

**Law No. (9) of 2009 amending Certain Provisions of Law
No. (13) of 2008 Regulating the Initial Real Estate
Register in the Emirate of Dubai**

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We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai

Having perused:

- Law No. (8) of 2007 concerning the Guarantee Accounts of Real Estate Development in the Emirate of Dubai;
- Law No. (16) of 2007 establishing the Real Estate Regulatory Agency; and
- Law No. (13) of 2008 regulating the Initial Real Estate Register in the Emirate of Dubai. (hereinafter referred to as “**Original Law**”)

hereby promulgate the following law:

Article (1)

The text of the two Articles (2) & (11) of the Original Law shall be replaced by the following text:

Article (2)

Unless the context otherwise requires, the following words and Expressions shall have the meanings assigned thereto:

Emirate	The Emirate of Dubai.
Department	The Land Department
Agency	The Real Estate Regulatory Agency (RERA)
Real Estate Register	The Real Estate Register held by the Department
Initial Real Estate Register	A set of documents executed or kept in written or in electronic form in the electronic register of the Department in which all contracts for real estate sale and other legal off-plan dispositions are recorded before being transferred to the real estate register.

Real Estate	The land and the immovable facility established thereon or on any of them.
Real estate unit	The subdivided part of the real estate including any off- plan subdivisions.
Off-plan Sale	Sale of subdivided real estate units off-plan or not yet completed.
Master Developer	A person licensed to develop real estate and sell its units to a third party in the Emirate.
Sub-Developer	A person who develops part of a real estate project of a master developer under an agreement between them.
Broker	A person engaged in real estate brokerage activities pursuant to Regulation No. (85) of 2006 regulating the Register of Real Estate Brokers in the Emirate of Dubai.
Competent Authorities	The authorities concerned with licensing or registering the real estate projects in the Emirate.

Article (11)

1. If the purchaser defaults on any term of the contract he has concluded with the developer for sale of the Real estate unit, the developer shall notify the Department accordingly and the Department shall then give the purchaser 30 (thirty) days' notice to fulfill his contractual obligations, delivered by hand, registered post or via email.
2. In the event that the purchaser has not fulfilled, at the end of the period set forth in Clause (1) of this Article, his contractual obligations, the following provisions shall apply:
 - A. **If the developer has fulfilled at least 80% of the Real estate project**, the developer may retain the amounts paid in full and require the purchaser to settle any remaining portions of the Contract amount. Failing this, the developer may demand selling the real estate in public auction to obtain the balance of his payable amounts.
 - B. **If the developer has fulfilled at least 60% of the Real estate project**, the developer may cancel the contract and deduct an

amount not exceeding 40% of the real estate unit value described in the contract.

- C. **In case of the real estate projects in which construction has been initiated and its ratio has not reached 60%**, the developer may cancel the contract and deduct an amount not exceeding 25% of the real estate unit amount as set out in the contract.
 - D. **In case of the real estate projects in which construction has not been initiated for any reasons beyond the developers' control** and without his negligence or default, the developer may cancel the contract and deduct an amount not exceeding 30% of the amounts paid by the purchaser.
3. For the purposes of the two paragraphs (C) and (D) of Clause (2), **“Construction”** shall be deemed to mean that the contractor has been handed over the real estate project Site and construction works have been initiated as per designs approved by the competent authorities.
 4. For the purposes of the two paragraphs (B) and (C) of Clause (2), the developer shall repay the amounts accrued and due to the purchaser within a period not exceeding one year after the date of cancellation or within a period not exceeding 60 (sixty) days from the date of reselling the real estate unit, whichever is earlier.
 5. Notwithstanding paragraphs (1) & (2) of this Article, the Agency may, based on a grounded report, decide the cancellation of the real estate project, in which case the developer shall repay all amounts received from the purchasers pursuant to the procedures and provisions stipulated in Law No. (8) of 2007 concerning the Guarantee Accounts of Real Estate Development in the Emirate of Dubai.
 6. The provisions set forth in this Article shall not be applicable to the land sale contracts in which sale is not made off-plan, but such contracts shall remain governed and controlled by the provisions defined in the contract entered into by and between its parties.
 7. The provisions of this Article shall be applicable to all contracts made before the provisions of this Law go into effect.

Article (3)

This Law shall be published in the Official Gazette and shall take effect from the date of issue.

Mohammed bin Rashid Al Maktoum,
Ruler of Dubai

Issued in Dubai on 12 April 2009 A.D,
Corresponding to 16 Rabi II 1430 A.H