**THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS**

**IN THE COURT OF FIRST INSTANCE**

BETWEEN

**ORRY**

Claimant/Respondent

and

**OFELJA**

Defendant/Appellant

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**ORDER WITH REASONS OF H.E. JUSTICE RENE LE MIERE**

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**UPON** the claim having been filed on 21 August 2025 (the "Claim")

**AND UPON** the Judgment of H.E. Justice Nassir Al Nasser dated 28 January 2026 (the "Judgment")

**AND UPON** the Defendant's Appeal Notice on 18 February 2026 seeking permission to appeal the Judgment (the "PTA Application") including a request to stay the enforcement of the Judgment (the "Stay Application")

**AND UPON** the PTA Application including a request for an extension of time to file the PTA Application, which was also formally filed by way of Application No. SCT-593-2025/1 dated 16 February 2026 (the "EOT Application")

**AND UPON** a hearing taking place before H.E. Justice Rene Le Miere on 9 March 2026 with the Claimant's representative and the Defendant in attendance (the "Hearing")

**AND PURSUANT TO** the Rules of the DIFC Courts ("RDC")

**IT IS HEREBY ORDERED THAT:**

1. The EOT Application:

   (a) The time for filing an application for permission to appeal is extended only to the extent necessary to permit an appeal on the limited ground identified in paragraph 2 (a).

   (b) Save as provided in paragraph 1 (a), the EOT Application is refused.

2. The PTA Application:

   (a) The PTA Application is granted only on the following limited ground:

      (i) Whether the Small Claims Tribunal erred in failing to consider, or to explain its treatment of, the alleged payment of AED 285,000 said to have been made by the Defendant on or about 19 August 2025, and whether that alleged payment was material to the calculation of overstay rent ordered in the Judgment.

   (b) The PTA Application is refused on all other grounds, including (without limitation):

      (i) any ground relating to habitability, mould, ventilation, or health impacts;

      (ii) any ground challenging the dismissal of the counterclaim;

      (iii) any ground alleging serious procedural irregularity in the conduct of the SCT proceedings;

      (iv) any challenge to the SCT's findings that the tenancy expired and that the Defendant remained in occupation without contractual entitlement; and

      (v) any attempt to advance or rely on evidence or issues beyond the limited ground identified in paragraph 2 (a) above.

3. The appeal shall be confined strictly to the ground identified at paragraph 2 (a) above.

4. Stay of enforcement

   (a) There shall be a limited stay of enforcement of the monetary orders in the Judgment relating to:

      (i) the sum of AED 140,548.32 awarded as overstay rent; and

(ii) the continuing daily rent accruing thereafter, pending determination of the permitted appeal

(b) No stay is granted in respect of:

(i) the order requiring the Defendant to vacate the Unit;

(ii) the order requiring payment of utilities; or

(iii) the award of Court fees.

5. For the avoidance of doubt:

(a) This Order does not confer any continuing tenancy or right of occupation on the Defendant

6. The Judgment remains otherwise fully enforceable.

Issued by:
**Delvin Sumo**
SCT Judge and Assistant Registrar
Date of Issue: 11 March 2026
At: 10am

**SCHEDULE OF REASONS**

**Summary**

1. This is an application by the Defendant arising from the Judgment of the Small Claims Tribunal (the "SCT") dated 28 January 2026 (the "Judgment").

2. By her Appellant's Notice, the Defendant applies for:

(a) An extension of time to file an application for permission to appeal (the "EOT Application");

(b) Permission to appeal from the Judgment (the "PTA Application"); and

(c) A stay of enforcement of the Judgment (the "Stay Application").

(together the "Applications").

3. The Claimant opposes each Application.

4. The Applications were heard together on 9 March 2026.

5. The Judgment ordered, among other matters:

(a) Payment of overstay rent in the sum of AED 140,548.32

(b) Continuing daily rent at AED 821.92 until D vacates the Unit

(c) An order requiring the Defendant to vacate the Unit; and

(d) Dismissal of the Defendant 's counterclaim.

6. For the reasons below, the Court will order:

7. Extension of time

(a) The time for filing an application for permission to appeal is extended only to the extent necessary to permit an appeal on the limited ground identified in paragraph 8.

(b) Save as provided in paragraph7a, the EOT Application is refused.

