Resolution No. (6) of 2024

Regulating the

Acquisition of, and Compensation for, Buildings and Structures Constructed on Real Property in the Emirate of Dubai[1]

We, Maktoum bin Mohammed bin Rashid Al Maktoum, First Deputy Ruler of Dubai, Chairman of His Highness the Ruler of Dubai's Court,

After perusal of:

Law No. (5) of 1995 Establishing the Department of Finance;

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai 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. (13) of 2008 Regulating the Interim Real Property Register in the Emirate of Dubai and its amendments;

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

Law No. (1) of 2016 Concerning the Financial Regulations of the Government of Dubai, its Implementing Bylaw, and their amendments;

Law No. (2) of 2022 Concerning Acquisition of Real Property for the Public Benefit in the Emirate of Dubai;

Decree No. (22) of 2021 Concerning the Chairman of His Highness the Ruler of Dubai's Court;

The Order of 1961 Establishing the Dubai Municipality;

Resolution No. (2) of 2022 Concerning the Committee for Acquisition of Real Property for the Public Benefit in the Emirate of Dubai; and

Resolution No. (6) of 2022 Concerning the Procedures for Submitting Applications for Acquisition of Real Property for the Public Benefit in the Emirate of Dubai,

[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.*

Do hereby issue this Resolution.

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.
Government:	The Government of Dubai.
DLD:	The Dubai Land Department.
Acquisition Committee:	The Committee for Acquisition of Real Property for the Public Benefit in the Emirate of Dubai, formed pursuant to the above-mentioned Resolution No. (2) of 2022.
Law:	Law No. (2) of 2022 Concerning Acquisition of Real Property for the Public Benefit in the Emirate of Dubai.
Acquiring Entity:	Any of the entities requesting the Acquisition of Real Property in accordance with the Law and this Resolution.
Real Property:	The structures and buildings, including any parts, appurtenances, or units thereof, whether completed or under construction.
Owner:	A natural or legal person in whose name the Real Property is registered in accordance with the legislation in force in the Emirate, or who is lawfully in possession of the Real Property. This includes the holders of principal real rights or the long-term lease rights provided for by the above-mentioned Law No. (7) of 2006 or Law No. (13) of 2008; and the universal or particular successors of Owners.
Acquisition:	The expropriation of Real Property from its Owner, or the expropriation of any principal real right in that property or any long-term lease rights therein provided for by the above-mentioned Law No. (7) of 2006 or Law No. (13) of 2008.

Compensation:	The cash or in-kind consideration payable under this Resolution as a result of Acquisition.
Occupier:	A Tenant or Sub-tenant who occupies Real Property pursuant to a valid Lease Contract entered into with the Landlord.
Project:	A project that belongs to the Acquiring Entity, in respect of which Acquisition is requested, and which is intended to serve the public interest.
Escrow Account:	A bank account opened by the DLD in the name of a Project upon obtaining the approval of the Department of Finance, and into which the cash equivalent of Compensation is deposited.
Valuator:	An independent entity that is responsible for the valuation of Real Property, and is selected by the Owner from the list approved by the Acquisition Committee, for the purposes of revaluation of the Real Property intended for Acquisition and estimation of the amount of Compensation in accordance with the provisions of the Law and this Resolution.

Scope of Application
Article (2)

a. The provisions of this Resolution apply to all Real Property Acquisition procedures undertaken after the effective date of this Resolution, and to those initiated after the effective date of the Law but not completed as at the effective date of this Resolution.

b. The provisions of the Law apply to Compensation for land plots on which the constructed Real Property is acquired in accordance with the provisions of this Resolution.

c. No Compensation will be payable in respect of acquired Real Property that is owned by the Government or any Government Entity whose budget is included in the General Budget of the Government.

Procedures for Submission of Acquisition Applications
Article (3)

When submitting an application for the Acquisition of Real Property, the following procedures will be followed:

1. The Acquiring Entity will submit the Acquisition application to the DLD. The application must be accompanied by the following:

   a. a detailed report specifying the type, nature, significance, feasibility, and objectives of the Project to be implemented; the extent to which it serves the public interest; and the proposed plan and timeline for its completion;

   b. the financial appropriations and the relevant approvals of the Project to be implemented;

   c. the plans and detailed drawings showing the Real Property affected by the Project to be implemented;

   d. a detailed list of the Real Property intended for Acquisition, including its elements and the nature of their uses;

   e. a list of the Owners of the Real Property, specifying the type of each Owner's interest in the Real Property, as registered in the Interim Real Property Register or the Real Property Register maintained by the DLD, together with the duration and purpose of such interest;

   f. a list of the names of Occupiers of the Real Property intended for Acquisition, if any; and

   g. any other data, documents, or requisites determined by the Acquisition Committee.

2. The DLD will refer the Acquisition application, together with all the attachments specified in sub-paragraph (1) of this Article, to the Acquisition Committee within five (5) working days from the date on which the application is submitted complete with all the required documents.

