

STRATA TITLE REGULATIONS 2015

CONTENTS

Section	Page
PART 1 - STRATA PLANS	1
1. Division of real property by strata plan	1
2. Staged development schemes	1
3. Other contractual schemes	2
4. Requirements for strata plan	2
5. Lodgment and registration of strata plan	5
6. Developments for which all necessary Relevant Authority approvals have been obtained.....	5
7. Mortgages	6
8. Effect of registration	6
9. Common property	7
10. Limited common property	8
11. Ownership of common property and interests in the Association	8
12. Rights and responsibilities for common property	8
13. Special strata developer rights	9
14. Statutory easements	10
15. Creation by Association of easements and covenants	11
16. Commencement of easements and covenants.....	12
17. Unit entitlements.....	12
18. Change of unit entitlements	13
19. Amendment of plan	13
20. Application for amendment	13
21. Acquisition of real property by an Association	14
22. Consolidation of plans	15
23. Application for consolidation	15
24. How consolidation is effected.....	15
25. Effect of consolidation.....	15
26. Termination by resolution of an Association.....	16
27. Termination by Court.....	16
28. Registrar's termination of plan on application of an Association	16

29. Termination of plan following order of Court	17
30. Effect of termination	17
31. Registration of termination	17
32. Reinstatement of buildings	18
33. Interested persons for purposes of reinstatement of buildings	18
34. Apportionment of statutory charge	18
PART 2 - DEVELOPMENT APPROVALS.....	18
35. Application for planning approval.....	18
36. Approval of scheme in principle.....	19
37. Strata developments	19
38. Staged developments	20
39. Application for variation of scheme	20
40. Registration of variation	20
41. Variation of scheme by Court.....	21
42. Court order.....	22
43. Interested persons for purposes of Court order.....	22
44. Acquisition of real property subject to registered scheme.....	22
PART 3 - MANAGEMENT ASSOCIATIONS.....	23
45. Establishment, regulation and register of bodies corporate	23
46. Strata developer control of an Association	23
47. Appointment of manager	24
48. Functions of an Association.....	24
49. Certificates by an Association	25
50. Administrative fund	26
51. Lot Assessments	26
52. Limitations on Lot Assessments	27
53. Proceedings on behalf of owners	27
54. Subrogation of contractual rights.....	28
55. Postbox and noticeboard.....	28
56. Appointment of administrator.....	28
PART 4 - BY-LAWS.....	29
57. Power to make by-laws	29

58. Content of by-laws.....	29
59. Limitations on by-law making power.....	30
60. Registration and commencement of changes to by-laws.....	30
61. Legal effect of by-laws	31
62. Designation of limited common property.....	31
63. Compliance notices.....	32
64. Enforcement by Courts	32
PART 5 - INSURANCE.....	33
65. Association taken to have insurable interest in certain property	33
66. Insurance of buildings, etc., by Association	33
67. Owner or occupier may be required to comply with requirement to ensure that insurance may be obtained on reasonable terms.....	33
68. Other insurance	34
69. Insurance by Strata Lot Owners.....	34
70. Default by an Association in relation to insurance	34
71. Production of policies of insurance for inspection	35
PART 6 - MANDATORY ESCROW REQUIREMENT	35
72. Mandatory escrow requirement	35
PART 7 - MISCELLANEOUS	36
73. Powers and protection of the Registrar.....	36
74. Certificates issued by Association.....	36
75. Use of Strata Lots and accessory lots	36
76. Service of notices.....	37
77. Registrar’s directives	37
PART 8 - INTERPRETATION.....	37
78. Principles of interpretation.....	37
79. Defined terms.....	37
PART 9 - GENERAL.....	40
80. Purpose of these Regulations.....	40
81. Date of commencement	41
82. Short Title	41

83. Application of the Regulations	41
SCHEDULE 1 - MODEL BY-LAWS	42
1. Duty to keep lot in good order and repair	42
2. Duty to pay for certain work.....	42
3. Prohibited conduct	42
4. Duty to allow access for maintenance and repair of common property	43
5. Duty to pay Lot Assessments.....	44
6. Security	44
7. Use of service elevators and entrances	44
8. Refuse	44
9. Corridors	44
10. Vehicles.....	44
11. Reasonable behaviour	45
12. Duty to provide information.....	45
13. Keeping animals.....	45
14. Temporary waivers.....	45

STRATA TITLE REGULATIONS 2015

Regulations to make provision for the stratification of title to real property, the establishment of strata schemes and for matters connected with strata title.

Date of Enactment: 3 March 2015

The Board of Directors of the Abu Dhabi Global Market, in exercise of its powers under Article 6(1) of Law No. 4 of 2013 concerning the Abu Dhabi Global Market issued by His Highness the Ruler of the Emirate of Abu Dhabi, hereby enacts the following Regulations:-

PART 1 - STRATA PLANS

Chapter 1 - Strata plans generally

1. Division of real property by strata plan

- (1) An owner or developer that holds a Freehold Interest or a Leasehold Interest in real property within the Abu Dhabi Global Market Area for which one or more lots have been established in the Register shall have the right to submit his ownership interests in such real property to strata ownership in compliance with the terms and provisions of these Regulations.
- (2) By registering a strata plan as provided in this Part, such real property shall be divided into two or more new redesignated lots or sub-lots for strata ownership by individual Strata Lot Owners (each, individually, an "Owner Lot", and collectively, the "Owner Lots") or for ownership by an Association owned by the Strata Lot Owners and to be used as common areas for the strata development (each, individually, a "Common Area Lot", and collectively, "Common Area Lots"; each Owner Lot and Common Area Lot is referred to collectively as a "Strata Lot" and the Owner Lots and the Common Area Lots are referred to collectively as the "Strata Lots").
- (3) The Registrar shall establish a separate folio for each Strata Lot.
- (4) Real property may be divided into Strata Lots both vertically (on single or multiple levels or floors) and horizontally under these Regulations, but the creation of vertical Strata Lots is not a necessary feature of a strata plan.
- (5) Different areas within a strata plan may be designated for different uses (for example, one area may be designated for residential use, another for commercial use, and another for retail use).

2. Staged development schemes

- (1) Special provisions are set forth in these Regulations with respect to staged development schemes.

- (2) A strata scheme which contemplates the filing of multiple strata plans, either simultaneously or at different points in time, includes multiple buildings, or otherwise requires development to be completed in a series of phases due to complexities inherent in the construction process, the necessity for additional approvals by Relevant Authorities, or otherwise, is referred to herein as a “staged development scheme”. A so-called “volumetric” development scheme, whereby the site may initially be sub-divided into sub-lots designated for particular purposes only one or some of which sub-lots may be designated for strata development (by way of example, residential, commercial and retail sub-lots, where only the residential sub-lot is designated for strata ownership) shall be deemed to be a “staged development scheme” for purposes of these Regulations. A staged development scheme may be designated as such in one of three ways–
- (a) in writing by the strata developer to the Relevant Authority, which writing may be included in a submission of the relevant plans;
 - (b) the Relevant Authority may designate or re-designate any strata development as a “staged development” at any point in time if necessary in the view of such authority to reflect the necessity for multiple strata plans, complexities in construction, public approvals, or other factors deemed relevant; or
 - (c) by the Courts upon application by an interested party.

3. Other contractual schemes

- (1) These Regulations do not preclude the establishment of so-called contractual common ownership schemes, including schemes whereby leasehold interests are conveyed to unit lessees and common areas are retained and managed by the developer or an affiliate thereof either as part of a staged development or otherwise, which shall be enforceable between the parties thereto, subject to applicable law and regulation, notwithstanding the fact that a strata plan may not be filed in connection with such scheme.
- (2) Any arrangements or schemes describe in this section 3 shall be subject to the approval of all Relevant Authorities, including as to land use, subdivision and building matters.

4. Requirements for strata plan

- (1) A strata plan is required to set forth each of the following in order to be registered with the Registrar–
 - (a) identify the owner or owners of the Freehold Interest of the site and any owner or owners of any Leasehold Interests in the site;
 - (b) identify the strata developer and its real property interest in the site, and whether such real property interest is a Freehold Interest or a Leasehold Interest;
 - (c) indicate whether or not the strata plan is part of a staged development scheme;

- (d) state the proposed name of the strata scheme, which shall be in the form of “Abu Dhabi Global Market Strata Development No. [name of development]”, unless otherwise approved by the Registrar;
- (e) delineate the external surface boundaries of the site (vertical and horizontal) and the location of the buildings or proposed buildings in relation to those boundaries;
- (f) include a description of the proposed strata development, including a description of any amenities to be provided as part of the proposed strata development, and a statement of– (i) the purposes for which the amenities are to be provided; (ii) the extent to which the amenities are to be available for use by the Strata Lot Owners, their lessees and invitees; and (iii) the arrangements for providing and maintaining the amenities and defraying the cost of their provision or maintenance through Lot Assessments or otherwise;
- (g) a schedule of materials and finishes to be used in the building work involved in carrying out proposed development work;
- (h) state the folio or folios of the Register for the site, and the lots corresponding to such folio or folios;
- (i) include a drawing illustrating the lots or sub-lots, as applicable, and distinguishing them by numbers or other symbols;
- (j) define the boundaries and approximate area of each proposed Strata Lot;
- (k) state the maximum number of Strata Lots that the strata developer reserves the right to create;
- (l) state the unit entitlement of each proposed Strata Lot and describe the proposed allocation of Lot Assessments to individual Strata Lots in reasonable detail;
- (m) indicate each proposed Strata Lot that is an accessory lot, if applicable, and identify the principal proposed Strata Lot with which it is associated;
- (n) if parking easements are proposed to be created on registration of the strata plan–
 - (i) delineate the parking bays;
 - (ii) define or describe the rights of access to be conferred by the parking easements; and
 - (iii) state whether all or any portion of the parking bays or easements are to be located within Strata Lots, and, if so, which Strata Lots.
- (o) define other easements and covenants (other than statutory easements as described in section 14) that are to be created on registration of the strata plan and to which any part of the site is to be subject;