8. Permission to appeal

(a) The PTA Application is granted only on the following limited ground:

(i) Whether the Small Claims Tribunal erred in failing to consider, or to explain its treatment of, the alleged payment of AED 285,000 said to have been made by the Defendant on or about 19 August 2025, and whether that alleged payment was material to the calculation of overstay rent ordered in the Judgment.

9. The PTA Application is refused on all other grounds, including (without limitation):

(b) any ground relating to habitability, mould, ventilation, or health impacts;

(c) any ground challenging the dismissal of the counterclaim;

(d) any ground alleging serious procedural irregularity in the conduct of the SCT proceedings;

(e) any challenge to the SCT's findings that the tenancy expired and that the Defendant remained in occupation without contractual entitlement; and

(f) any attempt to advance or rely on evidence or issues beyond the limited ground identified in paragraph 8 above.

10. The appeal shall be confined strictly to the ground identified at paragraph 8 above.

11. Stay of enforcement

(a) There shall be a limited stay of enforcement of the monetary orders in the Judgment relating to:

(b) No stay is granted in respect of:

(iv) the order requiring the Defendant to vacate the Unit

(v) the order requiring payment of utilities; or

(vi) the award of Court fees.

12. For the avoidance of doubt:

(a) This Order does not confer any continuing tenancy or right of occupation on the Defendant

13. The Judgment remains otherwise fully enforceable.

**Background and Procedural history**

*The Tenancy*

14. The underlying dispute concerns a tenancy of a Unit in DIFC (the "Unit").

15. On 20 July 2024, the Claimant and the Defendant entered into a written tenancy contract for the Unit (the "Lease") for a term of one year, expiring on 19 July 2025, at an annual rent of AED 290,000.

16. Following the execution of the Lease, issues arose concerning the condition of the Unit and the completion of certain maintenance works requested by the Defendant prior to handover. The Defendant declined to take possession unless those works were completed.

17. In consequence, the parties agreed to defer the commencement of occupation. The tenancy start date was revised to 1 August 2024, with a corresponding extension of the contractual term.

The *Claim*

18. On 21 August 2025, the Claimant filed a Claim in the DIFC Courts' Small Claims Tribunal (the "SCT").

19. The Claimant contended that:

(a) The Lease expired on 31 July 2025 and was not renewed

(b) The Defendant remained in occupation of the Unit after expiry without contractual entitlement; and

(c) The Defendant failed to pay rent following expiry.

20. The Claimant asserted that he complied with his obligations under Articles 12 and 14 of DIFC Law No. 1 of 2020 (the "Leasing Law") by engaging professional contractors to carry out inspection, servicing, and remedial works.

21. The Claimant further contended that the Defendant failed to provide access to the Unit for maintenance, in breach of Articles 42, 45, and 46 of the Leasing Law.

22. The Claimant sought orders that:

(a) The Lease expired on 31 July 2025 and was not renewed

(b) The Defendant vacate the Unit

(c) The Defendant pay overstay rent from 1 August 2025 until vacant possession

(d) The Defendant pay outstanding utilities and service charges

(e) The Defendant's claim for compensation be dismissed; and

(f) The Defendant pay the Claimant's court fees.

*The Defence and Counterclaim*

23. The Defendant filed a Defence and Counterclaim.

24. The Defendant contended that she was unable to take possession of the Unit at the commencement of the Lease due to its condition, and that the Lease term was correspondingly extended.

25. The Defendant alleged that throughout the tenancy, the Unit suffered from defects rendering it uninhabitable, and that the Claimant failed to remedy those defects despite repeated complaints.

26. The Defendant denied liability for overstay rent, contending that:

(a) No valid notice to vacate had been served; and

(b) The Claimant accepted rent payments after July 2025.

27. By Counterclaim, the Defendant sought dismissal of the Claimant's Claim and an order for compensation in the sum of AED 500,000.

*The SCT Judgment*

28. In the Judgment issued on 28 January 2026, the SCT found that:

(a) The Claimant had served notice of rent increase on 15 April 2025

(b) The Defendant did not renew the Lease and remained in occupation after 31 July 2025; and

(c) The Defendant was liable to pay overstay rent calculated at AED 821.92 per day.

29. The SCT ordered that:

(a) The Defendant pay the Claimant overstay rent in the sum of AED 140,548.32 up to the date of Judgment

(b) Overstay rent continue to accrue at AED 821.92 per day until the Defendant vacates the Unit

(c) The Defendant vacate the Unit

(d) The Defendant pay all outstanding utility charges

(e) The Defendant's Counterclaim be dismissed; and

(f) The Defendant pay the Claimant the DIFC Courts' filing fee of AED 7,027.41.

