

Our Vision:

To be a global real estate leader in attracting investments.

Our Mission:

To create a real estate environment that applies best international practices to guarantee the rights of all stakeholders, and to contribute to the development of society by:

- Developing and applying clear and transparent real estate regulations
- Providing distinctive and efficient real estate services that help attract investment
- Increasing real estate knowledge



Chapter I
EJARI Program

About EJARI

EJARI is an online program developed by RERA for recording tenancy contracts for all types of property in the Emirate of Dubai, pursuant to Law No. 26 of 2007, as amended by Law No. 33 of 2008. EJARI is the first step to regulate the process of real estate lease and management. It helps upgrade this important sector and provides distinctive real estate services in terms of registration and regulation. The program aims to preserve rights, regulate the relations between the parties to property lease and management, and to provide encouraging and safe environment for those wishing to engage in this field, including investors or beneficiary tenants.

EJARI Mechanisms

Tenancy Contract Registration

As the registration of tenancy contracts through EJARI is mandatory, plans have been developed to connect all those engaged in property lease and management sector, including licensed companies in this field, companies which own and manage properties, or landlords who manage their properties on personal basis, or their legal representatives, and enable them to register and issue contracts.

Registration of Management Contracts

Management contracts concluded between the property owner and the licensed real estate company is registered through EJARI. This contract determines responsibilities and obligations between the parties to the contract, especially in terms of property management, services provided to tenants, issuance and registration of lease contracts, legal follow-ups, rent collection, maintenance and other obligations. The objective of registration of the management contract is to enable the company to obtain information of the registered property, perform any authorized operations under the management contract, including the registration of tenants and processes associated with the lease contracts, such as rental, renewal, and eviction during the period of the management contract.

Training on Using EJARI

There is a training program for using EJARI in order to qualify people who need to use it. Arrangements have been made with Dubai Real Estate Institute in this regard in order to send registered persons to be trained and awarded certificates. Access to EJARI is given to the persons who have obtained the training certificates that allow them to record data and issue tenancy contracts directly through the website.

Documents Required for Registration in EJARI

Users

Owner Manager (Individual): The person who manages the property which is only personally owned. No license is required in this respect.

Required Documents:

1. Passport copy.
2. Copy of the title deed of any owned property (to verify the number of the owner).

Owner Manager (Company): The entity (company) which manages the property owned by the company only (i.e. the property registered in the name of the company). This company may have different activities, such as a shopping mall, commercial center, or a governmental or quasi-governmental body.

Required Documents:

1. Copy of the trade license
2. Copy of the title deed of any property owned by the company (to verify the owner number).
3. Copy of the passport of the official representative of the company (manager)
4. Letter from the company that identifies the names of users who will be qualified for using the program.
5. Copies of the passports of the employees nominated to use the program

Property Management Companies

- A company involved in property management licensed by the Department

of Economic Development to carry out any of the following activities:

- Property lease and management on behalf of third parties: (This activity gives the company the power to rent property from owners, and then releasing them to third parties).
- Lease and management of private property: (This activity grants the company the power to manage the property of the licensor and his relatives only).
- Property administrative supervision services: (This activity gives the management company the power to manage the owners' property under a management contract between the company and the owner, in which the owner determines the authority granted to the company to manage the property for him).
- Shopping centers and malls
- Businessmen service centers
- Department stores and retail shops

Required Documents:

1. Copy of the trade license
2. Copy of the passport of the official representative of the company (manager)
3. Letter from the company that identifies the names of users who will be qualified for using the program.
4. Copies of the passports of the employees nominated to use the program

Representative of the owner (agent)

The person who represents the owner under the power of attorney granted by the owner, or an owner in a group having joint ownership of the property, represented by a power of attorney issued by them, or under legal guardianship (such as a receiver, a guardian of minors, or a representative of the heirs).

Required Documents:

1. Copy of the owner passport (whether an individual or a group of owners)
2. Copy of the passport of the agent
3. Copy of the power of attorney and/or (guardianship order or the order appointing the receiver)

Chapter II
**How to Register Lease Contracts
with RERA**

The owner who personally manages the property (no property management license is required)

1. Completing the property management statement form (CD) which includes the property and lease contract information.
2. Attaching the required documents, namely:
 1. Passport copy
 2. Copy of the title deed and land map (Land Department)
 3. Copy of the power of attorney of one of the owners, in case of joint ownership of the property

Owner Obligations:

1. If the owner delegates the property management to a property management company, the owner shall observe the following:
2. The company shall be licensed and registered by RERA and its business shall include property lease and management to third parties, or property administrative supervision (verifying the trade license).
3. Signing a management contract with the company, which identifies the parties to the contract, property details, the obligations of each party, management fees, and the contract period. In the event the building is rented in full, the company shall be licensed to conduct the business of property lease and management on behalf of third parties.
4. The person signing on behalf of the company shall have capacity (officially authorized).
5. There shall be a premises for the property management company (fixed address)

In case the owner leases and manages the property by himself, the owner shall observe the following:

1. The property should be owned by (granted to) the applicant and its ownership should not be disputed by any other persons.
2. In the event the property is jointly owned, there should be a power of attorney by the owners to the applicant authenticated at the notary public.
3. The property granted by the government shall not be a popular house and shall be designated as family residence for the person to which it is granted

