















Our Vision:

To position Dubai as the world's first real estate destination as to innovation, trust and happiness

Our Mission:

To create an innovative and sustainable real estate environment that will promote Dubai as the world's happiest city through:

- Smart services
- Professional human and financial resources
- Integrated real estate legislation

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Law No. (7) of 2013

Concerning the Land Department

Law No. (7) of 2013

Concerning the Land Department (1)

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

The Declaration issued on 24 January 1960 Establishing the Tabou (Land) Department;

Law No. (7) of 1997 Concerning Land Registration Fees and its amendments;

Law No. (3) of 2003 Establishing the Executive Council of the Emirate of Dubai;

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai;

The Government of Dubai Human Resources Management Law No. (27) of 2006 and its amendments:

Law No. (8) of 2007 Concerning Escrow Accounts for Real Estate Development in the Emirate of Dubai;

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

Law No. (27) of 2007 Concerning Ownership of Jointly Owned Real Property in the Emirate of Dubai; and

Law No. (9) of 2009 Regulating the Interim Real Property Register of the Emirate of Dubai and its amendments.

Do hereby issue this Law.

Title of the Law

Article (1)

This Law will be cited as "Law No. (7) of 2013 Concerning the Land Department".

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⁽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.

Definitions

Article (2)

The following words and expressions, wherever mentioned in this Law, will have the meaning indicated opposite each of them unless the context implies otherwise:

Emirate: The Emirate of Dubai.

Ruler: His Highness the Ruler of Dubai.

Government: The Government of Dubai.

Executive Council: The Executive Council of the Emirate.

Department: The Land Department.

Chairman: The chairman of the Department.

Director General: The director general of the Department.

Real Property Activities: All material acts and legal dispositions related to the

development, sale, purchase, registration, regulation, valuation, and leasing of real property in the Emirate, as well as other real property activities and services performed, regulated, or

supervised by the Department and its affiliated entities.

Scope of Application

Article (3)

The provisions of this Law will apply to the Land Department established by virtue of the above mentioned Declaration issued on 24 January 1960.

Head Office of the Department

Article (4)

The head office of the Department will be located in the Emirate, and the Department may establish branches and offices within the Emirate.

Objectives of the Department

Article (5)

In its capacity as the Government entity in the Emirate responsible for regulating and registering real property and promoting real property investment, the Department will have the following objectives:

- 1. to create a world-class pro-investment real property environment;
- 2. to achieve the strategic goals of the Government in the real property sector;
- 3. to keep up with the latest international real property registration systems;
- 4. to improve the effectiveness of the real property regulation and control in the Emirate;
- 5. to manage and develop the real property rental sector in the Emirate;
- 6. to update and develop real property registration systems consistent with the latest international systems;
- 7. to encourage investment in real property through creating a favourable environment for real property investors;
- 8. to increase the contribution of the real property sector to the overall development of the Emirate: and
- 9. to plan and develop an integrated strategy for real property development in the Emirate to achieve excellence at the international level.

Functions of the Department

Article (6)

In addition to the functions assigned to it by virtue of the legislation in force, the Department will have the duties and powers to:

- set and follow up the implementation of the policies and strategies related to implementing the Dubai Strategic Plan with respect to developing and regulating the real property sector in the Emirate;
- 2. register real property through updating and developing real property registration systems of the Department consistent with the latest international systems in this regard;
- 3. regulate real property activities through setting the rules regulating the escrow accounts

- for real property development, real estate brokerage offices, and joint ownership;
- 4. encourage investment in real property through providing investors with information and data on real property investment opportunities in the Emirate;
- propose the initiatives and policies required for achieving the objectives of the Department, particularly those related to real property promotion and investment in the Emirate:
- propose the legislation regulating the real property sector in the Emirate, conduct post-application evaluation of such legislation, regulate the relationship between landlords and tenants, and register lease contracts of real property units;
- 7. license and supervise real property activities in the Emirate and monitor those engaging in them;
- 8. set, in cooperation and coordination with the competent entities, the appropriate measures that ensure the protection and stability of the real property market in the Emirate:
- 9. undertake real property promotion within and outside the Emirate through organising and participating in local, regional, and international real property conferences, events, and exhibitions;
- 10. consider applications of real property investors to obtain the benefits prescribed by the legislation and the policies adopted by the Department;
- 11. prepare and issue reports and studies specialised in the real property market to increase awareness, prepare bulletins and data to support these studies, and provide decision-makers with the findings of such studies to benefit from them in setting and implementing the Government policies and programmes;
- 12. provide information and data to investors on real property investment opportunities in the Emirate;
- 13. provide real property valuation services;
- 14. conduct land surveys and re-surveys and issue maps thereof;
- 15. disseminate real property knowledge through preparing and implementing various real property training programmes to qualify those working on the real property market, including developers, real estate brokers, and other persons engaging in real property

- activities in the Emirate, and prepare and conduct educational and awareness programmes on the rights and duties of those involved in the real property sector;
- 16. provide specialised real property consultations for real estate developers, brokers, investors and others;
- 17. prepare and implement programmes and projects that contribute to promoting the role of UAE nationals and encouraging them to work in the real property sector;
- 18. organise real property seminars, workshops, and conferences that aim to discuss issues related to the real property market, and propose appropriate solutions for them:
- 19. assess the performance of the affiliated entities of the Department and ensure that they perform the duties and services assigned to them;
- 20. prepare, develop, and periodically update a unified central database for the Real Property Activities in the Emirate, and make the data accessible to objectives and purposes of planning and decision-making;
- 21. form real property councils and groups, and advisory committees comprising persons with expertise in the various areas related to real property to provide the Department with opinions and advice on issues referred to it; and
- 22. perform any other duties required for the achievement of the objectives of the Department.

Chairman of the Department

Article (7)

- a. A Chairman will be appointed to the Department pursuant to a decree issued by the Ruler.
- b. The Chairman will undertake the general supervision of the Department and make decisions as he deems appropriate to achieve its objectives. In particular, the Chairman will:
 - 1. approve the general policy and strategic plans of the Department and its affiliated entities;
 - 2. approve the organisational structure of the Department and its affiliated entities;
 - 3. approve the draft annual budget and final accounts of the Department;
 - 4. approve the fees and charges for the services provided by the Department and

- its affiliated entities; and
- 5. perform any other duties or exercise any other powers related to the work of the Department and assigned to him by the Ruler.
- c. The Chairman may delegate any of the powers vested in him by virtue of this Law or any other legislation to the Director General.

Director General

Article (8)

- a. A Director General will be appointed to the Department pursuant to a decree issued by the Ruler.
- b. The Director General will undertake the supervision of the administrative, technical, and financial affairs of the Department, and will represent it before third parties. In particular, he will:
 - 1. propose the general policy and strategic plans of the Department and its affiliated entities, and supervise the implementation of these policies and plans upon being approved;
 - 2. propose the organisational structure of the Department and its affiliated entities;
 - 3. approve the bylaws and resolutions regulating the administrative, financial, and technical work of the Department and its affiliated entities;
 - 4. propose the annual draft budget of the Department and prepare its final accounts;
 - 5. propose the fees and charges for the services provided by the Department and its affiliated entities;
 - 6. supervise the work of the executive body of the Department and its affiliated entities;
 - supervise the work of the executive directors of the affiliated entities of the Department and their implementation of the strategic and operational plans of their respective entities; and
 - 8. perform any other duties assigned to him by the Chairman.

Executive Body of the Department

Article (9)

The executive body of the Department will be comprised of a number of administrative and technical employees. The Government of Dubai Human Resources Management Law No. (27) of 2006 and its amendments will apply to these employees.

Affiliated Entities of the Department

Article (10)

- a. Specialised entities working in areas related to regulating, conducting, and developing Real Property Activities in the Emirate may be affiliated with the Department.
- b. The Department may, in accordance with its needs and the work requirements of its affiliated entities, propose redefining the goals and objectives, dissolution, or merger of these entities. These proposals will be submitted to the competent authorities for approval.
- c. Affiliated entities of the Department will implement the adopted plans and policies, and will submit periodic reports to the Director General on their work and programmes as well as the statistics, studies, and information available to these affiliated entities.

Fees

Article (11)

In return for registering real property dispositions and providing other services, the Department will charge fees as determined pursuant to a resolution of the Chairman of the Executive Council.

Financial Resources of the Department

Article (12)

The financial resources of the Department will consist of the following:

support allocated to the Department in the general budget of the Government;

- 2. fees and charges for the services provided by the Department; and
- 3. any other resources approved by the Executive Council.

Accounts and Financial Year of the Department Article (13)

In regulating its accounts and records, the Department will follow the Government accounting rules and standards. The financial year of the Department will commence on 1 January and will end on 31 December of each year.

Issuing Implementing Resolutions

Article (14)

The Chairman of the Executive Council will issue the resolutions required for the implementation of the provisions of this Law.

Repeals

Article (15)

The Declaration issued on 24 January 1960 Establishing the Tabou (Land) Department and Law No. (7) of 1997 Concerning Land Registration Fees will be repealed. Any provision in any other legislation will also be repealed to the extent that it contradicts the provisions of this Law.

Commencement and Publication Article (16)

This Law comes into force on the day on which it is issued, and will be published in the Official Gazette.

Mohammed bin Rashid Al Maktoum Ruler of Dubai

Issued in Dubai on 18 September 2013 Corresponding to 13 Thu al-Qidah 1434 A.H.

Decree No. (43) of 2013

Determining Rent Increases for Real Property in the Emirate of Dubai

Decree No. (43) of 2013 Determining Rent Increases for Real Property in the Emirate of Dubai (1)

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Law No. (9) of 2004 Concerning Dubai International Financial Centre and its amendments; Law No. (16) of 2007 Establishing the Real Estate Regulatory Agency;

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

Decree No. (22) of 2009 Concerning Special Development Zones in the Emirate of Dubai; Decree No. (2) of 2011 Concerning Rent in the Emirate of Dubai;

Decree No. (26) of 2013 Concerning the Rent Disputes Settlement Centre in the Emirate of Dubai; and

The legislation regulating free zones in the Emirate of Dubai.

Do hereby issue this Decree.

Percentages of Increase

Article (1)

When renewing real property lease contracts, the maximum percentage of rent increase for real property in the Emirate of Dubai will be as follows:

- a. no rent increase, where the rent of the real property unit is up to ten percent (10%) less than the average rental value of similar units;
- b. five percent (5%) of the rent of the real property unit, where the rent is eleven percent (11%) to twenty percent (20%) less than the average rental value of similar units;

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- c. ten percent (10%) of the rent of the real property unit, where the rent is twenty one percent (21%) to thirty percent (30%) less than the average rental value of similar units:
- d. fifteen percent (15%) of the rent of the real property unit, where the rent is thirty one percent (31%) to forty percent (40%) less than the average rental value of similar units; or
- e. twenty percent (20%) of the rent of the real property unit, where the rent is more than forty percent (40%) less than the average rental value of similar units.

Scope of Application Article (2)

This Decree will apply to landlords, whether private or public entities, in the Emirate of Dubai, including those in special development zones and free zones such as Dubai International Financial Centre.

Average Rental Value

Article (3)

For the purposes of application of Article (1) of this Decree, the average rental value of similar units will be determined in accordance with the "Rent Index of the Emirate of Dubai" approved by the Real Estate Regulatory Agency.

Publication and Commencement Article (4)

This Decree comes into force on the day on which it is issued, and will be published in the Official Gazette.

Mohammed bin Rashid Al Maktoum
Ruler of Dubai

Issued in Dubai on 18 December 2013 Corresponding to 15 Safar 1435 A.H.

Decree No. (26) of 2013

Concerning the Rent Disputes

Settlement Centre in the Emirate of

Dubai

Decree No. (26) of 2013

Concerning the

Rent Disputes Settlement Centre in the Emirate of Dubai (1)

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. (11) of 1992 Issuing the Civil Procedure Code and its amendments;

Law No. (3) of 1992 Establishing Dubai Courts and its amendments;

Law No. (6) of 1992 Establishing the Judicial Council and its amendments;

Law No. (2) of 2003 Concerning the Profession of Renting and Leasing Real Property in the Emirate of Dubai:

Law No. (3) of 2003 Establishing the Executive Council of the Emirate of Dubai;

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai;

The Government of Dubai Human Resources Management Law No. (27) of 2006 and its amendments:

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

Law No. (15) of 2009 Concerning Hearing Rent Disputes in Free Zones;

Decree No. (2) of 1993 Forming a Special Tribunal to Determine Disputes between Landlords and Tenants and its amendments;

Regulation No. (3) of 2006 Determining Areas for Ownership by Non-UAE Nationals of Real Property in the Emirate of Dubai and its amendments; and

Local Order No. (1) of 2004 Concerning the Fees of the Rent Tribunal in the Emirate of Dubai, **Do hereby issue this Decree.**

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Title of the Decree

Article (1)

This Decree will be cited as "Decree No. (26) of 2013 Concerning the Rent Disputes Settlement Centre in the Emirate of Dubai".

Definitions

Article (2)

The following words and expressions, wherever mentioned in this Decree, will have the meaning indicated opposite each of them unless the context implies otherwise:

Emirate: The Emirate of Dubai.

Ruler: His Highness the Ruler of Dubai.

Executive Council: The Executive Council of the Emirate.

Council: The Judicial Council.

Department: The Land Department.

Centre: The Rent Disputes Settlement Centre in the Emirate.

Tribunal: The tribunal formed at the First Instance Division or Appellate Division

of the Centre

Rent Dispute: A dispute that arises between the landlord and tenant in relation to

leasing and renting immovable property.

Objectives of the Decree

Article (3)

With a view to supporting sustainable development in the Emirate, this Decree aims to establish a specialised judicial system to hear Rent Disputes, and to develop the procedure for determination of such disputes through an expeditious and simple process for the purpose of realising social and economic stability for all persons involved with the real property rental sector and other related sectors.

Scope of Application

Article (4)

- a. The provisions of this Decree will apply to the Special Tribunal to Determine Disputes between Landlords and Tenants established by virtue of the above mentioned Decree No. (2) of 1993.
- b. The name "Rent Disputes Settlement Centre in the Emirate of Dubai" will replace the name "Special Tribunal to Determine Disputes between Landlords and Tenants".

Head Office of the Centre

Article (5)

The Centre will have its head office in the Department, and may establish other offices in the Emirate.

Jurisdiction of the Centre

Article (6)

- a. The Centre will have the exclusive jurisdiction to:
 - 1. determine all Rent Disputes that arise between landlords and tenants of real property situated in the Emirate or in free zones, including counterclaims arising therefrom, as well as determine applications for interim or urgent relief filed by any of the parties to a lease contract;
 - determine appeals from the decisions and judgments that are subject to appeal
 in accordance with the provisions of this Decree and the regulations and
 resolutions issued in pursuance thereof; and
 - 3. enforce the decisions and judgments issued by the Centre in the Rent Disputes that fall within its jurisdiction.
- b. The Centre will have no jurisdiction to hear the following Rent Disputes:
 - 1. Rent Disputes that arise within the free zones which have tribunals or special courts having jurisdiction to determine the Rent Disputes that arise within their boundaries;
 - 2. Rent Disputes that arise from a lease finance contract; and

3. disputes that arise from long-term lease contracts covered by the above mentioned Law No. (7) of 2006.

Organisational Structure of the Centre

Article (7)

- a. The organisational structure of the Centre will consist of two sectors: a judicial sector and an administrative sector.
- b. The judicial sector will comprise the following divisions and organisational units:
 - 1. the Mediation and Conciliation Directorate;
 - 2. the First Instance Division;
 - 3. the Appellate Division; and
 - 4. the Judgment Enforcement Directorate.
- c. The administrative sector of the Centre will comprise a number of organisational units charged with the duty of providing technical and administrative support to the judicial sector.

Chairman of the Centre

Article (8)

A chairman, who must be a judge whose grade is not be lower than the grade of an appellate court judge, will be appointed to the Centre pursuant to a decree issued by the Ruler. The chairman will undertake the supervision of the judicial sector of the Centre and will, in particular, have the powers to:

- 1. supervise the distribution of claims at the First Instance Division and the Appellate Division;
- propose the regulations and resolutions necessary for the regulation of the work in the judicial sector of the Centre, including the fees and the charges for services provided by the Centre; and
- 3. coordinate with all judicial and government entities with respect to all matters relating to the work of the Centre in the judicial sector.

Secretary General of the Centre

Article (9)

A secretary general will be appointed to the Centre pursuant to a resolution issued by the director general of the Department to undertake the supervision of the administrative sector of the Centre and any other duties assigned or delegated to him by the chairman of the Centre.

