

# **RENTING IN DUBAI**

## **Frequently Asked Questions on**

### **The LAWS governing the relationship between the Landlord and the Tenant**

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# 1 Scope

This document was written to provide guidance and information to tenants renting in Dubai on their legal rights under the laws of Dubai. The author is not a lawyer nor any sort of legally trained professional but is writing from his experience and that of other people. These laws DO NOT apply in Dubai International Financial Centre (DIFC), which has its own laws and court.

## 1.1 Background

It is not generally well known that the laws of Dubai, signed by His Highness Sheikh Ahmad Bin Saeed Al Maktoum, give an extraordinary degree of protection to tenants. Unfortunately unscrupulous Landlords and the estate agents working for them will try to take advantage of this lack of knowledge and attempt to get tenants to accept things which would not be legal.

Armed with the Laws of Dubai it will be easier for Tenants to fight back and point out what the law is. Too often Landlords (LLs) and their agents seem to believe that the law doesn't apply to them, or they have consulted Walt Disney in their communications with their tenants. Unfortunately the law is the law, no if's or but's or maybe's, no 'but that doesn't apply to me', no 'but that law changed'. Did the law change, really? If so then the LL will be able to show you, just as, with the help of this FAQ document, you can show them the actual laws.

## 1.2 Real Estate Regulatory Authority

[RERA](#) was formed in 2007 by direction of HH to regulate and authorize the real estate sector in Dubai. RERA will give you advice and information, based on your lease contract and the intricacies of Dubai Real Estate Legislation.

RERA is on the First Floor of the Lands Department which is a couple of blocks inland on Baniyas Street - ie the same road as the Municipality Building. Head through the right hand door when you get to the top of the stairs on the first floor. The other side are all officials' offices.

## 1.3 The Laws

There are 3 laws which cover the areas of particular interest to renters:

[Law Number 26 of 2007](#). This was the original law established and known as the "Law Regulating Relationship between Landlords and Tenants in the Emirate of Dubai No. 26 of 2007".

[Law number 33 of 2008](#). This law amended some of the provisions of law 26 and is the current law.

[Decree number 2 of 2011](#). Replaced by [Decree number 43 of 2013](#) (unfortunately no link to government page as it's not been uploaded yet). This decree dictates the maximum rental increase percentage. These percentages are incorporated in [The Rent Index of the Emirate of Dubai](#). The RERA Rental Increase webpage is the only legal place to find the percentage increase your LandLord may charge by law:

*Landlords can raise rents on renewals by:*

- 5 per cent if the earlier rental is 11 to 20 per cent lower than the average rent for a similar property;
- 10 per cent if the rental is 21 to 30 per cent lower than the current going rates for properties of a similar scale;
- 15 per cent if the rent is as low as 31 to 40 per cent than comparable ones; and
- 20 per cent if a property's rental is more than 40 per cent less than the average.

## 2 Application of the Law

The actual wording of the law (cut n paste) is written in [cyan](#).

### 2.1 Tenancy Contract (Article 4)

1. [The tenancy relationship between Landlord and tenant shall be governed by a tenancy contract describing the property in detail, the purpose of the tenancy, period, rent and name of owner if the owner is not the Landlord.](#)

There are many different contracts in use as each agency seems to have their own version. There is a standard contract produced by RERA and printed versions available from most typing centres for 5 Dhm. See Appendix A, they're a light blue/green colour.

Be cautious about signing a contract which states it's non-renewable. In Dubai, Tenancy contracts automatically renew, unless you've signed a non-renewable. However RERA do not recognise non-renewal contracts, if you go to the rental committee it'll be rejected, LandLords (and some agencies) rely on your honesty and integrity which makes you feel that, having signed, you are obliged to move.

Agencies may not offer non-renewable contracts EXCEPT if they are registered to offer short term holiday lets (it's an additional fee for the licence so only 2 agencies in Dubai, at the time of writing, have these licences, Better Homes is one). This will not stop some agencies trying it on, ask for their RERA licence number and ask if they are registered for short term lets. There is an incentive for agencies to register because they can charge up to 20% for a short term let, so we may see more companies doing this.