30. The SCT made no order as to costs beyond the filing fee.

*The Appeal Application*

31. On 18 February 2026, the Defendant applied for:

(a) An extension of time to apply for permission to appeal

(b) Permission to appeal the SCT judgment; and

(c) A stay of execution of the eviction order pending determination of the application for permission to appeal and any appeal.

**Extension of Time**

The *Applicable* Rules and Principles

32. Pursuant to RDC 53.107, an appellant from the Small Claims Tribunal must file an Appellant's Notice within 14 days of the date of the decision.

33. The Court has power under RDC 4.2 to extend time, including after the expiry of the relevant period. That discretion, however, must be exercised judicially and consistently with the objectives of the SCT regime.

34. In determining whether to extend time in the context of an SCT appeal, the Court will ordinarily have regard to:

(a) the length of the delay

(b) the explanation for the delay

(c) whether the applicant acted promptly once the default was appreciated

(d) the evidential support for the explanation advanced

(e) the apparent merits of the proposed appeal; and

(f) the importance of finality, particularly given the summary and expeditious nature of SCT proceedings.

35. The burden rests on the applicant to demonstrate that the discretion should be exercised in her favour.

*Application to the facts*

36. The deadline for filing an Appellant's Notice expired on 11 February 2026. The Defendant filed her Appellant's Notice on 16 February 2026, five days late.

37. Although the delay is not lengthy, even a short delay requires a satisfactory explanation in the SCT context.

38. The Defendant relies on a medical prescription dated 10 February 2026 recording treatment for acute sinusitis. The Defendant also submitted orally that she had been hospitalised for part of the relevant period.

39. The material relied upon is limited. The prescription is not a medical certificate, does not describe the severity of the condition, and does not state that the Defendant was incapacitated or unable to attend to legal matters. No hospital records or medical report were produced.

40. The evidence does not explain why no steps were taken during the earlier part of the 14-day appeal period, nor why the Appellant's Notice was not filed promptly once the time limit expired.

41. Illness, without cogent evidence of incapacity, does not of itself justify non-compliance with procedural deadlines.

42. The Court has also considered the merits of the proposed appeal, which are addressed below. With one limited exception, the proposed appeal lacks arguable merit.

43. Having regard to the absence of a satisfactory explanation, the limited evidential support for the explanation advanced, and the importance of finality in SCT proceedings, the Court is not satisfied that the discretion to extend time should be exercised in the Defendant's favour, save to the limited extent necessary to permit consideration of any appeal ground that meets the permission threshold.

**Permission to Appeal**

*The Applicable Test*

44. Permission to appeal from the SCT is required pursuant to RDC 53.89.

45. Permission may be granted only where the Court considers that:

(a) The appeal would have a real prospect of success; or

(b) There is some other compelling reason why the appeal should be heard.

46. The appeal jurisdiction is not a rehearing. An appeal from the SCT is not an opportunity to re-run the case on a different evidential basis or to remedy deficiencies in the presentation of the case at first instance.

The *Nature* of the Material Relied On

47. The Defendant relies on a body of technical, environmental, accounting and medical material said to support her allegations concerning habitability and loss.

48. Those documents were uploaded by the Defendant to the Court portal prior to the SCT hearing, but were not separately filed, paginated, or otherwise clearly deployed as evidential material relied upon at the Hearing.

49. At the SCT hearing, the SCT Judge emphasised to the Defendant the need for facts and evidence supporting her Defence and Counterclaim. The Defendant responded by referring in general terms to reports said to have been prepared by Ogenya and a laboratory approved by the Dubai Municipality, asserting that the apartment was unfit for human habitation due to mould and inadequate oxygen levels. The Defendant did not, however, identify particular findings, measurements, or conclusions from those reports that demonstrated uninhabitability.

50. The SCT Judge queried the apparent inconsistency between the allegation that the Unit was uninhabitable and her continued occupation of it following expiry of the tenancy. The Defendant responded that she was unable to move, citing personal and practical difficulties with relocation and attempts she said she had made to obtain assistance in securing alternative accommodation. The exchanges at the SCT hearing did not involve a detailed examination of the contents of the reports relied upon, nor did the Defendant articulate how any specific aspect of the material established the legal threshold of uninhabitability.