Mediation and Conciliation Directorate

Article (10)

- a. A Mediation and Conciliation Directorate will be established in the Centre with the power to amicably settle Rent Disputes in accordance with the rules adopted in this respect by the chairman of the Centre, with the exception of the following:
 - 1. orders, applications, and claims which are urgent or interim; and
 - 2. claims that have been registered before the effective date of this Decree.
- b. The Mediation and Conciliation Directorate will be comprised of a number of lawyers and experts to be appointed by the Department.
- c. Rent Disputes submitted to the Mediation and Conciliation Directorate will be heard and settled by a number of specialists working under the supervision of a judge assigned to work with the Centre for this purpose.
- d. The Mediation and Conciliation Directorate will hear a Rent Dispute submitted to it by summoning the parties or their representatives, reviewing the documents and related evidence, proposing a settlement to the parties, and reconciling their points of view for the purpose of reaching amicable settlement of the Rent Dispute.
- e. The time bar periods and limitation periods stipulated by the legislation in force will be suspended from the date of registering the Rent Dispute with the Mediation and Conciliation Directorate.
- f. The Mediation and Conciliation Directorate will seek to amicably settle the Rent Dispute within a period not exceeding fifteen (15) days from the date of appearance of the parties before it. This period may be extended for the same period or periods by a decision of the judge supervising the Mediation and Conciliation Directorate.
- g. Where settlement between the parties to the Rent Dispute is reached, this settlement

- will be documented in a settlement agreement to be signed by the parties and approved by the judge supervising the Mediation and Conciliation Directorate. This agreement will have the force of a writ of execution.
- h. The Mediation and Conciliation Directorate may, as it deems appropriate, seek assistance from experts and specialists to provide technical expertise in the matters submitted to it. The decision to seek assistance from an expert will specify the scope of his assignment, the period required for completion of this assignment, his remuneration, and the party responsible for payment of such remuneration.
- i. A fee will be charged for the registration of a Rent Dispute submitted to the Mediation and Conciliation Directorate in accordance with the fees prescribed for the registration of claims at the Centre. One-half of the fee will be refunded if amicable settlement is reached between the parties to the Rent Dispute.

Appointment of Chairs and Members of Tribunals Article (11)

The chairs and members of the Tribunals that comprise the First Instance Division and Appellate Division will be appointed pursuant to a resolution of the Chairman of the Council.

Taking the Oath Article (12)

Before assuming their duties, members of Tribunals who are not judges will take the following oath before the chairman of the Council:

"I swear by Allah the Almighty that I will administer justice, respect the laws, and discharge my duties with integrity and honesty".

The First Instance Division

Article (13)

 a. The First Instance Division will be comprised of a sufficient number of Tribunals, each of which is formed of a chair and two (2) competent and experienced members specialised

- in law and real property. These Tribunals will have the jurisdiction to determine the Rent Disputes referred to in Article (6) of this Decree, and the chair of each Tribunal must be a judge. Notwithstanding the foregoing, the chairman of the Council may appoint an experienced and specialised lawyer as chair of any of these Tribunals.
- b. The chairman of the Centre may designate one or more Tribunals within the First Instance Division to hear certain types of Rent Disputes depending on the nature of the claim, or the location or nature of use of the leased real property unit.

The Appellate Division

Article (14)

The Appellate Division will be comprised of a sufficient number of Tribunals, each of which is formed of two (2) judges and one (1) experienced member specialised in real property. The chair of each Tribunal must be a judge. These Tribunals will have jurisdiction to determine the appeals from decisions and judgments issued by the First Instance Division. Judgments of the Appellate Division will be final and not subject to any form of appeal, and will be enforced in accordance with the procedures and rules adopted by the Centre.

Meetings of Tribunals

Article (15)

Meetings of Tribunals will be valid if attended by all their members, and decisions will be issued in the name of the Ruler, unanimously or by majority vote.

Determining Claims

Article (16)

The Tribunals formed under the provisions of this Decree must determine the rent claims referred to them within a period not exceeding thirty (30) days from the date of referral of the claim file to them. This period may be extended for the same period in accordance

with the rules and procedures adopted in this respect by the chairman of the Council.

Appeals from Decisions of the First Instance Division

Article (17)

- a. Judgments of the First Instance Division will be appealed to the Appellate Division, with the exception of judgments issued for rent claims whose value is less than one hundred thousand Dirhams (AED 100,000), which will be final and not subject to any form of appeal.
- b. Judgments issued by the First Instance Division for claims whose value is less than the value mentioned in paragraph (a) of this Article may be appealed in any of the following cases:
 - 1. where an eviction judgment is issued;
 - 2. where the judgment issued breaches the rules of jurisdiction;
 - 3. where the judgment grants relief that has not been requested by the parties, which exceeds that which they requested, or where the judgment fails to address relief requested by the parties;
 - 4. where the judgment is issued against a person who was not duly represented in the claim, or where the service of the summons was invalid:
 - 5. where the judgment is based on documents which are acknowledged as or judicially declared to be false after the judgment has been issued, or where the judgment is based upon testimony that is judicially declared to be false after the judgment has been issued; or
 - 6. where a party to a contract concealed from the First Instance Division evidence or documents that would have changed the judgment.

Time Limit for Appeal of Judgments

Article (18)

a. The time limit for appeal of a judgment issued by the First Instance Division is fifteen

- (15) days from the day following the date of the hearing in which the judgment was issued. Where the party against whom the judgment is issued has failed to appear in all hearings of the claim and failed to submit a defence, the time limit for appeal will commence from the date upon which he is served with the judgment.
- b. To admit an appeal of a judgment issued by the First Instance Division in claims involving financial claims, the party against whom the judgment was issued must deposit half of the judgment amount with the Centre until the appeal is determined. Notwithstanding the foregoing, the chairman of the Centre may decide to admit the appeal without deposit of that amount or upon payment of a part thereof.

Applicable Sources

Article (19)

The Tribunals will determine Rent Disputes and appeals submitted to it by reference to:

- 1. the legislation in force in the Emirate;
- 2. the provisions of Islamic Sharia;
- 3. principles of natural justice and rules of truth and fairness; and
- 4. custom, provided that such custom does not contradict the public morals.

Operating Procedures of the Centre

Article (20)

The Chairman of the Centre will issue regulations concerning the procedures and rules to be adopted by the Centre in all matters relating to the registration, determination, and enforcement of claims and applications by the First Instance Division, the Appellate Division, the Mediation and Conciliation Directorate, or the Judgment Enforcement Directorate. Until such regulations are issued, the Centre may be guided by the provisions of the procedural rules adopted by the Special Tribunal to Determine Disputes between Landlords and Tenants.

Enforcement of Judicial Judgments

Article (21)

All final and irrevocable judgments issued by the First Instance Division and the Appellate Division will be enforced by the Judgment Enforcement Directorate of the Centre. The chairman of the Centre may seek assistance from the Execution Department of Dubai Courts to enforce the judgments issued by the Centre.

Appeals from Decisions and Judgments Issued before the Effective Date of this Decree

Article (22)

Subject to the provisions of Article (17) of this Decree, the decisions and judgments that were not enforced before the effective date of this Decree may be appealed within thirty (30) days from such effective date.

Fees

Article (23)

- a. In return for registering the claims and applications submitted to the Centre and other services provided by it, the Centre will charge fees as determined pursuant to a resolution of the Chairman of the Executive Council.
- b. The fees stipulated in the above mentioned Local Order No. (1) of 2004 will continue to apply until the Executive Council resolution referred to in paragraph (a) of this Article is issued.

Remuneration of the Members of Tribunals

Article (24)

The chairman of the Council will issue regulations concerning the financial remuneration that may be paid to chairs and members of Tribunals.

Automation and Use of Technology Article (25)

The activities of the Centre in the judicial and administrative sectors will be automated to ensure simplification of procedure and expeditious determination of Rent Disputes.

Providing Support to the Centre Article (26)

The Department will provide all necessary support to the Centre to enable it to perform the functions assigned to it by virtue of this Decree, including providing office premises and administrative, financial, and technical support.

Financial Resources of the Centre

Article (27)

The financial resources of the Centre will consist of:

- support allocated to the Centre in the budget of the Department; and
- 2. fees and charges for the services collected by the Centre with respect to claims, applications, transactions, and the services provided by the Centre.

Transitional Provisions

Article (28)

- a. The Centre will hear and determine all claims and applications being heard by the Special Tribunal to Determine Disputes between Landlords and Tenants on the effective date of this Decree. These claims and applications will be referred at their current status unless the case is reserved for judgment.
- b. All employees of the Special Tribunal to Determine Disputes between Landlords and Tenants will be transferred to the Department as of the effective date of this Decree without prejudice to their existing rights. The Government of Dubai Human

Resources Management Law No. (27) of 2006 and its amendments will apply to these employees.

Repeals

Article (29)

- a. This Decree will supersede Law No. (15) of 2009 Concerning Hearing Rent Disputes in Free Zones and Decree No. (2) of 1993 Forming a Special Tribunal to Determine Disputes between Landlords and Tenants.
- b. Any provision in any other legislation will be repealed to the extent that it contradicts the provisions of this Decree.

Issuing Implementing Resolutions

Article (30)

The chairman of the Council will issue the resolutions required for the implementation of the provisions of this Decree.

Publication and Commencement

Article (31)

This Decree will be published in the Official Gazette and will come into force sixty (60) days after the date of its publication.

Mohammed bin Rashid Al Maktoum Ruler of Dubai

Issued in Dubai on 18 September 2013 Corresponding to 13 Thu al-Qidah 1434 A.H.

Executive Council Resolution No. (30) of 2013

Approving Fees of the Land Department

Executive Council Resolution No. (30) of 2013 Approving

Fees of the Land Department (1)

We, Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai, Chairman of the Executive Council,

After perusal of:

Law No. (3) of 2003 Establishing the Executive Council of the Emirate of Dubai;

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai;

Law No. (27) of 2007 Concerning Ownership of Jointly Owned Real Property in the Emirate of Dubai:

Law No. (13) of 2008 Regulating the Interim Real Property Register in the Emirate of Dubai and its amendments:

Law No. (14) of 2009 Concerning the Pricing of Government Services in the Emirate of Dubai;

Law No. (35) of 2009 Concerning Management of the Public Funds of the Government of Dubai and its amendments;

Law No. (7) of 2013 Concerning the Land Department;

Decree No. (4) of 2010 Regulating Grant of Title of Land Allocated for Industrial and Commercial Use in the Emirate of Dubai; and

Executive Council Resolution No. (24) of 2006 Approving Charges for Certain Real Property Transactions in the Emirate of Dubai,

Do hereby issue this Resolution.

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⁽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.

Definitions

Article (1)

The following words and expressions, wherever mentioned in this Resolution, will have the meaning indicated opposite each of them unless the context implies otherwise:

Emirate: The Emirate of Dubai.

Department: The Land Department.

Fee: The amounts and percentages charged pursuant to this Resolution for the

registration of Real Property Dispositions and for the services provided by

the Department.

Real Property The real property register and the interim real property register in which

Register: real property dispositions are registered.

Real Property Any legal disposition pursuant to which the ownership or possession of

Disposition: real property is transferred. This includes, without limitation, contracts

transferring usufruct rights or long-term lease rights provided for by the

above mentioned Law No. (7) of 2006, and rent-to-own contracts.

Approval of Fees

Article (2)

By virtue of this Resolution, the Fees for registration of Real Property Dispositions in the Real Property Register, including those related to completed, under-construction, or off-plan real property, as well as the Fees for services provided by the Department, as set out in Table (1) attached hereto, are approved.

Fee Payment Rules

Article (3)

When paying the Fees prescribed by Article (2) of this Resolution, the following will apply:

1. unless agreed otherwise, the Fee for the sale of real property will be shared equally

by the seller and purchaser;

- 2. unless agreed otherwise, the Fee for registering a usufruct or long-term lease right provided for by the above mentioned Law No. (7) of 2006 will be paid by collection of two percent (2%) of the value of the real property from the owner, landlord, or holder of a usufruct right, and collection of two percent (2%) of the value of the real property from the tenant or holder of the usufruct right;
- 3. unless agreed otherwise, the Fee for registering a rent-to-own contract will be paid by collection of two percent (2%) of the value of the real property from the landlord, and collection from the tenant of two percent (2%) of the value of the real property plus a quarter of a percent (0.25%) of the value of the amount financed;
- 4. the Fees for registering the subdivision of co-owned real estate will be paid by the co-owners in proportion to their respective shares prior to the subdivision;
- 5. unless agreed otherwise, the Fees for registering contracts for the use and development of the land of another person (Musataha), contracts transferring the share of real property belonging to an heir to the other heirs (Takharuj), gifts, wills, mortgages, debt conversions, family endowments (Family Waqf), and registering the rights of the heirs of tenants, will be paid by the person to whom the rights are transferred; and
- 6. Fees for dispositions other than those stipulated in paragraphs (1), (2), (3), (4), and (5) of this Article will be paid by the applicant.

Fee Assessment

Article (4)

For the purpose of calculating the Fees payable under this Resolution, the Department will:

- 1. verify the value of the real property in respect of which the Real Property Disposition is made; and
- 2. assess the value of the real property and Real Property Dispositions where such value is undetermined, where it is established that the value stated in the disposition contract is less than the market value, or where false information or data is submitted with respect to these real property and Real Property Dispositions.

Evasion of Fees

Article (5)

The following acts will be considered evasion of Fees:

- 1. providing false information about the value of a Real Property Disposition;
- 2. acting in a fraudulent manner or using any means whatsoever to evade the payment of Fees; or
- 3. performing any other act with a view to evading the payment of Fees.

Fines

Article (6)

- a. Without prejudice to any stricter penalty stipulated in any other legislation, a person who commits any of the acts provided for in Article (5) of this Resolution will be punished by a fine of double the prescribed Fee.
- b. Any real property developer or real estate broker who assists any person under obligation to pay Fees in evading the payment of such Fees will be punished by the same penalty stipulated in paragraph (a) of this Article.

Law Enforcement Officers

Article (7)

Employees of the Department determined pursuant to a resolution of the Director General, in coordination with the Director General of the Government of Dubai Legal Affairs Department, will have the capacity of law enforcement officers to record the acts committed in breach of the provisions of this Resolution and the resolutions issued in pursuance thereof. For this purpose, they may issue the violation reports required in this regard.

Grievances

Article (8)

Any affected party may submit a written grievance to the Director General against any

decision or measure taken against him under this Resolution. The grievance will be determined, within thirty (30) days from the date of submission of the grievance, by a committee formed by the Director General for this purpose, and the decision on the grievance will be final.

Payment of Fees and Fines Article (9)

The Fees and fines collected by virtue of this Resolution will be paid to the Public Treasury of the Government of Dubai.

Issuing Implementing Resolutions Article (10)

The Director General will issue the resolutions required for the implementation of the provisions of this Resolution.

Publication and Commencement Article (11)

This Resolution will be published in the Official Gazette and will come into force on the day on which it is published.

Hamdan bin Mohammed bin Rashid Al Maktoum
Crown Prince of Dubai
Chairman of the Executive Council

Issued in Dubai on 18 September 2013 Corresponding to 13 Thu al-Qidah 1434 A.H.

