondary market. Broader buyer pool because mortgage buyers can participate, and no NOC threshold constraint. Costs 4% DLD equivalent plus agency, and you carry service charges from handover until sale.

READ THE RESALE CLAUSE BEFORE THE BROCHURE

If your plan is to exit before handover, the resale threshold in your SPA is the single most important number in the document. A 50% threshold on a 60/40 plan means you cannot sell until you are most of the way through construction, which removes the flip strategy entirely. This clause is negotiable at some developers and fixed at others. Find out which before signing.

06

CHAPTER SIX

The Golden Visa, *mapped*

Property is the simplest route to long term UAE residency.

Residency is the second reason capital moves here, after the tax position. The thresholds are clear and the property route is the least complicated of the qualifying pathways.

RESIDENCY

The thresholds

10-YEAR GOLDEN VISA

AED 2,000,000+

- Renewable 10 year residency, no sponsor required
- Value can be combined across multiple properties
- Off-plan and mortgaged property both qualify
- Spouse, children and domestic staff sponsored under it

2-YEAR INVESTOR VISA

AED 750,000+

- Renewable 2 year residency, the stepping stone
- Single property or combined value in one emirate
- Upgrade to the 10 year track as values or holdings grow

What you keep

- No employer, no local partner, no minimum stay days
- Work, bank and sponsor family on your own visa
- Residency survives property refinancing if value holds
- Processing typically runs weeks, not months

SEQUENCE IT CORRECTLY

Buying purely to obtain a visa is how people end up with a poor asset and a good residency. Choose the asset on the math first, then confirm it clears the threshold. There are enough qualifying units above AED 2M that you never need to compromise the investment case to reach the visa.

— CHAPTER SEVEN

Choosing the *developer*

Delivery record matters more than the render.

The render is produced by an agency. The building is produced by a developer. Those are different skills, and the gap between them is where buyers lose money. Rate developers on what they have actually delivered.

DUE DILIGENCE

Five things to check

Delivery record

Have they handed over on time before? Ask for completed project names and handover dates, then verify independently rather than accepting the sales deck.

Build quality

Visit a completed building from the same developer, not the show unit. Show units are built by a different team to a different standard.

Resale performance

How have their completed units performed on the secondary market against district comps? This is the single most honest measure of whether their pricing was fair at launch.

In house versus contracted

Developers who build in house tend to control timelines better. Those relying on third party contractors carry more delay risk, though this is not absolute.

Financial depth

Does the developer have balance sheet capacity, or is the project entirely dependent on buyer instalments clearing on schedule?

