

Law No. (26) of 2007
Regulating the Relationship between Landlords and Tenants
in the Emirate of Dubai¹

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.
Real Property:	Immovable property and everything affixed or annexed to it and which is leased out for purposes of accommodation or

©2015 The Supreme Legislation Committee in the Emirate of Dubai

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.*

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

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 will 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.