- (p) state the proposed name of the Association to be formed on registration of the strata plan and its address for service;
 - (q) be accompanied by the proposed certificate of incorporation of the Association and the first constitution of the Association;
 - (r) be accompanied by the first by-laws of the Association, or else indicate that the first by-laws are to be those set out in Schedule 1;
 - (s) include a description of any special strata developer rights;
 - (t) set forth any restrictions on use, occupancy or alienation of the Strata Lots not otherwise set forth in these Regulations;
 - (u) set forth the proposed use of each of the Common Area Lots;
 - (v) if the site includes multiple uses, include a statement of the maximum percentage of the floor area of all Strata Lots that may be created under each proposed use;
 - (w) the strata plan shall include a warranty to any person who enters into a contract to purchase a Strata Lot in the strata development that the strata development will be carried out in substantial accordance with the scheme, whether staged or non-staged. Such a warranty shall be enforceable in the same way as a contractual warranty, and shall apply notwithstanding any absence of any such express warranty in the Strata Development Documents or any lesser warranty set forth in the Strata Development Documents; provided, however, that any warranties provided by a strata developer to contract purchasers which are in addition to this statutory warranty or provide the contract purchaser with greater protection than the strata warranty shall be fully enforceable; and
 - (x) include other information and features required by the Registrar to reflect any special or particular features of the proposed strata development.
- (2) If a Strata Lot is separated from another Strata Lot by a boundary structure, the boundary is, unless otherwise stipulated in the strata plan, the centre of the boundary structure.
- (3) A strata plan must be endorsed with or accompanied by a certificate of a duly qualified surveyor, in a form approved by the Registrar, certifying that the building or buildings shown on the strata plan, and including all Strata Lots proposed to be created as part of the strata plan, are within the boundaries of the site or that any encroachment beyond those boundaries is legally permitted.
- (4) Where a strata plan shows, expressly or by necessary implication, the use for which a Strata Lot is designated, the Strata Lot Owner must not use the Strata Lot for another use, or permit it to be so used.

- (5) If a strata plan is part of a staged development scheme, a “staged development plan” consisting of a master plan and a disclosure statement shall also be submitted along with any strata plan, as follows–
- (a) The master plan must include– (i) a diagram of the overall development planned as part of the staged development; (ii) a strata plan for each proposed stage of the development (or, with respect to subsequent stages of development, in lieu of a strata plan, an abstract or summary description of the strata plan for each later stage); and (iii) other information and features required by the Registrar to reflect any special or particular features of the proposed development.
 - (b) The disclosure statement must include– (i) a warning in the form and terms required by the Relevant Authority, including a warning as to the risks attendant to staged developments in general, including the risks of non-completion; (ii) a description of the proposed stages in which the development is to be carried out; (iii) a statement of estimated times for commencing and completing each stage of the proposed development (which may be fixed by reference to the calendar, by reference to the completion of a previous stage of the development, by reference to progress in the sale of Strata Lots, or on any other reasonable basis); (iv) a schedule of the working hours during which work is to proceed on the second and any subsequent stage of the proposed development; and (v) a schedule of the proposed unit entitlements for each proposed Strata Lot upon the completion of each stage of the proposed development.

5. Lodgment and registration of strata plan

- (1) Any strata plan shall be lodged with the Registrar for registration.
- (2) The Registrar may decline to accept the lodgment of any strata plan until such time as any required lot subdivisions and/or folio shall have been established for the site in question.
- (3) A strata plan has no legal effect unless and until it is registered.
- (4) The strata plan must be accompanied by–
 - (a) subject to section 6, a certificate issued by the Relevant Authority stating that the strata scheme for the strata development has been approved; and
 - (b) payment of the prescribed fee or evidence that the prescribed fee has been paid.
- (5) A strata plan shall be registered by the Registrar promptly after all requirements set forth herein applicable to a strata plan have been satisfied.

6. Developments for which all necessary Relevant Authority approvals have been obtained

- (1) Where the Relevant Authority has assented through a notification to the Registrar that a strata development does not require planning approval or that any necessary planning

approvals have previously been obtained, the building plans as approved by the Relevant Authority may constitute the strata plan for the purposes of section 4, if they are accompanied by a certificate from a duly qualified surveyor and the strata developer, in a form approved by the Registrar–

- (a) setting out the information required by section 4 except to the extent the same is embodied in the pre-approved building plan or plan for a completed building;
- (b) certifying that the building plans accurately depict the areas of the site that the strata developer proposes to subject to strata ownership, including all Strata Lots; and
- (c) certifying either that the strata plan applies to a fully completed building which was built in substantial conformance with approved building plans or any construction that has already commenced with respect to the strata development has been in substantial conformance with the building plans so approved.

7. Mortgages

- (1) If, prior to the registration of a strata plan, a mortgage was registered against all or a portion of the site to which a strata plan relates in whole or in part, then, upon registration of the strata plan, the Registrar shall register the mortgage in the folio for each Strata Lot created as part of the Strata Plan.
- (2) Unless otherwise expressly provided in the relevant mortgage instrument, the prior written approval of the mortgagee with respect to any mortgage referred to in the foregoing subsection (1) shall be required prior to registration of the strata plan. In the event of uncertainty by the Registrar as to the requirements of any mortgage instrument, the same may be submitted to the Court for declaratory judgment.
- (3) At such time as any Strata Lot is sold or transferred and any associated required prepayment of the mortgage indebtedness is made (whether the applicable mortgage pre-dated the strata plan or came after the strata plan itself), as certified by a statement from the applicable mortgagee, the Registrar shall terminate the mortgage in part as registered against the applicable sold or transferred Strata Lots, such that the Strata Lots together with their respective unit entitlements shall be transferred to the prospective purchaser free and clear of the applicable mortgage encumbrance.

8. Effect of registration

- (1) A registered strata plan forms part of the Register.
- (2) On registration of the strata plan, the Registrar must create folios of the Register for each Strata Lot created by the strata plan.
- (3) When creating a folio of the Register for a Strata Lot, the Registrar must–
 - (a) register as the strata developer the person who, at the time of the creation of the strata development, had registered for the Strata Development originally under

section 4, and specify whether the strata developer holds a Freehold Interest in the site or a Leasehold Interest in the site.

- (b) register that ownership of any Strata Lot may–
 - (i) be subject to the benefits and burdens created under the Strata Development Documents; and
 - (ii) include a proportionate interest as a shareholder in the Association with respect to such strata development.
 - (c) indicate whether, at the time of registration, the Strata Lot is part of a staged development.
- (4) The following provisions apply to the folio of the Register for the Common Area Lots–
- (a) the strata plan, and any amendments thereto, shall be registered in the folio;
 - (b) the Registrar must register the common property as owned by the Association for the applicable strata development;
 - (c) dealings with the common property by the Association of a kind authorised under these Regulations are to be registered in the folio; and
 - (d) as to the Association, the initial certificate of incorporation, constitution, and by-laws (if applicable) and any subsequent amendments or modifications to any of the foregoing, are all to be registered in the folio.

Chapter 2 - The common property

9. Common property

- (1) The Common Area Lots shall together sometimes be referred to herein as the “common property”. The common property as described herein is required to be included within the Common Area Lots and not any other Strata Lot(s).
- (2) Subject to subsection (3) and the provisions of the Strata Development Documents, the common property shall consist of all parts of the site (including buildings or parts of buildings and improvements) that are not within a Strata Lot, including the following–
 - (a) structural elements of the site, including, as to any building or buildings located on the site, the main supports, foundations, columns, beams, structural walls, steps, joists, and roofs;
 - (b) the land surrounding any building or buildings located on the site, and all roadway improvements, landscaping, paths, beaches, and other appurtenances thereto; and
 - (c) the service infrastructure of the site (including any service infrastructure located in buildings or parts of buildings and improvements).

- (3) Despite subsection (2)–
 - (a) any windows (whether fixed or sliding), shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, patios, and all exterior doors and windows or other fixtures designed to serve a single Strata Lot, but located all or in part outside the boundaries of that Strata Lot, are part of the Strata Lot; and
 - (b) any windows that are on the exterior wall of a Strata Lot or other appurtenances described in the foregoing subsection (a) that are not designated for the exclusive use of a Strata Lot are common property and shall be designated in the strata plan as part of a Common Area Lot.

10. Limited common property

- (1) The Strata Development Documents may designate portions of the property as “limited common property” designated for the exclusive use of one or more Strata Lot Owners as part of the use and ownership of their respective Strata Lots. These are sometimes referred to herein as the “Limited Common Area Lots”.
- (2) Any amendment to the Strata Development Documents after the date a Strata Lot Owner acquires his Strata Lot which purports to designate portions of a Strata Lot owned by such Strata Lot Owner as “limited common property” shall require the prior written approval of such Strata Lot Owner.
- (3) For avoidance of any doubt, references herein to “common property” should not be deemed to include any limited common property.

11. Ownership of common property and interests in the Association

- (1) The Association shall be registered as the owner of all common property.
- (2) A Strata Lot Owner’s interest in a Strata Lot is inseparable from the Strata Lot Owner’s interest in the Association, so that–
 - (a) a dealing with the Strata Lot affects, without express mention, such Strata Lot Owner’s proportionate interest in the Association; and
 - (b) a Strata Lot Owner cannot separately deal with or dispose of the Strata Lot Owner’s shares in the Association.

12. Rights and responsibilities for common property

- (1) The Association may deal with the common property on behalf of the Strata Lot Owners as authorised under the constitution and by-laws of the Association.
- (2) If authorised by extraordinary resolution, an Association may–
 - (a) sell or otherwise dispose of part of the common property;

- (b) grant or amend a lease over part of the common property; or
 - (c) incur debt on behalf of the Strata Lot Owners and in connection with such debt assign the rights to receive future income and Lot Assessments as security and encumber any real or personal property it holds and agree that at the lender's direction it shall make Lot Assessments for purposes of making any payments due such lender.
- (3) An instrument to give effect to a transaction under this section may be registered only if accompanied by–
- (a) subject to section 6, if planning approval is required by the Relevant Authority, a certificate from the Relevant Authority certifying that it has approved the transaction; and
 - (b) if the transaction is for the sale or disposal of part of the common property, an amendment to the strata plan showing the new boundaries.