Table of Fees for Registration of Real Property Dispositions and Fees for Services Provided by the Land Department

S	Description	Fee	
1	Designation of a real property calc contract	4% of the value of the	
	Registering a real property sale contract	sale contract	
	Registering a warehouse sale contract	AED 10 per square	
		meter of the plot on	
2		which the warehouse is	
		constructed, provided	
		that the Fee will not be	
		less than AED 10,000	
3	G <mark>rant of ti</mark> tle of land allocated for industrial or	30% of the market value	
3	commercial use to the beneficiary	of the land	
4	G <mark>rant of ti</mark> tle o <mark>f land</mark> allocated for industrial or	50% of the market value	
	c <mark>ommerci</mark> al u <mark>se to t</mark> he possessor	of the land	
	Registering a gift of real property	0.125% of the value of the	
		real property given as a	
5		gift, provided that the Fee	
		will not be less than AED	
		2,000	
	Registering a rent-to-own contract	4.25% (being 4% of the	
		value of the real property,	
6		and 0.25% of the total	
		value of the rent-to-	
		own contract)	
7	Amending the registration of a rent-to-own	AED 1,000	
	contract	0.25% of the total value of	
	Application for transferring the ownership of real		
8	property from one financer to another in a rent-to- own contract	the rent-to-own contract	
	OWITCOIIIIact		

S	Description	Fee	
9	Marking an entry in the real property's folio in the register to indicate that a rent-to-own contract is terminated	AED 1,000	
10	Registering a mortgage contract	0.25% of the mortgage (debt) value	
11	Variation of the details of a mortgage	AED 1,000	
12	Transferring a mortgage	0.25% of the mortgage (debt) value	
13	Discharging a mortgage	AED 1,000	
14	Registering a long-term lease contract	4% of the total value of the lease contract	
15	Amending the registration of a long-term lease contract	AED 1,000	
16	Registering a usufruct right	2% of the real property value	
17	Registering a contract for the use and development of the land of another person (Musataha)	1% of the consideration paid for the Musataha contract	
18	Amending the registration of a contract for the use and development of the land of another person (Musataha)	AED 1,000	
19	Transferring a contract for the use and development of the land of another person (Musataha)	1% of the consideration paid for the Musataha contract	
20	Terminating a contract for the use and development of the land of another person (Musataha)	AED 1,000	
21	Supervising the sale of real property by public auction	1% of the auction value, provided that the Fee will not exceed AED 30,000	

S	Description	Fee	
22	Issuing title deed of real property	AED 250	
23	Holding an electronic public auction	AED 10,000	
24	Licensing a public auction outside the Department	AED 10,000	
25	Issuing a replacement for a lost or damaged title deed or possession certificate of real property	AED 1,000	
26	Registering land given as a gift	AED 500	
27	Registering the ownership of real property in the name of heirs	AED 1,000 for each inherited real property	
28	Registration of a family endowment (family Waqf)	AED 2,000 for each real property	
29	Transferring the share of real property belonging to an heir to the other heirs (Takharuj)	1% of the value of the real property subject to the transfer (Takharuj)	
30	Subdividing a co-owned real property between co-owners	1% of the value of the real property subject to subdivision	
31	Issuing a 'To Whom It May Concern' Certificate	AED 50	
32	Confirming the ownership of real property	AED 5,000	
33	Registering a will	0.125% of the value of the real property, which is the subject matter of the will	
34	Valuating vacant land	AED 2,000	
35	Valuating land allocated for a real property project	AED 10,000	
36	Valuating agricultural land	AED 6,000	
37	Valuating a real property unit (exclusive of the land)	AED 4,000	
38	Valuating land on which a hotel is constructed AED 15,000		

S	Description Fee			
39	Valuating land on which a villa, compound, or a	AED 6,000		
	commercial building is constructed			
40	Valuating land on which a residential villa is	AED 4 000		
	constructed	AED 4,000		
41	Determining the location of a site	AED 200		
42	Issuing a replacement for a lost or damaged	AED 250		
42	contract or a Real Property Disposition certificate			
	Converting a lease contract with a term of less			
43	than ninety-nine (99) years, which is executed	1% of the value of the		
43	prior to the effective date of this Resolution, into a	real property		
	freehold contract			
44	Issuing a usufruct certificate	AED 250		
45	Cancelling a Real Property Disposition	AED 1,000		
46	Marking an entry in the Real Property's folio in the	AED 100		
40	register (other than in relation to a mortgage)	AED 100		
47	Registering a lease finance contract of real	0.25% of the value of the		
47	property in the name of the financer	real property		
48	Amending or removing an entry in the real	AED 1 000		
40	property's folio in the register	AED 1,000		
49	Authorising the cancellation of registration of a	AED 500		
49	real property unit sale contract	AED 500		
50	Effecting a real property settlement	AED 3,000		
51	Amalgamating or separating real property	AED 500		
52	Amending an entry in the Interim Real Property	AED 250 per unit		
52	Register			
53	Approving the plan of a plot, real property unit,	AED 50		
55	villa and its appurtenances			
54	Approving the plan of common areas of land AED 250			

S	Description	Fee	
55	Approving a plan of common areas in a building	AED 350	
56	Approving a building plan	AED 500	
57	Approving a 3D plan of common areas in a building	AED 500	
58	Approving a volumetric 3D plan (BMS)	AED 1,000	
59	Applying for a real property unit survey	AED 3,000	
60	Issuing a land map	AED 100	
61	Surveying a business centre	AED 2,000	
62	Issuing a villa/ real property unit plan	AED 250	
63	Issuing a plan of common areas in real property	AED 3,000	
64	Is <mark>suing</mark> a 3D building plan	AED 5,000	
65	Is <mark>suing a</mark> plan of common areas in a building	AED 5,000	
66	Is <mark>suing a buildi</mark> ng plan	AED 2,500	
67	Issuing a 3D plan of common areas in a building	AED 5,000	
68	Issuing a plan of common areas (component plan)	AED 5,000	
69	Issuing a map of an Island	AED 450	
70	Issuing a land map and conducting a field survey	AED 500	
71	Issuing a villa/real property unit plan and conducting a field survey	AED 600	
72	Issuing a plan of common areas of land and conducting a field survey	AED 5,000	
73	Issuing a building plan and conducting a 2D survey	AED 3,000	
74	Issuing a plan of common areas (component plan) and conducting a field survey	AED 5,000	

S	Description	Fee		
75	Issuing a map of an island and conducting a field survey	AED 3,000		
76	Training a real property registrar	AED 2,500		
77	Changing the time of a training course	AED 500		
78	Issuing a report on a real property investment project	AED 500		
79	Attending at the client's premises upon request to process a real property transaction	AED 2,000		
80	Processing an urgent Real Property Disposition transaction	AED 5,000		
81	Subscription to a housing programme	AED 400		
82	Subscription to the Tayseer Programme	AED 10,000		
83	Subscription to a project in the Tayseer Programme	AED 10,000		
84	Subscription of a real property developer in the Tanmia Programme	AED 1,000		
85	Subscription to the Real Property Investment Plan of the Emirate of Dubai	AED 500		
86	Subscription of a real estate developer in the Real Property Investment Plan of the Emirate of Dubai	AED 5,000		
87	Subscription to real property sustainability standards	AED 10,000		

Decree No. (4) of 2010

Regulating the Grant of Title to

Allotted Industrial and Commercial

Land in the Emirate of Dubai

Decree No. (4) of 2010 Regulating the Grant of Title to Allotted Industrial and Commercial Land in the Emirate of Dubai (1)

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai;

The Instructions issued on 20 September 1994 Concerning Land Allotted by the Government to UAE Nationals in the Emirate of Dubai:

The Order issued on 20 September 1994 Prohibiting Notaries Public from Attesting any Contract, Agreement, or Deed Relating to Disposition of Allotted Land; and

The Order issued on 12 July 2004 Concerning Land Allotted to UAE Nationals for Housing Development in the Emirate of Dubai,

Do hereby issue this Decree.

Definitions

Article (1)

The following words and expressions, wherever mentioned in this Decree, will have the meaning indicated opposite each of them unless the context implies otherwise:

Emirate: The Emirate of Dubai.

Government: The Government of Dubai.

Department: The Land Department.

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⁽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.

Allotted Land Land for industrial or commercial use whose usufruct right is conferred

upon UAE nationals, including:

1. land subject to an order of disposition; and

2. Allotted Land which is transferred to third parties by way of succession, assignment, donation, or in return for consideration.

Beneficiary: A UAE national to whom land is allotted.

Grant of Title of Allotted Land

Article (2)

Title to Allotted Land may be granted to the Beneficiary, upon his request, on a freehold basis and without any restriction on its use, exploitation, or disposition.

Procedures for Grant of Title of Allotted Land

Article (3)

Transfer of ownership of Allotted Land to the Beneficiary will be effected in accordance with the following procedure:

- The Beneficiary submits to the Department an application for grant of title to the Allocated Land. The Department considers the application in coordination with other concerned entities in the Emirate where required, and makes the appropriate decision in this regard.
- The Department follows the procedure for the grant of title to the Allotted Land to the Beneficiary, registers the land in his name in the Property Register, and issues the title deed upon payment by the Beneficiary of the transfer of ownership fee prescribed in this Decree.

Fees for Grant of Title

Article (4)

The Beneficiary who desires the transfer of ownership of industrial or commercial land into his name will pay a transfer of ownership fee of thirty percent (30%) of the market value of the land as determined by the Department at the time of ownership transfer.

Grant of Title to Persons in Possession of Allotted Land

Article (5)

- a. Notwithstanding any other provision in any other legislation, the occupier of Allocated Land which has been transferred to him by a Beneficiary by way of sale may request that title to the Allocated Land be granted to him on a freehold basis and without any restriction on its use or exploitation.
- b. The Department will grant title to the Allotted Land to the occupier of the Allotted Land upon reviewing his request, ensuring that the land is legally transferable to him, and ensuring that he has paid the ownership transfer fee of fifty percent (50%) of the market value of the land.

Issuing Implementing Resolutions

Article (6)

The Director General of the Department will issue the instructions required for the implementation of the provisions of this Decree.

Repeals

Article (7)

Any provision in any other legislation will be repealed to the extent that it contradicts the provisions of this Decree.

Commencement and Publication

Article (8)

This Decree comes into force on the day on which it is issued and will be published in the Official Gazette.

Mohammed bin Rashid Al Maktoum Ruler of Dubai

Issued in Dubai on 2 March 2010

Corresponding to 16 Rabi al-Awwal 1431 A.H.

Executive Council Resolution No. (6) of 2010

Approving the Implementing Bylaw of Law No. (13) of 2008 Regulating the Interim Property Register in the Emirate of Dubai

Executive Council Resolution No. (6) of 2010 Approving the Implementing Bylaw of Law No. (13) of 2008 Regulating the Interim Property Register in the Emirate of Dubai (1)

We, Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai, Chairman of the Executive Council,

After perusal of:

Law No. (3) of 2003 Establishing the Executive Council of the Emirate of Dubai;

Law No. (7) of 1997 Concerning Land Registration Fees in the Emirate of Dubai and its amendments;

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai;

Law No. (8) of 2007 Concerning Escrow Accounts of Real Estate Development in the Emirate of Dubai:

Law No. (13) of 2008 Regulating the Interim Property Register in the Emirate of Dubai and its amendments; and

Bylaw No. (85) of 2006 Regulating the Real Estate Brokers Register in the Emirate of Dubai,

Do hereby issue this Resolution.

Article (1)

The following words and expressions mentioned in this Resolution, will have the meaning ascribed to them in the Law No. (13) of 2008 Regulating the Interim Property Register in the Emirate of Dubai and its amendments (the "Law").

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⁽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.

Article (2)

Where a Master Developer or Sub-developer requests, within the period stipulated in paragraph (2) of Article (3) of the Law, the registration of the legal disposition of a Real Property Unit with the Department, it will be deemed that he has complied with the time period required by the Law, even if the Department fails to complete the registration procedure within such period.

Article (3)

If the Master Developer or Sub-developer submits a request to register the legal disposition of the Real Property Unit after expiry of the time period stipulated in paragraph (2) of Article (3) of the Law, the Department must:

- 1. register the legal disposition in the Interim Property Register; and
- 2. impose a fine of ten thousand Dirhams (AED 10,000.00) on the developer.

Article (4)

The Master Developer or Sub-developer may not commence implementation of the project or dispose of its Real Property Units by way of Off-plan Sale unless:

- 1. he has taken possession of the land plot and has received the demarcation certificate;
- 2. he has actual control over the land plot where the project is proposed to be constructed; and
- 3. he has obtained the required approvals from the Competent Entities to commence implementation of the project.

Article (5)

- The Department must, whether on its own initiative or upon request by the concerned
 parties, indicate in the record of the land plot where a development project is to be
 constructed that the project is designated as "a development project governed by
 the provisions of the Law".
- 2. The Department will remove the designation referred to in the preceding paragraph upon completion of the development project and registration of its

Real Estate Units in the names of the purchasers in the Property Register or upon cancellation of the project for any of the reasons set forth in Article (23) of this Resolution.

Article (6)

A request for registration of a Real Property Unit in the Interim Property Register must be submitted using the relevant electronic or paper form, along with the supporting documents and deeds required by the Department.

Article (7)

- 1. Upon completion of the development project and obtaining the completion certificate from the Competent Entities, the Master Developer or Sub-developer may not refuse to hand over or register the Real Property Unit in the name of the purchaser in the Property Register, provided that the purchaser has fulfilled all his contractual obligations even if there are other financial dues payable by such purchaser to the developer other than in connection with the sale agreement of the relevant Real Property Unit.
- 2. The Master Developer or the Sub-developer must register the Real Property Unit and all its amenities, such as the car park, in the name of the purchaser.
- 3. If the Master Developer or Sub-developer refuses to register the Real Property Unit in the name of the purchaser in the Property Register for any reason whatsoever even though the purchaser has fulfilled all his contractual obligations, the Department may, upon the request of the purchaser or upon its own initiative, register the Real Property Unit in the name of the purchaser in the Property Register.

Article (8)

A Master Developer or Sub-developer may not charge a purchaser any amount for any reason whatsoever in consideration for any legal disposition of a Real Property Unit, unless such amounts are approved by the Department.

Article (9)

Unless otherwise agreed, the Master Developer or Sub-developer and the purchaser must pay the fees for registration of the legal disposition of a Real Property Unit as per their respective percentages prescribed in accordance with the applicable legislation.

Article (10)

If the Master Developer or Sub-developer wishes to market his project through a Real Estate Broker, the Master Developer or Sub-developer must comply with the following:

- 1. the project to be marketed through the Real Estate Broker must be registered with the Department;
- an agreement must be entered into with a licensed Real Estate Broker in accordance with Bylaw No. (85) of 2006 Regulating the Real Estate Brokers Register in the Emirate of Dubai; and
- 3. the project marketing agreement with the Real Estate Broker must be registered with the Department.

Article (11)

Any legal disposition made by the Master Developer, Sub-developer, or the Real Estate Broker for the sale of any Real Property or Real Property Unit off-plan prior to approval of the project by the Competent Entities and its registration with the Department will be null and void.

Article (12)

If the Master Developer or Sub-developer agrees with the Real Estate Broker to market the project in full or in part, the Real Estate Broker must deposit the sale proceeds of the relevant Real Property Unit into the project escrow account. The Real estate Broker may not deposit the sale proceeds in his own account or deduct his commission from such proceeds before depositing it in the escrow account. Any agreement to the contrary of the provisions of this Article will be void.

Article (13)

- As of the effective date of this Resolution, the net area of the Real Property Unit will be adopted for the purposes of registration in the Property Register and will be calculated as determined by the Department.
- Any area in excess of the net area of the sold Real Property Unit may not be taken into consideration. Unless otherwise agreed, the developer may not claim the value of such extra area.
- 3. The developer must indemnify the purchaser if the area of the Real Property Unit is less than the agreed area by more than five percent (5%) of the net area of such unit.
- 4. The indemnity payable to the purchaser where the percentage of shortage of the net area exceeds the percentage prescribed in paragraph (3) of this Article will be calculated based on the price of the Real Property Unit as agreed in the relevant contract between the developer and the purchaser.
- 5. For the purposes of application of this Article, the net area of a Real Property Unit set out in the sale agreement and the plan of such unit will be taken as the basis for calculation of any extra area or shortage in the area of the Real Property Unit.

Article (14)

If any dispute arises between the developer and the purchaser, the Department may attempt conciliation to preserve their contractual relationship and may propose solutions for such purpose as it may deem fit. If the Department concludes an amicable settlement, such settlement must be confirmed in writing by an agreement executed by the developer and the purchaser or their respective representatives. Upon confirmation of such agreement by the Department, it will become binding upon both parties.

Article (15)

In any case where the purchaser breaches any of his obligations under the Real Property Unit sale agreement concluded between the purchaser and the developer:

a. The developer must serve a notice on the purchaser to fulfil his contractual obligations, either by appearing in person before the Department or in writing by registered mail or

- email, in which case the developer must provide the Department with a copy of such notice.
- b. The Department must give the purchaser a notice period of thirty (30) days to fulfil his contractual obligations, which will commence from the date on which the notice is served by the developer on the purchaser.
- c. If the purchaser fails to fulfil his contractual obligations within the notice period set forth in paragraph (b) of this Article, the developer may:
 - where he has completed at least eighty percent (80%) of the project, retain all
 the amounts paid by the purchaser and either sell the property by way of public
 auction to recover the balance amounts payable to him, or terminate the agreement
 and retain a maximum of forty percent (40%) of the value of the Real Property Unit;
 - where he has completed at least sixty percent (60%) of the project, terminate the agreement and retain a maximum of forty percent (40%) of the value of the Real Property Unit set forth in the agreement;
 - 3. where he has completed less than sixty percent (60%) of the project, terminate the agreement and retain a maximum of twenty five percent (25%) of the value of the Real Property Unit set forth in the agreement; and
 - 4. where he has not commenced implementation of the project for circumstances beyond his control, terminate the agreement and retain a maximum of thirty percent (30%) of the amounts paid by the purchaser to the developer.
- d. The developer may resort to the relevant competent court to seek a judgment entitling him to the percentages as prescribed in paragraph (c) of this Article where the amounts retained by the developer are less than the respective amounts provided for in sub-paragraphs (1), (2), (3) and (4) above.

