Renting out an apartment in Dubai: what landlords need to know, from the first tenant to renewal

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When you rent out an apartment in Dubai for a year, some payments fall to the tenant and some to you. There are also clear rules on registering the contract, raising the rent and eviction. Here, I will walk you through the steps in order: finding a tenant, deposit and cheques, registering the contract, utilities, renewal and eviction.

In short

- The tenant usually pays the agency commission, which is 5% of the annual rent. The contract is registered in Ejari, and the contract sets out who does it.
- The tenant sets up electricity and water in their own name and pays the housing fee. Any debt an outgoing tenant leaves is theirs, but in practice it may land on you, so ask them for proof that nothing is owed.
- You can raise the rent only in line with the Dubai Land Department's rental index and with at least 90 days' notice; without notice in time, there is no increase. Eviction requires 12 months' notice.

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01 How much rent you can get in Dubai, by area

The table shows the yearly rent for a one-bedroom apartment of 55 to 85 square metres. The first column is based on new contracts registered with the Dubai Land Department between August and November 2026. The second column is what landlords asked in listings on Bayut in the first half of 2026.

Area	Signed (median)	Asked in listings
Downtown Dubai	AED 110,000	AED 133,000
Business Bay	AED 87,000	AED 104,000
Dubai Marina	AED 87,000	AED 103,000
Jumeirah Lake Towers (JLT)	AED 80,000	No figure
Jumeirah Village Circle (JVC)	AED 68,000	AED 79,000

Why there are two figures: landlords ask for more in their listings than what is finally signed. To estimate what you will actually receive, the registered contracts are the better guide. The costs in section 8 come off that amount.

02 1. Finding a tenant

You will usually rent out your property through a broker or a property management company in Dubai. The tenant pays the agency commission, which is usually 5% of the annual rent, plus VAT. It is worth agreeing in writing with the broker on who pays what, so there are no surprises.

03 2. Deposit and cheques

- **Deposit:** usually 5% of the annual rent for an unfurnished apartment and 10% for a furnished one. This is common practice, not an amount set by law. The landlord holds the deposit and returns it at the end of the contract, minus the cost of repairing any damage beyond normal wear and tear.
- **Cheques:** the rent is paid with post-dated cheques that the tenant gives in advance for the whole year. In my experience, tenants usually pay in 4 cheques a year. Some landlords agree to lower the rent a little when it is paid in fewer cheques.

04 3. Registering the contract in Ejari

Ejari is the Dubai Land Department's system for registering tenancy contracts. According to the Dubai Land Department, the landlord and the tenant share responsibility for registration, and the

contract sets out who does it and who pays. The fee is AED 177.75 in the Dubai REST app or on the website, or AED 220 at a service centre. If the contract is not registered, it is hard to enforce it at the Rental Disputes Centre, and the tenant also cannot set up electricity and water in their own name.

05 4. Electricity, water and the housing fee

- **The tenant opens an account in their own name** with DEWA, Dubai's electricity and water authority, using the Ejari contract number, and pays DEWA a deposit: AED 2,000 for an apartment and AED 4,000 for a villa.
- **The housing fee** is 5% of the annual rent, and the tenant pays it in monthly instalments on the electricity bill.
- **When the tenant leaves:** electricity and water debt built up during the tenancy is owed by the tenant who used them, not by the next tenant. Some sources say the landlord is responsible, and in practice the new tenant turns to the landlord. So the landlord makes sure the old account is closed: before you return the outgoing tenant's deposit, ask them for a DEWA certificate showing the account is closed with nothing owed (Clearance Certificate).

06 5. Raising the rent at renewal

You can raise the rent only in line with the rental index of the Dubai Land Department (DLD). Since January 2025 the index has been called the Smart Rental Index, and it works out the increase from the rental contracts in the building, the average rent in the area and the building's rating. How much you can raise it depends on the gap between the current rent and the average. When the gap is small, no increase is allowed at all. The index sets a ceiling, not an entitlement: it tells you how far you are allowed to raise the rent, not that you are owed an increase. To calculate it, use the Dubai Land Department's calculator or the Dubai REST app. Notice of an increase, or of any other change to the terms, must be sent to the tenant in writing at least 90 days before the contract ends, with the new amount. Without that notice in time, the increase does not apply, even if the index allows it.