Chapter 3 - Special strata developer rights

13. Special strata developer rights

- (1) No special strata developer right may be transferred except by an instrument evidencing the transfer registered with the Registrar against all of the Strata Lots affected by the relevant strata plan.
- (2) Upon transfer of any special strata developer right, the liability of a transferor and transferee strata developer is as follows–
 - (a) A transferor is not relieved of any obligation or liability arising before the transfer and remains liable for any applicable warranty obligations. Lack of privity does not deprive any Strata Lot Owner of standing to maintain an action to enforce any obligation of the transferor.
 - (b) If a successor to any special strata developer right is an affiliate of a strata developer, the transferor and transferee are jointly and severally liable for any obligations or liabilities of the successor relating to the strata development.
 - (c) Other than as specifically set forth in subsection (b) above, a transferor has no liability for any act or omission or any breach of a contractual or warranty obligation arising from the exercise of a special strata developer right by a successor strata developer.
- (3) Unless otherwise provided in a mortgage, in case of foreclosure of a mortgage of any Strata Lots owned by a strata developer, a person acquiring title to all the site being foreclosed or sold, but only upon his request, succeeds to all special strata developer rights related to that site.

- (4) A successor to any special strata developer right, other than a successor described in subsection (3), who is not an affiliate of a strata developer, is subject to all obligations and liabilities imposed by these Regulations—
 - (a) on a strata developer which relate to his exercise or non-exercise of special strata developer rights, except that a transferor will remain liable for obligations or liabilities relating to any special strata developer rights which are retained by the transferor; or
 - (b) on his transferor, other than—
 - (i) misrepresentations by any previous strata developer;
 - (ii) warranty obligations on improvements made by any previous strata developer, or made before the strata development was created; or
 - (iii) breach of any fiduciary obligation by any previous strata developer or his appointees as members of the board of directors of the Association.

Chapter 4 - Easements

14. Statutory easements

- (1) Easements of lateral and subjacent support exist between Strata Lots for which the support is necessary and Strata Lots or parts of the common property capable of providing the support.
- (2) Easements exist over the Strata Lots in favour of the Association and the Strata Lot Owners to the extent reasonably necessary for the installation, maintenance, operation, repair and replacement of service infrastructure.
- (3) Easements exist for encroachment to the extent that any Strata Lot encroaches on any other Strata Lot, which easement shall not relieve a Strata Lot Owner of liability in the case of his willful misconduct nor relieve the strata developer or any other person for failure to adhere to the strata plan.
- (4) If an authorized officer of an Association (called collectively in this section “an authorised person”) believes on reasonable grounds that a contravention of these Regulations or a breach of the by-laws has been, or is being, committed on any part of the site, the authorised person may at any reasonable time after giving reasonable notice to the occupier, enter the relevant part of the site to ascertain whether the contravention or breach has been or is being committed.
- (5) If a Relevant Authority, or a person authorised by it, has a power to enter on any part of a site, such authority or person has a statutory easement to enter on all parts of the site necessary to exercise the power.

- (6) A strata developer is entitled to reasonable access to, and use of, the site for the purposes of carrying out the proposed strata development; and for other purposes related to development stated in the Strata Development Documents. Any provision in the by-laws or other Strata Development Documents which purport to limit the rights of the strata developer under this section shall be void and unenforceable.
- (7) The easements in subsections (1)-(6) confer and impose all ancillary rights and obligations reasonably necessary to make them effective, including the right to enter real property burdened by the easements in order to ensure continued enjoyment of the easements.
- (8) The rights conferred by the easements in subsections (1)-(6) cannot be exercised in a way that unreasonably interferes with the enjoyment of a Strata Lot.
- (9) The rights conferred by the easements in subsections (1)-(6) shall be to the exclusion of any rights pursuant to section 69 of the Real Property Regulations 2015.
- (10) In the case of a staged development, the rights conferred by the easements in subsections (1)-(6) shall apply as between the Strata Lots comprising parts of different strata developments to the extent reasonably necessary for the operation and construction of the staged development.
- (11) Nothing contained in this section 14 shall prohibit a strata developer from including in the plan and the Strata Development Documents additional or greater easements than those provided for in this section 14.

15. Creation by Association of easements and covenants

- (1) If authorised by extraordinary resolution, an Association may—
 - (a) grant an easement burdening the common property, or accept the grant of an easement for the benefit of the common property;
 - (b) enter into a covenant burdening the common property or for the benefit of the common property; or
 - (c) surrender an easement or covenant for the benefit of the common property, or accept the surrender of an easement or covenant burdening the common property.
- (2) An instrument to give effect to a transaction under this section may only be registered if accompanied by—
 - (a) a copy of the resolution authorising the transaction certified by an officer of the Association;
 - (b) subject to section 6, if approval is required by the Relevant Authority, a certificate from the Relevant Authority certifying that it has approved the transaction;

- (c) if the Registrar considers necessary, a plan of the property depicting the locations and dimensions of the easement; and
- (d) any other documents required by the Registrar in view of special circumstances applying to such easement or covenant.

16. Commencement of easements and covenants

- (1) Statutory easements come into force on the registration of the strata plan.
- (2) Easements and covenants that are included in the strata plan and that burden real property comprised in the site come into force on the registration of the strata plan.
- (3) An easement or covenant created by a transaction authorised under section 15 above comes into force on registration of the instrument under which the easement or covenant is created.

Chapter 5 - Unit entitlements

17. Unit entitlements

- (1) Each Strata Lot created by a strata plan has a unit entitlement.
- (2) A unit entitlement–
 - (a) may be shares in the Association or otherwise a general unit entitlement operating to fix the number of votes to be exercisable by the Strata Lot Owner at a general meeting of the Association for all the purposes of these Regulations; or
 - (b) may be a special unit entitlement operating for any one or more specific purposes and expressed as a percentage or fraction of the aggregate unit entitlements of all Strata Lots in the strata plan, such as (but not limited to), the following–
 - (i) for fixing the proportionate contribution to be made by the Strata Lot Owner to the Association in the form of a Lot Assessment;
 - (ii) for fixing the Strata Lot Owner’s proportionate interest in the common property; or
 - ;
 - (iii) for fixing the proportion of the Association’s income to be apportioned to the Strata Lot Owner.
- (3) If a Strata Lot has a special unit entitlement for a particular purpose, it must also have a general unit entitlement for other purposes. Where the context requires, a reference in these Regulations to the unit entitlement of the Strata Lot is to be taken as a reference to the special unit entitlement, but otherwise is to be taken to be a reference to the general unit entitlement of the Strata Lot.

- (4) The unit entitlement, or a particular class of unit entitlement, may be the same for each Strata Lot or may vary from Strata Lot to Strata Lot.
- (5) Unit entitlements must be fixed on a fair and equitable basis, and, in the case of Lot Assessments, subject to section 52, and the formula for fixing the same must be explained with a reasonable level of detail, whether it be by number of shares in the Association appurtenant to the relevant Strata Lot, Strata Lot size, Strata Lot value or some other formula.
- (6) In the absence of a contrary provision expressly set forth herein or as otherwise set forth in the Strata Development Documents, where these Regulations refer to a vote by the Strata Lot Owners in accordance with their respective unit entitlements, that shall be deemed to mean in accordance with (i) their respective shares in the Association with respect to the strata development, if shares in the Association are held by Strata Lot Owners or (ii) if clause (i) does not apply, the total square footage of the Strata Lots owned by each Strata Lot Owner in the strata development, with each square foot being entitled to a single vote for purposes of determining the passage of a resolution.

18. Change of unit entitlements

- (1) The unit entitlements of the Strata Lot created by a strata plan may be changed—
 - (a) by extraordinary resolution of the Association;
 - (b) by Court order; or
 - (c) if the total unit entitlements of the Strata Lots subject to the change are not affected, by agreement between the Strata Lot Owners.
- (2) A change of unit entitlements under subsection (1) does not take effect until the plan is changed by registration of an amendment including the change.
- (3) If Strata Lots may be added or withdrawn from the strata development, the plan must state the formulas to be used to reallocate the allocated interests among all Strata Lots included in the strata development after the addition or withdrawal.

Chapter 6 - Amendment of strata plan

19. Amendment of plan

A strata plan may be amended by registration of an amendment under this Chapter. For avoidance of doubt, any applicable amendments to a strata development approval, plan or scheme shall be subject to the provisions of Part 2 in addition to those of this Chapter.

20. Application for amendment

- (1) An application for registration of an amendment to a strata plan may be made—

- (a) if the Association is authorised by special resolution to make the application, by the Association; or
 - (b) jointly by the Strata Lot Owners affected by the amendment.
- (2) The application must be accompanied by the following–
- (a) if the application is made by the Association, a copy of the resolution authorising the application certified by an officer of the Association;
 - (b) if the amendment affects the boundaries of Strata Lots or common property–
 - (i) a plan showing the amendment certified, in a form approved by the Registrar, by a duly qualified surveyor; and
 - (ii) a certificate of approval from any Relevant Authority whose approval to the amendment is required;
 - (c) if the amendment affects unit entitlements, a revised schedule of unit entitlements; and
 - (d) the prescribed fee.
- (3) Notwithstanding the foregoing, any amendment which changes the common property, limited common property or the boundaries of any Strata Lot shall additionally be subject to the affirmative vote of any Strata Lot Owners adversely affected thereby.

21. Acquisition of real property by an Association

- (1) If authorised by extraordinary resolution, an Association may acquire real property to incorporate it in the site.
- (2) A transfer to give effect to an acquisition under this section may be registered only if accompanied by–
 - (a) the instrument of transfer in the form approved by the Registrar;
 - (b) a copy of the resolution authorising the acquisition, certified by an officer of the Association; and
 - (c) an application for amendment to the strata plan in accordance with this Chapter incorporating the real property in the site.
- (3) On registration of the transfer, the real property merges with the site to form common property or common property and Strata Lots in accordance with the amendment to the strata plan.

Chapter 7 - Consolidation of plans

22. Consolidation of plans

Two or more strata plans may be consolidated under this Chapter.

23. Application for consolidation

- (1) An application for the consolidation of two or more strata plans may be made to the Registrar by the Associations for the relevant strata developments.
- (2) The application must be accompanied by the following—
 - (a) copies of the resolutions authorising the application, each certified by an officer of the Association by which it was passed to be an extraordinary resolution of the Association;
 - (b) a consolidated plan to be substituted for the existing registered plans certified, in a form approved by the Registrar, by a duly qualified surveyor;
 - (c) the written consents of all Strata Lot Owners;
 - (d) a certificate of approval issued by any Relevant Authority whose consent to the consolidation is required;
 - (e) a revised schedule of unit entitlements; and
 - (f) the prescribed fee.
- (3) The consolidated plan must show the name of the strata development to be formed by the consolidation and the address of the Association to be formed by the consolidation.