- only, subject to the conditions laid down by the government bodies.
4. The property shall not be mortgaged for any party that prescribes non-investment (such as Etisalat, certain banks, and donors).
 5. The property shall not be financed by Zayed Housing Project or Mohammad bin Rashid Housing Establishment.
 6. There shall be no amendment or violations in respect of the property plan, and the property shall be constructed according to the applicable conditions and standards stipulated by the regulations in the Emirate of Dubai, according to the completion certificate issued by Dubai Municipality, and the licenses granted for use and specifications.
 7. The property shall satisfy safety and security conditions (civil defense statement).
 8. The purpose of lease and use shall be specified and shall comply with the authorized conditions in the Emirate of Dubai according to area designation (residential, commercial, industrial, etc.)
 9. In the event the property is leased in whole or in part (supplement, part of villa, or any additions), this shall be indicated and the plans approved by Dubai Municipality shall be submitted.
 10. In the event of partial lease of the property, an independent electricity meter shall be installed for the part intended to be leased, and the procedures shall be completed and approvals shall be obtained from Dubai Electricity and Water Authority.
 11. The party responsible for maintenance shall be identified and a maintenance contract shall be procured from a building maintenance company.
 12. The facilities and services available in the property, the extent to which the tenants may use these facilities, and the obligations to be complied with shall be identified (e.g. swimming pools, gyms, gardens, parking lots, etc.)
 13. The party responsible for cleaning and security of the property and facility management shall be identified.
 14. The specifications and total area of the property and the area of the leased part shall be identified (in the event of partial lease).
 15. Insurance shall be maintained in respect of the property at one of property insurance companies.
 16. The rent value of the property shall be identified.
 17. The duration of the lease contract shall be identified.

18. The insured sum agreed upon by the landlord and the tenant shall be identified.
19. The landlord shall undertake to comply with RERA regulations and Landlords and Tenants Law issued in the Emirate of Dubai.
20. The landlord undertakes to authenticate the lease contract at RERA and present the documents and tenant information for each contract (lease or renewal).
21. The landlord undertakes not to issue more than one contract for the leased property and for only one person or one entity.
22. In the event the contract with the tenant is terminated, the final water and electricity invoice shall be presented, along with the settlement with the former tenant.
23. No new contract shall be registered for a new tenant of the formerly leased property before ending the contract with the former tenant and presenting the settlement and the final water and electricity invoice.

The tenant shall be inquired about the following documents:

1. Passport copy, if the tenant is an individual (name, passport number, residence permit, and expiry dates of the passport and residence permit).
2. Trade license, if the tenant is a company (trade name, license number, expiry date).

The tenant:

In the event of dealing with the landlord directly, the following procedures shall apply:

1. Verifying property ownership.
2. Passport photocopy of the landlord (name, etc.)
3. Photocopy of the power of attorney given to one of the landlords, in the event of joint ownership, authorizing him to manage the property.
4. Verifying that there are no construction violations (unlicensed additions or amendments).
5. Verifying the type of the licensed use of the building (residential, commercial)
6. Registering all information of the lease contracts (property type, unit, rent amount, landlord name, type of use, land number)

7. Reading the contract clauses to identify the obligations of both parties.
8. The electricity meter shall be transferred to the name of the tenant upon signing the contract.

In the event of dealing with property management company:

1. Copy of the lease contract between the landlord and the company (verifying the name of the landlord, contract period).
2. Copy of the land ownership and map (verifying the name of the landlord, location, property type, and use).
3. Copy of the trade license to verify the name of the company, type of the licensed activity, and whether it is authorized to lease and re-lease.
4. The contract clauses shall be read to identify the obligations of both parties.
5. All information shall be registered in the lease contract (landlord name, name of the leasing company, property type, land type, rent value, and contract period)
6. Payments shall be in the name of the owner of the property or the name of the leasing company only and not in the name of any other persons.
7. There shall be premises for the company (an office) and its address shall be identified.
8. The electricity meter shall be transferred upon signing the contract.

In the event of dealing with a private property lease and management company:

1. Property ownership shall be verified, so that the property shall be owned by the company itself, the company owner, or his first-degree or second-degree relatives, according to the granted license.
2. Copy of the trade license (verifying the trade name, type of license, etc.)
3. The contract clauses shall be read to identify the obligations of both parties.
4. All information shall be registered in the lease contract (landlord name, name of the leasing company, property type, unit type, rent value, and contract period)
5. Payments shall be in the name of the owner of the property or the name of the leasing company only and not in the name of any other persons.
6. There shall be premises for the company (an office) and its address shall be identified.

7. The electricity meter shall be transferred upon signing the contract.

In the event of dealing with a company licensed for property management supervision business:

1. Copy of the management contract concluded between the landlord and the company (to verify the name of the company and the landlord, property type and specifications, and the contract period).
2. Trade license of the company (company name, business type, expiry date, etc).
3. The contract clauses shall be read to identify the obligations of both parties.
4. All information shall be registered in the lease contract (landlord name, name of the leasing company, property type, unit type, rent value, and contract period)
5. Payments shall be in the name of the owner of the property only and not in the name of the company or any other persons.
6. The electricity meter shall be transferred to the name of the tenant upon signing the contract.

In the event the lessor (landlord/property management company) does not register the lease contract, i.e. registration through the tenant, the required documents shall be as follows:

1. Copy of the tenant passport, if the tenant is an individual
2. The original contract, or a copy thereof
3. Electricity and water invoice of the last month (the meter shall be in the name of the tenant).
4. Copy of the trade license, if the tenant is a company.
5. Copy of the land map or the title deed of the property.

Instructions to be complied with for registering lease contracts at the printing offices.

1. The applicant for registration of the lease contract shall be relevant to the transaction, i.e. either the owner of the property or the tenant (the identity and capacity shall be verified).
2. The applications filed by the real estate companies shall not be accepted and the company shall be obliged to register the contracts through EJARI.