07 6. Evicting a tenant

You cannot evict a tenant just because the contract has ended. Under Law No. 33 of 2008, eviction at the end of the contract is allowed only for the reasons the law sets out: selling the apartment, the landlord or a first-degree relative moving in, or demolition or major renovation. Each reason has conditions. When the reason is the landlord or a relative moving in, the landlord must show that they own no other property suitable for that purpose. Demolition and rebuilding need

approvals from the authorities, and major renovation needs a technical approval from Dubai Municipality that the work cannot be done while the tenant is living in the apartment. The notice is 12 months, and it must be sent through a notary or by registered post. A notice by email or WhatsApp does not meet the requirement, and a 90-day notice is not enough for eviction. A landlord who takes the apartment back to live in it, or for a relative, cannot let it to anyone else for at least two years. Disputes with a tenant go to the Rental Disputes Centre.

08 7. Property management company

If you do not live in Dubai, you will usually rent out your apartment through a property management company. Its fee is usually 5% to 10% of the annual rent, and the landlord pays it. Check what the fee covers: finding a tenant, renewing the contract, inspections and repairs. Some companies charge for each of these separately.

> What is your apartment's yield after expenses? In the net yield calculator you enter the price, the rent and the expenses, and see the gross and net yield.

09 8. The costs that stay with you

Even when the apartment is rented out, the building's service charges are yours to pay, unless the contract says otherwise. Even when the contract passes them to the tenant, you remain responsible to the management company if the tenant does not pay. I have gathered all the annual expenses, and how to work out what you actually keep, in the guide to management fees and net yield. Rental income must be reported according to the law in the country where you live (see "Do I need to report the property in my country of residence?" in the FAQ).

10 What we check together

After the purchase, I also support you with long-term letting.

How it works: the first consultation is free and lasts up to 20 minutes, by WhatsApp call, WhatsApp messages or a regular phone call. After that, I give you a quote, which depends on the process and the services you need.

Frequently asked questions

Who pays the agency commission when renting out?

Usually the tenant pays it: 5% of the annual rent plus VAT. The landlord pays the property management company's fee, if they work with one.

Who registers the contract in Ejari?

According to the Dubai Land Department, the responsibility is shared by the landlord and the tenant. The contract sets out who does the registration, the landlord, the tenant or the management company, and who pays the fee.

How many cheques do you get?

It is negotiable. In my experience, it is usually 4 cheques a year.

Can I raise the rent as much as I want?

No. You can only raise it as far as the Dubai Land Department's rental index (Smart Rental Index) allows, and with written notice at least 90 days before the contract ends. Without notice in time, there is no increase.

The tenant left with an unpaid electricity bill. Who owes it?

The tenant who used the electricity and water. Sources disagree on this point, and some say the landlord is responsible towards the new tenant. That is why you should ask the tenant for a DEWA certificate showing nothing is owed before returning their deposit.

How much notice must I give a tenant if I am selling or moving in?

12 months, through a notary or by registered post. Email or WhatsApp is not enough. If the reason is that you or a first-degree relative are moving in, you must show that you own no other suitable property.

Sources

- Rent by area: the open data of the Dubai Land Department, new contracts registered 18.08 to 18.11.2026. I calculated the median in the "Signed (median)" column myself from this data, for one-bedroom apartments of 55 to 85 square metres and new contracts only. Asking rents in listings: Bayut, H1 2026 rental report (checked 18.11.2026).
- A 5% agency commission paid by the tenant: Real Estate Club Dubai; fäm Properties (checked 14.10.2026).
- A 5% or 10% deposit, a market practice and not a legal rule: fäm Properties; Oliva (checked 14.10.2026).
- Ejari registration is the shared responsibility of the landlord and the tenant, and the fee: DLD, FAQ; DLD; Gulf News (checked 18.11.2026).
- Utilities by the registered contract, and the deposit: DEWA, Move-in; Engel & Völkers (checked 14.10.2026).
- The 5% housing fee on the electricity bill: Binghatti (checked 14.10.2026).
- An outgoing tenant's electricity and water debt, and the clearance certificate (sources disagree on who is responsible): Property Finder; Bayut (checked 18.11.2026).
- The rental index (Smart Rental Index) and 90 days' notice: DLD, announcement of 02.01.2025; Dubai Media Office, 16.02.2025; Khaleej Times (checked 18.11.2026).
- Eviction with 12 months' notice through a notary or registered post, and the conditions for eviction: Law No. 33 of 2008, Dubai Legislation Portal; Khaleej Times; Property Finder (checked 18.11.2026).

- A 5% to 10% management company fee: Bayut; Property Finder (checked 14.10.2026).
- Service charges are paid by the landlord unless the tenancy contract says otherwise: DLD, notice of 06.01.2020; Law No. 6 of 2019, Article 16 (checked 18.11.2026).

Renting out in Dubai for the first time?

Tell me about the apartment, and we will go through the steps together, from the first tenant to renewal.

Send a WhatsApp message →

This information is general and correct as of the update date. It is not legal advice. Before sending an eviction notice or raising the rent, check your specific situation with the relevant authority or a lawyer.