

Decree No. 1 of 2009
Regarding Rentals in the Emirate of Dubai

We, Mohammed Bin Rashid Al Maktoum, Ruler of Dubai

After perusal of Law No. 16 of 2007 establishing the Real Estate Regulatory Agency,
And Law No. 26 of 2007 regulating Relationship Between Landlords and Tenants in the
Emirate of Dubai as amended,
And Decree No. 2 of 1993 establishing Special Judicial Committee for settlement of
disputes between landlords and tenants, as amended,
And Decree No. 27 of 2007 regarding rentals in the Emirate of Dubai.

Issue the following Decree:

Article (1)

There should not be any rent increase in 2009 for tenants who were leasing property units in 2008, which includes residential and non-residential properties, if the rent in 2008 was equal to or 25% or less below the average similar rent.

Article (2)

As an exception to the provisions of Article (1) of this Decree, the maximum rent increase percentage of property units in the year 2009 for tenants who were leasing such units in 2008 shall be as follows:

- a- If the rent value in year 2008 was 26% to 35% less than the average similar rent; the maximum rent increase shall be equal to 5% of such value.
- b- If the rent value in year 2008 was 36% to 45% less than the average similar rent; the maximum rent increase shall be equal to 10% of such value.
- c- If the rent value in year 2008 was 46% to 55% less than the average similar rent; the maximum rent increase shall be equal to 15% of such value.
- d- If the rent value in year 2008 was less than 56% of the average similar rent; the maximum rent increase shall be equal to 20% of such value.

Article (3)

For the purpose of this Decree the similar rent value of the property unit means pursuant to “The Rent Index of the Emirate of Dubai” applicable on the date of renewing the tenancy contract.

Article (4)

- 1- The similar rent value shall be set pursuant to the Rent Index of the Emirate of Dubai which is attached to this Decree.
- 2- The Real Estate Regulatory Agency shall review and update the Rent Index of the Emirate of Dubai periodically.

Article (5)

The Real Estate Regulatory Agency shall coordinate with the Special Judicial Committee for settlement of disputes between landlords and tenants to set the relevant procedures to implement the provisions of this Decree.

Article (6)

Any other provision in any other local legislation shall be void to the extent it contradicts with the provisions of this Decree.

Article (7)

This Decree shall be published in the Gazette and enforced on the date thereof.

Issued by us in Dubai on 4 January 2009