Article (16)

A developer who has not commenced implementation of the project may not terminate the agreement or retain thirty percent (30%) of the payments made by the purchaser unless the developer provides evidence that he has fulfilled all his contractual obligations to the purchaser and that failure to commence the project is not due to negligence or default on the part of the developer, or is due to circumstances beyond the control of the developer.

Article (17)

For the purposes of application of Article (15) of this Resolution:

- The completion percentage of a project must be confirmed by a technical report issued by a consultant approved by RERA. Such report must state the completed works based on an actual survey of the project.
- 2. Completion of levelling works and the infrastructure of the project will be deemed as commencement of the project construction.

Article (18)

The developer must refund to the purchaser the amounts retained by him pursuant to Article (15) of this Resolution no later than one (1) year from the date of terminating the agreement or within sixty (60) days from the date of sale of the Real Property Unit, whichever is earlier

Article (19)

- In the event of sale of the Real Property Unit by way of public auction in accordance
 with the provisions of Article (15) of this Resolution, the Department may, at its
 sole discretion, deposit the sale proceeds of the Real Property Unit in an escrow
 account and pay to the purchaser or his representative all the balance amounts after
 deduction of the developer's dues.
- 2. The developer may use the Real Property Unit or lease the same to third parties if it is not sold by way of a public auction, provided that the developer must return the balance amounts to the purchaser within the time period stipulated in Article (18) of this Resolution.

Article (20)

The purchaser may apply to the relevant competent court to terminate the contractual relationship between the purchaser and the developer in any of the following cases:

 if the developer refuses, without any reason acceptable to the Department, to deliver the final sale agreement of the Real Property Unit to the purchaser;

- 2. if the developer declines to settle the payments in accordance with the construction milestones as proposed by RERA;
- 3. if the developer makes material changes to the agreed specifications agreed to in the agreement;
- 4. if, upon handover of the Real Property Unit, it is found that the Real Property Unit is unfit for use due to material constructional defects; or
- 5. any other cases that may require termination of the agreement in accordance with the general principles of law.

Article (21)

The following will be considered as circumstances beyond the control of the developer:

- 1. if the land plot on which the project to be constructed is expropriated for public interest purposes;
- 2. if any Government Entity suspends the project for re-planning purposes;
- 3. if structures, excavations, or utility lines are found in the site of the project;
- 4. if the Master Developer makes any variations to the site of the project that change the boundaries or area of the project in such a manner that affects the performance of the Sub-developer's obligations; and
- 5. any other circumstances determined by RERA.

Article (22)

The developer is deemed to have committed negligence or failed to perform his obligations in any of the following circumstances:

- delay, without any valid reason, in taking possession of the land plot or obtaining the required approvals from the Competent Entities to commence implementation of the project;
- 2. a Sub-developer sells the project Off-plan without prior written consent of the Master Developer;
- delay in obtaining the written approval of the Master Developer of the plans and designs;
- 4. delay in preparing the project for the construction works;

- 5. failure to provide RERA with the information required to approve the project;
- 6. failure to register the project with RERA;
- 7. failure to disclose the financial statements of the project to RERA; or
- 8. any other circumstances determined by RERA.

Article (23)

RERA may, based on a reasoned technical report, decide to cancel the development project in any of the following circumstances:

- 1. if the developer fails, without any valid reason, to commence the construction works despite having already obtained all the required approvals from the Competent Entities;
- 2. if the developer commits any of the offenses set forth in Article (16) of Law No. (8) of 2007 Concerning Escrow Accounts of Real Estate Development in the Emirate of Dubai;
- 3. if it is proven to RERA that the developer has no intention of implementing the project;
- 4. if the land plot upon which the project is to be constructed is revoked due to a breach by the Sub-developer of any of his contractual obligations to the Master Developer;
- 5. if the land plot is substantially affected by the planning or re-planning projects implemented by the Competent Entities in the Emirate;
- 6. if the developer fails to implement the project due to gross negligence;
- 7. if the developer expresses his intention not to implement the project for reasons acceptable to RERA;
- 8. if the developer is declared bankrupt; or
- 9. any other circumstances determined by RERA.

Article (24)

- 1. The developer may appeal a decision issued by RERA to cancel a project no later than seven (7) working days from the date on which the developer is notified of such decision.
- 2. The appeal must be in writing and must include the grounds of objection to the decision.
- 3. RERA must consider the appeal and render its decision within seven (7) working days from the date of submission of the appeal to RERA.
- 4. If RERA allows the appeal, RERA must set the conditions and requirements the

- developer must satisfy in order to overturn the decision to cancel the project.
- 5. The developer must undertake in writing to satisfy the conditions and requirements of RERA.
- 6. If RERA rejects the appeal, its decision in this regard will be final, in which case RERA must proceed with the project cancellation procedures.

Article (25)

In any case in which RERA cancels a project, it must:

- 1. prepare a technical report justifying such cancellation;
- 2. notify the developer in writing, by registered mail or electronic mail, of the cancellation decision:
- 3. appoint a certified auditor at the cost of the developer to review the financial position of the project and verify the amounts paid to the developer or deposited in the escrow account of the development project, as well as the expenditures; and
- 4. request the escrow agent of the project or the developer, if payments are made otherwise than through the escrow account, to refund the amounts deposited in the escrow account or paid to the developer to the relevant parties no later than fourteen (14) days from the date of such cancellation.

Article (26)

If the funds in the escrow account of the project are insufficient to refund the purchasers the amounts paid by them, the developer must refund the amounts payable to those purchasers no later than sixty (60) days from the date of the decision cancelling the project, unless RERA determines to extend such period for valid reasons.

Article (27)

If the developer fails to refund the amounts payable to the purchasers within the time period set forth in Article (26) of this Resolution, RERA must take all necessary actions to secure the rights of purchasers, including referring the matter to the competent judicial authorities.

Article (28)

This Resolution comes into force on the day on which it is issued and will be published in the Official Gazette.

Hamdan bin Mohammed bin Rashid Al Maktoum
Crown Prince of Dubai
Chairman of the Executive Council

Issued in Dubai on 14 February 2010 Corresponding to 30 Safar 1431 A.H.



Decree No. (56) of 2009

Establishing a Special Tribunal for the Settlement of Cheque Disputes Relating to Real Estate Transactions

Decree No. (56) of 2009

Establishing a Special Tribunal for the Settlement of Cheque Disputes

Relating to Real Estate Transactions (1)

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Law No. (3) of 1992 Establishing Dubai Courts and its amendments;

Law No. (1) of 1994 Concerning Court Fees and its amendments;

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai;

Law No. (8) of 2007 Concerning Escrow Accounts of Real Estate Development in the Emirate of Dubai; and

Law No. (13) of 2008 Regulating the Interim Property Register in the Emirate of Dubai and its amendments,

Do hereby issue this Decree.

Article (1)

By virtue of this Decree a special tribunal known as "Tribunal for the Settlement of Cheque Disputes Relating to Real Estate Transactions" (the "**Tribunal**") will be established and will be comprised of:

- 1. a judge from the Court of Appeal, Dubai Courts as President;
- 2. a judge from the Court of First Instance, Dubai Courts as member; and
- 3. a representative from the Land Department as member.

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⁽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.

Article (2)

Before assuming his duties, each member who is not a judge will take the following oath before the Director of H.H. the Ruler's Court:

"I swear by Allah the Almighty that I will administer justice, respect the law, and discharge my duties with integrity and honesty."

Article (3)

The Tribunal will have exclusive jurisdiction to settle complaints related to dishonoured cheques which are issued by a purchaser and made payable to a real estate developer, or those cheques issued by those with usufruct rights or with long-term leasehold rights, whose rights are preserved pursuant to the above mentioned Law No. (7) of 2006.

Article (4)

For the purpose of settlement of cheque-related complaints referred to it, the Tribunal may:

- 1. cancel the dishonoured cheque payable to a real estate developer if it is proven that such developer is not entitled to the amount of the cheque;
- 2. order the cheque issuer to write a new cheque that will replace the cheque which is the subject of the complaint payable on a date determined by the Tribunal;
- 3. refer the dishonoured cheque to the competent judicial authority to take the appropriate legal action against the cheque issuer if the real estate developer is entitled to the amount of the cheque; and
- 4. seek the assistance of real estate experts and specialists as it deems appropriate.

Article (5)

- a. Judicial police officers including the police must refer to the Tribunal all chequerelated complaints that fall under the scope of this Decree.
- b. The Public Prosecution and the Courts may not investigate dishonoured cheques that fall under the scope of this Decree or settle any dispute related to such cheques before such disputes are referred to and considered by the Tribunal. Moreover, they must suspend their consideration of any complaint or penal action related to such

cheques, and refer these to the Tribunal for consideration in accordance with the provisions of this Decree.

Article (6)

The judgement rendered by the Tribunal will be final, irrevocable, and not subject to appeal, and will be executed by the Execution Department of Dubai Courts.

Article (7)

Subject to the provisions of this Decree, the Tribunal will exercise its powers in accordance with:

- 1. the laws in force in the Emirate of Dubai;
- 2. Islamic Sharia principles;
- 3. customs, provided that such customs are not in conflict with the law, and public order and morals; and
- 4. principles of natural justice, and rules of right and fairness.

Article (8)

This Decree comes into force on the day on which it is issued and will be published in the Official Gazette.

Mohammed bin Rashid Al Maktoum
Ruler of Dubai

Issued in Dubai on 1 November 2009 Corresponding to 13 Thu al-Qidah 1430 A.H. Law No. (9) of 2009

Amending Law No. (13) of 2008
Regulating the Interim Property
Register in the Emirate of Dubai

Law No. (9) of 2009 Amending Law No. (13) of 2008 Regulating the Interim Property Register in the Emirate of Dubai (1)

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Law No. (8) of 2007 Concerning Escrow Accounts of Real Estate Development in the Emirate of Dubai;

Law No. (16) of 2007 Establishing the Real Estate Regulatory Agency; and

Law No. (13) of 2008 Regulating the Interim Property Register in the Emirate of Dubai,

Do hereby issue this Law.

Article (1)

Articles (2) and (11) of Law No. (13) of 2008 Regulating the Interim Property Register (the "Original Law") will be superseded by the following provisions:

Article (2)

The following words and expressions will have the meaning indicated opposite each of them unless the context implies otherwise:

Emirate: The Emirate of Dubai.

Department: The Land Department.

RERA: The Real Estate Regulatory Agency.

Property Register: The property register maintained by the Department.

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⁽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.

Interim Property Register: The documents maintained by the Department in written

or electronic format in an electronic record in which sale contracts, Off-plan Sales, and other off-plan legal dispositions of real property are registered prior to inclusion

in the Property Register.

Real Property: The land and any fixed structure constructed on it.

Real Property Unit: Any designated part of Real Property including any part

designated as off-plan.

Off-plan Sale: The sale of designated Real Property Units Off-plan or of

those which are under unfinished.

Master Developer: Any person licensed to engage in real estate development

and the sale of Real Property Units to third parties in

the Emirate.

Sub-developer: Any person who undertakes part of a real estate

development project of a Master Developer in accordance

with a mutual agreement.

Real Estate Broker: Any person who undertakes the real estate brokering

business in accordance with Bylaw No. (85) of 2006 Regulating the Real Estate Brokers Register in the Emirate.

Competent Entities: The entities authorised to license and register real estate

development projects in the Emirate.

Article (11)

- 1. If the purchaser breaches any of the terms of the sale contract of the Real Property Unit concluded with the developer, the developer must notify the Department of such breach, and the Department must give a thirty (30) days' notice to the purchaser, in person, by registered mail or by email, to fulfil his contractual obligations.
- 2. If the notice period mentioned in in paragraph (1) of this Article expires and the purchaser fails to perform his contractual obligations, the following provisions will apply:
 - a. where the developer has completed at least eighty percent (80%) of the real

- estate development project, the developer may retain all payments and claim the balance of the contract value from the purchaser, failing which the developer may request the sale of the Real Property by way of public auction to recover the balance of the amounts to which he is entitled;
- where the developer has completed at least sixty percent (60%) of the real estate development project, the developer may terminate the contract and retain a maximum of forty percent (40%) of the value of the Real Property Unit stipulated in the contract;
- c. where the developer starts the construction works but fails to reach the sixty percent (60%) threshold of the real estate development project, the developer may terminate the contract and retain a maximum of twenty-five percent (25%) of the value of the Real Property Unit stipulated in the contract; or
- d. where the developer, for reasons beyond his control but without any negligence on his part, fails to start the construction works, the developer may terminate the contract and retain a maximum of thirty percent (30%) of the payments made by the purchaser.
- 3. For the purposes of items (c) and (d) of paragraph (2) above, "construction works" will mean the developer taking possession of the real estate development project site and starting construction works in accordance with plans approved by Competent Entities.
- 4. For the purposes of items (b) and (c) of paragraph (2) above, the developer must return any amounts payable to the purchaser within a period not exceeding one year of the termination date or within a period not exceeding sixty (60) days of selling the Real Property Unit, whichever is earlier.
- 5. Notwithstanding paragraphs (1) and (2) of this Article, RERA may, based on a reasoned report, decide to revoke the real estate development project, in which case the developer must return all payments received from purchasers, in accordance with the procedure and provisions stipulated in Law No. (8) of 2007 Concerning Escrow Accounts of Real Estate Development in the Emirate of Dubai.
- 6. The provisions of this Article will not apply to sale contracts for land which is not diposed of by of Off-plan Sale. Those contracts will be governed by the terms of the

- contract concluded by the parties.
- 7. The provisions of this Article will apply to all contracts concluded before this Law comes into force.

Article (2)

This Law will be published in the Official Gazette and will come into force on the day on which it is published.

Mohammed bin Rashid Al Maktoum Ruler of Dubai

Issued in Dubai on 12 April 2009 Corresponding to 16 Rabi al-Thani 1430 A.H.



Law No. (33) of 2008 Amending Law No. (26) of 2007

Regulating the Relationship between Landlords and Tenants in the Emirate of Dubai

Law No. (33) of 2008 Amending Law No. (26) of 2007

Regulating the Relationship between Landlords and Tenants in the Emirate of Dubai (1)

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 and its amendments;

Law No. (16) of 2007 Establishing the Real Estate Regulatory Agency;

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

Decree No. (2) of 1993 Establishing a Special Tribunal for the Settlement of Disputes between Landlords and Tenants and its amendments,

Do hereby issue this Law.

Article (1)

Articles (2), (3), (4), (9), (13), (14), (15), (25), (26), (29), and (36) of Law No. (26) of 2007 Regulating the Relationship between Landlords and Tenants in the Emirate of Dubai will be superseded by the following provisions:

Article (2)

In implementing the provisions of this Law, the following words and expressions will have

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⁽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.

the meaning indicated opposite each of them, unless the context implies otherwise:

Emirate: The Emirate of Dubai.

Tribunal: The Special Tribunal for the Settlement of Disputes between

Landlords and Tenants.

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 conducting a

business activity, trade, profession, or any other lawful activity.

Tenancy 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 Tenancy 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 use of the Real Property by

virtue of a Tenancy Contract, or any person to whom the tenancy 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 Tenancy Contract entered into with

the Tenant.

Rent: The specified consideration which the Tenant must be bound to pay

by virtue of the Tenancy Contract.

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 lands and Real Property leased out in the Emirate excluding Real Property provided free of Rent by natural or legal persons to

accommodate their employees.

Article (4)

- The contractual relationship between Landlord and Tenant will be regulated by a Tenancy Contract detailing, in a manner allowing no room for uncertainty, a description of the leased Real Property, the purpose of the tenancy, the term of the Tenancy Contract, the Rent and payment method, and the name of the owner of the Real Property, if the Landlord is not the owner.
- 2. All Tenancy Contracts or any amendments to such Tenancy Contracts related to Real Property which are subject to the provisions of this Law will be registered with RERA.