3. The lease contract shall be effective.
4. The applicant for registration of the lease contract shall fill the online form, shall undertake and declare the accuracy of the information and addresses (phone numbers and email address), and shall assume responsibility in the event of any mistake by signing the form on the designated place. In the case of a company, the seal of the company (whether a tenant or a landlord) shall be affixed in the designated place.
5. The property or the unit shall be registered at the Land Department (title deed in the name of the owner)
6. The purpose of lease and type of use shall be identified and shall be according to the conditions applicable in the Emirate of Dubai according to designation of areas (as mentioned in the lease contract, residential, commercial, industrial).
7. The contract shall not be restricted by the condition of non-investment, such as using it as a family accommodation, popular house, or funded by entities that prescribe non-investment, such Sheikh Zayed Project, and Mohammad bin Rashid Housing and Telecommunications Establishment.
8. There shall be no amendments or violations to the property plan and the property shall be constructed according to the conditions and applicable standards provided for in the Emirate of Dubai regulations, including the completion certificate issued by Dubai Municipality (i.e. the lease contract of one room in an apartment, a villa consisting of a number of rooms, or part of an Arab house, i.e. joint accommodation, shall not be registered).
9. Sublease contracts (between one tenant and another) shall not be registered.
10. Attention shall be paid to the contract duration and property type (for instance, if the lease property is an open land and the lease contract is for construction buildings to be invested for a long time, the lease contracts shall not be registered), because it shall be considered musataha (land rental contract) rather than a lease contract.
11. The information stated in the form shall be matched with the information stated in the documents and lease contract.
12. All required documents shall be provided, verified, and uploaded to the system, as follows:
 - The original lease contract and a copy thereof (the name of the tenant, landlord, and lessor, the commencement and expiry date of the contract,

the registered rent value, property and unit number, and the purpose of the lease shall be verified). In the event the original contract is not provided, the transaction shall not be accepted.

- DEWA invoice for the last month (the name shall be verified, the meter shall be in the name of the tenant, date, unit number, the address stated on the invoice and name of the landlord shall be verified and matched with the contract)
- Copy of the land map or the title deed of the property (the land number, landlord name, and the location of the registered property shall be verified and matched with the information stated in the lease contract).
- Copy of the tenant passport, if the tenant is an individual (the tenant name, nationality, passport number, and residence permit number, and the expiry dates thereof shall be verified and matched with the information stated in the lease contract)
- Copy of the trade license, if the tenant is a company (trade name, trade license number and expiry date, and the address of the company registered in the license shall be verified and matched with the information stated in the lease contract).

In the event of a dispute between the lessor and the tenant

1. Registering the lease contract.
2. The parties shall refer to the competent authority to settle the dispute according to the applicable procedures.

Documents required for registration in EJAR as users

Owner Manager (Individual): The person who manages the property which is only personally owned. No license is required in this respect.

Documents required:

1. Passport copy
2. Copy of the title deed of any property owned (to verify the number of the owner).

Owner Manager (Company): The entity (company) which manages the property

owned by the company only (i.e. the property registered in the name of the company). This company may have different activities, such as a shopping mall, commercial center, or a governmental or quasi-governmental body.

Required Documents:

1. Copy of the trade license
2. Copy of the title deed of any property owned by the company (to verify the owner number).
3. Copy of the passport of the official representative of the company (manager)
4. Letter from the company that identifies the names of users who will be qualified for using the program.
5. Copies of passports of the employees nominated to use the program

Property Management Companies

- A company involved in property management licensed by the Department of Economic Development to carry out any of the following activities:
- Property leasing and management on behalf of third parties (This activity gives the company the power to rent property from owners, and then releasing them to third parties).
- Rental and management of private property: (This activity grants the company the power to manage the property of the licensor and its relatives only).
- Property administrative supervision services: (This activity gives the management company the power to manage the owners' property under a management contract between the company and the owner, in which the owner determines the authority granted to the company to manage the property for him).
- Shopping centers and malls
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Required Documents:

1. Copy of the trade license
2. Copy of the passport of the official representative of the company (manager)
3. Letter from the company that identifies the names of users who will be qualified for using the program.

4. Copies of the passports of the employees nominated to use the program.

Representative of the owner (agent)

The person who represents the owner under the power of attorney granted by the owner, or an owner in a group having joint ownership of the property, represented by a power of attorney issued by them, or under legal guardianship (such as a receiver, a guardian of minors, or a representative of the heirs).

Required Documents

1. Copy of the landlord passport (whether an individual or joint owners).
2. Copy of the agent passport
3. Copy of the power of attorney and/or (custody order or receiver appointment order)

Chapter III
Tenancy Regulating Legislations

**Decree No. (43) of 2013
Determining Rent Increases for Real Property
in the Emirate of Dubai⁽¹⁾**

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Law No. (9) of 2004 Concerning Dubai International Financial Centre and its amendments;

Law No. (16) of 2007 Establishing the Real Estate Regulatory Agency;

Law No. (26) of 2007 Regulating the Relationship between Landlords and Tenants in the Emirate of Dubai and its amendments;

Decree No. (22) of 2009 Concerning Special Development Zones in the Emirate of Dubai; Decree No. (2) of 2011 Concerning Rent in the Emirate of Dubai;

Decree No. (26) of 2013 Concerning the Rent Disputes Settlement Centre in the Emirate of Dubai; and

The legislation regulating free zones in the Emirate of Dubai,

Do hereby issue this Decree.

