

Freehold Law

Freehold Ownership

Interim translation prepared by Al Tamimi & Co pending publication of the official translation by the Government

LAW NO (7) OF 2006 CONCERNING REAL PROPERTY REGISTRATION IN THE EMIRATE OF DUBAI

We, Mohammad Bin Rashid Al Maktoum, Ruler of Dubai:

Upon cognizance of the Federal Law No. 5 of 1985 issuing the Civil Transactions Law, as amended, The Federal Law No. 11 of 1992 issuing the Civil Procedures Law, as amended, the local Law No. 7 of 1997 concerning the charges for the registration of lands, and the local Decree of 1960 concerning the formation of the Lands Committee have issued the following Law:

Chapter One

Name and Definitions

Article (1)

This Law shall be called the "Law No. (7) of 2006 concerning Real Property Registration in the Emirate of Dubai".

Article (2)

Unless the context requires otherwise, the following terms and expressions in this Law shall have the meanings as shown against them respectively:

"State" means United Arab Emirates;

"Emirate" means the Emirate of Dubai;

"Government" means the Government of Dubai, including any of its departments, authorities or public establishments;

"Ruler" means H. H. the Ruler of the Emirate of Dubai;

"Department" means the Department of Lands and Properties;

"Chairman" means the Chairman of the Department;

"Manager" means the General Manager of the Department;

"Real Property" means anything immovable fixed within its boundaries which cannot be moved without damaging or changing its features;

"Real Property Rights" means any right in rem, whether principal or collateral, over a Real Property;

"Real Property Register" means a set of documents held in written or electronic format in the electronic register at the Department, which point out the description and location of each Real Property and the rights attached thereto;

"Real Property Unit" means any plot of land and any constructions, plants and other things thereon located in a single Real Property Area without any part thereof being separated from the other parts by any public or private property and without having any rights or liabilities on any part thereof other than the rights and liabilities of the other parts;

"Real Property Area" means a group of Real Property Units identified by main streets or fixed and clear landmarks, bearing an approved name and independent serial number in accordance with the regulations applied by the Department;

"Person" means a natural or legal person.

Chapter Two

Scope of Application and Right to Hold Title

Article (3)

The provisions of this Law shall apply to the Real Properties in the Emirate.

Article (4)

The right to own Real Property in the Emirate shall be restricted to UAE and GCC nationals and to companies owned in full by them and to public joint stock companies. Subject to the Ruler's approval and in specific areas in the Emirate as determined by him, non-national persons may be granted the following rights:

1. The right to freehold ownership without time restrictions; or
2. Usufruct right or leasehold right over a Real Property for a period not exceeding 99 years.

Chapter Three

General Provisions

Article (5)

The original documents and judgments under which registrations are made shall be maintained at the Department, and removing them outside the Department is prohibited. Any party having an interest, the judicial authorities or any experts appointed by them and the competent committees may inspect the documents maintained in the Register and obtain a certified copy of them in accordance with the provisions of this Law.

Chapter Four

Competence of the Department

Article (6)

The Department shall solely, to the exclusion of others, be authorized to register the Real Property Rights and long term leases as provided under Article 4 hereof. For this purpose, the Department shall undertake the following:

1. Determine areas for survey or re- survey and approve maps prepared thereof;
2. Determine the rules in connection with the survey, inspection and issue of maps related to Real Property Units;
3. Prepare standard contracts in relation to Real Property transactions;
4. Lay down the rules in connection with organizing, maintaining and destroying documents;
5. Lay down the rules in connection with the use of computers for saving and registering data;
6. Lay down the rules in connection with regulating and maintaining a register for real estate brokers;
7. Lay down the rules in connection with the evaluation of Real Properties;
8. Lay down the rules in connection with the sale of a Real Property at optional public auction and the supervision thereof;
9. Determine the charges payable for services provided by the Department; and
10. Establish branches for the Department as the Manager may deem fit.

Chapter Five

Real Property Register

Article (7)

A Real Property Register shall be established at the Department. All Real Property Rights and any amendments thereon shall be registered in the Register, which shall have absolute power of evidence against all parties. No objections against the data of the Register may be made other than on the grounds of fraud or forgery.

Article (8)

Subject to the provisions of Article 7 hereof, documents and instruments of the Real Property Register registered electronically in a computer shall be acceptable for the purpose of evidence as original documents and instruments.

Chapter Six

Registration

Article (9)

All dispositions that may create, transfer, vary or terminate a Real Property Right and all final judgments confirming any such dispositions shall be registered in the Real Property Register. Such dispositions shall not be valid unless they are registered in the Real Property Register.