Article (9)

- The Landlord and Tenant must specify the Rent in the Tenancy Contract. Should the
 parties omit or fail to specify the agreed Rent, the Rent must be the same as that of
 similar Real Property.
- 2. The Tribunal will determine the Rent of similar Real Property taking into account the criteria determining the percentage of Rent increase set by RERA, the overall economic situation in the Emirate, the condition of the Real Property, and the average Rent of similar Real Property in similar Real Property markets within the same area and in accordance with any applicable legislation in the Emirate concerning Real Property Rent, or any other factors which the Tribunal deems appropriate.

Article (13)

For the purposes of renewing the Tenancy Contract, the Landlord and Tenant may, prior to the expiry of the Tenancy Contract, amend any of the terms of the Tenancy Contract or review the Rent, whether increasing or decreasing it. Should the Landlord and Tenant fail to reach an agreement, then the Tribunal may determine the fair Rent, taking into account the criteria stipulated in Article (9) of this Law.

Article (14)

Unless otherwise agreed by the parties, if either party to the Tenancy Contract wishes to amend

any of its terms in accordance with Article (13) of this Law, that party must notify the other party of same no less than ninety (90) days prior to the date on which the Tenancy Contract expires.

Article (15)

The Landlord will be bound to hand over the Real Property in good condition, which allows the Tenant full use as stated in the Tenancy Contract. However, the parties may agree upon renting an unfinished Real Property provided that the Tenant agrees to complete the construction of the Real Property in a manner to render it suitable for use as intended. The identity of the party who will incur the costs of completing the construction will be determined in the Tenancy Contract.

Article (25)

The Landlord may seek eviction of the Tenant from the Real Property prior to the expiry of the term of the Tenancy only in the following cases:

- 1. where the Tenant fails to pay the Rent or any part thereof within thirty (30) days after the date a Notice to pay is given to the Tenant by the Landlord unless otherwise agreed by the parties;
 - a. where the Tenant sub-lets the Real Property or any part thereof without obtaining the Landlord's approval in writing. In this case, the eviction will apply to both the Tenant and Sub-Tenant. However, the Sub-Tenant's right to claim a compensation from the Tenant will be preserved;
 - b. 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;
 - where the Tenant of commercial Real Property leaves the Real Property unoccupied for no valid reason for thirty (30) consecutive days or ninety (90) non-consecutive days within the same year, unless agreed otherwise by both parties;
 - d. where the Tenant makes a change to the Real Property that renders it unsafe in a manner that makes it impossible to restore the Real Property to its original state, or damages the Real Property willfully 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 leased, or uses the 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 must prove this by a technical report issued by or attested to by Dubai Municipality;
- g. where the Tenant fails to observe any obligation imposed on him by this Law or any of the terms of the Tenancy Contract within thirty (30) days from the date a Notice to perform such obligation or term is served upon him by the Landlord; or
- h. where competent Government entities requires demolition or reconstruction of the Real Property as per urban development requirements in the Emirate.

For the purposes of paragraph (1) of this Article, the Landlord will give Notice to the Tenant through a Notary Public or registered post.

- 2. Upon expiry of the Tenancy Contract the Landlord may request eviction of the Tenant from the Real Property only in any of the following cases:
 - a. where the owner of the Real Property wishes to demolish the Real Property to reconstruct it, or to add any new constructions that will prevent the Tenant from using the Real Property, provided that the required permits are obtained from the competent entities;
 - b. where the Real Property is in a condition that requires restoration 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 a technical report issued by or attested to by Dubai Municipality;
 - c. where the owner of the Real Property wishes to take possession of it for his personal use or for use by any of his first-degree relatives, provided that the owner proves that he does not own another Real Property appropriate for such purpose; or
 - d. where the owner of the Real Property wishes to sell the leased Real Property.

For the purposes of paragraph (2) of this Article, the Landlord must notify the Tenant of the eviction reasons twelve (12) months prior to the date set for eviction, provided that this notice is given through a Notary Public or registered post.

Article (26)

If the Tribunal awards the Landlord possession of the Real Property for his personal use

or for use by any of his first-degree relatives in accordance with sub-paragraph (c) of paragraph (2) of Article (25) of this Law, the Landlord may not rent the Real Property to a third party before the lapse of at least two (2) years from the date of possession of the Real Property by the Landlord in case of residential Real Property and three (3) years in case of non-residential Real Property, unless the Tribunal, in its discretion, sets a shorter period. Otherwise, the Tenant may request the Tribunal to award him a fair compensation.

Article (29)

- The Tenant has the right of first refusal to rent the Real Property after it has been demolished and reconstructed or renovated and refurbished by the Landlord, provided that the Rent is determined in accordance with the provisions of Article (9) of this Law.
- 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 (36)

The Chairman of the Executive Council will issue the regulations, bylaws, and resolutions required for the implementation of the provisions of this Law.

Article (2)

This Law will be published in the Official Gazette and will come into force on the day on which it is published.

Mohammed bin Rashid Al Maktoum Ruler of Dubai

Issued in Dubai on 1 December 2008

Corresponding to 3 Thu al-Hijjah 1429 A.H.

Law No. (13) of 2008

Regulating the Interim Property

Register in the Emirate of Dubai

Law No. (13) of 2008 Regulating the Interim Property Register in the Emirate of Dubai (1)

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Law No. (7) of 1997 Concerning Land Registration Fees;

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai;

Law No. (8) of 2007 Concerning Escrow Accounts of Real Estate Development in the Emirate of Dubai:

Law No. (27) of 2007 Concerning Jointly Owned Real Property in the Emirate of Dubai; Regulation No. (3) of 2006 Determining Areas for Ownership by Non-UAE Nationals in the Emirate of Dubai; and

Bylaw No. (85) of 2006 Concerning Real Estate Brokers Register in the Emirate of Dubai,

Do hereby issue this Law.

Article (1)

This Law will be cited as "Law No. (13) of 2008 Regulating the Interim Property Register in the Emirate of Dubai".

Article (2)

The following words and expressions will have the meaning indicated opposite each of them unless the context implies otherwise:

Emirate: The Emirate of Dubai.

Department: The Land Department.

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⁽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.

Property Register: The property register maintained by the Department.

Interim Property Register: The documents maintained by the Department in written

or electronic format in an electronic record in which sale contracts, Off-plan Sales, and other off-plan legal dispositions of real property are registered prior to inclusion

in the Property Register.

Real Property: The land and the fixed structures constructed on it which may

not be moved without damage or alteration of its structure.

Real Property Unit: Any designated part of Real Property including any part

designated as off-plan.

Off-plan Sale: The sale of designated Real Property Units off-plan or of

those which are unfinished.

Master Developer: Any person licensed to conduct the real estate development

business and the sale of Real Property Units to third parties

in the Emirate.

Sub-developer: Any person licensed to conduct real estate development

business and in the sale of Units to third parties and who undertakes part of the real estate development project of a

Master Developer in accordance with a mutual agreement.

Real Estate Broker: Any person who undertakes the real estate brokering

business in accordance with Bylaw No. (85) of 2006 Regulating the Real Estate Brokers Register in the Emirate

of Dubai.

Competent Entities: The entities authorised to license or register real estate

development projects in the Emirate.

Article (3)

 Any disposition that occurs in respect of any Real Property Unit sold off-plan will be entered in the Interim Property Register, and any sale or any other legal disposition that transfers or restricts ownership or any ancillary rights will be void unless entered in that Register. 2. Any developer, who disposed of a Real Property Unit by way of sale or any other disposition that transferred or encumbered a Real Property Unit before this Law came into force, must apply to the Department to enter such disposition or encumbrance in the Property Register or in the Interim Property Register, as the case may be, within a maximum of sixty (60) days from the date on which this Law comes into force.

Article (4)

No Master Developer or Sub-developer may commence a project or dispose of its Real Property Units by way of Off-plan Sale before taking possession of the land on which the project will be implemented and obtaining the required approvals from the Competent Entities in the Emirate.

In all events, the Department must designate the entry of the Real Property as "under development".

Article (5)

The application to enter a Real Property Unit in the Interim Property Register must be submitted on the form prepared for such purpose provided that all required information and documents are provided in accordance with the rules and procedure adopted by the Department.

Article (6)

Real Property Units sold off-plan and entered in the Interim Property Register maintained by the Department may be disposed of by way of sale, mortgage, or any other legal disposition.

Article (7)

No Master Developer or Sub-developer may charge any fees on the sale, resale, or on any other legal disposition of the Real Property Units which are completed or sold off-plan except those administrative costs which are approved by the Department to be received by the Master Developer or Sub-developer from third parties.

Article (8)

Developers must enter completed projects in the Property Register maintained by the Department once they receive the completion certificate from the Competent Entities. This includes entering sold Units in the name of purchasers who fulfilled their contractual obligations in accordance with the procedure adopted by the Department.

For the purposes of this Article, the Department may, either upon the request of the purchaser or upon its own initiative, register in the Property Register in the name of the purchaser a Real Property Unit entered in the Interim Property Register which was sold off-plan, provided that the purchaser fulfilled all his contractual obligations.

Article (9)

If a developer wishes to market his project through a Real Estate Broker, the developer must contract with a certified Real Estate Broker in accordance with the terms and conditions stipulated by Bylaw No. (85) of 2006 Regulating the Real Estate Brokers Register in the Emirate of Dubai. The developer must also register that contract with the Department.

Article (10)

No developer or Real Estate Broker may enter into a private sale contract to dispose of Real Property or Real Property Units by way of Off-plan Sale in projects which are not approved by the Competent Entities. Any contract which is entered into prior to obtaining such approval will be null and void.

Article (11)

- 1. If a purchaser breaches any of the terms of the sale contract of the Real Property Unit concluded with a developer, the developer must notify the Department of such breach, and the Department must give a thirty (30) days' notice to such purchaser, in person, by registered mail or by electronic mail, to fulfil his contractual obligations.
- If the notice period mentioned in paragraph (1) of this Article expires and the
 purchaser fails to fulfil his contractual obligations, the developer may revoke the
 contract and refund the purchaser after deducting up to thirty percent (30%) of the

payments made by the purchaser.

Article (12)

The area of a sold Real Property Unit will be deemed to be correct. However, if any increase in the area of the Real Property Unit takes place after delivery of the Unit, the developer may not claim any increase in price in consideration for such increase. However, if a decrease in the area occurs, then the developer must compensate the purchaser for such decrease unless such decrease is inconsequential, in which case the developer is not liable for compensating the purchaser for such decrease.

Article (13)

If the Department proves that a developer or a Real Estate Broker has committed any act or omission in breach of the provisions of this Law or any other applicable legislation, the Director General of the Department must prepare the relevant report and refer the matter to the competent entities for investigation.

Article (14)

The Chairman of the Executive Council will issue the regulations required for the implementation of the provisions of this Law.

Article (15)

This Law will be published in the Official Gazette and will come into force on the day on which it is published.

Mohammed bin Rashid Al Maktoum Ruler of Dubai

Issued in Dubai on 14 August 2008 Corresponding to 13 Shaban 1429 A.H. Law No. (27) of 2007

Concerning Ownership of Jointly

Owned Real Property in the Emirate

of Dubai

Law No. (27) of 2007 Concerning Ownership of Jointly Owned Real Property in the Emirate of Dubai(1)

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Federal Law No. (5) of 1985 Issuing the Civil Code and its amendments;

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai; and Regulation No. (3) of 2006 Determining Areas for Ownership by Non-UAE Nationals of Real Property in the Emirate of Dubai,

Do hereby issue this Law.

Chapter One Title, Definitions, and General Provisions

Article (1)

This Law will be cited as "Law No. (27) of 2007 Concerning Ownership of Jointly Owned Real Property in the Emirate of Dubai".

Article (2)

The following words and expressions will have the meaning indicated opposite each of them unless the context implies otherwise:

Emirate: The Emirate of Dubai.

Department: The Land Department.

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⁽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.

Chairman: The chairman of the Department.

Property Register: The property register maintained by the Department.

Master Developer: Any person licensed to engage in the real estate development

business and the sale of Units in the Emirate in accordance with the

provisions of a Master Community Declaration.

Sub-developer: Any person licensed to engage in the real estate development

business and the sale of Units, and granted by the Master Developer the right to develop part of a real estate development project in accordance with the provisions of the Master Community

Declaration applicable to the project.

Jointly Owned The whole or any part of a building or land, or both, which is divided

Real Property: into Units intended for separate ownership where parts of such

building or land are designated as Common Areas.

Unit: Any apartment, floor, parcel of land, or house (villa) attached to or

detached from another house which is a part of a Jointly Owned

Real Property.

Common Areas: The common parts of a real property, shown on the Site Plan,

designated for common use by the Owners and Occupiers of Units.

Site Plan: A plan registered in the Property Register, showing the Units and

their Common Areas.

Owner: Any person registered in the Property Register as owner of a Unit,

including persons who have a long-term leasehold contract or usufruct rights for limited period, or the Master Developer or Sub-

developer in regards to unsold Units.

Master Community The terms and conditions governing the development and operation

Declaration: of Jointly Owned Real Property.

Building A document issued in accordance with the relevant bylaws and registered

Management in the Property Register. This document sets out arrangements for the

Regulation: maintenance of shared Utility Services and Common Areas, including

equipment and services in any part of another building which is subject

to the provisions of this Law, and cost sharing related thereto.

Owners An association established in accordance with the provisions of

Association: Article (17) of this Law.

Articles of The rules and provisions governing the Owners Association which

Association are issued in accordance with this Law.

of the Owners

Association:

Occupier: Any person who rents a Unit, except under a long-term leasehold

contract, or any visitor of the Unit Owner.

Utility Services: Any of the following services:

1. water reticulation or supply;

2. gas reticulation or supply;

3. electricity supply;

4. air conditioning;

5. telephone service;

6. computer data or television service;

7. sewerage system;

8. rain water drainage;

9. removal or disposal system for garbage or waste;

10. delivery system for mail, parcels, or goods; and

11. any other system or service intended to improve the utilities in the Units or Common Areas

Article (3)

- Land owned by developers and used for the construction of Jointly Owned Real Property, and Units sold by such developers will be registered with the Department.
- Where a Unit in Jointly Owned Real Property is used by the Owners of another Jointly Owned Real Property, the Owners Association for the latter real property will become a member in the Owners Association for the former.

Article (4)

The Department will prepare and maintain special registers for the Jointly Owned Real Property and their Owners and will issue the relevant title deeds, regulate and register the sale, mortgage or any other disposition of the said Jointly Owned Real Property. It will also register the long-term leasehold contracts and usufruct rights related to this Jointly Owned Real Property. Such registers must be accessible for review by all parties concerned.

Article (5)

The provisions of Article (4) of Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai will apply to the ownership of Jointly Owned Real Property.

Chapter Two Ownership of Jointly Owned Real Property

Article (6)

- 1. The Site Plan, Master Community Declaration, and the Articles of Association of the Owners Association will form part of the title deed of a Jointly Owned Real Property and must be attached thereto. The Department will, at all times, retain the original copy of the Master Community Declaration.
- A Unit Owner will have an obligation to other Unit Owners and Occupiers and to the Owners Association to comply with the Master Community Declaration and the Articles of Association of the Owners Association.
- 3. A Unit Occupier will have an obligation to other Unit Owners and Occupiers and to the Owners Association to comply with the Master Community Declaration and the Articles of Association of the Owners Association to the extent that their provisions apply to the Occupier.

Article (7)

1. Unless otherwise indicated on the Site Plan, the Common Areas of a Jointly Owned

Real Property will include, without limitation:

- a. structural components of the Jointly Owned Real Property, including the main supports, foundations, columns, structural walls, thresholds, ceilings, ceiling joists, halls, staircases, stairwells, emergency exits, entrances, windows in the external wall, facades and roofs;
- b. parking areas, watchman rooms, recreational facilities and equipment, swimming pools, gardens, storage facilities and areas intended for the use of the Owners Association or whomever it appoints or contracts to manage the Jointly Owned Real Property;
- equipment and systems of main utilities, including electricity generators, lighting systems, gas systems and equipment, cold and hot water systems, heating and cooling systems, air conditioning systems and waste collection and treatment facilities;
- d. elevators, tanks, pipes, generators, chimneys, ventilation fans and ducts, air compressor units and mechanical ventilation systems;
- e. water mains, sewer pipes, gas pipes and chimneys, and electrical wiring and conduits serving the Owners of more than one Unit;
- f. fittings, connections, equipment and amenities used by Owners of more than one Unit:
- g. equipment used for measuring the provision or supply of Utility Services; and
- h. any other parts outside the boundaries of any Unit which are necessary or required for the existence, maintenance and safety of the real property.
- 2. Unless otherwise indicated on the Site Plan, the Common Areas of a Jointly Owned Real Property comprising land rather than a building or part of a building, will include, without limitation:
 - a. roads, roundabouts, intersections, pathways, pavement edges, drains, median strips, viaducts, drainage systems, and all related structures;
 - b. lakes, ponds, canals, parks, fountains, water features and other waterways, including all related equipment;
 - c. landscaping, public areas and playgrounds;
 - d. wires, cables, pipes, drains, ducts and the machinery and equipment used to supply Units or Common Areas with Utility Services; and

e. equipment used for measuring the provision or supply of Utility Services dedicated for common use by the Owners and Occupiers of Units.

