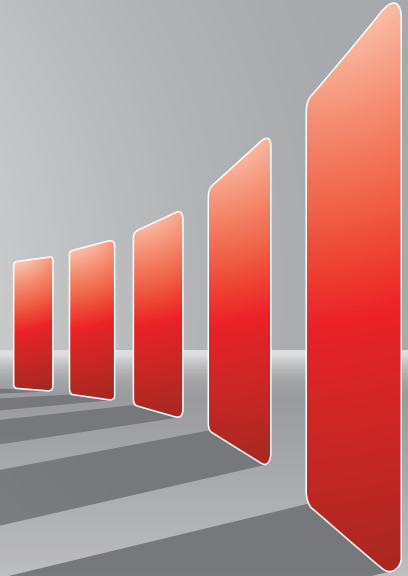





# DUBAI REAL ESTATE LEGISLATION





**Decree No. (26) of 2013**  
**Concerning the Rent Disputes**  
**Settlement Centre in the Emirate of**  
**Dubai**

**Decree No. (26) of 2013**  
**Concerning the**  
**Rent Disputes Settlement Centre in the Emirate of Dubai <sup>(1)</sup>**

**We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,**

After perusal of:

Federal Law No. (5) of 1985 Issuing the Civil Code of the United Arab Emirates and its amendments;

Federal Law No. (11) of 1992 Issuing the Civil Procedure Code and its amendments;

Law No. (3) of 1992 Establishing Dubai Courts and its amendments;

Law No. (6) of 1992 Establishing the Judicial Council and its amendments;

Law No. (2) of 2003 Concerning the Profession of Renting and Leasing Real Property in the Emirate of Dubai;

Law No. (3) of 2003 Establishing the Executive Council of the Emirate of Dubai;

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai;

The Government of Dubai Human Resources Management Law No. (27) of 2006 and its amendments;

Law No. (26) of 2007 Regulating the Relationship between Landlords and Tenants in the Emirate of Dubai and its amendments;

Law No. (15) of 2009 Concerning Hearing Rent Disputes in Free Zones;

Decree No. (2) of 1993 Forming a Special Tribunal to Determine Disputes between Landlords and Tenants and its amendments;

Regulation No. (3) of 2006 Determining Areas for Ownership by Non-UAE Nationals of Real Property in the Emirate of Dubai and its amendments; and

Local Order No. (1) of 2004 Concerning the Fees of the Rent Tribunal in the Emirate of Dubai,

**Do hereby issue this Decree.**

---

© 2014 The Government of Dubai Legal Affairs Department

(1) Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict the Arabic text will prevail.

## Title of the Decree

### Article (1)

This Decree will be cited as “**Decree No. (26) of 2013 Concerning the Rent Disputes Settlement Centre in the Emirate of Dubai**”

## Definitions

### Article (2)

The following words and expressions, wherever mentioned in this Decree, will have the meaning indicated opposite each of them unless the context implies otherwise:

Emirate:	The Emirate of Dubai.
Ruler:	His Highness the Ruler of Dubai.
Executive Council:	The Executive Council of the Emirate.
Council:	The Judicial Council.
Department:	The Land Department.
Centre:	The Rent Disputes Settlement Centre in the Emirate.
Tribunal:	The tribunal formed at the First Instance Division or Appellate Division of the Centre.
Rent Dispute:	A dispute that arises between the landlord and tenant in relation to leasing and renting immovable property.

## Objectives of the Decree

### Article (3)

With a view to supporting sustainable development in the Emirate, this Decree aims to establish a specialised judicial system to hear Rent Disputes, and to develop the procedure for determination of such disputes through an expeditious and simple process for the purpose of realising social and economic stability for all persons involved with the real property rental sector and other related sectors.

## Scope of Application

### Article (4)

- a. The provisions of this Decree will apply to the Special Tribunal to Determine Disputes between Landlords and Tenants established by virtue of the above mentioned Decree No. (2) of 1993.
- b. The name “Rent Disputes Settlement Centre in the Emirate of Dubai” will replace the name “Special Tribunal to Determine Disputes between Landlords and Tenants”.

## Head Office of the Centre

### Article (5)

The Centre will have its head office in the Department, and may establish other offices in the Emirate.