Article (10)

The liability for breaching an undertaking to transfer any Real Property Right shall be limited to payment of indemnity, whether or not such undertaking provides for an indemnity.

Article (11)

Any inheritance declaration shall be registered in the Real Property Register if the inheritance includes Real Property Rights. No dispositions by any heir in connection with any such rights shall be valid or effective against third parties unless such dispositions are registered in the Real Property Register.

Article (12)

The Department may, in accordance with procedures to be issued under a resolution by the Chairman of the Department, consider applications for registration submitted by holders of lands that are not registered in their names in order to settle the position of such lands.

Chapter Seven

Alteration or Correction of Data in the Real Property Register

Article (13)

The Department may correct purely material errors in the folios of the Real Property Register upon a request from an interested party or on its own initiative and shall inform the concerned parties of such corrections.

Article (14)

The Department shall, in coordination with the relevant authorities, update the data in relation to Real Property Units together with the buildings, plantations or other structures thereon.

Chapter Eight

Maps

Article (15)

1. Upon the registration of the Real Property Areas and Units in the Real Property Register, the following maps shall be relied upon:

1. The base topographic map;
2. The Real Property Unit map;
3. The Real Property Area map.

1. Every Real Property Area shall have a separate map showing the Real Property Units in that area together with their numbers.
2. Every Real Property Unit shall have a separate map indicating its location, boundaries, dimensions, area, features and the structures thereon together with the numbers of the adjacent units.

Chapter Nine

Division and Merger

Article (16)

If a dominant Real Property Unit is divided, the easement right shall persist for each part of the Unit, provided that such division shall not increase the burden on the servient Real Property Unit. However, if the easement is actually beneficial to only one of those parts, the owner of the servient Real Property Unit may apply to the Department to terminate the easement right of the other parts.

Article (17)

If a servient Real Property Unit is divided, the easement right shall persist on each part of the Unit. However, if the easement is actually used on some parts or cannot be used thereon, the owner of each part thereof may apply to the Department in accordance with the provisions of this Law to terminate the easement right on the part owned by him.

Article (18)

Easement rights shall terminate if the servient Real Property Unit and the dominant Real Property Unit become under the possession of a single owner.

Article (19)

If a Real Property Unit burdened with a collateral right in rem is divided to two or more Real Property Units, each new Real Property Unit shall bear the right in full. The new owners and the holder of the collateral right in rem may agree to divide such right so that each of the new Real Property Units will bear only part thereof as agreed.

Article (20)

If two Real Property Units are merged, where one of them is burdened with a collateral right in rem and the other unit is free of such right, the collateral right in rem shall extend to the new Real Property Unit in full without the consent of the holder of the right to merger.

However, if each of the Units is burdened with a separate collateral right in rem, the consent of the holders of such rights to the merger shall be obtained prior to such merger.

Article (21)

Any amendment of merger or division on the Real Property Unit shall be registered in the Real Property Register.

Chapter Ten

Title Deeds

Article (22)

The Department shall issue title deeds of Real Property Rights in accordance with the current records in the Real Property Register.

Article (23)

Subject to the provisions of any other law, a multi floor or apartment Real Property shall be considered as a single Real Property Unit and a folio shall be designated thereto in the Real Property Register. Supplementary folios in the names of the owners of such apartments and floors and common areas shall be added to the original folio.

Article (24)

1. Title deeds referred to under Article (22) of this Law shall have absolute power of evidence to establish Real Property Rights.
2. Any conditions, undertakings, encumbrances or any other liabilities related to Real Property Rights shall be stated in the designated folio of the Real Property

Unit.

Chapter Eleven

Final Provisions

Article (25)

The provisions of the Federal Civil Procedures Law No. 5 of 1985, as amended, shall apply to anything not provided for in this Law.

Article (26)

1. Any agreement or disposal made in violation to the provisions of this Law or with the intent to circumvent its provisions shall be null and void.
2. Any party having interest or the Department or the Public Prosecution may demand to invalidate such agreement or disposal and the courts shall rule as such on its own initiative.

Article (27)

The Decree dated 6 November 1977 concerning civil and criminal cases relating to land transactions in the Emirate of Dubai is repealed.

Article (28)

The Chairman shall issue the required regulations, orders and instructions for the enforcement of the provisions of this Law.

Article (29)

This Law shall be published in the Official Gazette and shall come in force as of the date of its publication.

Mohammad Bin Rashid Al Maktoum
Ruler of Dubai
Issued in Dubai on 13 March 2006