24. How consolidation is effected

- (1) The Registrar may consolidate the strata plans by—
 - (a) cancelling the existing strata plans and the existing folios in the Register for the strata developments; and
 - (b) registering the new strata plan and creating new folios in the Register for the consolidated strata development.
- (2) The issue of new folios of the Register does not affect mortgages over the Strata Lots in the strata development, and those registered on the previous folios are to be transferred to the new folios.

25. Effect of consolidation

On consolidation of the strata plans, the Associations that applied for the consolidation are dissolved and their assets and liabilities vest in the Association formed on registration of the new strata plan.

Chapter 8 - Termination of plan

26. Termination by resolution of an Association

- (1) An Association may, by extraordinary resolution, resolve to terminate the strata plan.
- (2) The Association gives effect to its resolution by applying to the Relevant Authority for termination of the plan under this section 26. In determining whether to approve such a resolution, the Relevant Authority may take into account, among other factors, any adverse impact the termination of a strata plan which is a part of a staged development scheme could have on the remainder of the staged development.
- (3) If it resolves to terminate the plan, the Association must also appoint as liquidator a person who is qualified under the Insolvency Regulations 2015 to be appointed as the liquidator of a company in the Abu Dhabi Global Market.
- (4) The liquidator must do whatever is reasonably possible to ensure that the following events occur, to the optimum lawful advantage of the Association—
 - (a) the sale or disposition of the Association's property;
 - (b) the discharge of the Association's liabilities;
 - (c) the identification of persons liable for discharging the Association's liabilities and their proportionate liability; and
 - (d) the distribution of the Association's assets and the proportionate entitlement of each person under that distribution.

27. Termination by Court

- (1) The Court may order that a strata plan be terminated, on grounds the Court considers appropriate.
- (2) An application for an order under subsection (1) may be made by a Strata Lot Owner, a registered mortgagee of a Strata Lot, or an Association.
- (3) The Court may require persons to be served with notice of the application.
- (4) The Court may, from time to time, vary any order it makes under this section, on the application of any person entitled to be heard on the application for the original order.
- (5) No application may be made under this section where the only reason for the application is that the Strata Lot Owners wish to sell all the Strata Lots and common property in the plan and they have been unable to obtain a unanimous resolution approving the sale or the board of directors has refused an order for sale.

28. Registrar's termination of plan on application of an Association

- (1) The Registrar may terminate a strata plan on application by an Association, following a resolution under section 26.
- (2) The application must be accompanied by the following—
 - (a) a copy of the resolution, certified by an officer of the relevant Association to be an extraordinary resolution of the Association;
 - (b) a certificate from any Relevant Authority whose consent is required for the application; and
 - (c) the prescribed fee.

29. Termination of plan following order of Court

- (1) Where the Court orders that a strata plan be terminated, the order must include the steps that are to be taken to have the termination lodged with the Registrar for registration, and the action to be taken by the Registrar to give effect to the order.
- (2) The Registrar must take any action the Court directs.

30. Effect of termination

On termination of a strata plan—

- (1) the site vests in the former Strata Lot Owners, as tenants in common, in shares proportionate to the respective unit entitlements of their Strata Lots;
- (2) the Association is dissolved, and any outstanding rights and liabilities of the Association attach to the former Strata Lot Owners in shares proportionate to the respective shares in the applicable Association;
- (3) any mortgage or other encumbrance registered over a Strata Lot attaches to the interest of the applicable former Strata Lot Owner;
- (4) any net proceeds shall be divided among the former Strata Lot Owners in proportion to their respective unit entitlements of their Strata Lots, provided that no payment shall be made to any former Strata Lot Owner until all mortgages or other encumbrances registered over the relevant Strata Lot shall be paid off in their order of priority; and
- (5) unless otherwise provided in the Strata Development Documents, as long as the former Strata Lot Owners hold title as tenants in common, each former Strata Lot Owner and his successors in interest shall have the exclusive right of occupancy to that portion of the real estate that formerly constituted his respective Strata Lot.

31. Registration of termination

On terminating a strata plan, the Registrar must—

- (1) terminate existing folios related to the former plan; and
- (2) create a new folio in the Register to give effect to this Chapter.

Chapter 9 - Miscellaneous

32. Reinstatement of buildings

If a building subject to a strata plan is damaged or destroyed, a plan for reinstating the building in whole or in part shall be required under this section unless Strata Lot Owners owning not less than 75% of the total shares in the Association shall elect not to proceed with the repair or restoration, in which case, the property shall be made subject to an action for partition and the net proceeds of the sale are to be divided amongst the interested parties in proportion with their respective unit entitlements (after payment of any owner's share of unpaid liens on his respective Strata Lot).

33. Interested persons for purposes of reinstatement of buildings

The interested parties for purposes of a reinstatement plan under section 32 are—

- (1) the Association; and
- (2) the insurer;
- (3) the Strata Lot Owners;
- (4) any Relevant Authority with jurisdiction over the site; and
- (5) all other persons who appear from the Register to have an interest in the plan.

34. Apportionment of statutory charge

If a liability to a Relevant Authority exists, and the liability is a charge on the whole or part of the site, then the charge is apportioned among the Strata Lots (or the Strata Lots in that part of the site) in the same proportions as the unit entitlement of each Strata Lots bears to the total unit entitlement of all the Strata Lots in the site or that part of the site.

PART 2 - DEVELOPMENT APPROVALS

Chapter 1 - Approval of scheme in principle

35. Application for planning approval

- (1) If a strata plan relates to a completed building, as verified by completed building plans certified under a form of certification approved by the Registrar, then no additional development approvals shall be required for stratification.
- (2) Unless subsection (1) above applies, before a strata development (including a staged development) may be commenced, the strata developer under the proposed strata scheme

or staged development scheme must apply for, and receive, approval of the scheme in principle from the Relevant Authority.

- (3) The application must be accompanied by–
 - (a) the proposed strata scheme or staged development scheme;
 - (b) if, as of the effective date of these Regulations, a strata development (including a staged development) is in process, the strata developer shall submit to the Relevant Authority documentation as to any existing building approvals that are in place, and such existing approvals shall be taken into account by the Relevant Authority in issuing a new approval of the scheme in principle;
 - (c) any other document required by the Registrar or the Relevant Authority; and
 - (d) the prescribed fee.
- (4) An application may be made whether the site is wholly undeveloped or partially developed.

36. Approval of scheme in principle

- (1) Before approving a scheme in principle, the Relevant Authority may exercise either or both of the following powers–
 - (a) it may require changes to the proposed scheme;
 - (b) it may require the demolition or alteration of buildings on the site of the proposed scheme.
- (2) The Relevant Authority may–
 - (a) approve the scheme unconditionally;
 - (b) approve the scheme subject to specified conditions, which may include a condition requiring the strata developer to proceed with the proposed development work in accordance with specified time limits; or
 - (c) refuse to approve the scheme in whole or in part.
- (3) If the Relevant Authority approves the proposed scheme, it must issue a certificate of approval. Such certificate of approval may be used by the strata developer to satisfy the requirement of evidence of approval of the strata development by the Relevant Authority pursuant to any submission made or to be made pursuant to section 2.

Chapter 2 - Relevant Authority right to monitor progress of strata development; progressive development of staged developments

37. Strata developments

- (1) The Relevant Authority shall have the right to monitor the progress of all strata developments, including staged and non-staged strata developments.

38. Staged developments

- (1) The real property subject to a staged development scheme is to be progressively developed in stages, in accordance with the master plan.
- (2) The Relevant Authority may refuse to approve a particular stage in a staged development scheme if an earlier stage of the scheme has not been completed as required under the terms of the registered scheme or may require that stages initially contemplated to be performed in a certain order instead be performed in a different order.
- (3) As real property is progressively developed in accordance with a staged development scheme—
 - (a) a strata scheme created at an earlier stage of the development expands to incorporate Strata Lots and common property created at later stages of the development; or
 - (b) if the master plan so provides, a new strata scheme that remains separate and independent from the strata scheme or schemes created at earlier stages of the development is established, incorporating the Strata Lots and common property created on registration of the strata plan for a later stage of the development.

Chapter 3 - Variation of scheme

39. Application for variation of scheme

- (1) The strata developer under a registered scheme may apply for the scheme to be varied.
- (2) The application is to be made in the first instance to the Relevant Authority.
- (3) The application must indicate how the scheme is to be varied.
- (4) The application must be accompanied by the prescribed fee.
- (5) The Relevant Authority may—
 - (a) approve the variation unconditionally;
 - (b) approve the variation subject to specified conditions; or
 - (c) refuse to approve the variation in whole or in part.

40. Registration of variation

- (1) The Registrar shall register any variation that satisfies the requirements of section 39.

- (2) An application for registration of a variation of a scheme must be accompanied by–
 - (a) the proposed scheme as varied, indicating the variations;
 - (b) a certificate issued by the Relevant Authority approving the proposed variation and stating any conditions subject to which the approval has been granted; and
 - (c) the prescribed fee.
- (3) The variation comes into force on registration.

41. Variation of scheme by Court

- (1) The Court may, on application by an interested person, make an order for variation of a scheme if satisfied that it is impossible or impracticable to complete the scheme as proposed in the plan.
- (2) Each of the following is an interested person–
 - (a) the strata developer;
 - (b) each Strata Lot Owner and prospective owner of a Strata Lot;
 - (c) the Registrar;
 - (d) any registered mortgagee or lessee of a Strata Lot;
 - (e) any other person who has, in the Court’s opinion, a proper interest in the matter.
- (3) The applicant must give notice of an application under this section to all interested persons.
- (4) A person entitled to notice under this section may appear and be heard in the proceedings.
- (5) The Court may make an order–
 - (a) deferring the time for completion of a particular stage or stages of the scheme;
 - (b) changing the order in which the various stages of the scheme are to be completed;
or
 - (c) varying the scheme in other ways to ensure (as far as practicable) its successful completion.

- (6) An order under this section may also–
 - (a) provide for the payment of compensation in addition to, or instead of, damages or compensation to which a person would be otherwise entitled;
 - (b) vary rights and obligations arising under these Regulations in relation to the scheme; and
 - (c) make any other provision the Court considers just and equitable.
- (7) The Court may, on application by an interested person, vary or revoke an order under this section.
- (8) A copy of an order under this section (including an order varying or revoking an earlier order) must be served on the Registrar.
- (9) The Registrar must register the order, and on registration the order becomes part of the scheme.