2. [All properties subject to this law, or its amendments, are to be registered with the Agency.](#)

Registration is done through the agency known as [Ejari](#). By law the LL is responsible for doing this and you cannot renew your families' visa without it. However LLs very often don't bother and enforcement is poor. Registration will allow you to raise a case against your LL in the event of a dispute; RERA are not willing to take your case if you're not registered (as per the law above) so it's in your interests to register. Agents can register online and the cost is 165 Dhm. You can register it yourself, through one of the [approved typing centres](#), and the cost is 195 Dhm. You will need:

- Residential Tenancy Contract Original
- Passport copy with visa page of the Owner
- Passport copy with visa page of the tenant
- DEWA Bill original (colour copy) or registration document
- Copy of the Emirates ID of the tenant
- Copy of Affection plan or Title Deed of the property

You are very strongly recommended to register with the Ejari agency.

## 2.2 Rent Value (Article 9)

1. Landlord and tenant must specify rent value in the tenancy contract. If both parties have not specified the same or if it becomes impossible to prove their agreement then rent shall be as per the similar rent.

2. The Committee shall specify the similar rent in accordance with the standards of specifying the rent increase percentage applied by the Agency and in accordance with the general economic circumstances in the Emirate, and pursuant to the property status, the similar market rent in the same area and in accordance with any valid legislation in the Emirate regarding properties rent and any other factors the Committee may decide.

The 'similar rent' is calculated from the [RERA Rental Increase Calculator](#). In the event that your LL, or agent, notifies you of a rent increase you use the calculator to determine whether they are allowed an increase or not, following the law of Decree 43 of 2013. Input the details (it will not work more than 3 months in advance) and it will show whether an increase is allowed plus what that increase is legally allowed to be.

## 2.3 Rent Payments (Article 12)

Tenant shall pay rent value on agreed dates. However, if such agreement is absent or cannot be proved, then rent value must be paid in annual four equal instalments to be paid in advance.

Self-explanatory.

## 2.4 Renewal Terms & Conditions (Article 13)

For the purpose of renewing tenancy contract, Landlord and tenant upon expiry of the tenancy contract may amend any of the contracts terms or review the rent whether by increase or decrease. If the parties do not reach an agreement regarding this, the Committee may decide fair rent considering the standards referred to in Article No. (9) of this Law.

If you and your LL do not agree on the terms for contract renewal you can raise a case with the Rental Committee. In Dubai tenancy disputes are not settled by the courts. RERA provides information and guidance but disputes are settled by the Rental Committee. See section 3 for how to raise a case.

## 2.5 Renewal Timings – The 90 day Law (Article 14)

If either party of tenancy contract wishes to amend any of its conditions pursuant to Article (13) of this Law, then he must notify the same to the other party not less than 90 days prior to expiry date, unless both parties agreed otherwise.

One to be aware of as this generally works best for the tenant. The law is very specific for any change to the terms of your contract, including rent increases; the LL must inform you 90 days before the renewal date. You do not have to accept any change within the 90 day period.

## **2.6 Handover property in good condition (Article 15)**

Landlord shall be committed to hand over the property in good condition that enables tenant to obtain the benefit subject of the tenancy contract.

Self-explanatory.

## **2.7 Maintenance (Article 16)**

Landlord shall, during validity of the tenancy contract, be liable for undertaking maintenance of the property and shall rectify any defects or faults that affect tenant's intended benefit from the property, unless the two parties agree otherwise.

Be cautious about signing a rental agreement which states that the tenant is responsible for maintenance, or shall pay for repairs under a certain amount (100, 200 or 500 Dhm). LL is responsible for maintenance by law and those 200 or 500 Dhm can very quickly add up for multiple repairs.

Some clever people have negotiated a discount with the LL in order to purchase a maintenance contract. This might be an option that suits you, if your LL agrees.

