Law No. (13) of 2008

Regulating the Interim Property Register

in the Emirate of Dubai¹

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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¹Every 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.
- 2. 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

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