

Changes in rental law in Dubai and how it affects the people

For the numerous people who come to Dubai, the new rental laws and their implications are very important. With the great influx of people in Dubai, rental laws have become a very important issue. With the rising demands for rented property in Dubai, the rents have increased considerably over the years. All the people who come to Dubai for work face the problem of exorbitant rents. But the new law will come as a breath of fresh air because it states that the rent cannot be increased by more than 5% of the lease price.

Rental allowance is reserved for the expatriates. Earlier, the individuals would be paid the entire rent by the employer but recently, the companies give their employees a certain percentage of the yearly housing costs and the rest has to be coughed up by the person concerned. When it comes to renting property in Dubai, there are other costs that come to the forefront like a security deposit, car parking money, municipality fees, other monthly utilities and in case you have sought the help of a real estate agent to get hold of the property, you have to set aside 5% commission for the agent as well. You need to remember that you will not be able to make any changes in the rented property.

For the expatriates, their company signs the lease with the landlord of the concerned property. The expatriate can only sign if he is a holder of the residence visa. Generally, the lease is valid for a period of one year and it is, however, extendable if there is no breach of contract from the side of the tenant or if the landlord requires the property for personal reasons. The rent of the entire year is paid at a time. The new revised rental laws in Dubai are actually quite favorable for the tenants. In case of any disputes, the Dubai Rental Committee is a body that is there to resolve any issues that emerge between the landlord and the tenant.

Sources in the government have been quoted as saying that the rental laws in Dubai will soon be undergoing another major change. These laws will look at solving the landlord – tenant dispute and also play an important role in the way things are done when it comes to renting property.

At present, any dispute related to rental property is sorted out by the Rents Committee. However, with the new law that will come into force, the whole scenario is about to change. The law has been passed by the Vice President, Prime Minister of UAE and Ruler of Dubai, H.H Shaikh Mohammad bin Rashid Al Maktoum.

All issues related to renting property in Dubai, like tenancy, subletting, bachelor accommodation etc will be solved by the Dubai Land Department. The new law will change many things significantly. One, however, cannot be sure if the rent cap too will be subjected to change.

The ever increasing rents have long been the problem for numerous expatriates who come into Dubai for work.

This law will look at everything related to rented property with a new perspective. It will play a major role in developing the already strong property market in Dubai.

About the Author

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