

**Department of Municipal Affairs Chairman's Decision**

**No. (246) of 2015**

**Issuing the Executive Regulations on the Initial Real Estate Register 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 Municipal Affairs;
- Law No. (3) of 2015 concerning the Regulation of the Real Estate Sector in the Emirate of Abu Dhabi .
- Chairman of the Executive Council Resolution No. (64) of 2010 concerning the provisions of real estate ownership
- And acting upon what was presented to and approved by the Executive Council,

**Issued the following Law:**

**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:

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

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|   |  | lease contracts, and Hawala (transfer) contracts that are related to any disposition of a real property.   |
| <b>Off-Plan Sale</b>                    |  | The contract whereby the buyer shall be granted real property rights to a real estate unit suggested according to the compound plan or the floor plan.   |
| <b>Survey Requirements</b>              |  | Instructions issued by the department in accordance with the executive regulations regarding joint ownership of real properties and the Owner's Association in accordance with the Law.  |
| <b>Real Estate Register</b>             |  | The Real Estate Register established pursuant to the provisions of the said Law No. (3) of 2005.   |
| <b>Real Estate Development Register</b> |  | The hand-written or electronic register prepared for keeping all data and documents related to the real estate development projects.   |
| <b>Initial Real Estate Register</b>     |  | The hand-written or electronic register prepared for the registration of all dispositions and rulings related to the real estate units sold off the plan.  |
| <b>Real estate</b>                      |  | Various kinds of real properties, including lands, buildings, establishments, apartments, floors and real properties by allotment.   |
| <b>Real Estate Development Project</b>  |  | 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. |
| <b>Developer</b>                        |  | The main developer or the sub-developer.   |
| <b>Main Developer</b>                   |  | The person licensed to practise development works, sell, manage and lease out real estates as a main developer of a real estate development project.   |
| <b>Sub-Developer</b>                    |  | The person licensed to practise development work, sell, manage and lease out real estates in a part of a major complex pursuant to an agreement concluded thereby with the main developer or another sub-developer                         |
| <b>Real Estate Unit</b>                 |  | The apartment, levels, shops and any part of a house (villa) linked to another house or independent, or a  |

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|                            |  | 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. |
| <b>Owners' Association</b> |  | The Owners' Association formed pursuant to the provisions of this law to manage and operate the common parts including the repair, maintenance, and proper utilization thereof. |

### Article (2)

#### **(Obligation to Register with the Initial Real Estate Register)**

1. Subject to Article (28) of the law, the assignor shall, upon any assignment (i.e. disposition) related to real property, be obliged to submit an application to the department to register the assignment in the Initial Real Estate Register according to the electronic or paper form approved by the department stating the following data:
  - a) Date of contract.
  - b) The data related to the assignor and assignee.
  - c) The name and license number of the real estate project developer.
  - d) The price or value stated in the disposition contract (in AED).
  - e) The name and registration number of the real estate development project and any major development related thereto.
  - f) The expected date of completion of the real estate development project.
  - g) g. The details of the real estate subject of (assignment) - including the details of the proposed land parcel and the floor in the building, where necessary, and a plan designating its proposed location and area in square meters according to the currently registered title deed.
  - h) Any other data or details specified by the department from time to time.
2. Subject to Article (28) of the law, if the assignor in the contract subject of off-plan disposition does not submit the application mentioned in clause (1) of this article, the department shall notify him to provide it with a copy of the assignment contract and relevant information, and the assignor of the real estate unit shall carry out what is stated in the notification, pay the fees prescribed for registering the contract in the Initial Real Estate Register, as well as pay the delay fines of registering the disposition.
3. Subject to Article (28) of the law, if the assignor of the real estate unit refuses, or fails to register the assignment in the Initial Real Estate Register within (21) days from the date of concluding the assignment, the assignee may submit a registration

request to the department and he shall have the right to recover the costs incurred to make such registration from the assignor, and in the event that the assignor did not pay such costs, the assignee may deduct it from the purchase price specified in the contract.

