

December 16, 2020

## NEW DUBAI LAW ON UNFINISHED AND CANCELLED REAL ESTATE PROJECTS

To Our Clients and Friends:

On 15 December 2020, the Ruler of Dubai issued Decree No. (33) of 2020 which updates the law governing unfinished and cancelled real estate projects in Dubai (the “**Decree**”).

The Decree creates a special tribunal (the “**Tribunal**”) for liquidation of unfinished or cancelled real estate projects in Dubai and settlement of related rights which will replace the existing committee (the “**Committee**”) set up in 2013 for a similar purpose. The Tribunal will be authorised to review and settle all disputes, grievances and complaints arising from unfinished, cancelled or liquidated real estate projects in Dubai, including the disputes that remain unresolved by the Committee. The Tribunal will have wide-ranging powers, including, the ability to form subcommittees, appoint auditors and issue orders to the trustees of the real estate project’s escrow accounts in all matters related to the liquidation of unfinished or cancelled real estate projects in Dubai and determine the rights and obligations of investors and purchasers.

The Decree streamlines the process for resolving disputes, grievances and complaints relating to unfinished and/or cancelled real estate projects in Dubai by granting the Tribunal jurisdiction over all unfinished or cancelled disputes relating to real estate projects in Dubai and prohibiting all courts in Dubai, including the DIFC Courts from accepting any disputes, appeals or complaints under the jurisdiction of the Tribunal - thereby creating a more efficient route for resolution. The implementation of the Decree will be of interest to clients who have transactions related to unfinished and cancelled real estate projects in Dubai and may lead to the resolution / completion of projects that have stalled in Dubai.

The Decree also details the responsibilities and obligations of the Real Estate Regulatory Agency (“**RERA**”) related to supporting the Tribunal in performing its duties and responsibilities set out in the Decree. For example, RERA will be required to prepare detailed reports about unfinished and cancelled real estate projects in Dubai and provide its recommendations to the Tribunal to assist the Tribunal in settling disputes under its jurisdiction.



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*For further information, please contact the Gibson Dunn lawyer with whom you usually work, or the following authors in the firm's Dubai office, with any questions, thoughts or comments arising from this update.*

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