

Department of Municipal Affairs' Chairman's Decision**No. 245 of 2015****Issuing the Executive Regulations on the Ownership of Jointly-Owned Properties and Owners' Association Pursuant to Law No. (3) of 2015 Concerning the Regulation of the Real Estate Sector in the Emirate of Abu Dhabi****Chairman of the Department of Municipal Affairs**

Having reviewed:

- Law No. (1) of 1974 concerning the reorganization of the Governmental Body in the Emirate of Abu Dhabi and its amendments;
- Law No. (3) of 2005 concerning the regulation of the real estate registration in the Emirate of Abu Dhabi;
- Law No. (19) of 2005 concerning real estate ownership, and its amendments;
- Law No. (9) of 2007 concerning the establishment of the Department of Municipal Affairs;
- Law No. (3) of 2015 concerning the regulation of the real estate sector in the Emirate of Abu Dhabi
- And acting upon what was presented to and approved by the Executive Council,

Decided the following:

Chapter 1
General Provisions
Article (1)
(Definitions)

In application of the provisions of this Law, the following terms and expressions shall have the meanings assigned thereto, unless the context requires otherwise:

Emirate	:	The Emirate of Abu Dhabi.
Department	:	The Department of Municipal Affairs.
Municipality	:	Abu Dhabi City Municipality, Al Ain City Municipality, or the Western Region Municipality and any Municipality that may be established in the future in the Emirate.
Law		Law No. (3) of 2015 Concerning the Regulation of the Real Estate Sector in the Emirate of Abu Dhabi

Common Parts	:	The common parts of the joint property allocated to be used by the real estate units' owners and occupants as set in the floor plan or the compound plan according to the provisions of this Law.
Compound Management Regulation	:	The regulation which determines the conditions and obligations related to the management and use of the real estate covered by the compound plan.
Building Management Regulation	:	The regulation which determines the conditions and obligations related to the management of the building and land subject of the volumetric plan.
Floor Management Regulation	:	The regulation which determines the conditions and obligations related to the management and use of the real estate covered by the floor plan.
Articles of Association of the Owners' Association	:	The rules and provisions that regulate the Owners' Association.
Supply Agreement	:	An agreement concluded between the Owners' Association and the supplier to supply commodities or services, including utility services for the Owners' Association whether independently or in his capacity as being subject to the provisions of the building management regulation.
Board of Directors	:	The Board elected by the owners according to the provisions of this law to manage the Owners' Association.
Compound plan	:	The plan which divides the real estate horizontally into two real estate units or more and to common parts.
Floor plan	:	The plan which vertically divides the building or any part thereof as well as the land on which it is located, into two real estate units or more and to common parts in reference to the levels, walls, and ceilings.
Volumetric plan	:	The plan which vertically divides the building or any part thereof as well as the land on which it is located into two volumetric spaces or more without any common parts resulting from such division for the relevant building or land.
Public Services	:	Any of the following services: <ul style="list-style-type: none"> - Water networks or water supply. - Gas networks or gas supply

		<ul style="list-style-type: none"> - Electricity networks or power supply. - Air conditioning - Water cooling - Phone service. - Services related to computer data or TV services, - Security services. - Sewerage system. - Rainwater drainage (storm drain). - Waste or residue removal or disposal system. - Mail, parcel or merchandise delivery system, - 13. Any other system or service allocated for enhancing the utilities of units or common parts.
Developer	:	The main developer or the sub-developer licensed in the emirate to practice real estate development activities.
Person	:	The natural or juridical person
Owner	:	The person registered according to the provisions of aforesaid Law No. (3) of 2005 as the owner of the real estate or any of the property rights.
Occupant	:	Whoever rents an existing real estate unit or resides or works therein, excluding the owner of the real estate unit or any of the property rights holders.
Owners' Association	:	The Owners' Association formed pursuant to the provisions of this Law to manage and operate the common parts including the repair, maintenance, and proper utilisation thereof.
Acting Owners' Association		Developer or person for whom a decision is issued by the Department after the review of the Executive Council to carry out the work of the Owners' Association, bear responsibility, and undertake the competencies of managing the common parts and operating them, as well as public services, and service utilities pursuant to the provisions of these executive regulations.
Manager of the Owners' Association	:	The person who is appointed by the developer or the Owners' Association to manage the daily work of the Owners' Association.
Share		The share of the real estate unit in the common parts, and the resulting rights and obligations on the owner.

Real Estate		All kinds of real properties including lands, buildings, establishments and real properties by allotment including a real estate unit.
Real Estate Development Project	:	The project of constructing multi-storey buildings, or complexes for residential, commercial or mixed purposes, and their utilities or the construction of the infrastructure and service facilities in the event of selling vacant lands.
Property Right	:	The original real right, Musataha, Usufruct, and long-term lease rights.
Real Estate Unit	:	The apartment, levels, shops and any part of a house (villa) linked to another house or independent, or a vacant land located in a joint property, whether existing or proposed on the compound plan or the floor plan, and are allocated for a commercial, residential or mixed purpose.
Volumetric Space	:	The volumetric space shown in the volumetric plan in 3D perspective by using spatial coordinates.
Existing Real Estate Development Project		The real estate development project in which one or more real estate units are sold by the developer to the purchaser prior to the enforcement of these executive regulations, or for which the developer obtained permits from the concerned entities to initiate the sale of the project units.

Chapter 2
Registration of Plans
Article (2)
(Survey Prerequisites)

- Survey prerequisites are defined according to the instructions issued by the department, including the following:
 - a) The method adopted in carrying out survey operations and the equipment used therein.
 - b) Accuracy prerequisites for survey operations.
 - c) Method of preparing plans and their contents.
 - d) Prerequisites for presenting plans and the information attached thereto.
 - e) Any other requirements deemed necessary by the department to ensure the highest level of accuracy for the survey, plan preparation, and registration.
- The surveyor is committed to carry out the survey, oversee it, prepare the plan accurately, and abide by the instructions issued by the department.

Article 3 **(Property Rights and Plans)**

1. The property rights holder may register a plan for these rights, provided that he submits a certificate proving the registration of ownership of these rights.
2. The holder of the original real right to the land may do the following:
 - a. Register the floor plan or the compound plan related to that right in accordance with the provisions of these regulations.
 - b. Grant or convey an original real right(i.e., in in rem)in a real estate unit sold off-plan that is mentioned in paragraph (a) above, subject to the following:
3. For the purpose of these executive regulations, the off-plan property rights holder is deemed the owner of the real estate unit, except for what is stipulated in the articles of association of the owners' association.
4. In case of forfeiture of that off-plan property right or the buildings are completed , the original real rights holder shall become the owner of the original real right for the purpose of these executive regulations and articles of association of the owners' association.

Article 4 **(Registration of Development Plans)**

- For the purpose of registering the main or subsidiary development plan, the plan must fulfill the following:
 - a) To be endorsed by Abu Dhabi Urban Planning Council.
 - b) To be prepared according to the form specified by these executive regulations and instructions issued by the department in this regard.
 - c) To be signed by the owner and any mortgagee of the original real right to the land subject of the main development plan.
 - d) To be signed by the owner and any mortgagee of the property rights subject of the main development plan if the original real right is not the subject of the main development plan.
 - e) In case of subsidiary development plan, it must be approved by the main developer.
 - f) To indicate therein the method of modifying the main or subsidiary development plan as appropriate, including consultation with property rights holders.
 - g) To indicate therein the procedures of delivery, use, and request for paying the costs of service utilities provided on both the level of the main or subsidiary development plan, as appropriate.
 - h) To indicate therein the details of waste management, water, and energy management, as well as other environmental conditions that must be adhered to by the holders of

property rights or usufructuaries, as appropriate, on the level of the main or subsidiary development plans.

- i) To submit the floor management regulation, compound management regulation, and building management regulation as per the conditions stated in these executive regulations.
- The department may require the attachment of any documents, information, or data, along with the request for registering main or subsidiary development plans.