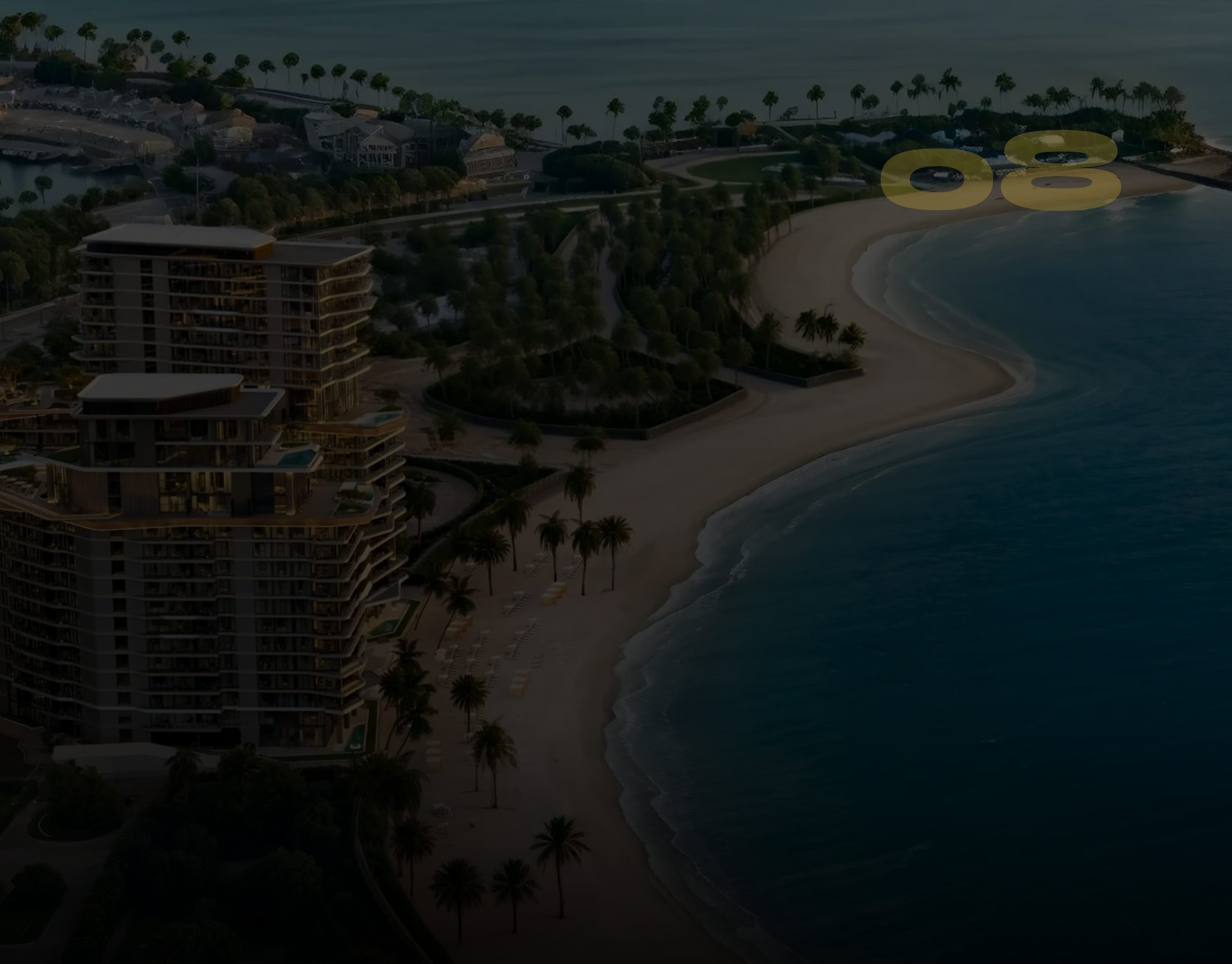
General market positioning

Where each name has historically been strongest. Positioning, not a recommendation.

Emaar	Resale liquidity and brand depth
Sobha	Build quality, in house construction
Omniyat, H&H	Ultra luxury and branded residences
Aldar, Modon	Abu Dhabi growth corridors
DAMAC	Payment plan flexibility
Danube, Samana	Accessible entry pricing, post handover plans

INDEPENDENCE IS THE WHOLE POINT

An agent tied to one developer will always find that one developer's inventory to be the right answer. Because I cover every major developer across four emirates, the recommendation follows your objective. That is the only structural reason to trust any property advice, including mine.



— CHAPTER EIGHT

The market you are *buying into*

Four markets, one analytical framework.

Context for the numbers. Where the UAE market sat in the first half of 2026, and how the four emirates I cover differ in what they offer.

H1 2026

The market in numbers

AED 291.7B H1 2026 TRANSACTION VALUE	**87,800** TRANSACTIONS IN SIX MONTHS	**71%** OFF-PLAN SHARE OF DEALS	**+9%** AVERAGE PRICE GROWTH

Dubai

The liquidity market. Deepest buyer pool, fastest resale, most mature secondary market. Where you go when exit speed matters.

Abu Dhabi

The fundamentals market. Yas, Saadiyat and Al Reem through Aldar and Modon. Slower, steadier, more owner occupier demand.

Ras Al Khaimah

The catalyst market. Al Marjan Island and the casino development thesis. Highest potential upside, highest dependence on a single narrative playing out.

Umm Al Quwain

The early market. Lowest entry, least liquidity. Only appropriate as a small satellite allocation within a larger portfolio.

Dubai against the world

FACTOR	DUBAI	LONDON	SINGAPORE	NEW YORK
Income Tax	**0%**	45%	22%	37%
Capital Gains Tax	**0%**	28%	0%	20%
Annual Property Tax	**0%**	Council tax	Variable	~1.2%
Residency via Property	**Yes**	No	No	No
Net Yield (Premium)	**5 to 8%**	2 to 3%	2 to 3%	3 to 4%

ON THE TAX POSITION

0% income and capital gains tax in the UAE does not automatically mean 0% tax for you. Your liability depends on your tax residency, not the property's location. UK, US and several EU residents may still have reporting and payment obligations at home. Take advice in your own jurisdiction before assuming the headline applies to you.

CHAPTER NINE

Where buyers *lose money*

Most off-plan losses come from a small number of repeated mistakes.

After enough transactions the failure modes repeat. None of these are exotic. They are ordinary mistakes made under sales pressure, and every one of them is avoidable with a slower process.

FAILURE MODES

Seven repeated mistakes

01 **Buying the render**

The render is marketing. Judge the developer's completed buildings, the district's comparable transactions and the payment terms. Not the image.