## Jurisdiction of the Centre

### Article (6)

- a. The Centre will have the exclusive jurisdiction to:
  1. determine all Rent Disputes that arise between landlords and tenants of real property situated in the Emirate or in free zones, including counterclaims arising therefrom, as well as determine applications for interim or urgent relief filed by any of the parties to a lease contract;
  2. determine appeals from the decisions and judgments that are subject to appeal in accordance with the provisions of this Decree and the regulations and resolutions issued in pursuance thereof; and
  3. enforce the decisions and judgments issued by the Centre in the Rent Disputes that fall within its jurisdiction.
- b. The Centre will have no jurisdiction to hear the following Rent Disputes:
  1. Rent Disputes that arise within the free zones which have tribunals or special courts having jurisdiction to determine the Rent Disputes that arise within their boundaries;
  2. Rent Disputes that arise from a lease finance contract; and

3. disputes that arise from long-term lease contracts covered by the above mentioned Law No. (7) of 2006.

## **Organisational Structure of the Centre**

### **Article (7)**

- a. The organisational structure of the Centre will consist of two sectors: a judicial sector and an administrative sector.
- b. The judicial sector will comprise the following divisions and organisational units:
  1. the Mediation and Conciliation Directorate;
  2. the First Instance Division;
  3. the Appellate Division; and
  4. the Judgment Enforcement Directorate.
- c. The administrative sector of the Centre will comprise a number of organisational units charged with the duty of providing technical and administrative support to the judicial sector.

### **Chairman of the Centre**

### **Article (8)**

A chairman, who must be a judge whose grade is not be lower than the grade of an appellate court judge, will be appointed to the Centre pursuant to a decree issued by the Ruler. The chairman will undertake the supervision of the judicial sector of the Centre and will, in particular, have the powers to:

1. supervise the distribution of claims at the First Instance Division and the Appellate Division;
2. propose the regulations and resolutions necessary for the regulation of the work in the judicial sector of the Centre, including the fees and the charges for services provided by the Centre; and
3. coordinate with all judicial and government entities with respect to all matters relating to the work of the Centre in the judicial sector.

## **Secretary General of the Centre**

### **Article (9)**

A secretary general will be appointed to the Centre pursuant to a resolution issued by the director general of the Department to undertake the supervision of the administrative sector of the Centre and any other duties assigned or delegated to him by the chairman of the Centre.

## **Mediation and Conciliation Directorate**

### **Article (10)**

- a. A Mediation and Conciliation Directorate will be established in the Centre with the power to amicably settle Rent Disputes in accordance with the rules adopted in this respect by the chairman of the Centre, with the exception of the following:
  1. orders, applications, and claims which are urgent or interim; and
  2. claims that have been registered before the effective date of this Decree.
- b. The Mediation and Conciliation Directorate will be comprised of a number of lawyers and experts to be appointed by the Department.
- c. Rent Disputes submitted to the Mediation and Conciliation Directorate will be heard and settled by a number of specialists working under the supervision of a judge assigned to work with the Centre for this purpose.
- d. The Mediation and Conciliation Directorate will hear a Rent Dispute submitted to it by summoning the parties or their representatives, reviewing the documents and related evidence, proposing a settlement to the parties, and reconciling their points of view for the purpose of reaching amicable settlement of the Rent Dispute.
- e. The time bar periods and limitation periods stipulated by the legislation in force will be suspended from the date of registering the Rent Dispute with the Mediation and Conciliation Directorate.
- f. The Mediation and Conciliation Directorate will seek to amicably settle the Rent Dispute within a period not exceeding fifteen (15) days from the date of appearance of the parties before it. This period may be extended for the same period or periods by a decision of the judge supervising the Mediation and Conciliation Directorate.
- g. Where settlement between the parties to the Rent Dispute is reached, this settlement

will be documented in a settlement agreement to be signed by the parties and approved by the judge supervising the Mediation and Conciliation Directorate. This agreement will have the force of a writ of execution.