Percentages of Increase

Article (1)

When renewing real property lease contracts, the maximum percentage of rent increase

for real property in the Emirate of Dubai will be as follows:

- a. no rent increase, where the rent of the real property unit is up to ten percent (10%)
- b. less than the average rental value of similar units;
- c. five percent (5%) of the rent of the real property unit, where the rent is eleven

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(1) Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict the Arabic text will prevail.

- percent (11%) to twenty percent (20%) less than the average rental value of similar units;
- d. ten percent (10%) of the rent of the real property unit, where the rent is twenty one percent (21%) to thirty percent (30%) less than the average rental value of similar units;
 - e. fifteen percent (15%) of the rent of the real property unit, where the rent is thirty one percent (31%) to forty percent (40%) less than the average rental value of similar units; or
 - f. twenty percent (20%) of the rent of the real property unit, where the rent is more than forty percent (40%) less than the average rental value of similar units.

Scope of Application

Article (2)

This Decree will apply to landlords, whether private or public entities, in the Emirate of Dubai, including those in special development zones and free zones such as Dubai International Financial Centre.

Average Rental Value

Article (3)

For the purposes of application of Article (1) of this Decree, the average rental value of similar units will be determined in accordance with the "Rent Index of the Emirate of Dubai" approved by the Real Estate Regulatory Agency.

Publication and Commencement

Article (4)

This Decree comes into force on the day on which it is issued, and will be published in the Official Gazette.

Mohammed bin Rashid Al Maktoum
Ruler of Dubai

Issued in Dubai on 18 December 2013
Corresponding to 15 Safar 1435 A.H.

**Law No. (33) of 2008 Amending
Law No. (26) of 2007
Regulating the Relationship between Landlords and Tenants
in the Emirate of Dubai 2**

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Federal Law No. (5) of 1985 Issuing the Civil Code of the United Arab Emirates and its amendments;

Federal Law No. (10) of 1992 Issuing the Law of Evidence in Civil and Commercial Transactions and its amendments;

Law No. (16) of 2007 Establishing the Real Estate Regulatory Agency;

Law No. (26) of 2007 Regulating the Relationship between Landlords and Tenants in the Emirate of Dubai; and

Decree No. (2) of 1993 Establishing a Special Tribunal for the Settlement of Disputes between Landlords and Tenants and its amendments,

Do hereby issue this Law.

Article (1)

Articles (2), (3), (4), (9), (13), (14), (15), (25), (26), (29), and (36) of Law No. (26) of 2007 Regulating the Relationship between Landlords and Tenants in the Emirate of Dubai will be superseded by the following provisions:

Article (2)

In implementing the provisions of this Law, the following words and expressions will have the meaning indicated opposite each of them, unless the context implies otherwise:

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(1) Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict the Arabic text will prevail.

Emirate:	The Emirate of Dubai.
Tribunal:	The Special Tribunal for the Settlement of Disputes between Landlords and Tenants.
RERA:	The Real Estate Regulatory Agency.
Real Property:	Immovable property and everything affixed or annexed to it, and which is leased out for purposes of accommodation or conducting a business activity, trade, profession, or any other lawful activity.
Tenancy Contract:	A contract by virtue of which the Landlord is bound to allow the Tenant use of the Real Property for a specific purpose, over a specific term, and in return for a specific consideration.
Landlord:	A natural or legal person who is entitled by law or agreement to dispose of Real Property. This also includes a person to whom ownership of the Real Property is transferred during the term of a Tenancy Contract, an agent or legal representative of the Landlord, or a Tenant who is permitted by the Landlord to sub-let the Real Property.
Tenant:	A natural or legal person who is entitled use of the Real Property by virtue of a Tenancy Contract, or any person to whom the tenancy is legally transferred from the Tenant.
Sub-Tenant:	A natural or legal person who is entitled use of the Real Property or any part thereof by virtue of a Tenancy Contract entered into with the Tenant.
Rent:	The specified consideration which the Tenant must be bound to pay by virtue of the Tenancy Contract.
Notice:	A written notification sent by either party to the Lease Contract to the other through the Notary Public, or delivered by registered post, by hand, or by any other technological means approved by law.

Article (3)

The provisions of this Law will apply to lands and Real Property leased out in the Emirate excluding Real Property provided free of Rent by natural or legal persons to accommodate their employees.

Article (4)

1. The contractual relationship between Landlord and Tenant will be regulated by a Tenancy Contract detailing, in a manner allowing no room for uncertainty, a description of the leased Real Property, the purpose of the tenancy, the term of the Tenancy Contract, the Rent and payment method, and the name of the owner of the Real Property, if the Landlord is not the owner.
2. All Tenancy Contracts or any amendments to such Tenancy Contracts related to Real Property which are subject to the provisions of this Law will be registered with RERA.

Article (9)

1. The Landlord and Tenant must specify the Rent in the Tenancy Contract. Should the parties omit or fail to specify the agreed Rent, the Rent must be the same as that of similar Real Property.
2. The Tribunal will determine the Rent of similar Real Property taking into account the criteria determining the percentage of Rent increase set by RERA, the overall economic situation in the Emirate, the condition of the Real Property, and the average Rent of similar Real Property in similar Real Property markets within the same area and in accordance with any applicable legislation in the Emirate concerning Real Property Rent, or any other factors which the Tribunal deems appropriate.

Article (13)

For the purposes of renewing the Tenancy Contract, the Landlord and Tenant may, prior to the expiry of the Tenancy Contract, amend any of the terms of the Tenancy Contract or review the Rent, whether increasing or decreasing it. Should the Landlord and Tenant fail to reach an agreement, then the Tribunal may determine the fair Rent, taking into account the criteria stipulated in Article (9) of this Law.

