

**Chairman of the Executive Council Resolution  
No. (64) of 2010  
Concerning the Provisions of Real Estate Ownership**

**We, Mohamed bin Zayed Al Nahyan, Crown Prince, Chairman of the Executive Council;**

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 organization of real estate registration in the Emirate of Abu Dhabi;
- Law No. (19) of 2005 concerning real estate ownership as amended by Law No. (2) of 2007;
- Law No. (10) of 2006 concerning the Municipality and Municipal Council of the Western Region in the Emirate of Abu Dhabi;
- Law No. (9) of 2007 concerning the establishment of the Department Municipal Affairs;
- Law No. (10) of 2007 concerning the Municipality and Municipal Council of Abu Dhabi City in the Emirate of Abu Dhabi;
- Law No. (11) of 2007 concerning the Municipality and Municipal Council of Al-Ain in the Emirate of Abu Dhabi;
- Law No. (23) of 2007 concerning the establishment of Abu Dhabi Urban Planning Council;
- Federal Law No. (5) of 1985 concerning the issuance of the Civil Transactions Law and its amendments; and
- And acting upon what was presented to and approved by the Executive Council,

**Issued the following Law:**

**Definitions**

**Article (1)**

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

<b>State</b>	:	The United Arab Emirates.
<b>Emirate</b>	:	The Emirate of Abu Dhabi.
<b>Government</b>	:	The Government of the Emirate.

<b>Executive Council</b>	:	The Executive Council of the Emirate.
<b>Department</b>	:	The Department of Municipal Affairs.
<b>Municipality</b>	:	The Municipality of Abu Dhabi City, Al Ain City, Western Region or any other Municipality which may be established in the future in the Emirate.
<b>Real Estate Register</b>	:	The Real Estate Register established pursuant to the provisions of Law No. (3) of 2005 concerning the organization of real estate registration in the Emirate of Abu Dhabi.
<b>Registrar</b>	:	The manager of the real estate registration division at the concerned Municipality.
<b>Nationals and the like</b>	:	<ul style="list-style-type: none"> <li>-Every natural person holding the nationality of the State pursuant to the applicable laws, the companies and institutions wholly owned by them.</li> <li>-The Government of the State and the Governments of the other Emirates.</li> <li>- The Government, authorities, bodies, entities, companies, organisations, funds, and councils wholly owned by the Government.</li> </ul>
<b>Person</b>		The natural or juridicial person.
<b>Mortgage</b>		A contract whereby the creditor acquires, with regard to the mortgaged property allocated for the settlement of his debt, a real right, or a contractual benefit whereby he has priority over ordinary creditors and other creditors who are ranked next in order of preference.
<b>Mortgagor</b>		The debtor who owns the property right, inclusive of the corporeal guarantor who is indebted by virtue of a mortgage.
<b>Mortgagee</b>		The creditor who lends the Mortgagor against the security of a mortgage on real estate.
<b>Mortgaged Property</b>	:	The real property or the property right associated to a real property
<b><u>Disposition</u></b>		Any transaction that affects the existing rights on the Real Estate, or entails new rights thereon, including without limitation, sale and purchase of real property, mortgage transactions, usufruct, long-term

		lease contracts, and Hawala (transfer) contracts related to any disposition of a real estate.
<b>Real estate</b>	:	Various kinds of real estates, including lands, buildings, establishments, apartments, floors and real estates by allotment.
<b>Original Real Right</b>	:	The right of ownership.
<b>Musataha Right</b>	:	A real right that grants its holder the right to set up construction or implantation on others' land.
<b>Usufruct Right</b>	:	A real right that grants its holder the right to use another's property and exploit the same as long as it is kept as is. Improvements or additions made to the property shall not be considered as a change to its status.
<b>Long -Term Lease</b>	:	The lease right whose initial duration is no less than 25 years and is renewable for any specified duration by the deed originating the right.
<b>Property Right</b>	:	The original real right, Musataha right, usufruct right and long- term lease right.
<b>Investment Zones</b>	:	Zones to be specified by an Executive Council Resolution.
<b>Owner</b>	:	The Person registered as Owner of the Real Estate in the Real Estate Register pursuant to the aforesaid law No. (3) of 2005.
<b>Owner of Property Rights</b>		The Person registered in the Real Estate Register as Owner of any of the Property Rights.

### Article ( 2 )

The right to Own Real Estates shall be restricted to Nationals and the like, as well as persons, companies, and entities to be determined by an Executive Council Resolution. Citizens of the Gulf Cooperation Council countries and legal persons wholly owned by them shall have the right to own Real Estates, provided that such Real Estate is within the Investment Zones, and they shall be entitled to carry out any disposition or entail any real right, be it original or subordinate, on any of these real estates.