Chapter 4 - Enforcement of scheme

42. Court order

The Court may, on application by an interested person, make an order (including, if appropriate, a mandatory injunction) requiring the strata developer under a scheme to complete the scheme in accordance with the terms of the scheme.

43. Interested persons for purposes of Court order

The following are interested persons for purposes of a Court order pursuant to section 42–

- (1) a Strata Lot Owner or prospective owner of a Strata Lot;
- (2) an Association for a strata scheme;
- (3) the Relevant Authority; and
- (4) any other person who has, in the Court’s opinion, a proper interest in the matter.

Chapter 5 - Transfer of title to real property subject to registered scheme

44. Acquisition of real property subject to registered scheme

- (1) This section applies where a person acquires real property subject to a registered scheme from the strata developer under the scheme, or from a person who acquired real property from the strata developer under the scheme, and the real property to be so acquired is yet to be fully developed in accordance with the scheme.

- (2) Subject to section 13, the person who acquires the real property becomes bound to develop the real property in accordance with the scheme, and the rights and obligations of the strata developer under the scheme, so far as they relate to real property subject to the acquisition, pass to the person who acquires the real property.
- (3) The foregoing subsection (2) shall not apply to a person who acquires one or more (but less than all) of the individual Strata Lots in a strata development.

PART 3 - MANAGEMENT ASSOCIATIONS

Chapter 1 - Establishment of Association

45. Establishment, regulation and register of bodies corporate

- (1) An Association pursuant to these Regulations shall take the legal form of a private limited company. Except as otherwise expressly provided herein, all provisions relating to a private limited company pursuant to the Companies Regulations 2015 shall apply to the Association.
- (2) The interests of the Strata Lot Owners in the Association shall take the form of shares in a private limited company, and except as otherwise expressly provided herein, the Strata Lot Owners shall have all rights of shareholders in a private liability company pursuant to the Companies Regulations 2015.
- (3) The affairs of the Association shall be administered and governed by a board of directors elected by the Strata Lot Owners, except as otherwise expressly provided herein. The board of directors may in its discretion from time to time—
 - (a) appoint various committees of management to which certain duties may be delegated; and
 - (b) appoint officers of the Association, including president, vice president, treasurer and such other positions as the board of directors deems necessary to create.

46. Strata developer control of an Association

- (1) The Strata Development Documents for an Association may provide, as a “special strata developer right”, for a time period during which a strata developer, or persons designated by him, may appoint and remove the board of directors of the Association.
- (2) Regardless of any contrary provision contained in the Strata Development Documents, the Strata Lot Owners shall have the right (but not the obligation), by ordinary resolution, to terminate any special developer right pursuant to clause (1) above, and hold a vote for such board of directors, by not later than the earlier of— (i) the transfer of Strata Lots totaling at least 25% of the unit entitlements to Strata Lot Owners other than the strata developer or affiliates thereof or (ii) one (1) year after the strata developer has ceased to offer Strata Lots for sale in the ordinary course of business.

47. Appointment of manager

- (1) The Association may appoint a manager and may delegate to the manager functions related to the administration, management and control of the common property.
- (2) A manager is subject to control and direction by the Association acting in general meeting or through officers thereof.
- (3) If there is a management agreement for any strata development, the Association shall lodge for registration with the Registrar a building management statement against any affected Strata Lots. Such statement shall specify (i) the nature of the relationship and interaction between the various component uses of the affected Strata Lots, (ii) the term of the management agreement, (iii) the responsibilities of the manager under such agreement, (iv) the circumstances under which, and by whom, the manager may be terminated, and (v) disclose whether or not the manager is an affiliate of the strata developer. A copy of the management agreement itself shall be made available by the Association to a Strata Lot Owner promptly after a request for the same. A building management statement pursuant to this section 47 need not be filed to the extent all information required to be disclosed as part of such statement has been included in the Strata Development Documents.

Chapter 2 - Functions and duties

48. Functions of an Association

- (1) An Association established for a strata scheme has the following functions—
 - (a) to enforce the by-laws and any other obligations of Strata Lot Owners pursuant to the constituent documents;
 - (b) to administer, manage and control the common property;
 - (c) to maintain in good condition and serviceable repair—
 - (i) the common property; and
 - (ii) all installations, facilities and service infrastructure, regardless of whether they are on Common Area Lots or Strata Lots other than Common Area Lots;
 - (d) to establish and maintain (where appropriate) suitable lawns, gardens and other landscaping on the common property;
 - (e) to maintain the insurance required under these Regulations and any further insurance that may be required by special resolution of Strata Lot Owners;
 - (f) to hire and discharge managers and other employees, agents and independent contractors with respect to the common property and all related installations, facilities and service infrastructure;

- (g) to institute, defend or intervene in any litigation or administrative proceeding in its own name on behalf of itself or two or more Strata Lot Owners on matters affecting the strata development;
 - (h) to cause additional improvements to be made as part of the common property and all related installations, facilities and service infrastructure;
 - (i) to grant easements, licenses or concessions through and over the common property and all related installations, facilities and service infrastructure;
 - (j) to impose and receive any Lot Assessments and other assessments, fees or charges for the use, rental or operation of the common property and for services provided to Strata Lot Owners;
 - (k) to impose charges for the late payment of Lot Assessments and, after notice and opportunity to be heard, levy reasonable fines for violations of the by-laws; and
 - (l) to carry out any other functions ancillary to its functions under these Regulations, including functions that benefit the Strata Lot Owners and occupiers of Strata Lots.
- (2) If two or more Associations are established for a strata scheme, the functions referred to in subsection (1) are to be divided between them in accordance with the Strata Development Documents relating to the Associations. If those documents fail adequately to divide the functions, then each Association shall be jointly and severally liable to carry out all the functions, but with the right to recover financial expenditure from each other according to each Association's proportion of the aggregate unit entitlement.

49. Certificates by an Association

- (1) An Association must, on application by a Strata Lot Owner or a person authorised in writing by a Strata Lot Owner, certify–
- (a) the amount of any Lot Assessment payable by the Strata Lot Owner;
 - (b) the due date for payment of the Lot Assessment;
 - (c) any unpaid Lot Assessment that remains outstanding;
 - (d) the amount of any other monetary liability to the Association that remains outstanding;
 - (e) details of–
 - (i) insurances maintained by the Association;
 - (ii) proposed works by the Association;
 - (iii) notices served on the Association requiring work to be done on the common property or any related installations, facilities and service infrastructure;

- (iv) contingent liabilities of the Association; and
 - (v) legal proceedings pending against the Association or threatened and of which the signatory to the certificate has knowledge; and
 - (f) any information elsewhere required to be disclosed to a Strata Lot Owner by the Regulations.
- (2) A certificate under subsection (1) is, in favour of a person dealing with the Strata Lot Owner, conclusive evidence of the matters certified.

Chapter 3 - Administrative Fund and Lot Assessments

50. Administrative fund

- (1) An Association must maintain a fund for the purpose of meeting its financial obligations under these Regulations.
- (2) All income must be paid into the fund and all expenditure must be made from the fund.
- (3) The Association must maintain the fund at a level sufficient to meet reasonably foreseeable expenditure, including expenditure to maintain the building, its facilities, and the service infrastructure in the short and long term.
- (4) If required by ordinary resolution, the Association must subdivide the fund into separate parts, one related to recurrent expenditure and the other related to capital expenditure.

51. Lot Assessments

- (1) The Association may from time to time levy Lot Assessments on the Strata Lot Owners to raise amounts that the Association decides are necessary to meet anticipated expenditure.
- (2) The Lot Assessments are to be proportionate to the unit entitlements of the Strata Lots.
- (3) A Lot Assessment falls due for payment on a date fixed by the Association. The Association must give the Strata Lot Owners at least 30 days' notice of the amount and when it is due.
- (4) The Strata Lot Owner as at the due date for payment is liable for the Lot Assessment, and any person who later becomes a Strata Lot Owner before the Lot Assessment is paid becomes jointly and severally liable for payment of the Lot Assessment.
- (5) If a Lot Assessment for which a Strata Lot Owner or other person is liable under subsection (4) is not paid, the Strata Lot Owner or other person is taken to be in contravention of these Regulations for as long as the Lot Assessment remains unpaid.
- (6) Interest accrues on overdue Lot Assessments at a rate fixed by ordinary resolution of the Association, subject to subsection (7) below.

- (7) The rate of interest must be fixed on a fair and reasonable basis. The Association may impose a “sliding scale” or similar charge with substantially the same economic effect as a rate of interest as reasonably necessary to address compliance with principles of Shari’a.
- (8) The Association has a charge on a Strata Lot for any Lot Assessment levied against that Strata Lot, including any interest thereon or other increases thereto, and any fines imposed against a Strata Lot Owner from the time the assessment or other amount becomes due. The Association's charge may be foreclosed in like manner as a mortgage on real estate. A charge under this section is prior to all other encumbrances on a Strata Lot except (i) encumbrances registered before the registration of the strata plan, (ii) a first mortgage on the Strata Lot registered before the date on which the Lot Assessment sought to be enforced became delinquent, and (iii) statutory charges in respect of assessments or fines levied by any Relevant Authority.

52. Limitations on Lot Assessments

- (1) Any Association expenditures associated with the maintenance, repair or replacement of a common property designated for the exclusive use of one or more Strata Lot Owners pursuant to designation of Limited Common Area Lots must be assessed against the Strata Lots to which that exclusive use right is assigned, equally or in any other proportion that the strata plan provides.
- (2) Any Association expenditures or portion thereof benefiting fewer than all of the Strata Lots must be assessed exclusively against the Strata Lots benefited.
- (3) The costs of insurance must be assessed in proportion to the unit entitlements of the Strata Lots (unless the cost of insurance is increased due to the usage of one or more Strata Lots, in which case the Strata Lots with such usage shall be assessed an increased share of the insurance cost), and costs of utilities must be assessed in proportion to usage, in each case, as equitably determined by the Association.
- (4) If any common expenses are caused by the misconduct of any Strata Lot Owner, the Association may assess that expense exclusively against his Strata Lot.
- (5) If any common expense liabilities are reallocated, Lot Assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated common expense liabilities.
- (6) The foregoing requirements in this section 52 are subject to variation, but only if expressly disclosed in the strata plan or varied by extraordinary resolution.