Some LLs are very poor at undertaking maintenance or fault repairs; if this is the case, you can raise a case with the Rental Committee.

## **2.8 Maintenance Deposit (Article 20)**

Landlord may obtain a maintenance deposit amount from tenants to guarantee maintenance of the property at the expiry of tenancy contract, provided that Landlord shall undertake to refund this deposit, or any remaining amount, upon expiry of the tenancy contract.

Self-Explanatory

## **2.9 Return of Deposit (Article 21)**

Tenant shall be obliged, upon expiry of tenancy, to return the property to Landlord in the same condition as handed over to him at the time of contracting except for normal wear and tear or for reasons beyond his control. However, in case of any dispute, the matter shall be referred to the Committee for decision.

It can be argued that holes for picture hanging etc. should be filled in and painted over as this is not normal wear and tear. However repainting of the property should be excluded as this is normal wear and tear.

## **2.10 Change of Landlord (Article 28)**

The transfer of title to a new Landlord shall not affect tenant's right to continue occupation of the property in accordance with the tenancy contract signed with the previous owner, provided that the tenancy contract has a fixed date.

Self-explanatory

## **2.11 Eviction prior to Contract Expiry (Article 24 (1))**

1. Landlord may demand eviction of tenant prior to expiry of tenancy period in the following cases:

- a. If tenant fails to pay rent value, or part thereof, within thirty (30) days of Landlords notification for payment; unless parties agreed otherwise.
- b. If tenant subleases the property, or part thereof, without Landlords written approval and in such case eviction shall be applicable to the tenant and the subtenant, and the subtenants right to refer to tenant for compensation shall be reserved.
- c. If tenant uses, or allows others to use, the property for illegal or immoral activities.
- d. If the leased property is a commercial shop and the tenant left the same without occupation and without legal reason for 30 continual days or 90 non-continual days in one year; unless the parties agreed otherwise.
- e. If tenant causes changes that endanger safety of the property in a way that it cannot be restored to its original condition or if he causes damage to the property intentionally or due to his gross negligence to take proper precautions or if he allows others to cause such damage.
- f. If tenant uses the property for purposes other than the purpose it was leased for or if he uses the property in a way that violates planning, building and land using regulations.
- g. If the property is in danger of collapse, provided that Landlord must prove such condition by a technical report issued by Dubai Municipality or accredited by it.
- h. If tenant fails to observe legal obligations or tenancy contract conditions within (30) days from date of notification by Landlord to abide by such obligations or conditions.
- i. If development requirements in the Emirate require demolition and reconstruction of the property in accordance with government authorities instructions.

And for the purpose of this clause (1) of this Article the Landlord must notify the tenant through the Notary Public or by registered mail.

If you are misbehaving, this is self-explanatory.

## **2.12 Eviction at Contract Expiry–12 Months’ Notice (Article 24 (2))**

2. Landlord may demand eviction of tenant upon expiry of tenancy contract limited to the following cases:

- a. If the owner wishes to demolish the property for reconstruction or to add new constructions that prevent tenant from benefiting from the leased property, provided that necessary licences are obtained.
- b. If the property requires renovation or comprehensive maintenance which cannot be executed while tenant is occupying the property, provided that a technical report issued by Dubai Municipality or accredited by it is to be submitted to this effect.
- c. If the owner of the property wishes to recover the property for use by him personally or by his next of kin of first degree provided that he proves that he does not own a suitable alternative property for that purpose.
- d. If the owner of the property wishes to sell the leased property.

And for the purpose of clause (2) of this Article, Landlord must notify tenant with reasons for eviction at least twelve months prior to the determined date of eviction subject that such notice be sent through the Notary Public or by registered mail.

Things to note here, firstly these 4 reasons are the ONLY reasons a LL can seek to evict you at contract expiry. Secondly they MUST give 12 months’ notice and that notice cannot be by email, text, phone etc. but by notary public or registered mail. There is a grey area around when the 12 months runs from. You can interpret the wording “upon expiry of tenancy contract” as being 12 months from expiry of your current contract. But some legal experts say its 12 months from receipt of the eviction notice.

