

Law No. 16 of 2007
Establishing the Real Estate Regulatory Institute

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai

After taking cognisance of Law No. 7 of 2006 regarding real estate registration in the Emirate of Dubai; and

The Decree concerning the formation of the Land Affairs Committee 1960

Issue the following Law:

Article (1)

This Law shall be called “Law No. 16 of 2007 Establishing the Real Estate Regulatory Institute.”

Article (2)

The following words and expressions shall have the meanings set out opposite unless the context shall require otherwise:

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| Ruler: | HH The Ruler of Dubai |
| Emirate: | Emirate of Dubai |
| Government: | Government of Dubai |
| Executive Council: | The Executive Council of the Emirate |
| Institute: | The Real Estate Regulatory Institute |
| Executive Director: | The Executive Director of the Institute |
| Department: | The Lands & Property Department |
| Owners Association: | A membership organisation for owners of real estate units whether flats, floors or parts of land, in a joint property |

Article (3)

There shall be set up under this Law a public corporation called the “Real Estate Regulatory Institute” with legal personality and an independent financial and administrative structure. The Institute have full authority to perform legal acts in accordance with its stated objectives including the capacity to contract and may, in its own name, sue and be sued and appoint others to represent it for this purpose. The Institute shall be attached to the Lands and Property Department

Article (4)

The head office of the Institute is to be situated in Dubai. The Institute may open branches in the Emirate and elsewhere

Article (5)

The objective of the Institute is to regulate the real estate sector in the Emirate by participating in devising strategies for this sector and developing and executing the necessary work plans, including:

- 1- Proposing the necessary legislation to regulate the work of real estate brokerage offices and owners associations
- 2- Issuing regulations for the training and certification of real estate brokerage offices
- 3- Licencing all activities relating to the work of the Institute including activities relating to real estate development in the Emirate
- 4- Accrediting banking and financial institutions which are certified to manage guarantee accounts of real estate developments on behalf of real estate developers in accordance with applicable legislation
- 5- Licencing and regulating real estate brokerage offices and monitoring and overseeing their activities
- 6- Licencing and regulating companies and establishments that manage real estate and residential developments and monitoring and overseeing their activities
- 7- Registering and attesting leases for the various kinds of real estate units in the Emirate in accordance with such legislation as may be issued in this regard
- 8- Monitoring and overseeing the activities of owners associations and auditing their accounts and records
- 9- Keeping track of property advertisements that are published in the various media operating in the Emirate including those operating in free zones
- 10- Providing support and advice on property valuation in accordance with the latest accredited standards
- 11- Issuing statistical reports and specialised research and studies on the property market including any publications and information that aid such studies and offer insight into the property market in the Emirate
- 12- Preparing and executing programs and projects that enhance the role of nationals in the real estate sector and encourage their involvement in that sector
- 13- Developing and implementing education and awareness programs on the rights and obligations of parties involved in the real estate sector

Article (6)

The Executive Board of the Institute comprises an Executive Director appointed by decision of the Chairman of the Executive Council and a number of staff in respect of whom Dubai Law No. 27 of 2006 on human resource management will apply

Article (7)

The Executive Director of the Institute shall oversee the work and activities of the Institute and shall represent the Institute in relation to third parties including but not limited to:

- 1) Adopting the strategic plan and work plans of the Institute and submitting them to the Executive Council for approval
- 2) Implementing the general policy that is approved by the Executive Council and its decisions in this regard
- 3) Proposing initiatives, programs and projects concerning the work and activities of the Institute
- 4) Proposing an organisational structure and financial, administrative and technical regulations for the Institute and submitting them to the Executive Council for approval
- 5) Overseeing the work of the Executive Board of the Institute and hiring staff for the Institute
- 6) Preparing the Institute's annual budget and submitting same to the Executive Council for approval
- 7) Exercising any other powers conferred on him by the Executive Council or under a decision issued pursuant to this Law

Article (8)

There are hereby transferred to the Institute the following functions of the Department:

- 1- Regulating the work of real estate offices and real estate brokers
- 2- Preparing studies and research on real estate
- 3- Managing and regulating guarantee accounts of real estate developments
- 4- Regulating and overseeing owners associations

Article (9)

Subject to the Article 6 of this Law, the Institute may, in its discretion, transfer staff engaged in the regulation of real estate at the Department to the Institute

Article (10)

The Institute shall keep regular accounts and records that conform to commercial accounting standards. The financial year of the Institute shall run from 1st January until 31st December. The first financial year shall begin on the date on which this Law comes into effect and end on 31st December of the next following financial year

Article (11)

The financial resources of the Institute consist of the following:

- 1) Subsidy allocated to the Institute in the Emirate's budget
- 2) Fees the Institute charges for its services to the public
- 3) Any other resources approved by the Executive Council

Article (12)

The Chairman of the Executive Council shall issue the regulations and decisions necessary to implement this Law

Article (13)

Any contrary provision of any other law or legislation is hereby repealed

Article (14)

This Law shall be published in the Official Gazette and shall come into effect on the date of publication

MOHAMMED BIN RASHID AL MAKTOUM
RULER OF DUBAI

Issued in Dubai on 30th July 2007
Corresponding to 16 Rajab 1428 AH