Chapter 4 - Miscellaneous

53. Proceedings on behalf of owners

The Association may take proceedings as agent for one or more Strata Lot Owners for damages in relation to, or for rectification of, any building work done in relation to the strata scheme, whether the work was done before or after registration of the strata scheme.

54. Subrogation of contractual rights

- (1) Without affecting the generality of section 53, if—
 - (a) building work was carried out on behalf of the strata developer; and
 - (b) the building work proves defective,

the Association is subrogated to the strata developer’s contractual rights to damages in respect of those defects.
- (2) The Association may recover damages under this section on its own behalf (so far as the defects relate to common property) or on behalf of Strata Lot Owners affected by the defects in accordance with applicable law.
- (3) The Association’s right of subrogation under this section does not operate to the exclusion of the strata developer’s rights and, if both the Association and the strata developer take action to recover damages for breach of contract, the damages must be apportioned between them in appropriate proportions.

55. Postbox and noticeboard

- (1) An Association must—
 - (a) maintain a postbox or electronic mail address; or
 - (b) make suitable alternative arrangements for the receipt of mail (including documents in electronic form).
- (2) The Association must maintain a noticeboard for the display of notices and other material of interest to the Strata Lot Owners and occupiers of Strata Lots, which noticeboard may be made available in any suitable manner (including electronically by way of a website or similar means), as determined by the Association.

Chapter 5 - Appointment of administrator

56. Appointment of administrator

- (1) The Court may, on application by an interested person, appoint an administrator of the Association’s affairs, for a fixed period or until further Court order.
- (2) The Court may make the appointment on terms and conditions that it considers appropriate.
- (3) The administrator is to be remunerated on a basis determined by the Court, and the administrator’s remuneration and expenses are payable from the Association’s administrative fund.

- (4) During the appointment, the administrator is exclusively entitled to exercise the powers and functions of the Association (or such of those powers and functions as the Court may determine).
- (5) The administrator may delegate to any person any powers and functions conferred under this section, except that the administrator may not delegate any powers and function to the Association, unless the Association was the applicant for the administration.
- (6) The Court may, on the application of an interested person, or of its own initiative, remove or replace the administrator.
- (7) If a person is appointed, removed or replaced as an administrator, the person must, within 7 days, give the Registrar written notice of the appointment, removal or replacement.
- (8) In this section, “interested person” means–
 - (a) the Association;
 - (b) a creditor of the Association; or
 - (c) a Strata Lot Owner or a registered mortgagee or lessee of a Strata Lot.

PART 4 - BY-LAWS

Chapter 1 - Making of by-laws

57. Power to make by-laws

Subject to this Part, the Association may, by ordinary resolution, make by-laws about–

- (1) the administration, management and control of the common property; and
- (2) the use and enjoyment of Strata Lots, the Association’s assets, and facilities and amenities provided by the Association.

58. Content of by-laws

- (1) A by-law may–
 - (a) adopt with or without modification the by-laws set out in Schedule 1; or
 - (b) amend or revoke a by-law.
- (2) The first by-laws of the Association are–
 - (a) the by-laws lodged with the relevant plan or scheme; or
 - (b) if no such by-laws are lodged with the plan or scheme, the by-laws set out in Schedule 1.

- (3) The by-laws lodged with a plan or scheme may include the designation of limited common property.
- (4) If an Association does not adopt by-laws, then the Association is taken to have adopted the by-laws attached as Schedule 1.
- (5) If a by-law adopted under subsection (4) is inconsistent with one or more by-laws made by the Association, then to the extent of the inconsistency the adopted by-law prevails.
- (6) The first by-laws of the Association come into operation on the registration of the plan or scheme.

59. Limitations on by-law making power

- (1) Subject to subsection (2), a by-law cannot–
 - (a) modify a statutory easement or prohibit or restrict the enjoyment of a statutory easement; or
 - (b) restrict a Strata Lot Owner’s right to use, deal with or dispose of a Strata Lot, unless the restriction–
 - (i) is necessary to preserve the character of the scheme; and
 - (ii) is made in accordance with a disclosure statement included in the plan.
- (2) A by-law may impose a minimum term for the leasing of Strata Lots.
- (3) A by-law is void if–
 - (a) it materially adversely and unfairly discriminates against any Strata Lot Owner, mortgagee or occupier of a Strata Lot;
 - (b) it materially adversely affects the health, welfare or safety of any Strata Lot Owner or occupier of a Strata Lot; or
 - (c) it is materially inconsistent with the provisions of a plan or other Strata Development Documents duly approved by a Relevant Authority.
 - (d) it attempts to mandate a matter for which a Strata Lot Owner vote would otherwise be required.
- (4) The Association must, at the written request of the Strata Lot Owner or occupier of a Strata Lot or a person authorised by such owner or occupier to make the request, provide a copy of the current by-laws.

60. Registration and commencement of changes to by-laws

- (1) If an Association makes a by-law, the Association must, within 90 days after passing the resolution for making the by-law, lodge an application for registration of the by-law with the Registrar–
 - (a) attaching a copy of the resolution (including the text of the by-law); and
 - (b) stating the date of the resolution, if not clear on its face.
- (2) If the application is not lodged within 90 days, the resolution lapses.
- (3) A by-law comes into force on the day the Registrar registers the by-law in the Register or a later date stated in the by-law.

61. Legal effect of by-laws

Unless otherwise indicated therein, a by-law binds each of the following–

- (1) the Association;
- (2) the Strata Lot Owner;
- (3) the occupier of a Strata Lot;
- (4) an invitee of the owner or occupier of a Strata Lot;
- (5) a mortgagee of a Strata Lot.

Chapter 2 - Designation of limited common property

62. Designation of limited common property

- (1) The Association may, by extraordinary resolution, make (and later amend or rescind) a designation giving a Strata Lot Owner exclusive rights to the use and enjoyment of, or other special rights in relation to, the common property or part of the common property.
- (2) The designation of limited common property–
 - (a) must unambiguously identify the part of the common property to which the designation applies; and
 - (b) may impose conditions (which may include conditions requiring the Strata Lot Owner to make a payment or periodic payments to the Association, or to the Strata Lot Owners of other Strata Lots, or both).
- (3) A designation of limited common property with respect to any Strata Lot shall be subject to the prior written approval of the Strata Lot Owner of such Strata Lot if it gives rights to or imposes obligations on such Strata Lot Owner or such approval is otherwise required by section 10.

- (4) The designation of limited common property is taken, in the absence of other specific provisions in the designation for maintenance, to make the Strata Lot Owner responsible for maintenance of the part of the common property over which the rights are conferred by the designation.
- (5) A designation of limited common property may authorise or require the Strata Lot Owner who has the benefit of the designation to make specific improvements to part of the common property. The improvements may consist of or include installing particular fixtures or making particular changes to the relevant part of the common property. Unless it expressly provides otherwise, a designation of limited common property does not authorise the Strata Lot Owner to make improvements or changes to the balance of the common property.
- (6) If a designation of limited common property imposes a monetary liability–
 - (a) the liability may be recovered as a Lot Assessment; and
 - (b) the liability is enforceable jointly and severally against the person who was the Strata Lot Owner when the liability arose and a successor in title.

Chapter 3 - Enforcement of by-laws

63. Compliance notices

- (1) If the Strata Lot Owner or occupier of a Strata Lot contravenes a by-law, the Association may give notice (which must be in writing) requiring the person–
 - (a) in the case of a continuing contravention, to refrain from further contravention; and
 - (b) in any case, to take specified action to remedy the contravention within a specified period (which must be at least 30 days) stated in the notice.
- (2) The Association may, in addition to or instead of taking action under subsection (1), apply for relief under section 64.

64. Enforcement by Courts

- (1) If a Strata Lot Owner or occupier of a Strata Lot fails to comply with a notice under section 63, the Association may apply to the Courts for an order enforcing the relevant by-law.
- (2) In proceedings taken under subsection (1), the Courts may exercise either or both of the following powers–
 - (a) impose a fine on the person in default not exceeding level 5 on the standard fines scale; and
 - (b) make other orders the Courts considers appropriate to enforce the by-law.
- (3) A fine imposed by the Courts under this section is recoverable by the Association as a debt.

- (4) The Courts may adjourn proceedings under this section and refer the matter to be dealt with in appropriate proceedings.

PART 5 - INSURANCE

65. Association taken to have insurable interest in certain property

The Association has an insurable interest in property that it is required by or under these Regulations to insure.

66. Insurance of buildings, etc., by Association

- (1) The Association for a strata scheme must insure—
- (a) the buildings and any other improvements on the common property; and
 - (b) any building divided by the plan.
- (2) The policy of insurance—
- (a) must cover—
 - (i) damage from fire (whether deliberate or accidental), storm, tempest, explosion, equipment malfunction, or other risks prescribed by the Regulations; and
 - (ii) costs incidental to the reinstatement or replacement of the buildings, including the cost of removing debris and the fees of architects and other professional advisers; and
 - (b) must provide for “replacement cost coverage”; and
 - (c) must provide for business income interruption insurance to the extent that the Association has an insurable interest in any business income.
- (3) Despite any provision of the insurance policy, the Association (and not any Strata Lot Owner) is liable to pay—
- (a) for any costs of insurance the Association elects to purchase which is not required by this subsection or the Strata Development Documents; and
 - (b) any contribution that has to be made to the cost of reinstatement or repair because the insurance was not adequate.

67. Owner or occupier may be required to comply with requirement to ensure that insurance may be obtained on reasonable terms

- (1) If the Association is unable to obtain insurance for a building or part of it on reasonable terms because—

- (a) the Strata Lot Owner or occupier of a Strata Lot is carrying on a particular activity on the Strata Lot; or
- (b) work is required in relation to the Strata Lot to reduce the insurance risk to a reasonable level,

then the Association may, by written notice given to the Strata Lot Owner, require the Strata Lot Owner to ensure that the activity ceases or to have the work carried out (as the case requires) as expeditiously as necessary to allow insurance to be obtained without undue further risk.

- (2) A notice under this section must give the Strata Lot Owner the option of paying any additional insurance premium payable in the event of the continuance of the activity or the non-performance of the work.

68. Other insurance

- (1) An Association must maintain public risk insurance (covering accidental death, personal injury and property damage) over the common property.
- (2) An Association may insure against—
 - (a) loss from dishonesty, negligence or other wrongful conduct; and
 - (b) other risks.