Article (5)

(Contents of Plan Forms)

The forms of main or subsidiary development plans must be on the form approved by Abu Dhabi Urban Planning Council and must include the following data:

1. Developer's name.
2. Details of the land on which the real estate development project is established from the real estate register.
3. Property rights related to the plan. (scheme).
4. A statement clarifying the purpose of the land referred to in clause no. (2) of this article.
5. A plan showing the main infrastructure to be constructed by the main or sub-developer, and is available for use by the owners and property rights holders .
6. Details of the method of maintaining and renovating the main infrastructure and who bears the costs of maintenance and renovation.
7. In the event that property rights holders subject of main or subsidiary development or beneficiaries of these rights contribute to the cost of maintaining or renovating the main infrastructure in the previous clause, the following must be observed:
 - a) Prepare a budget for these costs, and the amount of contribution of the property rights holders in this budget.
 - b) The method of distributing the costs among property rights holders.
 - c) Calculate, impose, and audit these costs.
 - d) Authorize property rights holders to use the main infrastructure.
 - e) Rules for using main infrastructure and the method of changing these rules.

Article (6)

(Enclosures of Plans)

The main or sub-development plans include the following:

- a) Codes, including architectural codes and organization of gardens regulating the land development project subject of main or subsidiary development plan.
- b) Restrictions on the use of land or property rights.

- c) Rights and obligations of property right holders.
- d) Easement, undertaking, or obligations related to property rights.
- e) Control policies and procedures for managing the main or subsidiary compound.
- f) Obligations of main or sub- developer.

Article (7)

(Obligations of Owners of Real Estate Units and Owners' Association)

1. Holders of relevant property rights, unit owners, and Owners' Association shall all abide by the main or subsidiary development plans.
2. Easement rights, including restrictions related to property rights in the main compound land shall apply as per the date included in the main or subsidiary development plan, and shall be binding for the property rights holders, and no provision in the main development plan shall contradict with the Law, the executive regulations, or any provision in the legislations in force.

Chapter (3)

Division Plans (Sorting)

Article (8)

(Division Plans)

1. The sub-developed real estate may be sub-divided and the floor plan, compound plan, volumetric plan, or typical plan may be amended following the approval of the municipality.
2. The municipality may obligate the developer to submit the floor plan, compound plan, or volumetric plan should it deem it more appropriate than the plan that is to be submitted by the developer, in case it finds it possible to commonly use the equipment, utilities, or services.
3. The plan dividing the real estate into floor plan, compound plan, volumetric plan, or typical plan must be prepared according to the instructions and directives issued by the Department.
4. The developer shall deposit the plans mentioned in this article with the municipality, and shall be marked in the real estate register, after providing the real estate development project with infrastructure services and after the issuance of certificate of completion for the real estate.

Article (9)

(Registration of Compound Plan or Floor Plan)

- To register floor plan or compound plan, the following must be observed:
 - a) The floor plan pertains to a building licensed by the municipality.
 - b) The compound plan pertains to the division of a property right on land that is approved by the municipality where the land is located.
 - c) The following conditions shall be observed in the floor plan and the compound plan:
 - To be prepared according to the form specified by these executive regulations and the instructions issued by the department.
 - To be enclosed with the compound management regulation or the floor management regulation as the case may be.
 - To be signed by the owner and any mortgagee of the original real right to the land subject of the plan.
 - To be approved by the main or sub-developer.
- The compound management regulation and the floor management regulation must contain all the necessary information according to the form specified by the department.
- For the purpose of access, use, or usufruct of any land or any part thereof, or any building or any part thereof, or the floor plan or compound plan related to another land or building, the required right-of-use asset or usufruct rights shall be marked on the plans as they shall be deemed from the common parts.
- The provisions of clause (1) of this article shall not apply to the main infrastructure.
- The department may require the attachment of any documents or data with the application for registering plans.

Article (10)

Area of Mosques and Future Development Zones

1. Any area in the floor plan or compound plan that is allocated as a mosque or reserved for the purpose of establishing a mosque is deemed a part of the land included in the plan and shall not be considered when calculating the total area of the land in the plan, or when imposing any type of service fees for the owners' association and its membership.
2. Any area allocated in the floor plan or compound plan as a proposed future development area shall be deemed a part of the land included in the plan, and despite the developer's responsibility for bearing the service fees imposed on the buildings on the land, it shall not be considered for the purpose of calculating the total land area in the plan, nor for imposing any type of service fees for the owners' union and its membership.

Article (11)**(Floor Management Regulation and Compound Management Regulation)**

- The floor management regulation or the compound management regulation shall be on the form approved by the department, including the following:
 - a) Name of the compound or the building subject of the compound plan or the floor plan as the case may be.
 - b) Details of the land on which the building or any part thereof is located in the floor plan, or the land related to the compound plan as indicated in the real estate register.
 - c) Property rights to the land.
 - d) Name of the owners' association.
 - e) Details on how to number real estate units.
 - f) A table specifying each real estate unit number and representing the percentage of its contribution.
 - g) The standards and methods used to determine and allocate the contribution percentage among units as per these executive regulations, along with explaining how to specify and allocate them.
 - h) Delivery and use procedures and requesting the payment of public service fees.
 - i) Details of any obligations related to the owners' association, owners, or occupants related to waste, energy, water, or environment.
 - j) Compound rules according to the articles of association of the owners' association.
 - k) If the owners' association is part of another owners' association, the structure of the association, as well as the method of operating and managing it shall be indicated.
 - l) In the event of dividing the project into phases, the following must be observed:
 - The project land plan must clarify the real estate units, existing common parts, and the proposed future development zones.
 - Details of the project phases, including other common parts to be made available, as well as any proposed amendments to the floor plan or compound plan.
- The department may require that any documents, information, or data be attached to the application for registering the floor plan or compound plan.

Article (12)**Enclosures of Compound Management Regulation**

1. The compound management regulation includes the following:
 - a) Restrictions on how to use real estate units in the compound.
 - b) Architectural measurements of the real estate units subject of the compound management regulation.
 - c) Restrictions on using specific sections of the common parts.
 - d) Any rights or duties pertaining to easement rights, pledges, or restrictions related to common parts or real estate units.
 - e) Allocate exclusive rights -to-use on certain sections of common parts, including any conditions related to these rights.
 - f) Any special administrative arrangements in which the owners' association is a party.
 - g) Duties and tasks of owners, occupants, and owners' association.
 - h) Duties and tasks of the developer.
 - i) Any other matters determined by the department.
2. Property rights that apply to floor management regulation or compound management regulation related to a property right other than the original real right to common parts and real estate units.
3. The lease contract, usufruct right, or Musataha agreement for the units should be standard and uniform (that is one document applying to all units) and must expire at the same time as of the date of the lapse of the benefit related to the common parts.
4. The title deed of the real estate unit or the volumetric space on the plan registered as per the law must refer to any main or subsidiary development plan or a floor management regulation, a compound management regulation, or a building management regulation recorded in the registers about a real estate unit or volumetric space.
5. The title deed of the real estate unit or the volumetric space on the plan registered under the law must include the plan of the real estate unit or the volumetric space or a reference to the plan number recorded in the registers where the real estate unit or the volumetric space is indicated.

Article (13)
(Application of Compound or Floor Management Plan)

- Easement rights, including restrictions related to property rights shall apply as per the conditions mentioned in the floor management regulation or the compound management regulation and according to the set date.
- Obligations may be imposed according to the compound management regulation, the floor management regulation, and the building management regulation on the persons bound to abide by these regulations in favour of the main or sub- developer.
- No provision in the floor management regulation or the compound management regulation shall contradict with the following:
 - a) Any previous main or subsidiary development plan, a floor management regulation, or compound management regulation registered on the land itself.
 - b) Any law, these executive regulations, or any legislations in force.
- No provision in the floor management regulation shall contradict with any of the provisions of the building management regulation registered on the land itself and shall be deemed invalid with the same degree of that contradiction.

Article (14)
(Contribution Percentage)

- A contribution percentage shall be specified for each real estate unit- and specifying the contribution percentage for the real estate unit in the floor plan or the compound plan shall be made according to any of the following methods:
 - a) If the real estate unit is in a building, the area of the real estate unit shall be calculated as a percentage of the total area of all real estate units in the building.
 - b) If the real estate unit is a land, the area of the land shall be calculated as a percentage of the total land area in the compound plan.
 - c) In both of the above-mentioned cases, the following must be observed:
 - The value of the real estate units.
 - The extent to which the real estate units benefit from other financial resources of the owners' association
- The contribution percentage may be changed by the following procedures:
 - a) Submit a request by the owner's association to the department to change the contribution percentage.
 - b) Appoint an independent expert to determine whether there is a need for changing the percentage and the proposed percentage of the change.