4. In the event that the assignee of the real estate unit submits a request to register the assignment of the real estate unit after the lapse of the period specified in clause (3) of this article, the department shall register the assignment of the real estate unit and impose a delay penalty of (AED 10000) ten thousand dirhams to be paid by the assignor of the real estate unit.

### **Article (3)** **(Documents for Registration Application)**

1. The following shall be attached to the registration application of the off-plan assignment contract:
  - a) Receipt of paying the prescribed fees.
  - b) A signed copy of the contract.
  - c) Details related to the assignor and the assignee of the real estate unit.
  
2. If the assignee is a natural person, the following shall be attached to the application for registration of the off-sale assignment:
  - a) A copy of the valid passport.
  - b) Residence visa of the assignee residing in the country.
  - c) A copy of the identity card of the assignee residing in the country.
  - d) An identity document that the department accepts for the assignee not residing in the country.
  - e) The current residence address and telephone contact details.
  - f) An email that the department may use for notification purposes.
  
3. If the assignee is a legal person, the following shall be attached to the application for the registration of the off-sale assignment contract:
  - a) A copy of commercial license valid at the date of submitting the application.
  - b) Memorandum and articles of association.
  - c) Names and nationalities of the company's directors and shareholders.
  - d) An email that the department may use for notification purposes.
  - e) e - A copy of the Board of Directors decision to delegate one of its members or the manager to represent the company, and a copy of the passport of the person authorized to sign for the company.

4. After the completion of the assignment registration, the department shall inform the assignor and assignee that registration was made and give them the registered contract number and will receive a notice to this effect according to the form approved by the Department.

**Article (4)**

**(Registration of Completed Real Estate Development Projects)**

1. If the real estate development project is completed and the completion certificate is obtained from the concerned municipality, the developer must observe the following:
  - a) Register the completion of the real estate development project with the Real Estate Register at the Department.
  - b) Register and convey the ownership of the real estate unit subject of assignment to the Real Estate Register in the name of the buyer, who has paid the purchase price.
2. The developer submits an application to register the completed real estate development project to the Department on the approved form and attaches the receipt of paying the prescribed fees in addition to the following:
  - a) Copies of certificates and current title deeds for all plots of land included in the real estate development project.
  - b) Copies of approvals by the relevant authorities for the real estate development project.
  - c) A completion certificate from the concerned municipality and the approved project consultant to confirm the completion of the real estate development project.
  - d) No-objection letter from the main developer if the project developer is a sub-developer.
  - e) e- A table showing the details related to each real estate unit or a plot of land in the project, with the registration entry references mentioned in the Initial Real Estate Register, which includes the following:
    - Real estate unit or land plot number.
    - The area of the real estate unit or plot of land measured as per the survey requirements.
    - The number and total area of parking lots, storage spaces, or other additional spaces that are part of or related to the real estate unit or plot of land, where necessary.
3. The department registers the completion of the real estate development project and details of the real estate unit or plots of land in the Real Estate Register.

**Article (5)****Moving to the Real Estate Register**

1. If the buyer fulfills his contractual obligations and pays the full purchase price according to the agreement registered in the Initial Real Estate Register, the developer must, within (21) days of the buyer's fulfillment of the purchase price, submit an application to the Department to convey the ownership of the real estate unit or the land parcel subject of the agreement to the buyer, as well as all property rights associated to ownership right, if any.
2. The developer submits to the Department an application to transfer the ownership of the real estate unit to the Real Estate Register on the form approved by the Department, with the following attachments:
  - a) Receipt of paying the prescribed fees.
  - b) A certificate proving the discharge of mortgage on the real property subject of disposition to which the transfer is related.
  - c) Any new or alternative mortgage to be registered immediately after registering the transfer.
  - d) Any documents or other requirements determined by the Department.
3. The Department records the transactions in the following order:
  - a) Release of a mortgage on the real property subject of disposition.
  - b) Transfer of ownership: the right of ownership may be transferred encumbered with mortgage in the event of not releasing the mortgage with the approval of the mortgagee creditor.
  - c) New or alternative mortgage for off-plan disposition.
4. The transfer of the right of ownership and the new or alternative mortgage shall be recorded in the event of its existence, and all dispositions related to the real estate unit shall be moved from the Initial Real Estate Register to the Real Estate Register, as appropriate.