Article (14)

Unless otherwise agreed by the parties, if either party to the Tenancy Contract wishes to amend any of its terms in accordance with Article (13) of this Law, that party must notify the other party of same no less than ninety (90) days prior to the date on which the Tenancy Contract expires.

Article (15)

The Landlord will be bound to hand over the Real Property in good condition, which allows the Tenant full use as stated in the Tenancy Contract. However, the parties may agree upon renting an unfinished Real Property provided that the Tenant agrees to complete the construction of the Real Property in a manner to render it suitable for use as intended. The identity of the party who will incur the costs of completing the construction will be determined in the Tenancy Contract.

Article (25)

The Landlord may seek eviction of the Tenant from the Real Property prior to the expiry of the term of the Tenancy only in the following cases:

1. where the Tenant fails to pay the Rent or any part thereof within thirty (30) days after the date a Notice to pay is given to the Tenant by the Landlord unless otherwise agreed by the parties;
 - a. where the Tenant sub-lets the Real Property or any part thereof without obtaining the Landlord's approval in writing. In this case, the eviction will apply to both the Tenant and Sub-Tenant. However, the Sub-Tenant's right to claim a compensation from the Tenant will be preserved;
 - b. where the Tenant uses the Real Property or allows others to use it for any illegal purpose or for a purpose which breaches public order or morals;
 - c. where the Tenant of commercial Real Property leaves the Real Property unoccupied for no valid reason for thirty (30) consecutive days or ninety (90) non-consecutive days within the same year, unless agreed otherwise by both parties;
 - d. where the Tenant makes a change to the Real Property that renders it unsafe in a manner that makes it impossible to restore the Real Property

to its original state, or damages the Real Property willfully or through gross negligence, by failing to exercise due diligence, or by allowing others to cause such damage;

- e. where the Tenant uses the Real Property for a purpose other than that for which the Real Property was leased, or uses the Real Property in a manner that violates planning, construction, and use-of-land regulations in force in the Emirate;
- f. where the Real Property is condemned, provided that the Landlord must prove this by a technical report issued by or attested to by Dubai Municipality;
- g. where the Tenant fails to observe any obligation imposed on him by this Law or any of the terms of the Tenancy Contract within thirty (30) days from the date a Notice to perform such obligation or term is served upon him by the Landlord; or
- h. where competent Government entities requires demolition or reconstruction of the Real Property as per urban development requirements in the Emirate.

For the purposes of paragraph (1) of this Article, the Landlord will give Notice to the Tenant through a Notary Public or registered post.

2. Upon expiry of the Tenancy Contract the Landlord may request eviction of the Tenant from the Real Property only in any of the following cases:

- a. where the owner of the Real Property wishes to demolish the Real Property to reconstruct it, or to add any new constructions that will prevent the Tenant from using the Real Property, provided that the required permits are obtained from the competent entities;
- b. where the Real Property is in a condition that requires restoration or comprehensive maintenance that cannot be carried out in the presence of the Tenant in the Real Property, provided that the condition of the Real Property is verified by a technical report issued by or attested to by Dubai Municipality;
- c. where the owner of the Real Property wishes to take possession of it for his personal use or for use by any of his first-degree relatives, provided that

the owner proves that he does not own another Real Property appropriate for such purpose; or

d. where the owner of the Real Property wishes to sell the leased Real Property. For the purposes of paragraph (2) of this Article, the Landlord must notify the Tenant of the eviction reasons twelve (12) months prior to the date set for eviction, provided that this notice is given through a Notary Public or registered post.

Article (26)

If the Tribunal awards the Landlord possession of the Real Property for his personal use or for use by any of his first-degree relatives in accordance with sub-paragraph (c) of paragraph (2) of Article (25) of this Law, the Landlord may not rent the Real Property to a third party before the lapse of at least two (2) years from the date of possession of the Real Property by the Landlord in case of residential Real Property and three (3) years in case of non-residential Real Property, unless the Tribunal, in its discretion, sets a shorter period. Otherwise, the Tenant may request the Tribunal to award him a fair compensation.

Article (29)

1. The Tenant has the right of first refusal to rent the Real Property after it has been demolished and reconstructed or renovated and refurbished by the Landlord, provided that the Rent is determined in accordance with the provisions of Article (9) of this Law.
2. The Tenant must exercise the right of first refusal referred to in the preceding paragraph within a period not exceeding thirty (30) days from the date the Tenant is notified by the Landlord.

Article (36)

The Chairman of the Executive Council will issue the regulations, bylaws, and resolutions required for the implementation of the provisions of this Law.

Article (2)

This Law will be published in the Official Gazette and will come into force on the day on which it is published.

Mohammed bin Rashid Al Maktoum
Ruler of Dubai

Issued in Dubai on 1 December 2008
Corresponding to 3 Thu al-Hijjah 1429 A.H.

**Law No. (26) of 2007
Regulating the Relationship between Landlords and Tenants
in the Emirate of Dubai 3**

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Federal Law No. (5) of 1985 Issuing the Civil Code of the United Arab Emirates and its amendments;

Federal Law No. (10) of 1992 Issuing the Law of Evidence in Civil and Commercial Transactions;

Decree No. (2) of 1993 Establishing a Special Tribunal for the Settlement of Disputes between Landlords and Tenants; and

Law No. (16) of 2007 Establishing the Real Estate Regulatory Agency,

Do hereby issue this Law.

Title

Article (1)

This Law will be cited as “Law No. (26) of 2007 Regulating the Relationship between Landlords and Tenants in the Emirate of Dubai “.