- The owners' association shall bear the costs and fees of the expert appointed by the department.

Article (15)

(Modification of Development Plans and Management Regulations)

1. The main development plan may be modified upon the approval of the department and a two-third majority of landowners subject of the main development plan.
2. The subsidiary development plans may be modified upon the approval of the department, the main developer, and the two third majority of landowners subject of the subsidiary development plan.
3. The floor management regulation or compound management regulation may be modified by a decision from the owners' association upon the approval of the department.
4. For the purpose of this article, the majority mentioned in clauses (1 and 2) of this article shall be calculated based on the total land area owned by voters in favour of this suggestion as a percentage of the total land area subject of the main or subsidiary development plans.
5. The floor or compound management regulations that include provisions related to a phased development may be modified for the purpose of enforcing its phases specified in the development plan without obtaining a special decision from the owners' association.
6. Any modification of the floor or compound management regulation shall not affect any existing exclusive right-to-use of the common parts without the written consent of the owners of real estate unit to which this right is related.
7. If the developer votes in accordance with the articles of association of the owners' association to modify the floor management regulation or the compound management regulation, then any owner who voted against that decision and was harmed by it may claim damages from the developer.
8. The amendment of the main/ subsidiary development plan, or of the floor/compound/ building management regulation shall take effect after issuing a notification about the registration or approval of the modification in the form specified by the department.

Article (16)

(Division pursuant to the Volumetric Plan)

1. The developer may divide the building and the land where the building is established pursuant to a volumetric plan. He shall register the building management regulation with the department before carrying out another division of the volumetric space as per the floor plan. Should the volumetric space be subject to the floor plan, the owners' association shall

be deemed the owner of the volumetric space for the purpose of applying and implementing the building management regulation.

2. The building management regulation shall include the provisions and obligations related to the management of the building and land on which the building is established, subject to the volumetric plan, in addition to all the required data as per the form specified by the department.
3. The owners, tenants, and occupants of any volumetric space or a real estate unit subject to the volumetric division must implement the provisions and clauses of the building management regulation.

Article (17)

(Registration of Volumetric Plans)

1. The plan may be registered as a volumetric plan if it vertically divides the property right to the building and land on which it is located into two or more specific volumetric spaces according to the instructions and decisions issued by the department.
2. The volumetric plan may be registered according to the following:
 - a) To be related to a building licensed by the municipality.
 - b) To be prepared according to the form set by the executive regulations, instructions, and decisions issued by the department.
 - c) To be attached to the building management regulation unless it is intended not to divide a property right to a volumetric space in that plan by the floor plan.
 - d) To be signed by the owner and any mortgagee of the original real right to the land subject of the volumetric plan.
 - e) To be signed by the owner and any mortgagee of property rights subject of the volumetric plan if the original real right to land is not the subject of the volumetric plan.
 - f) To be endorsed by the main developer or the sub-developer of this land.
 - g) To fulfill any other requirements determined by the department.

Article (18)

Building Management Regulation

The building management regulation must be according to the form approved by the department with the following to be observed:

1. Determine the name of the building subject of the volumetric plan.
2. Specify the land where the building is located.
3. State the property right to the land.
4. Determine the volumetric spaces and common parts.

5. Determine the owners of the volumetric space who own various common parts.
6. Determine the right of entry, including utility services, to volumetric spaces where these rights are on or across another volumetric space.
7. Determine the rights to support or protect volumetric spaces.
8. Determine how to maintain common parts and who is responsible for their maintenance.
9. Determine how maintenance costs, including renovation and replacement costs, are shared among the owners of volumetric spaces.
10. Make insurance arrangements related to the building, including the basis on which insurance costs are shared by owners of volumetric spaces.
11. Any other information determined by the department.

Article (19)
(Contents of the Building Management Regulation)

The building management regulation includes the following provisions:

1. Limitations on how to use private volumetric spaces.
2. Architectural measurements of the volumetric spaces subject of the building management regulation.
3. Rules for using common parts.
4. Details of the obligations of owners of volumetric spaces related to waste, energy, water, or environment.
5. Any rights, duties, or conditions related to easements, pledges, or limitations related to volumetric spaces.
6. Create and operate a management group.
7. Charge costs to fund the promotion of commercial establishments and retail stores in the building, and to calculate and recover such costs.
8. Administrative arrangements and keeping registers.
9. Dispute resolution rules and procedures.

Article (20)
(Provisions of Building Management Regulation)

1. The building management regulation allows the following:
 - Open a bank account in the name of the building.
 - Determine the method of operating the bank account by the authorized signatories, and any restrictions on operating the account.

- The bank is authorized to open the account and allows its operation pursuant to the provisions of the building management regulation.
2. Owners of relevant property rights, unit owners, and the owners' association must abide by the building management regulation.
 3. Any easement right, including limitations related to property rights shall apply as per the date included in the building management regulation, and shall be binding for owners and occupants of volumetric space.
 4. For the purpose of this article, the owners' association is deemed the owner of the volumetric space.
 5. The department may refuse to register the building management regulation if it contradicts with the following:
 - Any main or subsidiary development plan or compound management plan registered pertaining to the land itself.
 - The law, executive regulations, or any provision in the enforced legislations, and any contrary provisions shall be disregarded.
 - Any party affected by the department's decision issued pursuant to this article may appeal against that decision before the competent court within sixty days.

Chapter 4

Property Rights

Article (21)

(Dividing the Rights related to the Land and Real Property)

1. Except for the original real right, the division plan applies to property rights related to the real right as long as they are still in force, and for the purpose of the owners' association's membership, the holder of property rights to the real estate unit shall be deemed the most recent owner registered with the real estate register.
2. Subject to the provisions of clause (1) of this article, the holders of property rights subject of division plan may entail any other property rights, including Musataha, usufruct, and long-term lease rights on the real estate in accordance with the provisions of the law, and the right to joint ownership shall be conveyed to the most recent property right owner registered with the real estate register.
3. Upon expiry or termination of any of the property rights on the real estate subject of division plan, the owner of that right shall fulfill all the financial obligations due on the real estate unit at the date of expiry or termination in favour of the owners' association.

Article (22)**(Musataha/ Usufruct, Long Term Lease Rights of the Real Property)**

1. Upon the registration of the floor/ compound management regulation related to a property right, other than the original real right, the following provisions shall apply:
 - The long-term lease contract, usufruct contract, or Musataha agreement for common parts shall apply to these parts.
 - The long-term lease contract, usufruct contract, or the Musataha agreement for real estate units shall apply to each unit as if it were a document that is separately registered for each real estate unit.
2. When transferring a property right in a real estate unit other than the original real right, the long-term lease, usufruct contract, or the Musataha agreement on the real estate units shall be deemed allotted to the new owner of the real estate unit when registering the conveyance of right with the department without the need for another waiver.
3. It is not permissible to relinquish the long-term lease contract, usufruct contract, or the Musataha agreement regarding real estate units and common parts. In the event of such relinquishment, the right shall last up to its expiry.
4. The most recent owner of property right registered with the real estate register may place a mortgage on that right.
5. The provisions of this article shall not apply to a long-term lease, usufruct right, or Musataha right related to the real estate unit, if the property right to the floor plan or compound plan is an original real right.

Article (23)**(Repeated Redivision)**

1. The land plot may be divided and redivided in the main or subsidiary development plan by submitting an appropriate plan according to the regulations in force in the emirate for registering plans.
2. The real estate unit may be divided in the compound plan according to the following
 - a. Redivide it through another compound plan.
 - b. Divide it through a floor plan.
 - c. Divide it through a volumetric plan.
3. The real estate unit may be divided in the floor plan through another floor plan.
4. An additional owners' association may be established if it is included in the subsidiary division plan referred to in the preceding articles.
5. The volumetric space may be redivided in the volumetric plan by:
 - a. Volumetric plan to create two or more volumetric spaces.

- b. Floor plan to create units, common parts, and owners' association.
6. It is not permissible to redivide the real estate unit or the volumetric space through any of the categories of plans if the registration of that plan will lead to the creation of more than three groups of owners' associations.
7. It is not permissible to re-divide the common parts in the floor plan or compound plan in the following cases:
 - a) The floor plan of a real estate unit is redivided in another floor plan.
 - b) The compound plan of a real estate unit is redivided in another compound plan.
 - c) Redivision results in creating additional common parts within the original floor or compound plan.
8. Redivision by virtue of this article shall be carried out according to the instructions and decisions issued by the department and the provisions related to the floor plan, compound plan, and the contribution percentage mentioned in the Law and in these executive regulations.