- h. The Mediation and Conciliation Directorate may, as it deems appropriate, seek assistance from experts and specialists to provide technical expertise in the matters submitted to it. The decision to seek assistance from an expert will specify the scope of his assignment, the period required for completion of this assignment, his remuneration, and the party responsible for payment of such remuneration.
- i. A fee will be charged for the registration of a Rent Dispute submitted to the Mediation and Conciliation Directorate in accordance with the fees prescribed for the registration of claims at the Centre. One-half of the fee will be refunded if amicable settlement is reached between the parties to the Rent Dispute.

## **Appointment of Chairs and Members of Tribunals**

### **Article (11)**

The chairs and members of the Tribunals that comprise the First Instance Division and Appellate Division will be appointed pursuant to a resolution of the chairman of the Council.

## **Taking the Oath**

### **Article (12)**

Before assuming their duties, members of Tribunals who are not judges will take the following oath before the chairman of the Council:

“I swear by Allah the Almighty that I will administer justice, respect the laws, and discharge my duties with integrity and honesty”.

## **The First Instance Division**

### **Article (13)**

- a. The First Instance Division will be comprised of a sufficient number of Tribunals, each of which is formed of a chair and two (2) competent and experienced members specialised



in law and real property. These Tribunals will have the jurisdiction to determine the Rent Disputes referred to in Article (6) of this Decree, and the chair of each Tribunal must be a judge. Notwithstanding the foregoing, the chairman of the Council may appoint an experienced and specialised lawyer as chair of any of these Tribunals.

- b. The chairman of the Centre may designate one or more Tribunals within the First Instance Division to hear certain types of Rent Disputes depending on the nature of the claim, or the location or nature of use of the leased real property unit.

## **The Appellate Division**

### **Article (14)**

The Appellate Division will be comprised of a sufficient number of Tribunals, each of which is formed of two (2) judges and one (1) experienced member specialised in real property. The chair of each Tribunal must be a judge. These Tribunals will have jurisdiction to determine the appeals from decisions and judgments issued by the First Instance Division. Judgments of the Appellate Division will be final and not subject to any form of appeal, and will be enforced in accordance with the procedures and rules adopted by the Centre.

## **Meetings of Tribunals**

### **Article (15)**

Meetings of Tribunals will be valid if attended by all their members, and decisions will be issued in the name of the Ruler, unanimously or by majority vote.

## **Determining Claims**

### **Article (16)**

The Tribunals formed under the provisions of this Decree must determine the rent claims referred to them within a period not exceeding thirty (30) days from the date of referral of the claim file to them. This period may be extended for the same period in accordance

with the rules and procedures adopted in this respect by the chairman of the Council.

## **Appeals from Decisions of the First Instance Division**

### **Article (17)**

- a. Judgments of the First Instance Division will be appealed to the Appellate Division, with the exception of judgments issued for rent claims whose value is less than one hundred thousand Dirhams (AED 100,000), which will be final and not subject to any form of appeal.
- b. Judgments issued by the First Instance Division for claims whose value is less than the value mentioned in paragraph (a) of this Article may be appealed in any of the following cases:
  - 1. where an eviction judgment is issued;
  - 2. where the judgment issued breaches the rules of jurisdiction;
  - 3. where the judgment grants relief that has not been requested by the parties, which exceeds that which they requested, or where the judgment fails to address relief requested by the parties;
  - 4. where the judgment is issued against a person who was not duly represented in the claim, or where the service of the summons was invalid;
  - 5. where the judgment is based on documents which are acknowledged as or judicially declared to be false after the judgment has been issued, or where the judgment is based upon testimony that is judicially declared to be false after the judgment has been issued; or
  - 6. where a party to a contract concealed from the First Instance Division evidence or documents that would have changed the judgment.

## **Time Limit for Appeal of Judgments**

### **Article (18)**

- a. The time limit for appeal of a judgment issued by the First Instance Division is fifteen

(15) days from the day following the date of the hearing in which the judgment was issued. Where the party against whom the judgment is issued has failed to appear in all hearings of the claim and failed to submit a defence, the time limit for appeal will commence from the date upon which he is served with the judgment.

- b. To admit an appeal of a judgment issued by the First Instance Division in claims involving financial claims, the party against whom the judgment was issued must deposit half of the judgment amount with the Centre until the appeal is determined. Notwithstanding the foregoing, the chairman of the Centre may decide to admit the appeal without deposit of that amount or upon payment of a part thereof.