Definitions and Scope of Application

Article (2)

In implementing the provisions of this Law, the following words and expressions will have the meaning indicated opposite each of them, unless the context implies otherwise:

Emirate: The Emirate of Dubai.

RERA: The Real Estate Regulatory Agency.

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(1) Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict the Arabic text will prevail.

Tenancy Guide

Real Property:	Immovable property and everything affixed or annexed to it and which is leased out for purposes of accommodation or conducting a business activity, trade, profession, or any other lawful activity.
Lease Contract:	A contract by virtue of which the Landlord is bound to allow the Tenant use of the Real Property for a specific purpose, over a specific term, and in return for a specific consideration.
Landlord:	A natural or legal person who is entitled by law or agreement to dispose of Real Property. This also includes a person to whom ownership of the Real Property is transferred during the term of a Lease Contract, an agent or legal representative of the Landlord, or a Tenant who is permitted by the Landlord to sub-let the Real Property.
Tenant:	A natural or legal person who is entitled to use Real Property by virtue of a Lease Contract, or any person to whom the lease is legally transferred from the Tenant.
Sub-tenant:	A natural or legal person who is entitled use of the Real Property or any part thereof by virtue of a Lease Contract entered into with the Tenant.
Rent:	The specified consideration which the Tenant will be bound to pay by virtue of the Lease Contract.
Tribunal:	The Special Tribunal for the Settlement of Disputes between Landlords and Tenants.
Notice:	A written notification sent by either party to the Lease Contract to the other through the Notary Public, or delivered by registered post, by hand, or by any other technological means approved by law.

Article (3)

The provisions of this Law will apply to Real Property leased out in the Emirate, including vacant and agricultural lands, but excluding hotel establishments

and Real Property provided by natural or legal persons as accommodation to their employees at no charge.

Lease Contract

Article (4)

1. The contractual relationship between Landlord and Tenant will be regulated by a written Lease Contract signed by both parties and detailing, in a manner allowing no room for uncertainty, a description of the leased Real Property, the purpose of the Lease Contract, the name of the owner, the number and type of the land, and the area where the Real Property is located. It will also determine the term of the Lease Contract, the Rent, and payment method.
2. All Lease Contracts related to Real Property which is subject to the provisions of this Law and any amendments thereto will be registered with RERA. Judicial authorities and Government departments, authorities, and corporations may not consider any dispute or claim or otherwise take any action relating to a Lease Contract unless such Contract is registered with RERA in accordance with the relevant rules and regulations.

Term of Lease Contract

Article (5)

The term of a Lease Contract must be specified. Where the term is not specified in the Lease Contract or where it is impossible to prove the alleged term, the Lease Contract will be deemed valid for the period specified for payment of the Rent.

Article (6)

Where the term of a Lease Contract expires, but the Tenant continues to occupy the Real Property without any objection by the Landlord, the Lease Contract will be renewed for the same term or for a term of one year, whichever is shorter, and under the same terms as the previous Lease Contract.

Article (7)

Where a Lease Contract is valid, it may not be unilaterally terminated during its term by the Landlord or the Tenant. It can only be terminated by mutual consent or in accordance with the provisions of this Law.

Article (8)

The term of a sub-lease contract entered into between the Tenant and Sub-tenant will expire upon the expiry of the term of the Lease Contract entered into between the Landlord and Tenant, unless the Landlord expressly agrees to extend the term of the sub-lease contract.

The Rent

Article (9)

Landlord and Tenant must specify the Rent in the Lease Contract. In any event, the Rent may not be increased nor may any of the terms of the Lease Contract be amended before the lapse of two years as of the date when the original contractual relationship was established.

Article (10)

RERA will have the authority to establish criteria relating to percentages of Rent increase in the Emirate in line with the requirements of the prevailing economic situation in the Emirate.

Article (11)

Unless otherwise agreed, the Rent will cover use of the Real Property amenities such as swimming pools, playgrounds, gymnasiums, health clubs, car parks, and other amenities.

Article (12)

The Tenant will pay the Landlord the Rent on the dates mutually agreed upon.

Where there is no agreement or where it is impossible to verify the payment dates, the Rent must be annually paid in four (4) equal instalments to be paid in advance.

Article (13)

1. Subject to the provisions of Article (9) of this Law and for the purposes of renewing the Lease Contract, the Landlord and Tenant may review the Rent, and if they do not reach an agreement and it is proved necessary to extend the term of the Lease Contract, the Tribunal may decide on extending the Lease Contract and determine the Rent based on the average Rent of similar Real Property.
2. The Tribunal will determine the average rental value of similar Real Property in accordance with the legislation adopting criteria and amount of Rent, proposed by RERA, taking into account the condition of the Real Property and the prevailing market rate of Rent of similar Real Property within the same area.

Article (14)

Where either of the two parties to a Lease Contract do not wish to renew the Lease Contract or wish to amend any of its terms, such party must notify the other party of such intent no less than ninety (90) days before the date on which the Lease Contract expires, unless otherwise agreed by the parties.

Landlord's Obligations

Article (15)

The Landlord will be bound to hand over the Real Property in good condition, which allows the Tenant full use stated in the Lease Contract.

Article (16)

Unless otherwise agreed by the parties, the Landlord will, during the term of the Lease Contract, be responsible for the Real Property' maintenance works and for repairing any defect or damage that may affect the Tenant's intended use of the Real Property.

