Section 5 of the guide: How to check a developer in Dubai before you buy off-plan

Already bought, and the handover is late? Your rights

Written by Usama Haj Yahia, founder of U810 Properties | Last updated: 18.11.2026

There is no automatic compensation, but you do have rights. Dubai law does not set a compensation amount for a late handover. Your rights depend on the contract, and if you and the developer cannot agree, the court decides.

What to check in the contract:

- **The handover date and the grace period.** Most contracts allow extra time after the handover date, usually 6 to 12 months, during which the delay is not yet considered a breach of contract.
- **A delay compensation clause:** check whether the contract has one.
- **Force majeure:** a clause that lets the developer postpone the handover because of events outside its control.
- **Arbitration:** if the contract says disputes go to arbitration, the claim is heard there and not in court.

What you can ask for:

- You can cancel the contract, get back what you paid, and claim compensation for the damage.
- Or you can keep the deal in place and claim compensation for the delay.

In cases published in recent years, Dubai courts have ordered developers to refund buyers, plus interest of 5% a year. The court usually appoints an expert to assess the state of the project, and relies heavily on the expert's report. These are examples, not a promise: every case is judged on its own contract and facts.

Do not stop paying on your own. If a buyer stops paying, the developer can start a process through the Dubai Land Department: they send a notice, the buyer gets 30 days to fix the situation, and then the developer can cancel the contract without going to court. Depending on how far construction has progressed, the developer can keep up to 40% or up to 25% of the price (see the guide to buying off-plan). In one published case, a buyer who stopped paying because of a delay lost the apartment. The court reduced the amount the developer kept from 40% to 10%, but the

apartment did not go back to the buyer. So, if you are thinking about stopping payments, do it only with a lawyer.

The full guide on the site: u810properties.com/en-guide-developer

Already bought, and the handover is late?

Tell me about the project, and we will check together what your contract says.

Send a WhatsApp message →

This information is general and correct as of the update date. It is not legal advice, and it does not replace reviewing your contract with a local lawyer.