69. Insurance by Strata Lot Owners

- (1) A Strata Lot Owner of a mortgaged Strata Lot may insure the Strata Lot for its full insurable value, including the amount secured (at the date of any future loss) by the mortgages over the Strata Lot.
- (2) When paying a claim under such a policy, the insurer must make any payments due to the mortgagees whose interests are noted in the policy in the order of their respective priorities.
- (3) Money received under such a policy of insurance is not liable to be brought into contribution with any other money received under another policy of insurance, unless the other policy is in respect of damage to the same Strata Lot and relates to the same mortgage debt.

70. Default by an Association in relation to insurance

- (1) If an Association is in breach of its obligation to take out and maintain insurance, the Strata Lot Owner or mortgagee of any Strata Lot may take out and maintain the required insurance on reasonable terms and conditions.
- (2) The insurance may be taken out in the Association's name or in the Strata Lot Owner's or mortgagee's name.

- (3) The Strata Lot Owner or mortgagee may recover the costs incurred under this section from the Association as a debt (and, in the case of the owner, may set off the amount against any liabilities of the owner to the Association).

71. Production of policies of insurance for inspection

At the request of the Strata Lot Owner, the Association must allow the owner to inspect the policies of insurance currently maintained by the Association under these Regulations.

PART 6 - MANDATORY ESCROW REQUIREMENT

72. Mandatory escrow requirement

- (1) A strata developer (including any strata developer of a staged development) filing a strata plan for registration from or after the effective date of these Regulations shall be required to establish an escrow account in accordance with this Part, unless the Registrar determines that the Relevant Authority has determined that the strata development has been previously substantially completed in accordance with building plans previously approved by the applicable Relevant Authority. A certificate of completion in the Relevant Authority's customary form or otherwise in form and substance acceptable to the Registrar shall suffice to establish substantial completion, absent any special circumstances.
- (2) If the strata development has not been substantially completed, then the strata developer shall file an application in approved form with the Registrar for purposes of opening an escrow account, and an escrow agreement in approved form shall be entered into between the strata developer and an escrow agent licensed in the Abu Dhabi Global Market and approved by the Relevant Authority. The escrow agreement and application shall be filed by the Registrar in the appropriate folios.
- (3) Subject to the terms and provisions of the escrow agreement, the strata developer party to an escrow agreement as described above shall not accept any payments from Strata Unit purchasers, financing proceeds, or other proceeds or amounts for purposes of financing the proposed strata development unless such proceeds and amounts are deposited into the escrow account; provided, however that any equity originating from the strata developer's own funds or that of its affiliates (and not directly or indirectly sourced from financing or sales proceeds) shall not be required to be so deposited.
- (4) Amounts on the deposit in the escrow account shall be used solely for construction and development of the strata development, subject to limitations on use of funds for marketing and other soft costs, for payments for offsite materials, and for advance deposits in respect of materials to be incorporated into the strata development. The strata developer shall be eligible to receive progress payments from the escrowed funds to in proportion to progress made on physical construction or preparatory work, and upon receipt of reasonable evidence thereof (such as receipted invoices) received and approved by the escrow agent. Each prospective owner of a Strata Lot and lender to all or any portion of the strata development shall be entitled to periodic reporting as to amounts on deposit in the escrow account. The escrow agreement shall also include audit rights with respect to the escrow account, with reasonable limitations in terms of frequency of audit and responsibility as to

the cost therefor. All such terms and provisions shall be approved by the Relevant Authority.

- (5) Unless otherwise approved or required by the Relevant Authority, 5% of the total escrow proceeds attributable to a Strata Unit (determined on a per square foot or other reasonable basis approved by the Relevant Authority) shall be retained in escrow and used as security for the correction of deficient work and completion of construction until the first to occur of the following– (i) the first anniversary of the issuance by the Relevant Authority of a certificate of completion or comparable certification as to the Strata Unit and the transfer of title to such unit to a Strata Unit purchaser, or (ii) the Relevant Authority or the applicable Strata Unit purchaser agreeing to waive the requirement in writing. For the waiver by a Strata Unit purchaser of this requirement to be effective, it must be set forth in legible font and be embodied in a separate document or instrument executed on or after the date of completion (as opposed to a generic inclusion in the Strata Development Documents themselves).

PART 7 - MISCELLANEOUS

73. Powers and protection of the Registrar

The Registrar has all powers and protections as enumerated in the Real Property Regulations 2015 and these Regulations.

74. Certificates issued by Association

If a certificate is issued by an officer of an Association–

- (1) certifying that a particular resolution was passed by the Association on a date specified in the certificate; and
- (2) certifying the nature of the resolution,

the Registrar is entitled to rely on the certificate and is not bound to inquire whether the resolution has been duly passed.

75. Use of Strata Lots and accessory lots

- (1) The owner or occupier of a Strata Lot must not use the lot or permit its use–
 - (a) for a purpose other than a purpose for which the Strata Lot is established as indicated in the relevant registered plan or scheme;
 - (b) contrary to a restriction indicated in the relevant registered plan or scheme; or
 - (c) for any illegal purpose.
- (2) A Strata Lot that is designated on the strata plan as an accessory lot cannot be dealt with separately from the principal lot with which it is associated, and a dealing with the

principal lot necessarily effects (without express mention) a corresponding dealing with the accessory lot.

76. Service of notices

For purposes of these Regulations, all service of notice provisions shall be implemented as enumerated under section 141 of the Real Property Regulations 2015.

77. Registrar's directives

The Registrar shall have the power to issue directives, not inconsistent with these Regulations, relating to the requirements to be followed in relation to these Regulations, including with respect to the payment of fees, in accordance with section 143 of Real Property Regulations 2015.

PART 8 - INTERPRETATION

78. Principles of interpretation

- (1) Terms used in these Regulations that are defined in the Real Property Regulations 2015 have the same meaning in these Regulations as they have in those regulations, except to the extent any such terms are defined herein.
- (2) The Rules of Interpretation set forth in section 154 of the Real Property Regulations 2015 shall apply to these Regulations as well.
- (3) Schedule 1 contains a set of Model by-laws for an Association.

79. Defined terms

In these Regulations, unless the context indicates otherwise, a reference to any of the following terms shall have the respective meanings set forth below–

“Abu Dhabi Global Market Area” means the land situated on Al Maryah Island, and further bounded as described in the Cabinet of Ministers Resolution (4) of 2013, as the same may be further adjusted or modified in accordance with applicable law;

“accessory lot” means a Strata Lot that is intended to be used in association with another Strata Lot (the “principal lot”), for purposes such as storage or parking but not for human occupation as a residence, shop, or the like;

“administrative fund” means a fund established by an Association to meet recurrent and capital expenditure by the Association;

“affiliate” means, in relation to any person or legal entity, (a) any other person that controls, is controlled by, or is under common control with such person, (b) in the case of a natural person, any individual who is a member of the immediate family (whether by birth or marriage) of such person, or (c) any person who directly or indirectly owns a ten percent (10%) or more equity interest in the subject person or in whom the subject person directly or indirectly owns a ten percent

(10%) or more equity interest. For purposes of this definition “control” means the right to direct the management or policies of a legal entity through voting control, contract or otherwise;

“Association” means the management association for a strata development, which shall be formed as a private limited company pursuant to Companies Regulations 2015 and shall be established under the name “Strata Corporation No. [●]” with the addition of the name of the strata scheme, unless otherwise approved by the Registrar, and the name of which must end with the suffix “limited”, “LIMITED”, “ltd”, “LTD”, “l.t.d.”, or “L.T.D.”

“boundary structure” means a wall, floor, ceiling or fence separating a Strata Lot from another Strata Lot;

“by-laws” means the by-laws with respect to any strata development which form part of the development’s Strata Development Documents;

“Common Area Lot(s)” has the meaning set forth in section 1(2), and, for the avoidance of doubt, is a type of Strata Lot;

“common property” has the meaning set forth in section 9(1);

“extraordinary resolution” means a resolution passed at a duly convened meeting of the shareholders of the Association by at least 90% of the shares of the members present and entitled to vote at the meeting, or, in the absence of a meeting, a written consent duly executed by 90% of the shares of all of the members;

“Freehold Interest” means a freehold interest in land as described in section 1 of the Real Property Regulations 2015;

“Leasehold Interest” means a leasehold interest as described in section 1 of the Real Property Regulations 2015.

“Limited Common Area Lots” has the meaning set forth in section 10(1);

“limited common property” means any property designated for the exclusive use of one or more Strata Lot Owners as described in section 10;

“Lot Assessment” means the assessments on individual Strata Lots within a strata development that may be levied by an Association from time to time to meet anticipated expenditures and as permitted under these Regulations;

“mortgage” includes a charge on a Strata Lot or an interest in a Strata Lot for securing a debt or any other obligation;

“ordinary resolution” means a resolution passed at a duly convened meeting of the shareholders of the Association by a majority of the shares of the shareholders present and voting at the meeting, or, in the absence of a meeting, a written consent duly executed by a majority of the shares of all of the shareholders;

“Owner Lot” has the meaning set forth in section 1(2);

“plan” means (i) a strata plan; or (ii) the master plan for a staged development scheme;

“principal lot” means the lot with which an accessory lot is associated;

“prospective owner of a Strata Lot” means a person who has entered into a contract to purchase an existing or future lot in the scheme;

“real property” has the meaning set forth in the Real Property Regulations 2015;

“Register” means the registry of real property interests maintained by the Registrar pursuant to the ADGM Founding Law and the Real Property Regulations 2015;

“Relevant Authority” means the authority within Abu Dhabi (including the Abu Dhabi Global Market) charged with the duty of implementing the policies of Abu Dhabi whose subject matter falls within its authority. Relevant Authority includes, without limitation, the Registrar and any other authorities established under the ADGM Founding Law, and also the Abu Dhabi Department of Municipal Affairs and any other governmental or quasi-governmental agencies or instrumentalities to which the Abu Dhabi Global Market may from time to time delegate rulemaking, adjudicatory or approval authority within the Abu Dhabi Global Market;

“scheme” means a strata scheme or staged development scheme approved pursuant to Part 2;