Article (8)

- 1. Unless otherwise indicated on the Site Plan, each Unit in a building or part of a building will comprise the following, without limitation:
 - a. floors and floor materials and components down to the base of the joists and other structures supporting the floor of the Unit;
 - b. plaster ceilings and all other types of ceilings, additions that form part of the interior area of the Unit and the spaces between such ceilings, the ceilings above the support walls and structures inside the Unit, and walls separating the Unit from other parts of the Jointly Owned Real Property and any adjacent Units or Common Areas;
 - c. non-load bearing walls and non-support walls inside the Unit;
 - d. windows, glass and fixtures that form part of the internal windows, lighting systems, doors, door frames, and all equipment and fixtures serving the Unit;
 - e. internal connections serving the Unit;
 - f. fixtures and fittings installed by the Owner or Occupier of the Unit; and
 - g. additions, modifications and improvements made to the Unit from time to time.
 - For the purposes of this paragraph, the Unit will not include the Utility Services in the Unit that serve the Common Areas or any other Unit.
- 2. Unless otherwise indicated on the Site Plan, each Unit in a Jointly Owned Real Property comprising land, rather than a building or part of a building, will include, without limitation, everything within the boundaries of the Unit other than the Utility Services that serve the Common Areas or any other Unit.
- 3. Each Unit is entitled to appropriate services and rights of way from other Units and Common Areas.
- 4. The dividing walls between two adjacent Units will be shared by the Owners of both Units provided that these walls are part of the Common Areas.

Article (9)

Unless otherwise agreed, Unit Owners and developers will own, in respect of unsold Units, an undivided interest in the Common Areas in accordance with the proportions stated in the Master Community Declaration.

For the purposes of this Article, the proportions will be determined on the basis of the Unit area out of the total area of the Jointly Owned Real Property.

Chapter Three

Disposing of Units in a Jointly Owned Real Property

Article (10)

A Unit Owner may sell or dispose of his Unit by any means of disposition and may also mortgage his Unit to any bank or financial institution, provided that such disposition transfers all his rights in the Unit and Common Areas.

Article (11)

A Unit jointly owned by two or more persons may not be sub-divided amongst them unless approval of the Department is obtained.

Article (12)

- Each co-Owner of a Unit will have a pre-emptive right to buy another co-Owner's share offered for sale to a non-Owner. If more than one co-Owner exercises this right, they will be entitled to buy a share proportional to their existing interest in the Unit.
- 2. This pre-emptive right will not apply in case of sale to spouse, lineal ascendants, lineal descendants, brothers or sisters, and their lineal descendants.

Article (13)

1. A pre-emptive right may not be divided and therefore may only be exercised or waived in whole. In case of multiple co-Owners, each of them may exercise his pre-

- emptive right in proportion to his share, and if any of them waives his right, it will be transferred to the other co-Owners in proportion to their shares.
- 2. A pre-emptive right will expire if the selling co-Owner serves on the other co-Owners, through the Notary Public, a notice which includes the name and address of the third-party buyer and the terms of sale, and if the said co-Owners fail to agree to such terms of sale within one (1) month after receipt of such notice.
- 3. If a co-Owner agrees to buy the offered share, he must notify the selling co-Owner of his intention through the Notary Public within fifteen (15) days of the date of receiving the sale notice and finalise the sale procedures with the Department within a maximum of ten (10) working days from the expiry of such notification period.
- 4. If it is proved that the sale has been made under terms that are more favourable to the purchaser than those mentioned in the notice sent to the co-Owners having the pre-emptive right, such co-Owners will have the right to file, with the competent courts, claims for compensation for the damage they have suffered.

Article (14)

Jointly Owned Real Property registered pursuant to this Law will not be subject to the provisions of pre-emption stipulated in Federal Law No. (5) of 1985 Issuing the Civil Code.

Article (15)

A Unit Owner may lease his Unit provided that he and the tenant will remain jointly obliged towards the other Unit Owners and Occupiers and the Owners Association to comply with the Articles of Association of the Owners Association and the Master Community Declaration.

Article (16)

In all events, Common Areas may not be divided, nor disposed of, in whole or in part, independently from the Units to which they pertain.

Chapter Four

Owners Association

Article (17)

- An Owners Association will be legally constituted upon registration in the Property Register of the sale of the first Unit in a Jointly Owned Real Property.
- 2. The Owners Association will comprise the Owners of Units in the Jointly Owned Real Property, including the Master Developer or Sub-developer in respect of unsold Units.
- 3. Membership of a Unit Owner in the Owners Association will commence on the date the Unit is registered with the Department in his name and will come to an end when the registration of the Unit ceases to be in his name.

Article (18)

- 1. The Owners Association will be deemed to be a non-profit entity and will have legal personality independent from its members. It may sue and be sued in its own name and may own movable property.
- The terms and conditions of this Law, the Master Community Declaration, and the Articles of Association of the Owners Association will apply to the Owners Association. The manager of the Owners Association will represent it before courts and other authorities.

Article (19)

- 1. A Unit Owner, and the developer in respect of unsold Units, will be entitled to attend and vote at the meetings of the general assembly of the Owners Association in accordance with the Articles of Association of the Owners Association.
- Each Unit Owner will have a number of votes in proportion to his share in the Jointly Owned Real Property as indicated in the Master Community Declaration.

Article (20)

The name of the Owners Association must feature the phrase "Owners Association", the

number of the Jointly Owned Real Property, and its name, if any.

Article (21)

- The Owners Association will be responsible for the management, operation, maintenance, and repair of the Common Areas. For this purpose, the Owners Association must obtain the relevant licence from the Department.
- 2. The Owners Association may delegate part of its powers to any person or company for such remuneration and upon such terms as may be agreed.

Article (22)

- 1. Each Unit Owner will pay to the Owners Association his share of the annual service fees to cover the expenses of management, operation, maintenance, and repair of the Common Areas. Such share will be calculated based on the area of the Unit compared to the total area of the Jointly Owned Real Property. The Master Developer or Sub-developer will pay his share of the annual service fees in respect of the unsold Units.
- 2. A Unit Owner may not waive his share in the Common Areas to avoid payment of his share of the annual service fees.

Article (23)

- Save as permitted by the Articles of Association of the Owners Association and the Master Community Declaration, a Unit Owner or Occupier may not make any alterations or modifications to the structure or external appearance of his Unit or any part of the Jointly Owned Real Property that would materially affect the Unit, or the Jointly Owned Real Property or its external appearance.
- 2. A Unit Owner who breaches the provisions of paragraph (1) will be liable to repair the resulting damage at his own expense and in the manner requested by the Owners Association. If the Unit Owner fails to meet this obligation, the Owners Association will repair the damage and recover the repair costs from the Owner.

Chapter Five Common Areas

Article (24)

Subject to the Articles of Association of the Owners Association, the Owner and Occupier of a Unit and their visitors will use the Common Areas as permitted, and in such a way that does not prejudice the rights of others to use these areas, disturb them, or endanger their safety or the safety of the Jointly Owned Real Property.

Article (25)

- The Owners Association will have a lien on every Unit for unpaid service fees and other liabilities payable by the Unit Owner in accordance with the provisions of this Law or the Articles of Association of the Owners Association. This lien will continue to be valid even if the title of the Unit is transferred to another person.
- 2. If a Unit Owner fails to pay his share of the service fees or defaults on any of his obligations, a resolution must be issued by the manager of the Owners Association against the Unit Owner and will be enforceable by the execution judge of any competent court, after the lapse of a period of three (3) months from notification to the Unit Owner of such resolution through a Notary Public. In all events, any affected person may object to such resolution before the competent court during this period, and the execution will be stayed until the objection is determined.

Chapter Six Obligations of the Real Property Developer

Article (26)

Subject to the provisions of Federal Law No. (5) of 1985 Issuing the Civil Code related
to construction contracts, the developer will remain liable, for ten (10) years from
the date of the completion certificate for the project developed by him, to repair or
remedy any defects in the structural components of the Jointly Owned Real Property

- of which he is notified by the Owners Association or any Unit Owner.
- 2. The Developer will remain liable, for one (1) year from the date of the completion certificate for the project or part of the project developed by him, to repair or replace defective installations in the Jointly Owned Real Property. For the purpose of this Article, such installations include the mechanical and electrical works, sanitary and plumbing installations and similar installations.
- 3. Subject to the provisions of the paragraphs (1) and (2) above, nothing in this Law in any way precludes or prejudices any rights or warranties granted to the Unit Owner by virtue of any other legislation as against the Master Developer or Sub-developer of the real property.
- 4. Any agreement that contradicts the provisions of this Article and concluded after this Law comes into force will be deemed void.

Article (27)

- 1. If the Jointly Owned Real Property is developed in phases, the Master Community Declaration must set out the arrangements for dividing the project into phases.
- If the Jointly Owned Real Property constitutes part of a real estate development project and the Building Management Regulation does not provide for the method of managing this building, the Building Management Regulation must be recorded in the Property Register.

Chapter Seven

Insurance on Jointly Owned Real Property

Article (28)

The Owners Association will procure insurance to cover the repair or reconstruction of the Jointly Owned Real Property in the event of its destruction or damage for any reason whatsoever, provided that the beneficiary of such insurance is the Owners Association.

Article (29)

The Owners Association will procure insurance against liability for damage to the Jointly Owned Real Property and for the damage and bodily injury suffered by the Owners and Occupiers of Units.

Article (30)

Insurance premiums payable by the Owners of Units must be included in the service fees payable to the Owners Association in accordance with Article (22) of this Law.

Chapter Eight Final Provisions

Article (31)

Subject to the provisions of Article (18) of this Law, the Owners Association may, in its own name and on behalf of its members, sue others including the Owners and tenants of Units and any person occupying the Jointly Owned Real Property for breach of this Law or the Articles of Association of the Owners Association.

Article (32)

The Chairman will issue the bylaws and resolutions required for the implementation of the provisions of this Law.

Article (33)

This Law will be published in the Official Gazette and will come into force three (3) months after the date on which it is published.

Mohammed bin Rashid Al Maktoum Ruler of Dubai

Issued in Dubai on 10 December 2007 Corresponding to 30 Thu al-Qidah 1428 A.H. Law No. (26) of 2007

Regulating the Relationship between Landlords and Tenants in the Emirate of Dubai

Law No. (26) of 2007

Regulating the Relationship between Landlords and Tenants in the Emirate of Dubai (1)

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

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⁽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.

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 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)

- 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 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 Subtenant, 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 competent Government entity requires demolition and reconstruction of the Real Property as per urban development requirements in the Emirate;
 - 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;
 - 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. Law No. (16) of 2007

Establishing the Real Estate

Regulatory Agency

Law No. (16) of 2007

Establishing the Real Estate Regulatory Agency (1)

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai; and The Decree of 1960 Establishing the Land Affairs Committee,

Do hereby issue this Law.

Article (1)

This Law will be cited as "Law No. (16) of 2007 Establishing the Real Estate Regulatory Agency".

Article (2)

The following words and expressions will have the meaning indicated opposite each of them unless the context implies otherwise:

Ruler: His Highness the Ruler of Dubai.

Emirate: The Emirate of Dubai.

Government: The Government of Dubai.

Executive Council: The Executive Council of the Emirate.

RERA: The Real Estate Regulatory Agency.

CEO: The chief executive officer of RERA.

Department: The Land Department.

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⁽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.

Owners Association:

The association formed by the owners of real property units including apartments, floors, or parcels of land in jointly owned real property.

Article (3)

By virtue of this Law, a public corporation named the "Real Estate Regulatory Agency" will be established and will have legal personality, financial and administrative autonomy, and legal capacity to perform all acts and dispositions that ensure the achievement of its objectives. It may enter into contracts with third parties, sue and be sued in its own name and appoint any person to represent it for this purpose. It will be affiliated to the Land Department.

Article (4)

RERA will have its head office in Dubai, and it may establish branches within and outside the Emirate.

Article (5)

The objective of RERA is to regulate the real estate sector in the Emirate by contributing to the preparation of strategies related to this sector and to the development and implementation of the required action plans, including to:

- 1. propo<mark>se the legislation</mark> required to regulate the work of real estate brokerages and Owners Associations:
- 2. issue the regulatory bylaws related to training and certification of real estate brokerages;
- 3. license all types of activities relating to the business of RERA, including the activities of real estate development in the Emirate;
- 4. accredit financial institutions that are qualified to manage real estate development escrow accounts in accordance with the relevant legislation;
- 5. license and regulate real estate brokerages and monitor and supervise their activities;
- 6. license and regulate companies and corporations engaged in the management of real properties and residential compounds and monitor and supervise their activities;

- 7. register and legalise tenancy contracts for various types of real property units in the Emirate in accordance with the relevant legislation;
- 8. monitor and supervise the activities of Owners Associations and audit their accounts and records;
- 9. monitor real estate advertisements published in various media outlets operating in the Emirate including in free zones;
- 10. provide support and advice to clients on the principles of valuation of buildings in accordance with the latest relevant approved standards;
- 11. issue statistical reports and specialised research and studies on the real estate market, including preparation of bulletins and information that support such studies and contributing to raising awareness about the real estate market in the Emirate;
- 12. prepare and implement programmes and projects that contribute to promoting the role of UAE nationals in the real estate sector and encourage them to work in this sector; and
- 13. develop and implement educational and awareness programmes on the rights and duties of parties involved in the real estate sector.

Article (6)

The executive body of RERA will be comprised of the CEO appointed pursuant to a resolution of the Chairman of the Executive Council, and a number of employees to whom the provisions of the Government of Dubai Human Resources Management Law No. (27) of 2006 will apply.

Article (7)

The CEO will undertake the overall supervision of the business and activities of RERA and will represent it before third parties. This will include without limitation:

- setting the strategic plan and action plans of RERA and submitting them to the Executive Council for approval;
- 2. implementing the general policy approved by the Executive Council and the resolutions it issues in this regard;
- 3. proposing initiatives, programmes, and projects which are relevant to the business

- and activities of RERA;
- proposing the organisational structure and financial, administrative, and technical bylaws regulating work within RERA and submitting them to the Executive Council for approval;
- 5. supervising the activities of the executive body of RERA and appointing RERA employees;
- 6. preparing the annual budget of RERA and submitting it to the Executive Council for approval; and
- 7. exercising any other powers vested in him by the Executive Council or by any resolution issued pursuant to this Law.

Article (8)

Pursuant to this Law, the following functions of the Department will be transferred to RERA:

- 1. regulating the work of real estate brokerages and real estate brokers;
- 2. conducting real estate studies and research;
- 3. managing and regulating real estate development escrow accounts; and
- 4. regulating and supervising Owners Associations.

Article (9)

Subject to the provisions of Article (6) of this Law, RERA may, at its discretion, transfer any of the Department's employees working in real estate regulation.

Article (10)

In regulating its accounts and records, RERA will follow the principles and standards of commercial accounting. The financial year of RERA will commence on 1 January and will end on 31 December of each year, except that the first financial year will commence as of the date this Law comes into force and will end on 31 December of the following year.

Article (11)

The financial resources of RERA will consist of:

- 1. support allocated to RERA in the budget of the Emirate;
- 2. fees and charges for the services provided by RERA to the public; and
- 3. any other resources approved by the Executive Council.

Article (12)

The Chairman of the Executive Council will issue the regulations and resolutions required for the implementation of the provisions of this Law.

Article (13)

Any provision in any other legislation will be repealed to the extent that it contradicts the provisions of this Law.

Article (14)

This Law will be published in the Official Gazette and will come into force on the day on which it is published.

Mohammed bin Rashid Al Maktoum
Ruler of Dubai

Issued in Dubai on 30 July 2007 Corresponding to 16 Rajab 1428 A.H. Law No. (8) of 2007

Concerning Escrow Accounts for Real Estate Development in the Emirate of Dubai

Law No. (8) of 2007

Concerning

Escrow Accounts for Real Estate Development in the Emirate of Dubai (1)

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Federal Law No. (5) of 1985 Issuing the Civil Code and its amendments;

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai; and Regulation No. (3) of 2006 Determining Areas for Ownership by Non-UAE Nationals of Real Property in the Emirate of Dubai,

Do hereby issue this Law.