02 **Ignoring service charges**

A high service charge can remove a quarter of your net yield permanently. It is disclosed if you ask, and rarely volunteered if you do not.

03 **Missing the resale threshold**

Buying for a flip, then discovering the SPA blocks resale until 50% is paid. The strategy dies at signature and the buyer finds out in year two.

04 **Underfunding the entry**

Budgeting the 20% deposit and forgetting the 4% DLD plus registration costs. The real entry number is closer to 24 to 25%.

05 **Supply blindness**

Buying into a district with 8,000 units completing in the same window. Your exit competes with all of them at once.

06 **Single narrative dependence**

Concentrating in an area whose entire case rests on one catalyst arriving on schedule. Catalysts slip.

07 **No exit model**

Not being able to state, at purchase, who buys this from you and at what price. If that answer does not exist, the position is speculative.

THE PRESSURE TEST

Before signing anything, answer three questions in writing. Who is the buyer for this unit at exit, and what will they pay? What is my total cost including registration, service charges and financing? What happens to this position if handover slips 12 months? If any answer is missing, you are not ready to sign.

APPENDIX ONE

The buyer's *checklist*

Work through this before any deposit. If a line cannot be confirmed, that is the item to resolve before money moves.

Developer and project

- [ ] Project registered with RERA and has a project number
- [ ] Project specific escrow account confirmed at an approved bank
- [ ] Developer licence current and in good standing
- [ ] At least two completed projects inspected in person
- [ ] Delivery record on previous projects verified independently

The contract

- [ ] SPA read in full, line by line, before signing
- [ ] Payment schedule and each trigger date understood
- [ ] Handover date and permitted grace period identified
- [ ] Developer delay penalties confirmed in writing
- [ ] Resale threshold and NOC conditions located and understood
- [ ] Exit clause and refund conditions understood

The numbers

- [ ] Total entry cost funded including 4% DLD and registration
- [ ] Price per square foot compared against district comps
- [ ] Projected service charge obtained in writing
- [ ] Net yield modelled after service charges and management
- [ ] Downside scenario modelled at minus 15%
- [ ] Delay scenario modelled at 12 months

Personal position

- [ ] Tax position confirmed in your own country of residency
- [ ] Golden Visa threshold checked if residency is an objective
- [ ] Currency exposure understood if income is not in AED
- [ ] Capital genuinely available for the full instalment schedule

Terms you will *actually meet*

Off-plan
A property purchased before construction is complete, sometimes before it has started.

SPA
Sale and Purchase Agreement. The binding contract between buyer and developer that governs the entire transaction.

Oqood
Dubai Land Department's pre title deed registration for off-plan units. Records your interest before the building exists.

DLD
Dubai Land Department. The government body that registers property transactions and levies the 4% fee.

RERA
Real Estate Regulatory Agency. The regulatory arm governing developers, escrow and brokerage.

Escrow account
A project specific bank account holding buyer funds, released to the developer only against certified construction milestones.

Escrow trustee
The appointed party who verifies construction milestones before authorising release of funds.

NOC
No Objection Certificate. Developer consent required before an off-plan contract can be assigned to a new buyer.

Assignment
Transferring your off-plan contract position to another buyer before handover. Commonly called a flip.

EOI
Expression of Interest. A pre launch deposit that secures priority in unit selection.

Snagging
Pre handover inspection identifying defects the developer must remedy before you accept the unit.

Service charge
Annual per square foot charge for building maintenance and amenities. Paid by the owner, deducted from net yield.

Post handover plan
A payment structure where instalments continue after you receive keys, often while the unit generates rent.

Freehold
Full ownership of property and land, available to foreign nationals in designated areas.

Golden Visa
Ten year renewable UAE residency, obtainable via property investment of AED 2M or above.

NEXT STEP

No pitch. *Just the numbers.*

You now know the mechanics better than most people who have already bought. That is the point of this guide.

What it cannot do is tell you which unit fits your capital, your timeline and your objective. That requires looking at your actual position against live inventory across four emirates, and it takes about fifteen minutes.

No obligation and no pressure. If the math does not work for you right now, I will tell you that.

15 MINS

Discovery

NEW INVESTORS

Your budget, timeline and objective, and an honest answer on whether the UAE math works for you.

45 MINS

Portfolio Review

ACTIVE INVESTORS

A full review of existing holdings, ending with a written allocation plan.

90 MINS

Off-Plan Deep Dive

SERIOUS BUYERS

Unit level analysis of one launch. Entry against comps, payment plan and exit.

30 MINS

Coffee Chat

IN DUBAI

Sit down in person. No agenda, just the market.

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