3. The Acquisition Committee will, within ten (10) working days from the date on which the Acquisition application is referred to it by the DLD, either grant an initial approval for the DLD to proceed with considering the application, or reject the application. The Acquisition Committee decision rejecting any Acquisition application must be reasoned.

4. Within twenty (20) working days from the date on which the initial approval of an Acquisition application is granted by the Acquisition Committee, the DLD will:

   a. inspect the Real Property intended for Acquisition to verify its description, components, and uses;

   b. estimate the type and amount of equitable Compensation for the Owner and the amount of Compensation for the Occupier of the Real Property intended for Acquisition, in accordance with the rules and principles set forth in the Law and this Resolution;

   c. prepare a list of the Owners whose interests are registered in the Interim Real Property Register and the Real Property Register maintained by the DLD, stating the type of interest held by each Owner in the Real Property, and the share of each Owner in the Compensation;

d. prepare a list of Occupiers of the Real Property intended for Acquisition, if any, and the share of each Occupier in the Compensation; and

e. prepare a report on the work performed by the DLD and submit the same, together with its attachments, to the Acquisition Committee.

5. The Acquisition Committee may, where necessary, extend any of the time frames specified in sub-paragraphs (2), (3), and (4) of this Article for such periods as it deems appropriate.

Determining Acquisition Applications
Article (4)

a. The Acquisition Committee will, within ten (10) working days from the date of receiving the report prepared by the DLD, together with its attachments, as stipulated in sub-paragraph (4) of Article (3) hereof, determine the Acquisition application and issue the relevant decision. For this purpose, the Acquisition Committee will have the authority to:

1. issue Acquisition resolutions and expropriate the Real Property in favour of the Acquiring Entity if it is established to the satisfaction of the Acquisition Committee that the Project serves the public interest, and that the funds required to cover the amount and type of Compensation are available;

2. reject the Acquisition application and disapprove the expropriation of the Real Property for which the Acquisition is requested if it is established to the satisfaction of the Acquisition Committee that the Project does not serve the public interest, the funds required to settle the amount and type of Compensation are unavailable or insufficient, or any other reason as determined by the Acquisition Committee;

3. approve the type and amount of Compensation determined by the DLD or the Valuator, as the case may be, upon verifying the correct application of the rules and principles based on which the type and amount of that Compensation have been determined;

4. require the DLD to notify the Acquiring Entity of the Acquisition resolution issued by the Acquisition Committee and to instruct that entity to deposit the Compensation cash amount into the Escrow Account, in addition to any other expenses determined by the Acquisition Committee that may arise from the enforcement of the Acquisition resolution, within a maximum period of thirty (30) working days from the date on which the Acquiring Entity is notified thereof;

5. approve the list prepared by the DLD, including the names of the Owners and Occupiers of the Real Property intended for Acquisition and specifying the share of each Owner and Occupier in the Compensation; and

6. where necessary, request the DLD to notify the concerned entities in the Emirate and the Owner of the Acquisition resolution issued by the Acquisition Committee, of the Project for which Acquisition is made, and of any other information it deems necessary; and to require the Owner to report to the Dubai Municipality to receive the site plan for the alternative land plot allocated to him, where the Compensation is provided in-kind.

b. The Acquisition Committee may, where required, extend the time frames referred to in paragraph (a) of this Article for the period it deems appropriate.

Execution of Acquisition Resolutions
Article (5)

The execution of an Acquisition resolution will not be affected by any objection, submitted by the Owner to the Acquisition Committee, to the amount of Compensation; by any challenge to the validity of the procedures for execution of the Acquisition resolution brought by the Owner or Occupier before the competent court; or by any legal proceedings filed by any concerned party in respect of the acquired Real Property in accordance with the general rules stipulated in the legislation in force.

Procedures for the Execution of Acquisition Resolutions
Article (6)

Once notified of the issuance of the Acquisition resolution by the Acquisition Committee, the Acquiring Entity will:

1. request the DLD to create an entry denoting the content of the Acquisition resolution on the registry folio of the Real Property subject to Acquisition;

2. notify each Owner and Occupier of the Real Property, by registered mail, through announcement in a widely circulated local daily newspaper, or using any other means specified by the Acquisition Committee, of the following:

    a. the Acquisition resolution issued by the Acquisition Committee;

    b. the date by which the Owner and the Occupier are required to report to the Acquiring Entity to submit copies of the documents proving their interest in the acquired Real Property; and

c. the deadline for vacating the Real Property, in accordance with the time frames specified in Article (7) of this Resolution.

3. prepare a report confirming that the Owner and the Occupier have reported to the Acquiring Entity and stating their demands and the documents that they have submitted against a receipt, in addition to their declaration that the acquired Real Property has been fully vacated;

4. initiate the procedures for vacating the acquired Real Property, where the Owner does not consent to the type or amount of Compensation approved for him, or where he fails to report to the Acquiring Entity within the deadline it specifies. Initiating these procedures will not prejudice the Owner's right to object to the amount of Compensation before the Acquisition Committee, or to take recourse to the competent court to challenge the validity of the procedures for execution of the Acquisition resolution in accordance with the provisions of the Law;

5. initiate the procedures for vacating the acquired Real Property, where the Occupier does not consent to the amount of Compensation approved for him, or where he fails to report to the Acquiring Entity within the deadline it specifies. Initiating these procedures will not prejudice the Occupier's right to take recourse to the competent court to challenge the validity of the procedures for execution of the Acquisition resolution in accordance with the provisions of the Law; and

6. provide the DLD with evidence that the Owner and the Occupier of the Real Property have been notified in accordance with sub-paragraph (2) of this Article, to enable the DLD to proceed with the disbursement of Compensation to them.