Chapter One

Definitions and General Provisions

Article (1)

This Law will be cited as "Law No. (8) of 2007 Concerning Escrow Accounts for Real Estate Development in the Emirate of Dubai".

Definitions

Article (2)

The following words and expressions will have the meaning indicated opposite each of them unless the context implies otherwise:

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⁽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.

Emirate: The Emirate of Dubai.

Department: The Land Department.

Chairman: The chairman of the Department.

Director General: The director general of the Department.

Register: The register maintained by the Department for

registering Developers.

Escrow Account: The bank account of a real estate development project in

which the payments made by purchasers of Units sold off-

plan or by the financers of the project are deposited.

Developer: Any natural or legal person licensed to engage in the

purchase and sale of Real Property for Real Estate Development purposes, and this includes the master

developer and the sub-developer.

Escrow Agent: The financial or banking institution accredited by the

Department to manage an Escrow Account.

Competent Entities: Government entities authorised to license Developers.

Real Estate Development: Projects for the construction of residential or commercial

multiple storey buildings or compounds.

Real Property: Anything which is fixed and cannot be moved without

damage or alteration of its structure.

Unit: Any designated part of the Real Property that the Developer

sells to third parties.

Article (3)

This Law will apply to Developers who sell Units off-plan in Real Estate Development projects in the Emirate and who receive payments from purchasers or financers towards such Units.

Article (4)

The Department will maintain a register known as the "Register of Real Estate Developers" in which are entered the names of Developers licensed to engage in the Real Estate

Development business in the Emirate. No Developer may engage in such business unless he is recorded in that register and licensed by the Competent Entities in accordance with their relevant requirements.

Article (5)

A Developer may not advertise in local or international media and may not participate in local or international exhibitions to promote the sale of Units or Real Property off-plan, unless he obtains an authorisation in writing from the Department. The Director General will issue the resolutions required for the regulation of advertisements in the media and of participation in exhibitions.

Chapter Two

Opening an Escrow Account

Article (6)

Any Developer who wishes to sell Units off-plan must submit to the Department a request to open an Escrow Account. This request must comprise the following:

- 1. certificate of membership in the Dubai Chamber of Commerce and Industry;
- 2. trade licence;
- 3. title deed of the land to be developed;
- 4. copy of the contract concluded between the master developer and the subdeveloper;
- 5. initial architectural designs and engineering plans approved by the Competent Entities and the master developer;
- 6. a financial statement of the estimated cost and revenues of the project certified by a accredited chartered auditor:
- 7. an undertaking by the sub-developer to start the construction works of the project upon obtaining the approval of the master developer for off-plan sale, or an undertaking by the master developer if there is no sub-developer; and
- 8. standard sale contract between the Developer and the purchaser.

Article (7)

An Escrow Account will be opened pursuant to a written agreement between the Developer and the Escrow Agent whereby the payments made by off-plan purchasers or by the financers of the project are deposited in an account opened with the Escrow Agent in the name of the Real Estate Development project.

This agreement will determine the terms of managing the account and the rights and obligations of the parties to the agreement. A copy of this agreement will be submitted to the Department.

Article (8)

The Department may update the registry entry of the plot owned by the master developer to indicate that a purchase agreement has been concluded between the master developer and the sub-developer in respect of this plot or any part thereof. A purchaser of an off-plan Unit may request that the Department update the registry entry of the plot on which the project will be constructed to indicate that a purchase agreement has been concluded between the purchaser and the sub-developer.

Chapter Three Management of an Escrow Account

Article (9)

- An Escrow Account will be opened in the name of the project and will be dedicated exclusively to the construction of that Real Estate Development project. No attachment may be imposed on the payments deposited in this account for the benefit of the creditors of the Developer.
- 2. In the event of multiple projects implemented by the Developer, each project must have a separate Escrow Account.

Article (10)

1. The Department will maintain a special register known as the "Register of Escrow

Agents" in which are entered the names of Escrow Agents.

2. An Escrow Agent must be qualified to manage Escrow Accounts.

Article (11)

- An Escrow Agent must provide the Department with regular statements of the
 revenue and expenditure of his Escrow Accounts. The Department may, at any time,
 request any Escrow Agent to provide any information or data it requires, and in all
 events, the Department may seek assistance from any person it deems appropriate
 to audit such statements and data.
- 2. If it is proven to the Department that an Escrow Agent has committed any violation of this Law or of its implementing bylaws, the Department must notify him in writing and specify a time limit for him to remedy such violation.

Article (12)

Depositors or their representatives may gain access to their own accounting records and may request copies of such records. Representatives from official authorities may have access to and obtain copies of such records.

Article (13)

If a Developer mortgages a project in order to obtain a loan from finance institutions or companies, these institutions or companies must deposit the loan amount in the relevant Escrow Account so that it is managed in accordance with the provisions of this Law.

Article (14)

An Escrow Agent must retain five percent (5%) of the total value of each Escrow Account once the Developer obtains the completion certificate. The retained amount will be released to the Developer one (1) year from the registration of Units in the name of purchasers.

Article (15)

In the event of any emergency situation where the Real Estate Development project is not completed, the Escrow Agent of that project must, after consultation with the Department, take the required measures to preserve the rights of depositors and ensure that the Real Estate Development project is completed or depositors are refunded their payments.

Chapter Four

Penalties

Article (16)

Without prejudice to any penalties stipulated by any other legislation, a jail sentence and a fine of at least one hundred thousand Dirhams (AED 100,000), or either penalty, will be imposed on any person who:

- 1. engages in a Real Estate Development activity in the Emirate without a licence;
- provides the Competent Entities with incorrect documentation or information in order to obtain a licence to conduct the Real Estate Development activity;
- 3. knowingly offers for sale Units in fraudulent Real Estate Development projects;
- 4. steals, appropriates, or forfeits any amounts of money delivered to him for the purpose of implementing Real Estate Development projects;
- 5. in the case of an auditor, deliberately prepares a fraudulent report upon auditing the financial position of the Developer or deliberately fails to disclose essential facts in his report;
- 6. in the case of a consultant, knowingly certifies fraudulent reports on a Real Estate Development project; or
- in the case of a Developer, deals with a real estate broker who is not registered on the Real Estate Brokers Register maintained by the Department in accordance with Bylaw No. (85) of 2006 Concerning the Real Estate Brokers Register in the Emirate of Dubai.

Article (17)

A Developer will be struck-off the Register where:

- 1. he is declared bankrupt;
- he fails, without an acceptable reason, to commence construction works after the lapse of six (6) months from the date on which he was granted permission to sell Units off-plan;
- 3. the licence granted to the Developer by the licensing entity is revoked;
- 4. he commits any of the violations stipulated in items 2, 3, 4 and 5 of Article (16) of this Law; or
- 5. he violates any of the laws and bylaws regulating the activity of Real Estate Development in the Emirate.

Chapter Five

Final Provisions

Article (18)

Developers carrying on business at the date on which this Law comes into force must comply with it within six (6) months from the date on which it is published in the Official Gazette. The Department may extend this period as it deems appropriate.

Article (19)

The Department may charge fees for any services provided in accordance with this Law.

Article (20)

Any provision in any other law or bylaw will be repealed to the extent that it contradicts the provisions of this Law.

Article (21)

The Chairman will issue the resolutions required for the implementation of this Law.

Article (22)

This Law will be published in the Official Gazette and will come into force on the day on which it is published.

Mohammed bin Rashid Al Maktoum Ruler of Dubai

Issued in Dubai on 6 May 2007 Corresponding to 19 Rabi al-Thani 1428 A.H.



Regulation No. (3) of 2006

Determining Areas for Ownership by Non-UAE Nationals of Real Property in the Emirate of Dubai

Regulation No. (3) of 2006

Determining Areas for Ownership by Non-UAE Nationals of Real Property in the Emirate of Dubai (1)

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai,

Do hereby this Regulation.

Article (1)

This Regulation will be cited as "Regulation No. (3) of 2006 Determining Areas for Ownership by Non-UAE Nationals of Real Property in the Emirate of Dubai."

Article (2)

For the purposes of implementing this Regulation, the following words and expressions will have the meaning indicated opposite each of them unless the context implies otherwise:

Ruler: His Highness the Ruler of the Emirate of Dubai.

Department: The Land Department.

Real Property: Anything which is fixed and cannot be moved without damage or

alteration of its structure.

Article (3)

Non-UAE Nationals may acquire freehold ownership rights over Real Property without time restriction, usufruct rights, or leasehold rights for up to ninety-nine (99) years with respect to the land plot(s) indicated opposite each of the following areas as shown by the

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⁽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.

maps issued by the Department and attached to this Regulation:

- 1. Umm Hurair 2: Plot No. (013);
- 2. Al Barsha South 2: Plot No. (002);
- 3. Al Barsha South 3: Plot No. (002);
- 4. Emirates Hills 1: Plots No. (004) and (814);
- 5. Emirates Hills 2: Plots No. (001) and (049);
- 6. Emirates Hills 3: Plot No. (001);
- 7. Jebel Ali: Plots No. (051), (074), (081), (082), (083), (084), (142), (143), and (391);
- 8. Al Jaddaf: Plots No. (003), (007), and (008);
- 9. The World Islands: Plot No. (001);
- 10. Ras al Khor: Plot No. (165);
- 11. Al Rowyah: Plots No. (063) and (065);
- 12. Sheikh Zayed Road: Plots No. (118) and (147);
- 13. Sofouh 1: Plot No. (069);
- 14. Sofouh 2: Plot No. (005);
- 15. Al-Qouz 3: Plots No. (005) and (006);
- 16. Al-Qouz Industrial Area 2: Plots No. (010) and (030);
- 17. Al-Qouz Industrial Area 3: Plot No. (028);
- 18. Mirdif: Plots No. (143) and (144);
- 19. Dubai Marina: Plots No. (007), (014), (015), and (033);
- 20. Palm Jebel Ali: Plot No. (001);
- 21. Palm Jumairah: Plot No. (001);
- 22. Nad al-Sheba: Plots No. (209), (215) and (222); and
- 23. Warsan 1: Plot No. (002).

Article (4)

Non-UAE nationals may acquire usufruct rights or leasehold rights for up to ninety-nine (99) years in plot no. (224) of the Nad al-Sheba area as highlighted by the Department in the map attached to this Regulation.

Article (5)

This Regulation will be published in the Official Gazette and will come into force on the day on which it is published.

Mohammed bin Rashid Al Maktoum Ruler of Dubai

Issued in Dubai on 7 June 2006 Corresponding to 11 Jumada al-Ula 1427 A.H.



Bylaw No. (85) of 2006

Regulating the Real Estate Brokers
Register in the Emirate of Dubai

Bylaw No. (85) of 2006 Regulating the Real Estate Brokers Register in the Emirate of Dubai (1)

The Chairman of the Land Department,

After perusal of:

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai; Based on Article 6.6 and Article 28 of the above mentioned Law; and Upon the presentation made by the Director General of the Department,

Does hereby issue this Bylaw.

Chapter One Definitions and General Provisions 1. Definitions

Article (1)

This Bylaw will be cited as "Bylaw No. (85) of 2006 Regulating the Real Estate Brokers Register in the Emirate of Dubai".

Article (2)

The following words and expressions, wherever mentioned in this Bylaw, will have the meaning indicated opposite each of them unless the context implies otherwise:

Emirate: The Emirate of Dubai.

Department: The Land Department.

Chairman: The chairman of the Department.

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⁽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.

Director General: The director general of the Department.

Committee: The Permanent Real Estate Brokerage Committee.

Council: The body authorised to settle real estate brokerage disputes.

Division: The Real Estate Brokerage Regulatory Division at the Department.

Competent Entities: Governmental or semi-governmental entities responsible

for licensing.

Real Property: Anything which is fixed and cannot be moved without damage or

alteration of its sturcture.

Register: The electronic or paper record of Real Estate Brokers.

Roll: The roll containing the names of certified category A Real Estate

Brokers prepared by the Committee.

Real Estate Broker: Any person who undertakes the real estate brokerage business in

accordance with this Bylaw.

Brokerage

Agreement: An agreement whereby a Real Estate Broker undertakes to a client

to find another party with whom to conclude a contract, and to

represent the client in relevant negotiations for renumeration.

Person: Any natural or legal person.

2. General Provisions

Article (3)

No Person may engage in Real Estate Brokerage activities in the Emirate unless he is licensed by the Competent Entities and entered in the Register.

Article (4)

A Register will be maintained by the Department in which the names of licensed Real Estate Brokers in the Emirate are entered and in which any variation of or amendment to relevant information are also entered.

Article (5)

Real Estate Brokers will be of the following two (2) categories:

Category A: Persons who have experience, are registered on the Roll, and who are certified by the Chairman, but are not licensed by the Competent Entities. Persons from this category are exempted from registration requirements; and

Category B: Persons who engage in Real Estate Brokerage activities pursuant to a licence issued by the Competent Entities.

Chapter Two

Requirements for Registration in the Real Estate Brokers Register

Article (6)

Subject to the provisions of Article (5) regarding Category A above, Persons of Category B who wish to engage in Real Estate Brokerage activities in the Emirate must submit to the Division an application using the prescribed form for entry in the Register. The application must include:

- 1. a valid trade licence issued by the Competent Entities;
- a certificate of membership in the Dubai Chamber of Commerce and Industry;
- 3. a passport copy of the applicant(s) for sole establishments or companies;
- 4. a true copy of the title deed of the Real Estate Brokerage office or a tenancy contract;
- a certificate of good conduct and repute for the owner of the establishment and the managing director(s) of the company;
- 6. none of the directors or the Persons authorised to manage the company have been declared bankrupt or convicted of a crime affecting honour or trustworthiness;
- 7. certificates of completion of real estate training courses as part of programmes for certification of Real Estate Brokerage accredited by the Department; and
- 8. a certificate evidencing that the applicant passed the Real Estate Brokerage test prepared by the Department.

Article (7)

The Division will review the application and may, within seven (7) days from the date of submission thereof, request the applicant, in writing, to provide any required additional documents or information.

Article (8)

The Division may take all required actions to ensure that applications for registration, updating, or cancellation meet the requirements stipulated in this Bylaw and any resolutions issued hereunder.

Article (9)

The Division will refer the registration application to the Committee within seven (7) working days from the date of submission of the application or of furnishing all the documentation and information, as the case may be, requested by the Division.

Article (10)

The Committee will have the right to approve or reject the application for registration, and the relevant decision will be communicated to the applicant. Any decision to reject an application for registration must be reasoned.

Article (11)

If the Committee rejects the registration application, the applicant may re-apply upon fulfilling all requirements within fourteen (14) days from the date on which he is notified of the rejection decision.

Article (12)

The Division will issue a Real Estate Broker card to applicant bearing his name, address, and registration number in the Register. The name and registration number entered in the Register must appear in all correspondence and reports issued by the Real Estate Broker.

Article (13)

Each Real Estate Broker who is entered in the Register must apply to the Division for registration renewal on a yearly basis. The renewal application must be submitted to the Division on the relevant form at least thirty (30) days prior to expiry of the registration certificate. The Division must renew the registration of the Real Estate Broker in the Register after verifying compliance with the renewal requirements.

Chapter Three Obligations of Real Estate Brokers

Article (14)

All registered Real Estate Brokers must observe the code of conduct stipulated in the code professional ethics prepared by the Committee in consultation with qualified and expert Real Estate Brokers.

Article (15)

A Real Estate Broker must record in his private register all the transactions that he has conducted, keep all the relevant documentation, and deliver a true copy of such documentation to the contracting parties upon their request.

In case of an off-plan sale or a sale according to a model, the Real Estate Broker must keep such plan or model until the transaction is concluded.

Article (16)

A Real Estate Broker must provide all information, data, and statistics relating to the Real Estate Brokerage activity as requested by the Department.

Article (17)

A Real Estate Broker must disclose to his client all negotiation details, the stages of the brokerage process, and any other required information that will enable his client to make the right decision in respect of concluding a contract with the other party. The Real Estate

Broker must also disclose to the other contracting party all substantial matters relating to the subject matter of the agreement, which are deemed necessary to avoid uncertainty.

Article (18)

A Real Estate Broker may not facilitate any transaction that violates the laws or regulations in force in the Emirate.

Article (19)

Despite the fact that a Real Estate Broker represents only one of the parties to the transaction, he must faithfully disclose the transaction details and conditions he is aware of. The Real Estate Broker will be held responsible for any fraud or mistake he may commit.

Article (20)

A Real Estate Broker may not hold himself out as second party in the contract he facilitates unless he is so authorised by one of the contracting parties, in which case the Real Estate Broker will not be entitled to any remuneration.