**Article (6)****Transfer of Ownership Right by the Buyer**

1. If the developer does not transfer the ownership of the real estate unit or the plot of land in accordance with Article (5) of these executive regulations, the buyer may, by the disposition document, or the mortgagee creditor, submit an application to the department to carry out the transfer, and provide the Department with

copies of documents and information proving his right to transfer the disposition from the Initial Real Estate Register to the Real Estate Register.

2. The Department shall notify the developer about the application referred to in Clause (1) of this Article and give him (21) days from the date of receiving the notification to state the reasons for not transferring the disposition related to the real estate unit or the plot of land to the assignee.

3. The Department may, after examining the reports submitted by the developer, transfer the disposition related to the real estate unit or the plot of land from the Initial Real Estate Register to the Real Estate Register in the name of the assignee, and the developer shall be responsible for the costs of transferring the disposition unless otherwise agreed with the buyer.

4. If the developer does not reply to the notification within the period set forth in clause (2) of this article, the department may initiate the procedures for transferring the disposition related to the real estate unit or the plot of land from the Initial real Estate Register to the Real Estate Register in the name of the assignee without a further notice to the developer, who shall be responsible for the costs of transferring the registration of the disposition.

5. The Department must inform the developer of its registration decision issued pursuant to clauses (3) and (4) of this article.

6. The developer has the right to file a complaint with the chairman of the Department against the decision referred to in clause (5) of this article within a period of two weeks from the date of notifying the developer thereof.

7. The chairman of the Department decides on the grievance within thirty days from the date of its registration with the Department either by rejection or acceptance.

8. The stakeholder has the right to appeal the decision mentioned in clause (7) of this article before the competent court within sixty days from the date of notifying the stakeholder of the Department's decision.

**Article (7)****Transfer of Ownership by the Department**

1. If the Department finds out that the developer has not complied with the provisions of Article (5) of these executive regulations, it may, on its own initiative and after conducting the (necessary) research and investigation, transfer the disposition related to the real estate unit or the plot of land from the Initial Real Estate Register to the Real Estate Register in the name of the assignee according to the disposition contracts, and it may also recover any costs and expenses incurred in carrying out the disposition transfer, including fees prescribed by the developer.
2. The Department exercises its powers by virtue of Clause (1) of this Article after fulfilling the following:
  - a) Complete the registration of the real estate development project upon project completion.
  - b) Register the relevant division plans (floor plan and compound plan)
  - c) C. Register any owners' association.
  - d) The assignee fulfills all contractual obligations stipulated under the disposition agreement.

**Article (8)****Disposition of the Registered Real Estate Unit**

1. Subject to the registration requirements mentioned in Article (27) of the Law and the provisions of these executive regulations, it is permissible to dispose of real estate units registered in the Initial Real Estate Register by sale, mortgage, or any other acts of disposition.
2. The Department registers all mortgages on real estate units registered in the Initial Real Estate Register in accordance with the procedures to which mortgages are generally subject to pursuant to the provisions of the Law and its executive regulations regarding mortgages.
3. Any mortgage on the real estate units registered in the Initial Real Estate Register shall not be taken into consideration unless the mortgage is registered in the Initial Real Estate Register and this mortgage shall not be binding for any of its parties or for a third party.
4. The Department may issue instructions and regulations whenever necessary to streamline the registration of mortgages on real estate units registered in the Initial Land Register.



**Article (9)**

The Department shall issue the decisions, instructions, directives and forms necessary to implement the provisions of these executive regulations.

**Article 10**

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

**Saeed Eid Al-Ghafli**

**Chairman of the Department of Municipal Affairs**

Issued in Abu Dhabi

On: 26/10/2015

Corresponding to: 13 Muharram 1437 Hijri