Vacating the Real Property
Article (7)

a. The Owner or Occupier, as the case may be, will be granted a time limit of one (1) year to vacate the Real Property and hand it over to the Acquiring Entity. This time limit will commence from the date on which he is notified of the Acquisition resolution. The Acquisition Committee may extend this time limit for the same period based on an agreement between the Acquiring Entity and the person from whom the property was expropriated. The Owner or Occupier may not be paid the Compensation unless he fully vacates the Real Property.

b. Notwithstanding the provisions of paragraph (a) of this Article, the following will apply:

   1. The Acquisition Committee may shorten the time limit for vacating the Real Property where the Project implementation is time-critical.

2. Part of the Compensation may, for justifiable reasons and pursuant to a resolution by the official in charge of the Acquiring Entity, be paid to the Owner or Occupier of the Real Property. However, this part of the Compensation must not be disbursed unless the Owner or Occupier provides the guarantees determined by the Acquiring Entity in coordination with the Acquisition Committee, ensuring that the Real Property will be vacated within the specified time limit.

c. Where the Owner or Occupier, as the case may be, fails to vacate the Real Property within the time limit specified in paragraphs (a) and (b) of this Article, the Acquiring Entity may coordinate with the competent entity in the Emirate to take the necessary measures to vacate the Real Property through administrative course of action, in accordance with the provisions of the Law.

Entitlement to Compensation and Objection to Its Amount
Article (8)

a. Both the Owner and the Occupier are entitled to fair Compensation for the Acquisition of the Real Property. They may report to the Acquiring Entity within thirty (30) days from the date on which the notification is received or the announcement is published, as specified in sub-paragraph (2) of Article (6) of this Resolution, to submit the documents proving their interest in the expropriated Real Property.

b. The Owner may object before the Acquisition Committee to the amount of Compensation payable in accordance with the provisions of this Resolution, provided that this objection is supported by grounds and documents. The provisions of the Law governing objections to the amount of Compensation and the procedures for determining such objections will apply.

Principles and Rules for the Assessment of Compensation
Article (9)

In assessing the Compensation for acquired Real Property to which the Owner and Occupier are entitled in accordance with the provisions of this Resolution, the following principles and rules must be observed:

1. The condition of the buildings and structures, and whether they are completed or under construction, must be taken into account.

2. The age of the Real Property, the quality and type of materials and components used in its construction and installation, and its location-specific and structural considerations must be taken into account.

3. The decorations, fences, wells, or plantings; irrigation networks; safety and fire protection systems; and other facilities existing on the Real Property that may affect the assessment of Compensation must be taken into account.

4. The term of the Lease Contract concluded between the Owner and the Occupier, and the Rent specified therein or the prevailing market Rent, whichever is higher, paid for the remaining period of the Lease Contract term must be taken into account.

5. The amount of Compensation must be proportionate to market prices as at the date of issuance of the Acquisition resolution.

6. The principal and ancillary real rights arising from the Real Property intended for Acquisition must be taken into account.

7. The value of structures, fittings, equipment, or movables of any kind that can be removed from the Real Property without causing any loss or damage must not be included in the calculation of the Compensation.

8. The value of structures and buildings constructed on the Real Property, or any improvements and additions made thereto without a permit issued by the competent entity in the Emirate, must not be included in the calculation of the Compensation.

9. No Compensation may be paid for any improvements or additions made to the Real Property after the issuance of the Acquisition resolution.

10. Any other principles and rules that may be adopted by the Acquisition Committee for the assessment of the Compensation must be observed.

Cooperation with the DLD and the Acquisition Committee
Article (10)

All Government Entities in the Emirate, and all other entities, must fully cooperate with the DLD and the Acquisition Committee and provide them with the required support to enable them to perform their respective functions under the Law, this Resolution, the resolutions issued in pursuance thereof, and other legislation in force in the Emirate.

Issuing Implementing Resolutions
Article (11)

The chairman of the Acquisition Committee will issue the resolutions and instructions required for the implementation of the provisions of this Resolution.

Repeals
Article (12)

Any provision in any other resolution is hereby repealed to the extent that it contradicts the provisions of this Resolution.

Publication and Commencement
Article (13)

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

Maktoum bin Mohammed bin Rashid Al Maktoum

First Deputy Ruler of Dubai

Chairman of His Highness the Ruler of Dubai's Court

Issued in Dubai on 6 December 2024

Corresponding to 5 Jumada al-Thaniyah 1446 A.H.