

# Regulation of residential property use in Abu Dhabi

**David Bowman** - Senior Counsel - Real Estate  
d.bowman@tamimi.com - Abu Dhabi

September 2014

---

This is expected to further accelerate the Abu Dhabi government's aims of encouraging all businesses to operate from designated commercial premises and to protect the privacy of residential neighbourhoods.

Abu Dhabi Law No. 1 of 2011 ("Law No.1") provides that buildings constructed for residential use may only be leased to families or such other occupants as the Department of Municipal Affairs may approve. Law No. 1 also provides that properties for which demolition licences have been issued may not be leased or occupied and utilities to such properties should be disconnected. Fines of up to AED 200,000 can be imposed for repeated violations of Law No. 1. Abu Dhabi Administrative Resolution No. 203 of 2013 ("Resolution No. 203") has now provided some further detail to supplement these provisions.

Resolution No. 203 clarifies that Law No. 1 applies to all owners, landlords, tenants and occupiers of residential premises in the Emirate of Abu Dhabi including anyone who provides housing to its workers and employees. All such parties must ensure that they register leases for residential premises with Tawtheeq as required by Executive Council Resolution No. 4 of 2011 ("Resolution No. 4"). Anyone who becomes aware of any violation of Law No. 1, Resolution No. 203 or Resolution No. 4 is required to inform the competent authorities.

Resolution No. 203 requires that all residential premises be used for the residential purposes they were intended for. It is not permitted to lease residential buildings located on farms or plantations. Public housing may only be used for housing families. Residential plots of land may only be used for one residential dwelling unless approval is obtained from Abu Dhabi Municipality for multiple dwellings on the same plot.

Villas and apartments must only be occupied by families (defined as spouses and close family members). Exceptions are allowed where not more than six unrelated occupiers share a villa (but not an apartment) and if the occupiers are employed in senior positions. Resolution No. 203 does not explain what is meant by senior positions but it does provide examples. These include company directors, heads of boards, owners of private companies, experts, consultants and executive directors. No more than six unrelated judicial, diplomatic or consular staff may also occupy the same villa. The competent authorities may also authorise the use of residential villas for commercial purposes provided that such purposes are not to accommodate labourers.

Exceptions are also allowed for residential premises licensed by the Abu Dhabi Tourism Authority ("ADTA"). These premises may be occupied by up to six unrelated people provided that all the conditions of the ADTA licence are complied with.

Law No. 1 states that no residential premises may be used for collective accommodation. Regulation No. 203 has clarified that this prohibition will only apply in cases where the residential premises do not satisfy the general requirements for health, ventilation, air conditioning, cleanliness, safety and security.

Law No. 1 also states that the specifications for residential premises and the number of permitted occupiers in residential premises must be proportionate with the size of the premises and in accordance

with safety and security guidelines and general morals and ethics. Resolution No. 203 has provided some further guidance on these requirements. No bedroom may be occupied by more than three persons. Living rooms and hallways may not be leased as bedrooms. Residential premises may only be subdivided for leasing purposes with prior approval from the authorities. Residential premises may not be shared by more than one family and families are not allowed to share their homes with unrelated people. Exceptions are made to allow extended family members and domestic helpers to share family homes.

Resolution No. 203 has clarified that utility services to all buildings which have been licensed for demolition (whether total or partial demolition) must be disconnected within six months from the date of issuance of the demolition licence. The Department of Construction Permits is now required to provide details of buildings for which demolition licences are issued to Tawtheeq so that registration of leases in these buildings can be refused.

The authorities now have the right to collect information on the types of residential premises in Abu Dhabi and their occupants. If complaints are received regarding violations of Law No. 1 and Resolution No. 203 judicial officers can be assigned to investigate, if necessary with assistance from the police. Once a case has been investigated the public prosecutor will decide whether to refer the case to the courts. The powers available to the courts include issuing fines of up to AED 200,000, ordering the occupation of the premises to cease or ordering the disconnection of utilities.