“service infrastructure” means cables, wires, pipes, sewers, drains, ducts, plant and equipment by which– (i) water, gas, electricity, heating, or conditioned or unconditioned air is supplied to a Strata Lot or the common property; (ii) a Strata Lot or part of the common property is connected to a telephone, fax, cable television or other telecommunication service; (iii) a Strata Lot or part of the common property is connected to a sewerage or drainage system; (iv) a system for the removal or disposal of waste is provided; (v) a system designed for fire safety for more than one Strata Lot or for the common property is provided; or (vi) other systems or services designed to improve the safety, security or amenity, or enhance the enjoyment, of the Strata Lots or common property are provided;

“site” means the whole of the real property included in a strata plan or staged development plan (including all Strata Lots);

“special resolution” means a resolution passed at a duly convened meeting of the shareholders of the Association by at least 75% of the shares of the shareholders present and entitled to vote at the meeting, or, in the absence of a meeting, a written consent duly executed by 75% of the shares of all of the shareholders;

“special strata developer rights” means rights reserved for the benefit of a strata developer (or any affiliate thereof) to, among other things, as part of the approved strata scheme, (i) complete improvements; (ii) exercise any development rights; (iii) maintain sales offices, management offices, signs advertising the strata development, and models; (iv) use easements through the common property for the purpose of making improvements within the strata development; (v) appoint or remove any officer or member of a committee of management or similar governing

body; (vi) appoint or control the manager of the strata development; (vii) appoint or control supply, material or labour agreements with respect to the strata development; or (viii) perform any acts reasonably necessary to complete a staged development scheme, if applicable;

“staged development plan” has the meaning set forth in section 4(5);

“staged development scheme” has the meaning set forth in section 2(2);

“statutory easement” means an easement under section 14;

“strata developer” means the person registered as the developer of the site upon registration of a plan relating to the site and any assignees thereof prior to the date on which control of the Association responsible for administering the scheme in question passes to Strata Lot Owners;

“strata development” means a strata development pursuant to a strata plan completed or to be completed pursuant to these Regulations, and includes any staged development, to the extent the strata development is deemed to be a staged development;

“Strata Development Documents” means the certificate of incorporation and constitution of the Association with respect to a strata scheme, as well as any applicable by-laws, building sales agreement, co-owners association constitution, master community declaration, or similar document applying to the strata scheme and registered against the applicable lots;

“Strata Lot(s)” has the meaning set forth in section 1(2);

“Strata Lot Owner” means the owner of a Strata Lot from time to time;

“strata plan” means a plan for strata ownership registered in accordance with these Regulations, and includes any plan for staged development or master plan to the extent the strata development is deemed to be a staged development;

“strata scheme” means the complex of Strata Lots (together with the system of administration and management) created on the registration of a strata plan, and includes any staged development scheme to the extent the strata scheme is deemed to be a scheme for a staged development;

“unanimous resolution” means a resolution passed at a duly convened meeting of the shareholders of the Association by 100% of the shareholders present and entitled to vote at the meeting, or, in the absence of a meeting, a written consent duly executed by 100% of the shareholders; and

“unit entitlement” has the meaning set forth in section 17.

PART 9 - GENERAL

80. Purpose of these Regulations

The purpose of these Regulations is to extend the benefits of registration under the Real Property Regulations 2015 to lots in strata developments, and in particular—

- (1) to provide for the registration of strata developments;

- (2) to provide assurances as to title to lots in strata developments in the same way that ownership is assured under the Real Property Regulations 2015;
- (3) to facilitate dealings with lots in strata developments;
- (4) to facilitate the day-to-day administration of strata developments;
- (5) to help resolve disputes between owners of lots in strata developments; and
- (6) to allow strata development to occur in orderly stages.

81. Date of commencement

These Regulations shall come into force on the date of their publication. The Board may by rules make any transitional, transitory, consequential, saving, incidental or supplementary provision in relation to the commencement of these Regulations as the Board thinks fit.

82. Short Title

These Regulations may be cited as the Strata Title Regulations 2015.

83. Application of the Regulations

These Regulations apply to real property within the Abu Dhabi Global Market Area.

SCHEDULE 1 - MODEL BY-LAWS

1. Duty to keep lot in good order and repair

- (1) Each owner shall keep his lot in a good state or preservation, condition, repair and cleanliness in accordance with the terms of the strata development documents.
- (2) Each owner shall—
 - (a) carry out any work in relation to the owner's lot that the owner is required to carry out by a governmental authority or the strata development documents; and
 - (b) comply with all security procedures and directives implemented and issued by the Association or any person acting on behalf of the Association.
- (3) Each owner shall be responsible to make repairs to the exterior windows in its lot and to replace same in accordance with design and maintenance criteria established by the Association. The Association shall not have the authority to require an owner to replace the existing exterior windows in its lot unless required by applicable law or the applicable strata development documents.
- (4) Each owner shall obtain extermination services for its lot at such times as shall be necessary to maintain its lot free of rats, mice, roaches and other vermin.
- (5) Each owner shall give the Association prompt notice of any repairs that are needed in the building or other portions of the common property after such owner has actual notice thereof.

2. Duty to pay for certain work

- (1) Any reprogramming of and/or hook-up costs to any building system, and any other costs of the Association, incurred in connection with any work performed by an owner, shall be paid by such owner or, if paid by the Association, shall be assessed as a Lot Assessment against such owner's lot and shall be payable by such owner.
- (2) If any work is necessitated by the negligence of or misuse by any owner or its guests, contractors or agents, whether structural or nonstructural, ordinary or extraordinary, then the entire cost thereof shall be borne solely by such owner or, if paid by the Association, shall be assessed as a Lot Assessment against such owner's lot and shall be payable by such owner.

3. Prohibited conduct

The owner or occupier of a lot must not, without the Association's prior written permission, do any of the following—

- (1) use the lot, or permit its use, in a way that causes a nuisance to the owner or occupier of any other lot;

- (2) make any improvements or alterations that (a) impair the structural integrity of the building or lessen the support of any portion of the building or (b) affect the exterior of the building or any of the common property;
- (3) place any radio or television aerials or satellite dishes on the exterior of the building;
- (4) place or hang any washing or laundry or any other items on any part of the lot or common property where it is visible from the outside of the building;
- (5) allow anything whatever to fall from the windows or doors of its lot or sweep or throw from its lot any dirt or other substance into any of the common property;
- (6) use any window guards or other window decorations, except those approved in writing by the Association or managing agent, which approval shall not be unreasonably delayed or withheld; however, in no event shall any exterior glass of any windows on the building be colored or painted;
- (7) inscribe or expose any sign, notice, advertisement or illumination (including, without limitation, "For Sale", "For Lease", or "For Rent" signs) on or at any window, door, or other part of the building or common property, except as such are permitted pursuant to the terms of the strata development documents or shall have been approved in writing by the Association;
- (8) obstruct or encumber, by refuse or otherwise, the common property, including sidewalks, entrances, corridors and exits by placing or storing any article (including, but not limited to, garbage cans, bottles or mats) in any of the passages, halls, vestibules, elevators, corridors, or on any of the staircases or fire stair landings, or fire exits of the building;
- (9) allow any bicycles, scooters, baby carriages, or similar vehicles to stand in the public halls, passageways or other public areas of the building;
- (10) permit any of authorized invitees to congregate or loiter in any of the common property or any other part of the building used in common by other occupants of the building;
or
- (11) cause or permit any hazardous materials to be used, stored, transported, released, handled, produced or installed in, on or from its lot, or do or permit to be done any dangerous act on the lot or on the common property that may increase the Association's insurance premiums.

4. Duty to allow access for maintenance and repair of common property

- (1) The Association is entitled to reasonable access to a lot for the purpose of maintaining, repairing or replacing the common property and service infrastructure.
- (2) A person authorised by the Association may enter the lot for that purpose—

- (a) after giving to the occupier of the lot reasonable notice of the intention to exercise the rights of access; or
- (b) in an emergency, without notice.

5. Duty to pay Lot Assessments

The owner of a lot must promptly pay all Lot Assessments levied by the Association.

6. Security

Each owner of a lot shall be responsible for providing security for its lot in accordance with rules established by the Association from time to time.

7. Use of service elevators and entrances

To the extent that the Association designates an elevator to be used exclusively as a service elevator or an entrance to be used exclusively as a service entrance, trunks and heavy baggage and other bulky materials shall be taken in or out of the building only by use of such elevator and/or such entrance, as applicable.

8. Refuse

All refuse from lots shall be deposited by lot owners in those areas of the building provided for that purpose at such times and in such manner as the Association may direct.

9. Corridors

Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

10. Vehicles

- (1) The owner of a lot must observe and ensure that their visitors and guests–
 - (a) observe any road signs on the common property;
 - (b) do not drive their vehicles in a manner which is unsafe, creates a nuisance, or obstructs the flow of traffic or access to or ingress from parking bays;
 - (c) park vehicles only in designated parking areas;
 - (d) do not permit one vehicle to occupy more than one parking bay; and
 - (e) do not park trucks, trailers, boats or heavy vehicles on the common property without the prior written consent of the Association or a person authorised by it.

- (2) The Association may authorise any vehicle parked or used in contravention of subparagraph (1) to be removed or towed away, at the risk and expense of the owner of the lot which such guest is visiting.
- (3) The parking of vehicles on the common property is entirely at the risk of the owner of the vehicle.

11. Reasonable behaviour

- (1) The occupier of a lot must not behave in a way likely to interfere with the reasonable use and enjoyment of another lot or the common property.
- (2) An owner or occupier of a lot must take reasonable steps to ensure that invitees do not behave in a way likely to interfere with the reasonable use and enjoyment of another lot or the common property.

12. Duty to provide information

The owner of a lot must promptly give the Association written notice of any change in the ownership of the lot or any mortgagee of the lot.

13. Keeping animals

- (1) Subject to subparagraph (2), the occupier of a lot must not, without the Association's written approval—
 - (a) bring an animal onto, or keep an animal on, the lot or the common property; or
 - (b) permit an invitee to bring an animal onto, or keep an animal on, the lot or the common property.
- (2) Subparagraph (1) does not apply to assistance dogs for disabled persons.

14. Temporary waivers

A lot owner may apply to the Association for a temporary waiver of one or more by-laws or rules and regulations. Such temporary waiver may be granted by the Association in its sole discretion. No rescission, alteration, waiver, or addition of any by-law or rule or regulation in respect of one lot own or other occupant shall operate as a rescission, alternation or waiver in respect of any other lot owner or other occupant.