Article (24)

Common Parts of the Floor Plan

Unless otherwise indicated in the floor plan, the common parts mentioned in the floor plan shall include without limitation the following:

1. Structural parts of the real estate unit including main pillars, foundations, columns, structural walls, thresholds, ceilings, ceiling connections, lobbies, stairs, stair paths, emergency exits, entrances and windows located on exterior walls, facades, and roofs.
2. Car parks, guard rooms, recreational facilities and equipment, swimming pools, gardens, storage facilities, and places designated for the use of the owners' association or whoever it appoints or concludes a contract with to manage the real estate unit.
3. Main utility equipment and systems including electric generators, lighting systems, gas, cold and hot water systems and equipment, heating and cooling systems and equipment, air conditioning systems and waste collection and treatment facilities.
4. Lifts, tanks, pipes, generators, chimneys, fans, ventilation ducts, air pressure units and mechanical ventilation systems.
5. Main water pipes, sewerage pipes, gas stacks and chimneys, electric wires and ducts that serve owners of more than one real estate unit.
6. Fittings, connections, equipment and facilities used by owners of more than one real estate unit.
7. Instruments for measuring, extending, or supplying public services intended for joint use by owners and occupants of real estate units.
8. Any other parts that do not fall within the boundaries of any real estate unit required for the existence, maintenance, and safety of the real estate.
9. Service facilities that serve common parts or other real estate units that are within the boundaries of any real estate unit.

Article (25)
(Common Parts in the Compound Plan)

Unless otherwise indicated in the compound plan, the common parts of the compound plan comprised of land only shall include, without limitation, the following:

1. Roads, turnarounds, intersection points, pathways, pavement edges, drainage ducts, traffic islands, bridges, gantry bridge drainage systems and what is related thereto.
2. Lakes, ponds, canals, parks, fountains, water forms and other waterways, including all associated equipment.
3. Green areas, public squares, and playgrounds.
4. Wires, cables, pipes, drainage ducts, channels, machines, and equipment with which real estate units or common parts are provided with service facilities.
5. Devices for measuring, extending, or supplying public services intended for joint use by owners and occupants of real estate units.
6. Service facilities that serve common parts or other real estate units that are within the boundaries of any real estate unit.

Article (26)
(Boundaries of Real Estate Units in Buildings)

1. Unless otherwise indicated in the floor plan, each real estate unit in a building or any part thereof shall include the following:
 - Floors, its materials and parts, even below the connection base and the supporting structures of the unit flooring.
 - Gypsum ceilings and all other types of ceilings and additions that are part of the internal section of the real estate unit and the spaces between those ceilings as well as ceilings over the supporting walls and structures within the unit and the walls that separate the unit from the rest of the common real estate and any adjacent common units or parts.
 - Non-bearing walls and non-supporting walls within the real estate unit.
 - Windows, glass, installations, or any part thereof forming a part of the interior windows, lighting systems, doors and frames, and all equipment and installations that serve the real estate unit.
 - Internal connections that serve the real estate unit exclusively.
 - Installations fixed by the owner or occupant of the real estate unit.
 - Additions, amendments, and improvements implemented on the real estate unit from time to time.
 - For the purposes of this clause, the real estate unit shall not include the service facilities included therein which serve the common parts or any other real estate unit.

- The owner or occupant of each real estate unit shall have the right to obtain appropriate support , privacy, and space away from other units and common parts.
2. The walls separating adjacent real estate units are considered shared by all owners if they are included in the common parts.

Article (27)

(Rights and Obligations Pertaining to Common Parts)

1. The developer shall be responsible for managing, maintaining, operating, and repairing the common parts of the property pending the establishment of the owners' association.
2. The responsibility of the developer on the common parts referred to in clause (1) of this article rests with the owners' association, which becomes responsible for their management and operation, including their repair and maintenance once established.
3. The compound floor plan, the compound management regulation, the floor management regulation, and the articles of association of the owners' association are deemed part of the title deed of the real estate unit.
4. The owner or occupant of the real estate unit shall, to the extent that the provisions of the articles of association of the owners' association apply to him, abide by and comply with the articles of association of the owners' association towards owners and occupants of other real estate units and towards the owners' association.
5. Subject to the articles of association of the owners' association, the owner, occupant of the real estate unit and their guests must use the common parts for the purpose they were designated for, and in a manner that does not prejudice the rights of others to use those parts, disturb them, or jeopardize their safety or the safety of the joint property.
6. It is not permissible for the owners' association to sell any of the common parts, real properties, or movable property related thereto, nor to mortgage them or encumber them with debts.

Article (28)

(Owners and Occupants)

1. The owner has an obligation towards all other owners and the owners' association to observe the provisions of the compound management regulation, floor management regulation, or the building management regulation which apply to their real estate units respectively.
2. The owner has an obligation towards the owner of the real estate unit, and the owners and occupants of other real estate units and the owners' association to observe the provisions of the compound management regulation, floor management regulation, or the building

management regulation applying to the unit they occupy.

3. The owner of the volumetric space is committed towards the owners of other volumetric spaces in the same building to observe the provisions of the building management regulation that applies to it.
4. The owner of the volumetric space is obliged towards the owners and occupants of other volumetric spaces in the same building to observe the provisions of the building management regulation applying thereon.
5. The owner or occupant of the real estate unit may not introduce any changes or additions to his unit without the written consent of the owners' association or an explicit authorization to do so in the compound management regulation, floor management regulation, or the building management regulation as the case may be.
6. The owner or occupant may not use his real estate unit or common parts in a manner that contradicts with the use and usufruct of other owners or occupants of their units or common parts.

Article (29)

(Protection of Common Parts)

1. The owners' association shall be committed towards the main or sub-developer to observe the provisions of the main development plan or subsidiary development plan applying to common parts.
2. The sub-developer shall be committed towards the main developer to observe the main development plan applying to his land.
3. Any obligation that is imposed and applicable by virtue of this article shall be deemed a pledge to the person benefiting from that obligation.
4. Subject to the provisions of the compound management regulation, floor management regulation, or building management regulation, the owner and occupant of the real estate unit may enjoy the use and usufruct of the same as well as of the common parts without any interference on part of the owner or occupant of the other unit or any other person who legally uses the common parts.

Chapter 5

(Owners' Association)

Article (30)

(Formation of the Owners' Association)

1. Subject to the provisions of article (64) of the Law and these executive regulations, the owners' association may be established following the registration of the first real property with the real estate register at the concerned municipality after fulfilling registration requirements.

2. The owners' association shall consist of the real estate owners, main developer, and sub-developer in their capacity as owners of the unsold real estate units.

Article (31)
(Procedures for Registering Owners' Association)

1. The municipality may approve the request to register the owners' association submitted by the developer, provided that it is attached to the following:
 - Registration application form.
 - Address of the owners' association for notification purposes.
 - A copy of the floor plan or the compound plan.
 - A copy of floor management regulation or compound management regulation or building management regulation as appropriate.
 - Information on the real estate development project as required by the municipality.
 - Pay the prescribed fees.
 - Any other documents or information required by the municipality.
2. The municipality may allow all or part of the registration procedures to be carried out via e-services.
3. After completing the registration application, the municipality shall register the owners' association by annotating it in the real estate register.
4. Upon registration, the owners' association shall bear the name "owners' association, the name of the building or compound, and the number assigned to it by the municipality."

Article (32)
(Obligations of the Developer Towards the Owners 'Association)

1. The developer must abide by the following towards the owners' association until the first annual general assembly is held:
 - Keeping and organizing the required journals and records as per the articles of association of the owners' association.
 - Allocating a common seal for the use of the owners' association.
 - Obtaining the required insurance documents in the name of the owners' association in accordance with its articles of association.
 - Organizing all documents to be dealt with at the first annual general assembly of the Owners' Association.
 - Holding and organizing the first annual general meeting of the owners' association, according to its articles of association.

- Managing the owners' association, and managing, operating, and repairing common parts.
2. The owners' association shall bear all the necessary expenses in order that the developer implements the obligations mentioned in this Article.