## **2.13 Compensation if LL Family Doesn’t Move In (Article 26)**

If the Committee decided for the Landlord to recover the property for his own use, or use by his first degree next of kin pursuant to the provision of paragraph (c) of clause (2) of Article (25) of this Law, then Landlord shall not rent the property to others for at least two years for residential properties and three years for non-residential properties from date of recovery of the property, unless the Committee decides less period for reasons considered by it, otherwise the tenant shall have the right to request the Committee to order proper compensation to him.

Self-explanatory.

### **3 Rental Committee**

RERA will give you advice, based on your lease contract and the intricacies of Dubai Real Estate Legislation. They will be able to tell you whether you have a justifiable case against your Landlord. If you do, and you want to make an official complaint, you will need to go to the Rental Committee.

The rental committee is found in the Municipal Building next to the Radisson between the Dhow wharfs and Union Square. You will find 3 buildings there opening up onto a small square with a fountain/pool in the middle. The Rent Committee is on the same side of the square but across the fountain from Gloria Jeans. It is diagonally opposite the Cashier's Offices. If you ultimately need a typing centre there are plenty around Union Square.

To lodge a complaint through the Rent Committee you will need to pay a fee which is a percentage figure of 3.5% of your total per annum rent. You will also need to have supporting paperwork (4 copies of each page) which includes, but is not limited to -

Your original lease (which they will keep until your case is resolved)

Any addendums to your lease that are not in Arabic will need to be translated by an accredited legal translator on letterhead.

Your formal complaint typed in Arabic according to a specific template which the Rent Committee will give you (in Arabic, so you will need a translator to translate the template before you even fill it out).

The tenant's visa and passport

Clear documentation of the premises type, number and street

Copies of all documentation supporting your complaint.

The receipt for the payment of the complaint fee (3.5% of your value of the lease).

(NB if you are a Landlord or owner, you will need a whole lot more documentation eg title deed, current tenancy contract or management contract, etc)

Once this is submitted they will give you a time and date for a hearing and you will need to attend this and any subsequent hearings until a resolution is made, usually within 2 weeks. It is highly unlikely, given the process and the paperwork required that you will get the preliminaries completed within one working day.

Note: If the complainant wins their case, the value of their registration of complaint fee will be refunded by the defendant in the wrap up, but this can take some time depending on how long the case goes for and how unscrupulous the defendant is. If you're disputing rent increases simply deduct the fee from the remaining rent payment.

### **4 Eviction**

It is extraordinarily difficult to evict a tenant in Dubai. As stated in 2.12 under normal circumstances you must be given 12 months notice of eviction and it can only be for one of the 4 reasons. If you're misbehaving under one of the reasons in 2.11 it will still take a long time to evict you.

The Landlord must follow the steps set forth in Article No 25/1/A of Rent Act No 26/2007 as amended by Law No 33/2009 concerning regulation of the relationship between lessors and lessees of real estate in Dubai. The lessor can get the property vacated during the period of the tenancy contract provided he serves payment notice within 30 days unless otherwise agreed and that the notice shall be sent by the notary or registered mail.

In the event of non-payment within the said period, the Landlord can file a rental case before the judicial committee on rental disputes between lessors and tenants in the Dubai Municipality to claim for the rent and termination of the contract.

#### **4.1 LL Attempting DEWA disconnection etc. (Article 34)**

Landlord is prohibited from disconnecting services to the property or preventing the tenant from benefiting from the property. However, in the event of occurrence of such incidents, the tenant shall refer to police station in the same area to prove the case or to stop such prevention, and also to file a case before the Committee, enclosing supporting reports, for compensation of any damages.

If your LL attempts to disrupt your living in the property, irrespective that you've not paid rent etc. then you can report such instances to the police.