Article (17)

The Landlord may not make to the Real Property or any of its amenities or annexes any changes that would preclude the Tenant from full use of the Real Property as intended. The Landlord will be responsible for such changes whether made by him or any other person authorised by the Landlord. Further, the Landlord will be responsible for any defect, damage, deficiency, and wear and tear occurring to the Real Property for reasons not attributable to the fault of the Tenant.

Article (18)

The Landlord must provide the Tenant with the approvals required to be submitted to the competent official entities in the Emirate whenever the Tenant wishes to carry out decoration works or any other works that require such approvals, provided that such works do not affect the structure of the Real Property and that the Tenant has the official documents requesting such approvals.

Tenant's Obligations

Article (19)

The Tenant must pay the Rent on due dates and maintain the Real Property in such a manner as an ordinary person would maintain his own property. Without prejudice to the Tenant's obligation to carry out the restorations that have been agreed upon or which are customary for Tenants to undertake, the Tenant may not make any changes or carry out any restoration or maintenance works to the Real Property unless so permitted by the Landlord and after obtaining required licences from the competent official entities.

Article (20)

When entering into a Lease Contract, the Landlord may obtain from the Tenant a security deposit to ensure maintenance of the Real Property upon the expiry of the Lease Contract, provided that the Landlord undertakes to refund such deposit or remainder thereof to the Tenant upon the expiry of the Lease Contract.

Article (21)

Upon the expiry of the term of the Lease Contract, the Tenant must surrender possession of the Real Property to the Landlord in the same condition in which the Tenant received it at the time of entering into the Lease Contract except for ordinary wear and tear or for damage due to reasons beyond the Tenant's control. In the event of dispute between the two parties, the matter must be referred to the Tribunal to issue an award in this regard.

Article (22)

Unless the Lease Contract states otherwise, the Tenant must pay all fees and taxes due to Government entities and departments for use of the Real Property as well as any fees or taxes prescribed for any sub-lease.

Article (23)

Unless otherwise agreed by the parties, upon vacating and surrendering possession of the Real Property, the Tenant may not remove any leasehold improvements made by the Tenant.

Article (24)

Unless otherwise agreed by the parties to the Lease Contract, the Tenant may not assign the use of or sub-lease the Real Property to third parties unless written consent of the Landlord is obtained.

Eviction Cases

Article (25)

1. The Landlord may seek eviction of the Tenant from the Real Property before the expiry of the Lease Contract term in any of the following cases:
 - a. Where the Tenant fails to pay the Rent or any part thereof within thirty (30) days from the date of service of Notice to pay on the Tenant by the Landlord;
 - b. Where the Tenant sub-lets the Real Property or any part thereof without

obtaining the Landlord's written approval. In this case, the eviction will apply to the Sub-tenant, who will have the right to claim compensation from the Tenant;

- c. Where the Tenant uses the Real Property or allows others to use it for any illegal purpose or for a purpose which breaches public order or morals;
 - d. Where the Tenant makes a change to the Real Property that endangers its safety in a manner that makes it impossible to restore the Real Property to its original state, or damages the Real Property wilfully, or through gross negligence, by failing to exercise due diligence, or by allowing others to cause such damage;
 - e. Where the Tenant uses the Real Property for a purpose other than that for which the Real Property was let, or otherwise uses such Real Property in a manner that violates planning, construction, and use-of-land regulations in force in the Emirate;
 - f. Where the Real Property is condemned, provided that the Landlord proves this by a technical report attested to by Dubai Municipality, or
 - g. Where the Tenant fails to observe any obligation imposed on him by this Law or any of the Lease Contract terms within thirty (30) days from the date a Notice to perform such obligation or term is served upon him by the Landlord.
2. Upon expiry of the Lease Contract, the Landlord may seek eviction of the Tenant from the Real Property if:
- a. a competent Government entity requires demolition and reconstruction of the Real Property as per urban development requirements in the Emirate;
 - b. the Real Property is in a condition that requires full renovation or comprehensive maintenance that cannot be carried out in the presence of the Tenant in the Real Property, provided that the condition of the Real Property is verified by virtue of a technical report attested to by Dubai Municipality;
 - c. the Landlord wishes to demolish the Real Property to reconstruct it or add any new constructions that will prevent the Tenant from using the Real Property, provided that the Landlord obtains the required permits from the

competent entities; or

- d. the Landlord wishes to repossess the Real Property for use by him personally or by any of his first-degree relatives.

However, for each of the above-mentioned four cases, the Landlord must notify the Tenant of the eviction reasons at least ninety (90) days prior to the expiry of the Lease Contract.

Article (26)

If, upon expiry of the Lease Contract, the Landlord requests possession of the Real Property for his personal use or for use by any of his first-degree relatives, and the Tribunal awards him such possession, the Landlord may not rent the Real Property to a third party before the lapse of at least one (1) calendar year from the date of repossessing the Real Property. Otherwise, the Tenant may request that the Tribunal award him an appropriate compensation.

General Provisions

Article (27)

The Lease Contract does not expire upon the death of the Landlord or the Tenant. The contractual relationship continues with the heirs, unless the heirs of the Tenant wish to terminate such relationship, provided that termination comes into effect no less than thirty (30) days from the date of notifying the Landlord of such intent or the expiry date of the Lease Contract, whichever comes first.

Article (28)

Transferring the ownership of Real Property to a new owner does not affect the Tenant's right to continue to occupy the Real Property by virtue of the Lease Contract entered into with the previous owner, provided that such Lease Contract has a fixed term.

Article (29)

1. The Tenant has the right of first refusal to return to the Real Property after it has been demolished, reconstructed, renovated, or refurbished, provided

that the Rent is determined in accordance with the provisions of Article (13) of this Law.