Article (33)

Management of the Owners' Association

1. The owners' association shall be managed by a board of directors elected by the owners at the first meeting of the general assembly of the owners' association in accordance with its articles of association.
2. The owners' associations' board of directors must appoint a manager for the owners' association responsible for day-to-day operations of the owners' association in accordance with its articles of association.
3. The fees of the owners' association's manager are calculated as per the basis approved by virtue of the owners' association's agreement, provided that they are not calculated on the basis of the volumetric space of the real estate unit.
4. In the event that it is not possible to elect the board of directors of the owners' association for any reason, the owners who own shares totaling (10%) or more in the owners' association shall have the right to appoint an independent company to assume the tasks and powers of the board of directors for a period not exceeding one year and in return for fees agreed upon by the owners present.
5. In the event that clause (2) of this article cannot be applied, the developer may, after the approval of the department, appoint a manager for the owners' association for a period not exceeding one year in return for fees, provided that this appointment is presented before the first general assembly of the owners' association for approval.
6. The board of directors may delegate any of its powers and competencies to the manager of the owners' association in writing, and the board may also cancel this delegation at any time. Despite the delegation granted to the manager of the owners' association under this article, the board may continue to exercise any of powers or competencies granted to it granted to it under the law which was previously delegated to the manager of the owners' association.
7. When providing any public services by a person other than government entities, the owners' association must verify the following:
 - The identity of the person who will supply the public services.
 - Whether or not the person is associated with the developer.
 - A reasonable estimate of the annual cost of public services for the real estate unit.

Article (34)**(Obligations of the Owners' Association Manager)**

Subject to what is stated in the text of Article 66 of the Law :

1. The relationship between the owners' association's manager and the owners' association that appoints him is like the relationship between the principal and the agent, which is based on trust and sincerity. 1
2. The manager of the owners' association shall, before carrying out his activities as the manager of any other owners' association, obtain a written appointment letter from the relevant owners' association on the form approved by the department.
3. The written appointment must include a delegation by the owners' association of the authorities and powers and an assignment with the tasks and functions. The manager of the owners' association must deposit the written appointment to represent the owners' association with the department to be registered with the real estate development register.
4. The manager of the owners' association shall, when practicing his activity, abide by his provisions in the law and these executive regulations and any regulations, decisions, or instructions issued pursuant to it.
5. The director of the owners' association shall, upon the termination of his appointment and with any delay, hand over all journals, books, and records of the owners' association and other information stored electronically or by other means to the owners' association or to the new manager of the latter.

Article (35)**(Electronic Management and Accounting System)**

1. Once registered, the owners' association uses an electronic management and accounting system to store its accounts and other legal records and uses electronic forms or the documents prescribed by the Law and the executive regulations issued pursuant to it or to the articles of association or any other instructions and decisions issued by the department.
2. The electronic management and accounting system referred to shall be approved by the department.
3. Once registered, the owners' association shall provide the Department with the data related to its affairs in the form, manner, and duration determined by the department.

Article (36)
(Failure to Maintain Common Parts)

1. If it is evident to the department that the owners' association has not maintained the common parts as per its articles of association or management system, the department may conduct or instruct to conduct an inspection of the common parts.
2. If the department finds out, after conducting the inspection, that the owners' association has failed to maintain the common parts according to articles of association or management system, the department may issue a notice to the association on maintenance.
3. The notice shall specify the work to be performed by the owners' association and the time set for its completion.
4. If the owners' association refuses or fails to abide by the notice, the department may do all or any of the following:
 - Appointment of a director to oversee the owners' association in accordance with clause (4) of article (66) of the Law.
 - Submit an application to the competent court to issue the appropriate decision regarding the owners' association.

Chapter (6)
Contracts and Agreements of the Owners' Association
Article (37)
(Limitations on the Duration of Supply Agreements)

1. The owners' association shall not enter into any supply agreement or renew it for a period exceeding three consecutive years, unless it has been approved by the municipality and in accordance with the instructions issued by the department in this regard, provided that the supply period in all cases shall not exceed twenty-five years.
2. It is not permissible to appoint a manager for the owners' association or renew his tenure for more than three consecutive years, and if the owners' association appoints a manager for a period exceeding that, the appointed director-general of the owners' association shall carry out his tasks for three years only as of the date of his most recent appointment date.

Article (38)
(Contents of Supply Agreements)

- The supply agreements referred to in the previous article include the following:
 - a) In the case of the supply of goods, a full list of goods must be included in the agreement, in addition to the price to be paid, provided that it is a competitive price in comparison to the prices that can be obtained for similar goods in the market.
 - b) In the case of supplying services, the following provisions must be observed:

- A detailed list of the services to be supplied.
 - The amount to be paid in consideration of those services, which must be equal to the amount obtained for similar services in the market.
 - Means of monitoring and evaluating the performance of the service provider.
 - A clause stipulating the termination of the agreement in case of non-fulfillment of obligations.
 - A clause authorizing the owners' association, based on acceptable reasons, to change the services or the level of services to be provided, taking into account the settlement of the corresponding fees.
 - A clause stipulating that the service supplier is prevented from searching for or accepting commissions or accepting any secret incentives (dealer cash) regarding goods or services to be brought in from other suppliers.
- c) In the case of the supply of goods and/or services, the following provisions must be observed:
- The supplier of goods or service provider must have a valid commercial license related to the goods and services to be supplied or provided.
 - In the event of a sub-contract between the original supplier and the sub-supplier to supply goods and/or services, the following provisions must be observed:
 - The commitment of the original supplier to obtain competitive sub-contracts in a manner that guarantees obtaining the best prices and conditions for the interest of the owners' association, after opening a tender with a minimum of three offers.
 - The owners' association has the right to review the terms contained in sub-supply contracts and to approve or reject them.
 - The profit margin for the original supplier must be reasonable and must take into account the duties of the original supplier and market conditions when contracting between the original supplier and the owners' association.
 - The original supplier remains responsible to the owners' association in carrying out its duties and responsibilities in the event of contracting with a sub-supplier.
 - In the event of not observing what was mentioned in clause (1) of this Article in the supply agreement, the owners' association may resort to the competent court to request the cancellation of the agreement, and any condition or limitation in the agreement that is contrary to this shall be deemed null and void.
 - By way of exception from the provisions of Clause (2) of this Article, parties to the supply agreements may agree on alternative means for settling disputes.
 - The supply agreement must be in writing and ratified by a decision of the general assembly of the owners' association.

Article (39)**(Termination of the Owners' Association's Manager Agreement)**

1. The owners' association may terminate the agreement on appointing a manager for the owners' association concluded with the manager during the monitoring period that begins with the registration of the owners' association and ends when the total entitlements of the owners, without the developer, reaches two-thirds or more of the total amount of entitlements.
2. The agreement to appoint a manager for the owners' association is terminated by a decision issued by the general assembly of the owners' association to terminate this agreement and give notice of this decision to the manager of the owners' association.
3. Upon termination of the agreement to appoint the manager of the owners' association in accordance with this article, the following shall be observed:
 - a) No compensation is imposed on the owners' association.
 - b) All entitlements are paid to the manager of the owners' association under the agreement up to the termination date.
 - c) Any obligation on the manager of the owners' association under the said agreement shall remain in effect even after its termination, to the extent necessary for its implementation.

Chapter 7**Management of Common Parts****Article (40)****(Management of Common Parts)**

- 1- The ownership of the common parts shall be conveyed to the owners' association which shall be in charge of managing and operating the same, including the repair and maintenance thereof. The compound plan, the floor plan, the compound management regulation, the floor management regulation, the building management regulation and the articles of association of the owner' association shall all be considered a part of the title deed of the real property.
- 2- The Department may issue a decision to mandate the person in charge of the owners' association as regards Clause (1) above, for special considerations related to the department discretion, provided the area of the project, the presence of multiple buildings, their uses, and the location of the project-to name but a few- must all be taken into consideration.
- 3- The Department shall lay down the necessary instructions to enforce its decision mentioned in Clause (2) of this Article.

