

Rent up again? Check Rera calculator



LEGAL VIEW Ashish Mehta

After the initial three years, my landlord has been increasing the rent (10%) for the past two years. This year also now at renewal time the real estate company has increased the rent by 10% (as per Rera only 5% can be increased this year). Apart from this they are asking us to pay Dh4,000 additionally as car parking charges for every car, even if it's only one car per resident (Total = Increased rent + 4000). Last year they installed new cameras and new parking barriers in the building and charged us Dh2,000 in the name of parking charges. Is this allowed or is there any restriction on the total rent that can be increased? Is the building allowed to charge us separately for parking? The building is taking advantage of the fact that the parking outside the building is limited and we are forced to pay and use the building parking even though the RTA parking card for category 'A' would only cost us Dh2,500.

I would advise that you should first check your tenancy contract if it states parking to be provided by the landlord along with the apartment. If it does say so then you inform the landlord that parking is inclusive in the rent amount and therefore no charges should be levied for parking.

Pursuant to your question, it may be noted that for transparency and regulating the rents in Dubai, the Land Department, Government of Dubai, have made a provision for a rent calculator. This rental calculator is an index designed and prepared to determine and monitor the rents keeping in mind certain factors such as the location of the property, the size of the apartment and facilities it offers. You have mentioned that in accordance with Rera guidelines, the rental increase in respect of your apartment may be effected by up to a maximum of 5 per cent on the existing rent, but your landlord is insisting on a 10 per cent rental increase this year. Pursuant to the same, you may

consider to prevail upon your landlord so as not to increase rent by 10 per cent this year, as the RERA guidelines prescribe a maximum benchmark of 5 per cent rental increase for the apartment; if the rental charged is within the range prescribed on the RERA rent calculator. However, should your landlord refuse to accept this, you may consider to approach RERA, and file a complaint against your landlord in respect of the excessive rental increase. Pursuant to the same, the competent forum at RERA may take a final call on the dispute between you and your landlord.

Ditched by developer
I decided to buy an apartment in Silicon Oasis, Dubai from a reputed developer through a reputed agent. To book this apartment, I gave a cheque of 10% of the booking charges to the developer, which was cashed immediately. This was done in June 2015.

Since then, the developer has given several reasons why he is unable to transfer the apartment, due to issues with the land department and his mortgage bank.

Recently, the developer representative informed over the phone that they are cancelling the deal and would like to refund everyone's money. I emailed my calculations but I have not been getting any response back in writing. The agents only say that it is being sorted out. I want to get out of this deal and would like to have all my expenses refunded. Could you let me know what my options are?

It is presumed that you made a payment of 10 per cent to an escrow account maintained by the developer and an Oqood has been registered bearing your name as the purchaser of the apartment, with the Real Estate Regulatory Authority. Further it may be presumed that you were issued receipts in respect of the upfront payment of 10 per cent made by you. However,



What is a rent calculator

> **The Land Department** of Dubai government has provided the public with a rental calculator on its website <https://www.dubai-land.gov.ae/English/Pages/Rental-Increase-calculator.aspx>
> **It is an index** designed and prepared to determine and monitor



the rents keeping in mind certain factors such as the location of the property, the size of the apartment and facilities it offers.

> **It has been** made available for the public for transparency and regulating the rents in Dubai.

you have not mentioned if you had executed any agreement with this developer in respect of sale of the property.

Pursuant to your question, it may be noted that, you may continue to follow up on your claim against the developer.

However, if they fail to provide a

satisfactory settlement on the matter within a reasonable time, you may refer to the terms of the Oqood or the agreement that you executed with the developer, and subsequently you may check for provisions governing termination of the contract or non-performance of obligations by the developer

and take appropriate action.

In general, you may consider filing a complaint against the developer at the Real Estate Regulatory Authority of Dubai. Subsequently you may also consider initiating a civil case against the developer for recovery of your claims at a court of competent jurisdiction.

You may, however, consider taking the assistance of a legal practitioner in the Dubai who may provide you with further counselling in the matter.

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