51. On the hearing of the Applications for an extension of time and for permission to appeal, the Court expressly invited the Defendant to identify what in the material she relied upon demonstrated that the Unit was uninhabitable. On that occasion, the Defendant was unable to point to specific findings or conclusions in the documents said to have been uploaded that supported the allegation.

*Ground 1: Habitability and alleged error of law*

52. The Defendant contends that the SCT Judge misapplied the legal standard for habitability under the DIFC Leasing Law and failed to evaluate the technical evidence properly.

53. The Judgment records that the SCT Judge considered the Defendant 's allegations but concluded that the Defendant failed to establish that the Unit was uninhabitable or that the counterclaim was proved.

54. In circumstances where the Defendant did not effectively identify or rely on specific findings from the uploaded reports in support of her case at

the hearing, the SCT Judge was entitled to determine the issue on the basis that the evidential burden had not been discharged.

55. There is no obligation on an SCT Judge to trawl through uploaded material or to reconstruct a party's evidential case. The informality of SCT proceedings does not relieve parties of responsibility for clearly presenting the evidence on which they rely.

56. This ground amounts, in substance, to a disagreement with evaluative findings reached based on the case as presented. It does not disclose an error of law or an appealable misdirection.

57. This ground has no real prospect of success.

*Ground 3: Serious procedural irregularity*

58. The Defendant contends that the dismissal of the counterclaim constitutes a serious procedural irregularity because the SCT Judge did not consider uploaded documents.

59. The materials were not excluded, nor was the Defendant prevented from relying on them. The Defendant was afforded a fair opportunity to advance her case and to explain how the material supported her allegations.

60. The absence of express consideration of documents that were not clearly deployed or relied upon at the hearing does not amount to procedural unfairness.

61. No serious procedural irregularity capable of rendering the Judgment unjust has been established.

62. This ground has no real prospect of success.

*Ground 2 (and Ground 4): Alleged failure to consider payment of AED 285,000*

63. The Defendant contends that the SCT failed to consider, or to explain its treatment of, a payment of AED 285,000 allegedly made on 19 August 2025, and that this affected the calculation of overstay rent.

64. The Judgment sets out the basis on which overstay rent was calculated but does not expressly address the alleged payment or explain whether, and if so, how it was taken into account.

65. Whether the payment was legally effective or ultimately applicable is a matter to be determined on appeal. At this stage, the issue is whether the SCT arguably failed to consider or explain the treatment of a potentially material matter raised before it.

66. That issue is discrete, focused, and capable of affecting the quantum of the monetary orders.

67. In those circumstances, this ground can meet the "real prospect of success" threshold.

*Conclusion on Permission to Appeal*

68. Permission to appeal is refused on all grounds relating to habitability, mould, health impacts, dismissal of the counterclaim, and alleged procedural irregularity.

69. Permission to appeal is granted only on the limited ground concerning whether the SCT erred in failing to consider, or to explain its treatment of, the alleged payment of AED 285,000 and its relevance to the calculation of overstay rent.

**Stay of Enforcement**

*Applicable principles*

70. An appeal does not operate as a stay of enforcement unless the Court orders otherwise.

71. In deciding whether to grant a stay, the Court considers:

(a) whether the appeal would be rendered nugatory absent a stay

(b) the merits and scope of the permitted appeal

(c) prejudice to the successful party

(d) the balance of convenience; and

(e) the need for security.

*Application to the facts*

72. The only permitted appeal concerns a discrete accounting issue. It does not call into question the SCT's findings as to expiry of the lease, unlawful occupation, or the order requiring the Defendant to vacate the Unit.

73. The appeal would not be rendered nugatory by the refusal of a stay of the order to vacate. Granting a stay of that order would undermine the finality of the SCT's core findings.

74. The monetary orders may, however, be affected by the outcome of the permitted appeal. In those circumstances, a limited stay of monetary

enforcement is appropriate.

*Conclusion on stay*

75. No stay is granted in respect of:

(a) the order requiring the Defendant to vacate the Unit

(b) the order relating to utilities; or

(c) the award of court fees.

76. A limited stay of enforcement of the monetary orders relating to overstay rent is granted pending determination of the permitted appeal.

**Disposition**

77. The time for filing an Appellant's Notice is extended only to the extent necessary to permit the appeal on the single ground for which permission to appeal is granted.

78. Permission to appeal is granted only on the limited ground identified above and is refused in all other respects.

79. Enforcement of the monetary orders is stayed.