Article (21)

A Real Estate Broker will be deemed the trustee of any amounts, securities, bonds, or any other items delivered to him by any of the parties for safekeeping or for delivery to the other party. The Real Estate Broker must deliver such items as agreed and will be bound by the relevant trusteeship rules.

Article (22)

A Real Estate Broker will be held liable for any loss or damage suffered by the contracting parties as a result of his fraudulent act or deceit or as a result of failure to observe any relevant rules stipulated in this Bylaw or the code of professional ethics.

Article (23)

A Real Estate Broker will forfeit his right to remuneration or to claim refund of expenses if he breaches his obligations to his client by acting in the interest of the other party or by accepting a promise of a benefit from the other party, where such actions are inconsistent with good faith or the code of professional ethics.

Article (24)

If a number of Real Estate Brokers are engaged to carry out one contract, they will be jointly liable unless they are authorised to work severally.

Article (25)

If a number of Persons engage a single Real Estate Broker for the same transaction, they will be held jointly responsible for implementing the engagement unless otherwise agreed.

Chapter Four

Real Estate Broker Remuneration

Article (26)

A Brokerage Agreement must be in writing and must state the names of the contracting parties, the specifications of the Real Property, and the brokerage terms. The Brokerage Agreement wil be entered in the record of the Real Property Register.

Article (27)

The Real Estate Broker's remuneration will be determined by agreement, and in absence of agreement, remuneration will be determined according to prevailing practice.

Article (28)

1. A Real Estate Broker will be entitled to remuneration for his brokerage services only if

- a contract is concluded between both parties. A contract will be deemed concluded if all parties agree on all the conditions provided for in the Brokerage Agreement.
- A Real Estate Broker will be entitled to remuneration upon signing the sale contract and registering it with the Department unless the Brokerage Agreement stipulates otherwise.
- 3. If the sale contract is conditional upon fulfilment of a term which is agreed in the Brokerage Agreement, the Real Estate Broker will be entitled to his remuneration only once that term is fulfilled.

Article (29)

If the Brokerage Agreement is terminated, the Real Estate Broker will be entitled to claim his remuneration as agreed in the Brokerage Agreement, except where he is proven to have committed fraud or gross negligence.

Article (30)

If a Real Estate Broker's instructions or negotiations fail to lead to the conclusion of a contract between the parties, the Real Estate Broker will not be entitled to claim any compensation or refund of expenses and costs he incurred unless the Brokerage Agreement stipulates otherwise.

Article (31)

If more than one Real Estate Broker participates in the brokerage or negotiation process on behalf of one party for the purpose of concluding an contract and such contract is in fact concluded, the fee will be partitioned amongst them as if they were one Real Estate Broker in accordance with the terms of the contract they concluded.

Article (32)

Subject to Article (30) above, if one party enters into an agreement with a number of Real Estate Brokers severally in respect of a single brokerage or negotiation matter, and only one Real Estate Broker succeeded in concluding the transaction, then that Real Estate

Broker will be exclusively entitled to the whole remuneration.

Article (33)

A Real Estate Broker will be entitled to remuneration paid by the party that appoints him to conclude the transaction, and if the Real Estate Broker is appointed by both parties, each party will be severally liable to pay his own share of the remuneration even if they agree that one of them will incur the Real Estate Broker's remuneration in full.

Chapter Five Settlement of Disputes

Article (34)

A Council comprising four (4) Persons and the Legal Advisor of the Department will be established at the Department. Members of the Council will be appointed pursuant to a resolution of the Director General. The Council will have jurisdiction to settle disputes relating to Brokerage Agreements.

Article (35)

The Council will not consider real estate brokerage disputes unless the Brokerage Agreement provides for the amicable settlement of disputes by the Department, or unless the disputants agree at a later stage to refer their disputes to the Department. Agreement on the amicable settlement of disputes must be in writing and the subject matter of the dispute must be determined in the amicable settlement agreement document.

Article (36)

The Council will perform its duties in accordance with simple procedures whereby disputes are settled quickly, ensuring justice for disputants and following the general principles of law.

The Council's decisions must be issued in accordance with the rules of law unless the Council is authorised to conduct conciliation, in which case the Council will not be

restricted by such rules except those relating to public order.

Article (37)

The Council will have a secretariat that receives requests, opens files, drafts minutes and correspondence, sends notices to disputants, keeps files, and generally performs all administrative support tasks. These cretariat will be appointed pursuant to a resolution of the Director General.

Article (38)

- An amicable settlement application must be submitted to the Committee on the relevant form, to be accompanied with the supporting documents in a number of copies equal to the number of disputants.
- 2. Upon payment of the prescribed fee, the chairman of the Committee will authorise the registration of the application. The secretariat will notify the respondent of the application.
- 3. The respondent must respond in writing to the statement of applicant and to all facts and claims included therein, and must submit such response and any supporting documents with these cretariat within one week of the notification.
- 4. The Council must settle the dispute within a maximum of thirty (30) days of the date of referral of the file, and this period may not be extended without valid reasons.

Chapter Six

Penalties and Loss of a Real Estate Broker's Status

Article (39)

Without prejudice to any penalty prescribed by applicable laws, the Committee may impose any of the following penalties on any Real Estate Broker who violates this Bylaw or the resolutions or instructions issued hereunder:

- 1. notice:
- 2. warning;

- 3. suspension of activities for up to six (6) months; or
- 4. blacklisting.

Article (40)

Registration of a Real Estate Broker in the Register will be cancelled if he breaches the code of professional ethics, commits a gross violation of the laws, regulations, and instructions in force in the Emirate, or accumulates three (3) black points. Cancellation will be effected by a resolution of the Director General upon the recommendation of the Committee in which the reasons of cancellation are determined. The Real Estate Broker may, within fifteen (15) days of notification of the cancellation decision, file with the Chairman a grievance against the cancellation decision. The decision of the Chairman in this respect will be final.

Article (41)

The Real Estate Broker will lose his status as a broker and his registration with the Department will be cancelled in the following cases:

- The Real Estate Broker permanently ceases his brokerage business and notifies the Department of such cessation;
- 2. The Real Estate Broker suspends his brokerage business for more than twelve (12) successive months without a reason acceptable to the Committee;
- 3. The Real Estate Broker fails to fulfil any of the requirements stipulated in this Bylaw or in any resolutions or instructions issued hereunder;
- 4. The Real Estate Broker's registration is proven to have been granted based on false information he supplied to the Division; or
- 5. The Chairman issues a resolution cancelling the registration in accordance with Article (40) of this Bylaw.

Article (42)

The Division must notify the Competent Entities of the decision to suspend the Real Estate Broker's activities and to cancel his registration.

Chapter Seven Final Provisions

Article (43)

Real Estate Brokers who are practising at the time this Bylaw is issued must, within six (6) months of the day on which it is issued, comply with the provisions hereof. The Chairman may extend this period by up to three (3) months if there are reasons that justify such extension.

Article (44)

The Committee may, in consultation with Competent Entities, classify Real Estate Brokers according to their specialty and determine the required number of Real Estate Brokers.

Article (45)

The Department will charge fees for the services provided pursuant to this Bylaw and these fees will be determined pursuant to a resolution of the Chairman.

Article (46)

The Chairman will issue the orders, resolutions, and instructions required for the implementation of this Bylaw.

Article (47)

This Bylaw comes into force on the day on which it is signed and will be published in the Official Gazette.

Mohammed bin Khalifa Al Maktoum Chairman of the Land Department

Issued in Dubai on 30 May 2006 Corresponding to 3 Jumada al-Ula 1427 A.H.

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai (1)

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai

After perusal of:

Federal Law No. (5) of 1985 Issuing the Civil Code and its amendments;

Federal Law No. (11) of 1992 Issuing the Civil Procedure Law and its amendments;

Law No. (7) of 1997 Concerning Land Registration Fees; and

The Decree of 1960 Establishing the Land Affairs Committee,

Do hereby issue this Law.

Chapter One Title and Definitions

Article (1)

This Law will be cited as "Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai".

Article (2)

The following words and expressions, wherever mentioned in this Law, will have the meaning indicated opposite each of them, unless the context implies otherwise:

UAE: The United Arab Emirates.

Emirate: The Emirate of Dubai.

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⁽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.

Government: The Government of Dubai including any of its departments,

authorities, or public corporations.

Ruler: His Highness the Ruler of the Emirate of Dubai.

Department: The Land Department.

Chairman: The chairman of the Department.

Director General: The director general of the Department.

Real Property: Anything which is fixed and cannot be moved without damage

or alteration of its structure.

Real Property Rights: Any principal or collateral rights in rem.

Property Register: The documents kept in written or electronic format in an

electronic record maintained by the Department in which the description and location of each real property and the rights

related thereto are stated.

Real Property Unit: Any land plot in a single Real Property Area, including any

buildings, anything growing on or attached to it, without any part of the land plot being separated by any public or private property and without any part of the land plot being subject to rights or encumbrances other than those rights and encumbrances

which apply to the whole.

Real Property Area: A set of Real Property Units demarcated by main roads or

fixed and clear landmarks, having an approved name and a distinct number, in accordance with the regulations adopted by

the Department.

Person: Any natural or legal person.

Chapter Two

Scope of Application and Right of Ownership

Article (3)

The provisions of this Law will apply to Real Property in the Emirate.

Article (4)

The right to own Real Property in the Emirate will be restricted to UAE nationals, nationals of the Gulf Cooperation Council member states and to companies fully owned by these, and to public joint stock companies. Subject to the approval of the Ruler, non-UAE nationals may, in certain areas determined by the Ruler, be granted the following rights:

- a. Freehold ownership of Real Property without time restrictions; and
- b. Usufruct or leasehold over Real Property for a period not exceeding ninety-nine (99) years.

Chapter Three General Provisions

Article (5)

Originals of documents and court rulings in accordance with which Real Property registration is made will be kept with the Department and may not be removed from its premises. Pursuant to the provisions of this Law, interested parties, judicial authorities, or experts and competent committees delegated by judicial authorities may have access to the documents kept on record and obtain an attested copy thereof.

Chapter Four Functions of the Department

Article (6)

The Department will be the only entity authorised to register Real Property Rights and long-term leasehold contracts provided for in Article (4) of this Law. For such purpose, the Department will:

- 1. determine areas to be surveyed or re-surveyed and certify maps drawn for them;
- 2. prescribe rules relating to surveying and inspection and issue maps of Real Property Units;
- 3. prepare contract templates relating to Real Property transactions;
- 4. prescribe rules for organising, archiving, and destroying documents;

- 5. prescribe rules for the use of computers for storing and recording of data;
- 6. prescribe rules for regulating and keeping the real estate brokers register;
- 7. prescribe rules on valuing Real Property;
- 8. prescribe rules for voluntary auction sale of Real Property and supervise such sales;
- 9. determine fees payable for services provided by the Department; and
- 10. establish branches of the Department as the Director General deems appropriate.

Chapter Five

The Property Register

Article (7)

A Property Register will be maintained in the Department to record all Real Property Rights and any amendments thereto. This Property Register will have absolute evidentiary value against all parties and the validity of its data may not be impugned unless it is proven to be the result of fraud or forgery.

Article (8)

Subject to the provisions of Article (7) of this Law, all electronically recorded Real Property documents and reports will have the same evidentiary value as the originals of such documents and reports.

Chapter Six

Registration

Article (9)

All transactions that create, transfer, amend, or extinguish Real Property Rights will be recorded in the Property Register. Likewise, final rulings validating such transactions will also be registered. Such transactions will not be deemed valid unless recorded in the Property Register.

Article (10)

If an obligor is in breach of his undertaking to transfer any Real Property Right, his liability will be limited to his obligation to pay an indemnity for this breach, regardless of whether or not an obligation to pay such an indemnity is stated in the undertaking.

Article (11)

If the estate of a deceased contains Real Property Rights, a certificate of inheritance will be registered in the Property Register, and disposal by any heir of any such rights will not be effective or recognised against third parties unless also registered in the Property Register.

Article (12)

The Department may, in accordance with procedures determined under a resolution of the Chairman of the Department, consider applications for registration submitted by Persons in possession of land that is not registered in their names in order to adjust the status of such land.

Chapter Seven

Variation or Correction of Property Register Data

Article (13)

The Department may, upon the application of an interested party, or on its own initiative, after giving notification to concerned parties, correct manifest material errors in the records of the Property Register.

Article (14)

In coordination with competent entities, the Department will update the data of Real Property Units and of everything thereon such as buildings, plants or otherwise.

Chapter Eight Maps

Article (15)

- Registration of Real Property Units and Real Property Areas will be based upon the following maps:
 - a. topographic master map;
 - b. map of the Real Property Unit; and
 - c. map of the Real Property Area.
- 2. Each Real Property Area will have its own separate map indicating the Real Property Units located on it and their numbers.
- 3. Each Real Property Unit will have its own separate map indicating its site, boundaries, measurements, area, features, constructions situated on it, and the numbers given to its adjacent Units.

Chapter Nine Dividing and Merging

Article (16)

If a dominant Real Property Unit is divided, any existing easement right will continue for each resulting part, provided that this division does not increase the burden on the servient Real Property Unit. However, if the easement is only beneficial to some of the resulting parts, the owner of the servient Real Property Unit may apply to the Department to terminate the easement rights in respect of the other parts.

Article (17)

If a servient Real Property Unit is divided, any existing easement rights will continue for each resulting part. However, if the easement right is not used over some parts, or if it is not possible to use it over some parts, the owner of each part thereof may apply to the Department, in accordance with the provisions of this Law, to extinguish the easement

right in respect of his part.

Article (18)

Easements cease to exist upon the acquisition of the dominant and servient Real Property Units by the same owner.

Article (19)

If a Real Property Unit encumbered by a collateral right in rem is divided into two or more Real Property Units, each resulting new Real Property Unit will be encumbered by the entire right. The new owners may agree with the beneficiary of the collateral right in rem on division of such right in such a manner that each new Real Property Unit be encumbered by only part of such right as may be specified by mutual consent.

Article (20)

Where two (2) Real Property Units merge and one of them is encumbered by a collateral right in rem while the other is not, the collateral right will extend to cover the entire new Real Property Unit without approval of the merger by the beneficiary of the collateral right in rem. However, where each of the two (2) Real Property Units is encumbered by an independent collateral right in rem, the merger must be approved by beneficiaries of such rights.

Article (21)

Any variation in the Real Property Unit by way of division or merger will be registered in the Property Register.

Chapter Ten
Title Deeds

Article (22)

The Department will issue title deeds relating to Real Property Rights based on the data

recorded in the Property Register.

Article (23)

Without prejudice to the provisions of any other law, apartment buildings and multi-storey buildings will be treated as a single Real Property Unit and will have one record in the Property Register to be supplemented by records stating the names of the owners of the apartments, floors, and common areas.

Article (24)

- 1. Title deeds mentioned in Article (22) of this Law will have absolute evidentiary value in verifying Real Property Rights.
- 2. Any conditions, undertakings, or restrictions concerning Real Property Rights and other obligations, will be stated in the record of the Real Property Unit.

Chapter Eleven

Final Provisions

Article (25)

Provisions of Federal Law No. (5) of 1985 Issuing the Civil Code and its amendments will apply to all matters not provided for in this Law.

Article (26)

- Any agreement or disposition in breach of the provisions of this Law will be null and void. Likewise, any agreement or disposition made with the intention of circumventing the provisions of this Law will be deemed null and void.
- 2. The invalidity of such an agreement or disposition may be invoked before the court by any interested party, the Department, the Public Prosecution, or otherwise ordered by the court on its own initiative.

Article (27)

The Decree dated 6 November 1977 Concerning Civil and Criminal Cases in Respect of Transactions Relating to Disposal of Land in the Emirate of Dubai will be repealed.

Article (28)

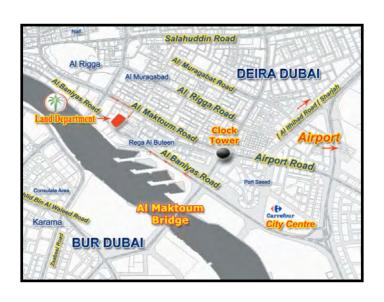
The Chairman will issue all regulations, decisions, orders, and instructions required for the implementation of the provisions of this Law.

Article (29)

This Law will be published in the Official Gazette and will come into force on the day on which it is published.

Mohammed bin Rashid Al Maktoum Ruler of Dubai

Issued in Dubai on 13 March 2006 Corresponding to 13 Safar 1427 A.H.





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