Buying an off-plan apartment in Dubai: how the payment plan works and what to check before you sign

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Buying off-plan means buying a property that is still under construction. You pay according to a plan set by the developer: part on signing, part during construction, and sometimes part on handover. In Dubai, the payments go into the project's escrow account, and on signing you usually also pay a 4% registration fee to the DLD. Before signing, check that the project is registered, that the plan is written into the contract, and that the escrow account details match those held by the DLD.

In short

- You pay in stages, and the money goes into the project's escrow account.
- If the authorities cancel the project, the refund is paid from the escrow account, and if it does not hold enough, the developer must make up the difference. The law does not guarantee that the full amount will actually be returned.
- According to legal sources, a buyer has no right to cancel a contract just because they changed their mind. What counts is what the contract says, so read it before you sign.

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01 What buying off-plan means

You buy a property that has not been built yet, or that is under construction. Instead of paying the full amount upfront, you pay in stages. During construction the purchase is registered with the DLD in the Oqood system, and on handover a Title Deed is issued in your name.

02 Step by step: how to buy an off-plan apartment in Dubai

1. **Choose a project:** ask the developer for the project's Land Department number, the price list and the payment plan.
2. **Check the project:** in the Dubai REST app, check who the developer is, how far construction has progressed, and which escrow account you pay into (see the guide to checking a developer).
3. **Get the money ready:** start preparing the transfer from your country of residence before you commit to payment dates (see "Transferring money to Dubai").
4. **Reserve the unit:** pay the booking amount the developer sets. At Sorrento, for example, it is 5% of the price.
5. **Sign the sale contract:** pay the next instalment in the plan (at Sorrento, another 10% within a month) and the 4% Land Department registration fee, unless a promotion waives it.
6. **Oqood registration:** according to the Land Department, the contract must be entered in the interim register (Oqood) within 90 days of signing. Ask the developer for the Oqood certificate, and check the registration in Dubai REST.
7. **Pay according to the plan:** every payment goes into the project's escrow account. Put the unit number in the description line of each transfer, and keep the transfer confirmation.
8. **Handover:** first inspect the apartment and list every defect, then pay the balance, sign the handover form and collect the keys. After that, the registration moves from Oqood to a Title Deed in your name (see the handover day guide). If you need a mortgage for the final payment, start two to three months before handover (see the mortgage guide).

03 How a payment plan is structured

Each project has its own plan. It usually has three parts:

1. **On signing:** a down payment, together with the DLD registration fee (4% of the property value).
2. **During construction:** payments according to a schedule set by the developer.
3. **On handover:** the balance, if the plan leaves a part for handover.

Per the DLD, the registration fee is split 2% buyer and 2% seller unless agreed otherwise. When buying from a developer, the contract usually makes the buyer pay the full 4%. There are also administrative fees, which vary from project to project. Some developers offer to cover the DLD fee as part of a promotion, so compare the full price and not only the price per square foot.

> How much will you pay on top of the price, including the registration fee? You can work it out in the buying costs calculator.

04 Real examples: five projects on this site

Project	On signing	During construction	On handover	Handover (per the developer)
OceanZ by Danube	20% + 4% DLD	5% within a month	75%	About 18 months
Greenz by Danube	20% + 4% DLD	1% per month	The balance	December 2029
Arthouse Residences Ras Al Khaimah	20% in 2026	5% in 2027	75%	Q4 2027
Sorrento by DAMAC DAMAC Lagoons	5% on booking, plus 10% within a month	0.25% per month, plus larger payments in months 12 to 36	50%	Q4 2029
Chelsea Residences by DAMAC	On request			31.12.2029

Four different structures: a plan where most of the money is paid on handover (OceanZ, Arthouse), a plan spread over the whole construction period (Greenz), a plan with half paid during construction and half on handover (Sorrento), and a plan agreed with the developer for each investor (Chelsea).

At the time of writing, DAMAC was offering to waive the 4% registration fee at Sorrento as a limited-time promotion. This shows why you should compare the full price, not just the price per square foot.

What this means for you: in a plan where most of the payment is on handover (OceanZ, Arthouse), the large amount needs to be ready on handover day. In a plan spread over construction (Greenz), you pay 1% of the price every month for several years. In a plan with half paid during construction (Sorrento), you pay a small amount each month plus a few larger instalments, and the other half

has to be ready on handover day. Before choosing, check where each payment will come from, and when.

Arthouse is in Ras Al Khaimah, where the rules and fees are set by different authorities. The 4% DLD fee applies to Dubai. See the guide to Dubai, Abu Dhabi and Ras Al Khaimah.

05 Long payment plans and post-handover plans

A long payment plan spreads the payments over a longer period, so each instalment is relatively small. There are two main types:

- **Payments throughout construction:** at Greenz, for example, you pay 1% of the price every month until the planned handover in December 2029.
- **Paying after handover (a post-handover plan):** part of the price is paid after you receive the keys, in instalments over a period the developer sets, sometimes several years.

Not every developer offers a post-handover plan. At Emaar, for example, it is less common, and in the projects in the table above, the published plans do not include a post-handover payment. Such a plan is offered, per the developer, at The Views in Ras Al Khaimah (see the guide to post-handover payment).

What to check in a long plan:

- That the whole plan, including the payments after handover, is written into the contract, not just in the marketing material.
- Whether there is interest, and whether there are penalties for late payments.
- The total price, compared with similar projects on a shorter plan, not just the size of the monthly payment.
- Where the money for each payment will come from, over the whole period.

> If most of the payment falls due at handover and you're considering a mortgage, the mortgage calculator shows the most a bank can lend and the maximum monthly repayment.