Article (41)**(Role the Owners' Association)**

1. The owners' association undertakes the task of expressing opinions and advice to the person in charge of the owners' association, as the case may be, with regard to the management, operation, maintenance, and repair of common parts, in accordance with the main compound regulation. In this case, the owners' association shall do the following:
 - Study the problems and difficulties related to managing, operating, maintaining, and repairing the common parts, and informing him about them.
 - Notify the person in charge of any defects in the structural parts of the joint property.
 - Coordinate with the person in charge in all matters related to safety, environment, security, and other aspects related to the joint property.
 - Discuss the annual budget proposed by the person in charge of the owners' association to the department for projects that it manages only.
 - The owners' association selects from among its members a member to represent it before the person in charge of the owners' association.
2. If the person in charge of the owners' association fails to manage, operate, maintain or repair the common parts, the owners' association may notify the department accordingly, and the department may apply the procedures stipulated in Article (36) of these regulations.
3. With the exception of what is mentioned in this article, the owners' association is prohibited from interfering in any way with matters related to the management, maintenance, operation, and repair of the common parts, especially polling, voting or holding meetings to discuss any of these matters.

Article (42)**Service Fees**

1. Each unit owner shall pay to the owners' association, as the case may be, his share of the service fees to cover the expenses of managing, operating, maintaining, and repairing the common parts. That share is determined by calculating the percentage the volumetric space of the real estate unit constitutes compared to the total area of the joint property, provided that the developer pays his share in the fees with respect to unsold units.
2. No unit owner may give up his share of the common parts to avoid paying his share of service fees.
3. The owners' association may not impose service fees on the owner for managing, operating, maintaining, and repairing the common parts except after obtaining the department's approval and the department may amend them from time to time.

Article (43)**Depositing and Disposing of Service Fees**

1. The owners' association shall deposit the fees for services, collected from the owners to cover the expenses of managing, operating, maintaining, and repairing the common parts, in an account designated for this purpose at one of the licensed banks in the emirate.
2. The service fees referred to in Clause (1) of this Article shall be allocated to cover the expenses of managing, operating, maintaining, and repairing the common parts.
3. The Department may, whenever necessary, request from the owners' association to review or be provided with any information, or with a statement of account revenues and expenses related to service fees.
4. The owners' association or the person in charge of it has a right of preferential lien on every unit as regards unpaid service fees and other financial obligations imposed on the unit owner in accordance with the provisions of the Law and this right shall remain valid even if the ownership of the unit is transferred to any other person.
5. If the unit owner does not pay his share of the annual service fees, the financial claim that the owners' association issues for the owner shall, after the lapse of three months from the date of his notification thereof by registered mail, return receipt requested, be deemed enforceable following a court decision from the judge of urgent matters at the competent court, and in accordance with the procedures followed in this regard.

Article (44)**(Make Modifications to the Structure or External Appearance of the Joint Property)**

1. It is not permissible for the unit owner or occupant to introduce any modifications or changes to the structure or external appearance of the real estate unit, or to any part of the joint property, except after obtaining the approval of the owners' association, and in a manner that does not violate the building legislations in force in the emirate.
2. The owner or occupant shall, in the event of violating the provisions of clause (1) of this article, repair the damage caused by modification or change at his own expenses and in the manner requested by the person in charge of the owners' association. Should the owner of the real estate unit fail to repair the damage, the person in charge of the owners' association may repair the damage and recover the costs from the owner or occupant, as the case may be.
3. The owner and occupant of the unit, and their guests must use the common parts for the purpose they were prepared for and in a manner that does not affect the rights of others to use those parts, disturb them, or jeopardize their safety or the safety of the joint property.

Article (45)
(Management of Common Parts)

1. The owners' association shall abide by the main compound regulation, as well as the regulations and conditions issued in this regard by the department.
2. The owners' association may, after the approval of the department, entrust any person or company with some of the tasks prescribed under this article in exchange for fees and according to conditions to be agreed upon. Therefore, the owners' association must approve the resulting fees from the department.

Chapter 8
Financial Affairs and Fees

Article (46)
(Financial Affairs)

1. The developer shall be committed to pay all costs and expenses, including annual service fees, related to the building or compound, and arising prior to the registration of the real estate unit in the name of the owner with the municipality, unless otherwise agreed in the contract concluded between the developer and the buyer of the real estate unit, for contracts in effect at the time of enforcement of these executive regulations.
2. When dividing the building or compound by virtue of the floor plan or compound plan and depositing it with the municipality and establishing the owners' association, the association shall be responsible for all costs and expenses related to the plan and arising by virtue of the Law or the articles of association of the owners' association or these executive regulations.
3. The developer may impose fees on the compound after obtaining the approval of the department in accordance with the provisions of the Law and these executive regulations. Otherwise, the compound fees are considered illegal and have no effect and the developer may not impose, collect, or redeem them.

Article (47)
(The Annual Budget)

1. The annual budget of the owners' association consists of service fees that include estimates of the income, and expenses attached to an item for appropriations related to goods and services, including the costs of management, maintenance, necessary updates, and any major and main installations.
2. The annual budget may not include the following:
 - Any fees related to agreements that violate the provisions of these regulations.
 - Any fees related to public services imposed in contravention of the provisions of these regulations.

- Any fees directly or indirectly related to the recovery of the costs of saving any major and main installations
 - Any fees that are directly or indirectly related to the recovery of expenses of financing any capital costs.
3. The annual budget may include contributing to the reserve bank account for the renewal and replacement of major main installations in accordance with the articles of association of the owners' association.
 4. The annual budget shall be attached to a detailed and complete list of the goods and services provided by the developer.
 5. Each recipient is given a full copy of the annual budget, and an electronic copy is also provided if the recipient provides his email or fax number for this purpose.

Article (48)
(Rejection of the Annual Budget)

1. Any owners' association or thirty individual beneficiaries or more may reject the annual budget within (30) days of receiving a copy thereof in accordance with a written notice addressed to the developer, and the notice must include the reasons for rejection in detail.
2. The developer must meet the beneficiaries who signed the notice or their representatives with a view to find a solution for their refusal within (14) days of the developer's receipt of the refusal notice.
3. In the event that a solution to the refusal is not reached in the said meeting or any postponed meeting within (14) days of holding the meeting, the beneficiaries who signed the notice or their representatives may request the department to take a decision on the issue of rejecting the annual budget.
4. The Department may, upon consideration of the request referred to in clause (3) of this article, ratify the annual budget as submitted, or request modifications thereto, as the department sees fit.
5. Service fees may be levied in the following cases:
 - Failure to submit any request to the department under clause (3) of this article after the lapse of the 14 - day period referred to in clause (2) of this Article.
 - Submit a request to the department according to clause (4) of this article after the department takes a final decision regarding this request.
6. The annual service fees shall be payable in the form of monthly or quarterly installments, and the developer may not insist on paying them as one annual fee.

7. The beneficiary must pay the fees levied on him in accordance with the provisions of these executive regulations, and the developer may collect them from him as a debt.

Article (49)

Agreement on the Supply of Goods and Services

1. The developer may not enter into agreements for the supply or use of goods or the provision of public services if their costs affect directly or indirectly the prescribed service fees, or lead to collecting private gains.
2. The developer must obtain the approval of the department on any agreement to supply goods or perform services as mentioned in clause (1) of this article.
3. Any fees charged by the developer in violation of the provisions of these regulations shall be deemed undue and he must return them to the payer.
4. The department shall lay down the principles and rules for supplying goods or providing services stipulated in this Article.

Article (50)

Conditions and Restrictions on Public Service Fees

1. It is not permissible to impose public service fees or increase their specified amount after they are approved by the department.
2. The Department shall determine the principles and rules for calculating public service fees.
3. No public service fees shall be considered if they are levied and collected in contravention of the provisions of this Article and their payer has the right to a refund.
4. The agreement concluded between the public service provider and the beneficiary thereof shall not include the obligation to pay illegal public service fees, and the agreement must include explanatory provisions regarding the following:
 - The basis on which public services are provided.
 - Availability of the services provided.
 - The circumstances in which the supply may cease.
 - A list of the commissions or incentives offered to other parties and the identity of those parties.

Article (51)**Contribution Share**

Subject to the text of Article (15) of these regulations and the articles of association of the owners' association, a share of contribution percentage must be allocated for each real estate unit in order to arrange for its owner the following rights and obligations in the owners' association:

1. A common share in the assets of the owners' association without the owner of the real estate unit acquiring any original real rights to the land that is part of the common parts.
2. The right to vote in the general assembly of the owners' association while taking into account the exceptions indicated in these executive regulations or in the articles of association of the owners' association.
3. Pay his share in the service fees levied by the owners' association.
4. His entitlements in the event of the dissolution of the owners' association pursuant to the provisions of this Law and its executive regulations.