2. The Tenant must exercise the right of first refusal referred to in the preceding paragraph within a period not exceeding thirty (30) days from the date the Tenant is notified by the Landlord.

Article (30)

If the Tribunal issues an award terminating the Lease Contract and the Real Property is occupied by a Sub-tenant under a contract entered into with the Tenant and approved by the Landlord, the Sub-tenant may continue to occupy the Real Property under the terms of the sub-lease contract.

Article (31)

Filing a claim to evict the Tenant does not exempt the Tenant from paying the Rent for the whole period during which the claim is considered, and until an award is rendered and executed.

Article (32)

If the Landlord and Tenant agree in the Lease Contract or in any other subsequent agreement to refer any dispute arising between them out of the Lease Contract performance to arbitration, neither party may take any action that would affect the Real Property or the parties' rights and obligations as set out in the Lease Contract.

The Tribunal may, upon the request of the Landlord or the Tenant, issue any interim awards it deems appropriate to preserve such rights and legal position until the arbitration award is rendered.

Final Provisions

Article (33)

Where a dispute arises and the Landlord and Tenant have not agreed on the arbitrators or if one or more of the agreed on arbitrators refrains from doing the work, resigns, is removed, or disqualified, or if an issue arises preventing

the arbitrator from doing his work, and there was no agreement between the parties in this regard, the Tribunal, upon the request of either party, will appoint the arbitrator(s). The number of arbitrators appointed by the Tribunal must be equal to or complete the number of arbitrators agreed on.

Article (34)

The Landlord may not disconnect services from the Real Property or disturb the Tenant in his use of the Real Property in any manner. If this happens, the Tenant may have recourse to the police station under whose jurisdiction the Real Property falls to seek a remedy for the violation or to file a police report regarding the violation. He also may have recourse to the Tribunal by filing a claim for damages for any loss he may have suffered, supported by official reports that support the existence of such violation.

Article (35)

The awards relating to vacating the Real Property will be executed through the Tribunal and pursuant to the rules and procedures issued in this respect. Apart from such awards, other awards issued by the Tribunal will be executed by the Execution Section of Dubai Courts.

Article (36)

RERA will issue the bylaws and resolutions required for the implementation of the provisions of this Law and will submit the same to the Chairman of the Executive Council for approval.

Article (37)

This Law will be published in the Official Gazette and will come into force after sixty (60) days from the date of publication.

Mohammed bin Rashid Al Maktoum
Ruler of Dubai

Issued in Dubai on 26 November 2007
Corresponding to 16 Thu- al-Qidah 1428 A.H.



Chapter IV
Rent Indexes

Rent Indexes

About Property Rent Index

The Property Rent Index in the Emirate of Dubai was created pursuant to Law No. (1) of 2009. RERA creates, revises and updates this Index periodically.

This Index is used as guidance to determine the rent values of properties of various uses in all regions of the Emirate of Dubai. This Index serves as a reference in the event of a dispute between landlords and tenants in determining the rates of increase in rental values. There is coordination between RERA and the Judicial Commission for Settlement of Disputes between Landlords and Tenants to implement the provisions of the Law in this regard.

Contents of the Index

For the purpose of creating the Index, all types of properties and rental units in the various regions of the Emirate of Dubai were listed. An electronic data record was created for each area. The record includes types of units and their uses, the minimum and maximum rent values, and the average rent payment. The Index is divided into three main areas by region, namely: Deira, Dubai, and freehold areas. Property uses are determined as follows: residential, commercial and industrial.

Rent calculators have been also created for commercial complexes and malls, according to their respective classifications. Indexes for certain projects in freehold areas have been created.

Rent Increase Calculator

This calculator serves as a guide for calculating rates of increase in rents and identifying the rent values in the various areas. The beneficiary logs into the official website of Dubai Real Estate Community, and selects the rent calculator link. The required data are then entered to easily inquire about the increase rate and the average rent for the area and the unit.

Rent Increase Calculator Service

Login Form:



Visiting the website:

www.dubailand.gov.ae



E-services



Rent Increase Calculator



Note: The rent increase calculator is updated on regular basis.

Demonstration of Calculating the Increase in Property Rent Pursuant to Decree No. 43 of 2013 Determining the Increase in Property Rent in Dubai

Relation Between Average Rent And The Prescribed Rent Increase Rate

Prescribed Rent Increase Rate	Current rent stated in the applicant's contract compared to the average comparable rent	
00%	00% - 10%	No increase in the rent of the real estate unit, if the rent is less than or equivalent to 10% of the average comparable rent.
05%	11% - 20%	5% of the rent of the real estate unit, if the rent is less by 11% up to 20% of the average comparable rent.
10%	21% - 30%	10% of the rent of the real estate unit, if the rent is less by 21% up to 30% of the average comparable rent.
15%	31% - 40%	15% of the rent of the real estate unit, if the rent is less by 31% up to 40% of the average comparable rent.
20%	41% and more	20% of the rent of the real estate unit, if the rent is less by more than 40% of the average comparable rent.

Example of calculating the increase in property rent rate in the Emirate of Dubai according to the fees:

Average rent in the official index = AED 80,000

Current rate stated in the lease contract = AED 60,000

Calculating the decrease in rent below the average rent in the official index

$$\frac{80,000 - 60,000}{80,000} \times 100$$

Decrease in rent below the average rent in the official index – 25%

Upon referral to the cases stated in the Decree, the rate in this case will be from 21-30%, which allows an increase of 10%

Increase in rent= 60,000 x 10% = AED 6,000

Rent after increase: 60,000 + 6000 = AED 66,000