06 What to check before you sign

- **The project is registered with the DLD.** Ask for the project number and check it in Dubai REST (see "How to check a project" on this site).
- **The plan is written into the contract,** and not only in the marketing material.
- **The escrow account:** the bank and account number in the payment instructions match what appears in Dubai REST. A request to transfer to a different account is a reason to stop and ask.

- **The full price:** price, DLD fee and administrative fees (see the guide "How much does it cost to buy an apartment in Dubai").
- **Progress against the handover date:** the official completion percentage against the time left.
- **Transferring the money from your country of residence:** start preparing it before you commit to payment dates (see "Transferring money to Dubai").

07 If the project is cancelled or delayed

- **Project cancellation:** under Dubai law, if RERA cancels a project, for example because construction has not started or the developer has gone bankrupt, the refund is paid from the escrow account of the project, and the authority asks the escrow agent to return the money within 14 days of the cancellation. If the account does not hold enough, the developer must make up the refund within 60 days of the cancellation decision, unless RERA extends the deadline. The law does not guarantee that the full amount is in the account, so a full refund is not assured.
- **Late handover:** the law gives no automatic refund. What counts is what the contract says about delays and compensation. You can ask the court to cancel the contract when the developer departs materially from the specifications, or when there are serious defects.
- **A smaller area:** if the net area is more than 5% smaller than what the contract states, the developer must pay compensation.

So also check these in the contract: the handover date and what happens if it is missed, a payment plan linked to construction progress, the area and the specifications, and a compensation clause for delays.

08 If you stop paying

Under the law, the developer must first give 30 days' notice through the Land Department. After that, what it may do depends on construction progress:

Project progress	What the developer may do
More than 80%	Demand the balance, sell the unit at auction, or cancel and keep 40% of the price
60% to 80%	Cancel and keep up to 40% of the price
Less than 60%	Cancel and keep up to 25% of the price

09 From my own experience

When I bought at Damac Riverside, I paid 5% to reserve the unit, then 20% plus the 4% DLD fee, and from there according to the plan. In every transfer I wrote the unit number in the description line and kept the SWIFT confirmation, so that the payment would be assigned to the right unit.

Want to sell before handover, or need a mortgage to pay at handover? See the guide to selling off-plan and the mortgage guide.

Frequently asked questions

How do I buy an off-plan apartment in Dubai?

Check the project and its escrow account in Dubai REST, reserve the unit, sign the sale contract, and pay the down payment and the 4% registration fee. The developer then registers the contract in Oqood, and you pay according to the plan until handover. After handover, the registration moves from Oqood to a Title Deed in your name.

How much do I pay when I sign?

You usually pay a down payment, for example 20% of the price, plus the 4% Land Department registration fee. In the projects on this site, what you pay in the first month after booking ranges from 15% to 24% of the price, depending on the developer.

What happens to the money until handover?

In an off-plan project in Dubai, the payments go into a separate escrow account for the project, and the developer draws from it as construction progresses. If the project is cancelled, the refund is paid from this account, and the law does not guarantee that the full amount is in it.

How do I know the project is real?

Ask for the project number and check it in the official Land Department app: who the developer is, how far construction has progressed, and which escrow account you pay into.

Which payment plan is best?

No single plan suits everyone. Compare three things: how much you pay at signing, how much during construction, and how much is left for handover. With a plan where most of the amount is due at handover, the large sum has to be ready on handover day. With a plan spread over the construction period, you pay throughout the build. The table above compares the five projects on this site.

What is Oqood, and is it a Title Deed?

Oqood is the Dubai Land Department's interim register for a property that is still under construction. After you sign, the developer has to register the purchase, and the 4% registration fee is paid. It protects your right to the property, but it is not yet a Title Deed. You get the Title Deed only after handover. You can ask the developer for the Oqood certificate, and you can also check the registration in the Dubai REST app.

What is a post-handover payment plan?

Part of the price is paid after you receive the keys, in instalments over a period the developer sets. Not every developer offers one, and the terms should be written into the contract.

Sources

- Project registration, the escrow account, Oqood and the Title Deed: the Dubai Land Department (DLD) and the Dubai REST app.
- The 4% registration fee: DLD, Request to register the initial sale.
- Payment plans and handover dates: per the developers, as shown on the project pages of this site.
- Project cancellation, a refund from the escrow account, 14 days for the refund from the account and 60 days for the developer to top it up (Resolution No. 6 of 2010, Articles 25 and 26): Dubai Legal Portal, Resolution No. 6 of 2010. The refund from the escrow account, and the law not guaranteeing the full amount: Hadef & Partners, Khaleej Times.
- Stopping payments, 30 days' notice and the retention rates (Law No. 19 of 2017): Al Tamimi, Mondaq.
- Delays and departing from the specifications: Chambers, Mondaq. An area more than 5% smaller than the net area (Article 13): Dubai Legal Portal, Resolution No. 6 of 2010, BSA. No right to cancel a contract just because you changed your mind: Chambers, ATB Legal.
- Oqood and Title Deed: Meraas and Bayut, Oqood vs Title Deed.
- Paying after handover, over a period the developer sets: bhomes; tekce. Not offered by every developer: Engel & Völkers, Emaar payment plans, and the project pages on this site. Checking interest and late-payment penalties: bhomes (checked 15.10.2026).

A question about a payment plan?

Send me the project you are looking at, and we will go through its plan together.

Send a WhatsApp message →

This information is general and refers to buying in Dubai. It is not a substitute for legal advice, tax advice or a review of the specific contract. The payment plans in the table are per the developers and may change.