Article (52)**(Service Fees)**

The developer is committed to prepare a method for calculating service fees and to get it approved by the municipality until the first annual general assembly meeting is held, and to file a detailed report at the municipality, which report shall be attached to the budget showing the method for calculating the service fees levied on the owners.

Chapter 9**Final and Transitional Provisions****Article (53)****(Appointment of a Director to Oversee the Owners' Association)**

1. The Department may appoint a director to oversee the owners' association for a specified period of time in any of the following cases:
 - If the owners' association refuses or does not abide by the following:
 - Award to settle dispute taken by an ad-hoc arbitrator or a special circuit.
 - An order from the competent court, including the payment of the debt.
 - Rectification notice issued in the event of failure to maintain the common parts in accordance with these executive regulations.
 - Failure of the owners' association to carry out the duties imposed on it under the Law or the articles of association of the owners' association or these executive regulations.

2. The Department may, at any time during the term of the director appointed to oversee the owners' association, extend, or shorten this term of appointment.
3. When appointing a director to oversee the owners' association, the following should be taken into consideration:
 - The department delegates the powers and tasks of the board of directors to the director for a specific period.
 - The manager shall abide by the written instructions of the department, whether mentioned in the appointment document or later.
4. The director appointed to oversee the owners' association shall invite the general assembly to convene at an appropriate time before the end of his term, to choose a new board that bears the responsibility of managing the owners' association as of the date of the end of his term.
5. Upon the expiry of the appointment of the director of the owners' association, the oversight of the owners' association shall be delegated to the board of directors and the general assembly.

Article (54)

Disclosure Information to Protect the Buyer

- Before the buyer of the real estate unit sold off-plan signs the purchase contract, the developer must submit to the buyer a written statement bearing the signature of the developer's representative and includes the following information:
 - a) Description details of the building or project of which the real estate unit constitutes a part, including the following:
 - Uses of land in a building or project (such as residential apartments, services, and retail stores).
 - Any privileges, equipment, or services included in the building or project that contribute to environmental sustainable development.
 - Gauging any environmentally sustainable development applied to the building or project, including the details of the Emirates Authority for Standardization and Metrology and the Environment Agency –Abu Dhabi.
 - Any special use that applies to the unit (such as serviced apartment).
 - The right to have utilities available in the proposed common parts for use by owners and occupants of real estate units.
 - Availability of utilities in the building or project for use by owners and occupants of real estate units on a commercial basis.
 - Furnishing and linen items (if any) for the proposed common parts and the unit that the developer is committed to provide without imposing any additional fees.

- b) A copy of the compound development plan or the sub-development plan that applies to the building or project.
 - c) A copy of the floor management regulation or the compound management regulation.
 - d) A copy of the proposed building management regulation.
 - e) Draft floor plan or compound plan that clearly shows the real estate unit places that should appear in the plan for registration purposes as per the instructions.
 - f) Table of materials and finishing for each of the proposed common parts and the proposed real estate unit.
 - g) A copy of the draft supply agreement that will be signed by the proposed owners' association.
 - h) A budget prepared on a reasonable basis with respect to the general bank account and reserve bank account for the first two fiscal years from the date of the commencement of functions of the proposed owners' association.
 - i) A budget-based estimate of the service fees payable to the owners' association as regards the real estate unit for both the general and reserve bank accounts during the first two fiscal years.
 - j) Suggested supply agreements of public services for the owners' association and the real estate unit.
 - k) In the event that the owners' association sells any of the public services to the owners of the real estate unit, it shall be mentioned in the details of the supply agreements.
 - l) In case the construction work has not commenced, an estimated date of commencement of the works shall be provided.
 - m) m. Determine a reasonably estimated date for the delivery of the real estate unit to the buyer.
 - n) A statement indicating the buyer's commitment to register the real estate unit purchase contract sold off-plan with the Initial Real Estate Register in accordance with the Law and these executive regulations, including a statement explaining of the consequences of non-registration.
- The buyer of the real estate unit sold off-plan shall, before concluding a contract to resell this unit, hand over to the new buyer a full copy of the statement delivered to him under clause (1) of this article or the provisional disclosure statements in accordance with these executive regulations.
 - In the event of the developer's failure to provide the data required under clause (1) of this Article, the buyer of the real estate unit may request the contract to be revoked for breach.
 - The provision mentioned in the previous clause applies if the buyer of the real estate unit sold off-plan, when reselling it, fails to submit a copy of the required data according to clause (2) of this article.
 - The developer must ensure the validity of the information included in the statement submitted under Clause (1) of this Article, and if any of this information is found to be substantially inaccurate or incomplete within two years from the date of transferring the

real estate unit from the developer, the developer shall be responsible towards the buyer who has been harmed as a result of transferring the real estate unit to him, whether after buying it directly from the developer or from a former buyer.

- If the real estate unit delivered to the buyer is a building or part of a building, the developer shall notify the buyer of the date of handover of the building's works, and the date of the building works completion certificate issued by the municipality.
- The buyer may rely on the date of the building works completion certificate issued by the municipality submitted in accordance with clause (6) of this article for the purpose of the guarantees established by law.

Article (55)

Financial Liability Restrictions on the Developer

1. Subject to the provisions of the contract concluded between the developer and the buyer regarding any real estate unit, the developer shall be responsible for bearing all costs and expenses related to the property before sub-division by virtue of the floor plan or the compound plan as of the date of enforcement of these executive regulations.
2. When the real property is subdivided in the floor plan or compound plan, the owners' association shall become responsible for bearing all costs and expenses related to its affiliated plans as per the Law, the articles of association of the owners' association, and these executive regulations.
3. The developer shall bear all costs related to rectifying the defects in accordance with the guarantees mentioned in the Law, and shall ensure that these costs are not transferred to the owners' association. In case of violation of this article, the owners' association may redeem the costs from the developer, and the developer shall not ask the owners' association or the buyer of the real estate to bear the costs and expenses mentioned in clause (1) of this article, except for any insurance premium or any other expenses or deposits (including the expenses paid to the municipality to register the owners' association) that were prepaid by the developer and related to the insurance coverage or the goods or services that must be provided or delivered after establishing the owners' association, provided that the following is observed:
 - If the amount paid or the amount to be borne by the owners' association does not exceed the amount that will be paid by the association if it paid the insurance value, other expenses or the deposit itself.
 - If the amount paid or the amount to be borne by the buyer of the real estate unit does not exceed the percentage of the insurance premium, other expenses, or deposits that will be paid by the buyer if paid by the owners' association from the funds of the service fees levied in accordance with these regulations and the articles of association of the

owners' association.

4. When the developer collects any amounts from the buyers of the real estate unit as part of the costs of managing or maintaining the building or the compound before registering the floor plan or the compound plan, the developer shall not collect those amounts for a period of more than three months prior to the time specified for their disbursement.
5. When the developer collects the amounts referred to in clause (4) of this Article, the developer must, within a period of three months from the date of the establishment of the owners' association, do the following:
 - To appoint an accredited auditor to audit all amounts received and spent and attests the following:
 - That all amounts were appropriately spent according to the purpose for which they were collected (according to these executive regulations and the articles of association of the owners' association) and if they were not spent in this way, attest the circumstances that caused them not to be spent in that way.
 - The agreed-upon balance of unspent amounts held by the developer.
 - Pay the agreed-upon balance of the owners' association for the remaining amounts.
 - Pay all or part of any amounts that were not appropriately spent to the owners' association if the department orders the developer to do so and according to the purposes for which they were collected.
6. Before directing an order under paragraph (c) of clause (5) of this Article, the Department must provide a notice to the developer explaining the inappropriate expenditure data and the reasons that made the Department order the developer to pay any amounts to the owners' association.
7. When the developer collects the amounts referred to in Clause (4) of this Article and spends them to purchase goods and equipment, the developer must transfer their ownership to the owners' association.

Article (56)

Serving notices

1. Any notice that this law, executive regulations, or articles of association stipulates to be served to the owners' association, or from the owners' association to any person, may be served to the person concerned through a written document or an e-form using the address, fax number, or the verified e-mail address.
2. If the notice is provided in writing, it must be sent by registered mail or delivered to the verified address.
3. If the notice is faxed, the receipt of a fax confirmation report proving its successful delivery is deemed a proof of receipt.