## **Applicable Sources**

### **Article (19)**

The Tribunals will determine Rent Disputes and appeals submitted to it by reference to:

1. the legislation in force in the Emirate;
2. the provisions of Islamic Sharia;
3. principles of natural justice and rules of truth and fairness; and
4. custom, provided that such custom does not contradict the laws, public order, or public morals.

## **Operating Procedures of the Centre**

### **Article (20)**

The Chairman of the Centre will issue regulations concerning the procedures and rules to be adopted by the Centre in all matters relating to the registration, determination, and enforcement of claims and applications by the First Instance Division, the Appellate Division, the Mediation and Conciliation Directorate, or the Judgment Enforcement Directorate. Until such regulations are issued, the Centre may be guided by the provisions of the procedural rules adopted by the Special Tribunal to Determine Disputes between Landlords and Tenants.

## **Enforcement of Judicial Judgments**

### **Article (21)**

All final and irrevocable judgments issued by the First Instance Division and the Appellate Division will be enforced by the Judgment Enforcement Directorate of the Centre. The chairman of the Centre may seek assistance from the Execution Department of Dubai Courts to enforce the judgments issued by the Centre.

## **Appeals from Decisions and Judgments Issued before the Effective Date of this Decree**

### **Article (22)**

Subject to the provisions of Article (17) of this Decree, the decisions and judgments that were not enforced before the effective date of this Decree may be appealed within thirty (30) days from such effective date.

### **Fees**

### **Article (23)**

- a. In return for registering the claims and applications submitted to the Centre and other services provided by it, the Centre will charge fees as determined pursuant to a resolution of the Chairman of the Executive Council.
- b. The fees stipulated in the above mentioned Local Order No. (1) of 2004 will continue to apply until the Executive Council resolution referred to in paragraph (a) of this Article is issued.

## **Remuneration of the Members of Tribunals**

### **Article (24)**

The chairman of the Council will issue regulations concerning the financial remuneration that may be paid to chairs and members of Tribunals.

## **Automation and Use of Technology**

### **Article (25)**

The activities of the Centre in the judicial and administrative sectors will be automated to ensure simplification of procedure and expeditious determination of Rent Disputes.

## **Providing Support to the Centre**

### **Article (26)**

The Department will provide all necessary support to the Centre to enable it to perform the functions assigned to it by virtue of this Decree, including providing office premises and administrative, financial, and technical support.

## **Financial Resources of the Centre**

### **Article (27)**

The financial resources of the Centre will consist of:

1. support allocated to the Centre in the budget of the Department; and
2. fees and charges for the services collected by the Centre with respect to claims, applications, transactions, and the services provided by the Centre.

## **Transitional Provisions**

### **Article (28)**

- a. The Centre will hear and determine all claims and applications being heard by the Special Tribunal to Determine Disputes between Landlords and Tenants on the effective date of this Decree. These claims and applications will be referred at their current status unless the case is reserved for judgment.
- b. All employees of the Special Tribunal to Determine Disputes between Landlords and Tenants will be transferred to the Department as of the effective date of this Decree without prejudice to their existing rights. The Government of Dubai Human

Resources Management Law No. (27) of 2006 and its amendments will apply to these employees.

## **Repeals**

### **Article (29)**

- a. This Decree will supersede Law No. (15) of 2009 Concerning Hearing Rent Disputes in Free Zones and Decree No. (2) of 1993 Forming a Special Tribunal to Determine Disputes between Landlords and Tenants.
- b. Any provision in any other legislation will be repealed to the extent that it contradicts the provisions of this Decree.

## **Issuing Implementing Resolutions**

### **Article (30)**

The chairman of the Council will issue the resolutions required for the implementation of the provisions of this Decree.

## **Publication and Commencement**

### **Article (31)**

This Decree will be published in the Official Gazette and will come into force sixty (60) days after the date of its publication.

**Mohammed bin Rashid Al Maktoum  
Ruler of Dubai**

Issued in Dubai on 18 September 2013  
Corresponding to 13 Thu al-Qidah 1434 A.H.