**Article ( 3 )**

1. Without prejudice to the provisions of Article (2) of this resolution, non- UAE nationals whether natural or legal persons, residents, and non-residents of the State, shall have the right to own, purchase, sell, rent, mortgage and invest in floors and apartments, not the land, in the Investment Zones.
2. The Registrar shall register these natural or legal persons in the Real Estate Register as owners of the apartments and floors, not the land, in the Investment Zones, and issue title deeds or certificates to these persons upon submission of documents and papers specified in the regulation or resolutions issued by the Chairman of the Department. Under such capacity, they shall have absolute discretion to dispose their owned real property provided that such disposition shall not seriously jeopardise the rights of third parties or contradict the law or this resolution and its executive resolutions as issued by the Chairman of the Department, or the purchase contract registered with the Registrar, or the provisions of the building regulation or compound regulation where apartments or floors are located.

**Article ( 4 )**

Non-nationals of natural or legal persons, residents, and non-residents in the state, shall be entitled to acquire, own, and enjoy Musataha Right up to (50 years), which is renewable upon agreement of both parties for a similar period, and to benefit from a Usufruct Contract up to (99 years) and Long-Term Lease for the Real Estates located in the Investment Zones. They shall also have the right to develop (with respect to Musataha and Long-Term Lease contracts), invest, mortgage, lease, sell, and purchase such real property rights, provided that such dispositions do not contradict this Resolution and its executive decisions issued by the Chairman of the Department. The contracts originating these rights shall determine the durations, conditions, and provisions of such rights. The Registrar shall record these natural or legal persons in the Real Estate Register as owners of these rights upon their submission of the documents specified in the regulations and decisions issued by the Chairman of the Department.

**Article (5)**

The Registrar shall register all dispositions on Real Estates or on any of the real property rights (original real right, Musataha, usufruct and long-term lease rights) located inside and outside the Investment Zones in the Real Estate Register, including mortgage on real properties or on any real property rights and direct contracts concluded with banks and entities that finance projects.

**Article (6)**

Contracts and agreements that originate any of the real property rights whether inside or outside the Investment Zones shall specify the terms, conditions, and durations of real property rights, provided that those contracts and agreements do not contradict with the provisions of this Resolution, the, regulations, instructions, and decisions issued pursuant to it.

**Article (7)**

A resolution issued by the chairman of the Department shall specify the conditions and provisions of establishing and managing the Owner's or Usufructuaries" Association of a real property divided into floors, apartments, or in compounds that consist of separate units (villas) with a number of units in any of the same exceeding ten units; as well as the affairs related to the ownership, management, maintenance, operation and financing of the elements or common utilities in those Real Estates, including provisions pertaining to the financial obligations incurred by the owners, tenants or usufructuaries of these floors, apartments, or compounds, and the powers of the owner or manager of the common elements or utilities, and to specify the ceiling of the fees which the managing entity of the compound may collect as management fees.

**Article (8)**

The Real Estate, Usufruct, Musataha or Long-Term Lease rights shall be registered in the names of the heirs after they submit a decree of distribution that proves their right in the legacy of the Real Estate Owner, usufructuary or holder of the Musataha Right. For real property titles registered in the names of natural persons or institutions located outside the Investment Zones, if it is proved that one of the heirs is a non-national, any of the heirs or all of them collectively may purchase the non-national heir's share at the market value. If they fail to do so, they shall have the right to resort to legal proceedings to obtain a court order to sell his share or the whole Real Estate and to distribute the respective shares from the sale amount.

In the event of legacy, the title of the Real Estates owned by natural persons and located inside the Investment Zones shall be registered pursuant to the instructions issued by the Chairman of the Department following coordination with the Judicial Department.

**Article (9)**

The application for registering the Mortgage on the Mortgaged Property shall be submitted to the Registrar signed by the Mortgagor and Mortgagee or the corporeal guarantor, along with the mortgage contract or agreement and the documents and

information proving the Mortgagor's ownership of the mortgaged property or the real right to be mortgaged.

The Registrar shall register the mortgage in the Real Estate Register and deliver to the contracting parties a certificate signed by the competent official and endorsed by the Municipality stamp confirming the mortgage registration.

The Mortgage of the real property or real property right shall not be concluded unless it is signed by both parties (or their representatives who shall be appointed by a duly certified power of attorney) in the presence of the Registrar or his representative, and by registering the same in the Real Estate Register, and every agreement to the contrary shall be deemed null and void. The Mortgagor shall be obliged to pay the expenses of mortgage preparation and registration unless otherwise agreed.

The Mortgagor may not dispose of the Mortgaged Property whether by the act of selling, endowment or other action, nor arrange for any real or personal right thereupon without the approval of the Mortgagee unless otherwise agreed.

#### **Article (10)**

The Chairman of the Department shall issue the decisions, regulations, bylaws, and instructions required for the implementation of the provisions of this Resolution within sixty (60) days from the date of its enforcement.

#### **Article (11)**

This resolution shall become effective from the date of its issuance and shall be published in the Official Gazette.

**Mohamed bin Zayed Al Nahyan**  
**Crown Prince**  
**Chairman of the Executive Council**

Issued by us in Abu Dhabi  
Date: 25 November 2010  
Corresponding to: 19 Dhu al-Hijjah  
1431 Hijri