4. If the notice is sent by e-mail, the addressee is considered to have received the notice as soon as a request read receipt is sent to the addressor.
5. The necessary registers must be kept at the authority concerned with notification or at the owners' association, as the case may be, and which shows the date on which notices were submitted in addition to fax confirmation report, mailer-daemon failure notice by e-mail.

Article (57)
(Adjusting the Status)

1. The main or sub-developer must register with the department the main or subsidiary development plan, as the case may be, for any real estate development project existing before the effective date of the Law.
2. Developers are required to register with the department the floor plan or compound plan for any real estate development project existing before the effective date of the Law, which includes a real estate unit, or a real property owned or commonly used according to the following:
3. Register the project that was completed within a period of three months from the date of enforcement of these executive regulations.
4. Register the project that is still under construction upon completion of the project and before delivery of real estate units.
5. For the purposes of implementing clauses (1, 2) of this article, the developer may submit a notice on the form approved by the department to the owner or occupant of the real estate unit requesting that the approved surveyor be permitted to enter the real estate unit to carry out survey work, in which case the owner or occupant must allow access to the real estate unit as per the department's instructions.
6. The Department may take the action it considers appropriate to implement the obligation imposed under Clause (3) of this Article.
7. Any three or more owners of real estate units in an existing project may, during the three-month period referred to in clause (2) of this Article or after its expiry, submit a notice to the developer collectively asking him to deposit the floor plan or the compound plan at the department, and if the developer refuses or fails to take the basic steps to deposit the plans within (30) days from the date of submitting the notice, the following provisions shall be followed:
 - The owners themselves or their representatives may deposit the plans, in addition to the documents related to the existing project.
 - Owners or their representatives may recover the costs and expenses incurred by them during preparing and depositing relevant plans and documents, in addition to the costs of registering the owners' association.
 - The owners' association may recover the costs and expenses from the developer.

8. In the event that the developer ceases work or if he loses his capacity for any reason, the notice mentioned in clause (5) of this article may be announced by publishing it in the relevant section in a daily newspaper issued in the emirate.
9. The Department may refuse to register the floor plan or the compound plan and the relevant documents that were deposited by the owners if it finds that the developer has not refused or failed to take the basic steps to register the plans within (30) days from the date of the relevant notice.
10. The provisions of this Article shall apply to the existing project, provided that the provisions of the disclosure data stipulated in these executive regulations shall not be applied to the existing project except upon completion of the second phase of the project.

Article (58)

(Disclosure Requirements)

- Within three months of the effective date of the executive regulations, the following should take place:
 - a) The developer must, before the buyer signs a purchase contract of a real estate unit in the existing real estate development project, attach to the contract a statement for the buyer on the form approved by the department, including the required disclosure data.
 - b) b - The buyer must, before signing the contract to resell a real estate unit in the existing real estate development project that he purchased, attach to the contract a statement for the new buyer on the form approved by the department, including the required disclosure data.
 - c) c - In the event that the developer fails to comply with paragraph (a) above or the buyer fails to comply with paragraph (b) above, the injured party may rescind the contract.
- During the six months following the three- month period of the effective date of the executive regulations, the following should take place:
 - a) The developer must, before the buyer signs a contract to purchase a real estate unit in the existing real estate development project, do the following:
 - Attach to the contract a statement for the buyer on the form approved by the department.
 - Provide the buyer with a provisional disclosure statement in accordance with these regulations.
 - The buyer must, before concluding a contract to resell the real estate unit that he purchased from the developer or another person, do the following:
 - To attach to that contract a statement for the new buyer on the form approved by the department.
 - To provide the buyer with a copy of the provisional disclosure statement that he

received when he purchased the real estate unit.

- In the event that the developer or buyer fails to comply with their obligations set forth in Clause (2) of this Article, the injured party may rescind the contract.

Article (59)

(Requirements of Provisional Disclosure Statement)

- The provisional disclosure statement must be signed by the developer or his representative and must include the following data:
 - a) Description of the building or project that the real estate unit will be part of, including:
 - Uses of land in the building or project (residential apartments, services, and retail stores).
 - Any privileges, equipment, or services included in the building or project that contribute to sustainable environmental development.
 - Any special use that applies to the unit (such as serviced apartment).
 - The right to have utilities available in the proposed common parts for use by owners and occupants of real estate units.
 - Availability of utilities in the building or project for use by owners and occupants of real estate units on a commercial basis.
 - Furnishing and linen items (if any) for the proposed common parts and the unit that the developer is committed to provide without imposing any additional fees.
 - b) Initial unit plan (blueprint) showing the areas of real estate unit that clearly shows the real estate unit places that should appear in the floor plan or the compound plan for registration purposes as per the instructions.
 - c) Table of materials and finishing for each of the proposed common parts and the proposed real estate unit.
 - d) Whether it is necessary to conclude any supply agreements by the proposed owners' association and if it is necessary to state these agreements.
 - e) An estimate of the service fees paid in relation to the real estate unit (if any) and a list of that.
 - f) Suggested agreements for supply of public services to the owners' association and the real estate unit.
 - g) Whenever it is necessary to provide any public services by a person from non-governmental agencies other than the owners' association, a list is drawn up specifying public services and how to pay their fees.
 - h) In the event that the owners' association sells any public services to the owners of the real estate unit, details of the supply arrangement agreements must be provided.
 - i) If the construction work commences, or in the event that it does not commence, a reasonable estimated date shall be set for the commencement of construction work.
 - j) A reasonably estimated date for the transfer of the property ownership to the buyer.

- k) A statement indicating the buyer's commitment to register the contract with the Initial Real Estate Register in accordance with the Law, including an explanation of the consequences of non-registration.
- The developer must ensure the validity of the information in the provisional disclosure statement. In the event that any of that information is found to be substantially inaccurate or incomplete within two years from the date on which the real estate unit was transferred from the developer, the developer shall be responsible to the buyer to whom the real estate unit has been transferred for any injuries, whether that buyer bought it directly from the developer or from another buyer.

Article (60)

(Powers of the Developer in Supply Agreements)

- The developer who registers the owners' association may enter into a supply agreement on behalf of the association as its duly authorized delegate, and this authority is only applied for a period of (30) days from the date of registration of the owners' association.
- As regards the supply agreement concluded in accordance with clause (1) of this Article, the following must be observed:
 - a) The developer shall write down the minutes of the report to exercise his delegated powers in the register of the owners' associations meetings.
 - b) The supply agreement shall be binding to the owners' association
 - c) Disclosure of the supply agreement for real estate unit owners at the first annual general assembly of the owners' association.
 - d) Application of the provisions and procedures prescribed in Article (38) of these executive regulations, as the case may be, to terminate the supply agreement that was concluded by the developer during the monitoring period.

Article (61)

(Services Fees Due to the Developer)

- If the owner of the real estate unit at the time of registering the owners' association owes the service fees to the developer, the developer may ask the Department for a certificate proving the service fee debts regarding the amount due, and the department shall issue that certificate if it is proven that the amount or any other lesser amount agreed upon by the developer has become due.
- Upon presentation of the certificate issued in accordance with clause (1) of this article to the owners' association, the owners' association must register the debt in its records as an amount that the real estate owner owes the owners' association regarding unpaid service fees, and

when the debt is registered it becomes due to the owners' association by the owner of the real estate unit, provided it is redeemed in the same way as other unpaid service fees, including attachment of the real estate unit in accordance with the law.

- If the owners' association fulfills the debt in accordance with Clause (2) of this Article, that amount will be transferred to the developer to whom the certificate was issued after deduction of any compensation or expenses that are redeemed in relation to the debt.
- For the purposes of this Article, service fees mean fees levied by the developer on the owner or buyer of any real estate unit or any buyer to cover the costs of managing and maintaining the building or compound pending registration of the floor plan or compound plan of that building or compound.
- For the purposes of applying Clause (1) of this Article, the Department shall have the right to demand any requirements or documents from the stakeholders.

Article (62)

The Department shall issue the necessary decisions, instructions, and forms to implement the provisions of this decision

Article (63)

This decision shall be published in the Official Gazette and shall become effective from the date of application of the provisions of the law.

Saeed Eid Al-Ghafli

Chairman of the Department of Municipal Affairs

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