

## Expert Advice

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| <b>Date:</b>                         | 01-Apr-2015   |
| <b>Property:</b>                     | Apartment #502 in Bahar 6, JBR, Dubai Marina<br>1BR, 800 sq.ft, 1 dedicated parking slot<br>Sea view, unfurnished, equipped kitchen |
| <b>Current rent amount:</b>          | AED 105,000 per annum payable by 2 cheques  |
| <b>Security deposit:</b>             | AED 5,000   |
| <b>Tenancy contract expiry date:</b> | 25-May-2015   |
| <b>Current market rent price:</b>    | AED 100-110K per annum  |

The average rent prices for the similar apartments in JBR are in the range of AED 100-110K, although asking prices for the listed properties are a bit higher.

At the moment there are more than 20 similar properties listed for rent in the area.

In most cases landlords ask for the rental payment by one or two cheques, but usually are ready to agree for 2-4 cheques after some negotiations.

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| <b>Rental increase:</b> | As per RERA Rental Increase Calculator, average rent in for 1BR apartments in JBR are AED 100-120K.<br>So, as per law, <b>you are not entitled for the rental increase</b> upon renewal of your contract on 26-May-2015.<br>Also please keep in mind, that for any changes in the contract (including allowed by law rent increase), you have to notify your tenant 90 days before the contract expiry date (if other notice period has not been mentioned in the contract), otherwise tenant has the right not to accept the changes. |
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| <b>Other comments:</b> | The Clause 6 of the Addendum to the Tenancy Contract is null and void as it contradicts the article (25) of Law No.26 of 2007 (as amended by Law 33 of 2008) "Regulating relationship between landlords and tenants in the emirate of Dubai".<br>As per the law, landlord may demand eviction of tenant upon expiry of tenancy contract limited to some cases with the notice 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. |
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