Claim No: SCT 463/2019

THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS

In the name of His Highness Sheikh Mohammad Bin Rashid Al Maktoum, Ruler of Dubai

IN THE SMALL CLAIMS TRIBUNAL
BEFORE SCT JUDGE MAHA AL MEHAIRI

BETWEEN

LORENZO

Claimant

and

LOLA REAL ESTATE

Defendant

Hearing

: 3 February 2020

Judgment

: 17 February 2020

JUDGMENT OF SCT JUDGE MAHA AL MEHAIRI

UPON the Claim Form being filed on 3 October 2019

AND UPON the Defendant filing an Acknowledging of Service with an intention to defend the whole of the claim on 13 October 2019

AND UPON the parties being called for a Consultation before SCT Judge Nassir Al Nasser on 22 October 2019

AND UPON the parties failing to reach a settlement at the Consultation

AND UPON a hearing having been held before SCT Judge Maha Al Mehairi on 3 February 2020, with the Claimant's and the Defendant's representatives in attendance

AND UPON reviewing the documents and evidence submitted in the Court file

IT IS HEREBY ORDERED THAT:

1. The Defendant shall refund the Claimant the amount of AED 2,437.88.

2. The Defendant shall pay the Claimant the DIFC Courts' filing fee in the sum of AED 367.50.

Issued by:

Nassir Al Nasser

SCT Judge

Date of issue: 17 February 2020

At: 3pm

THE REASONS

Parties

1. The Claimant is Lorenzo, a former tenant of the Defendant (the "Claimant").

2. The Defendant is Lola Real Estate, an agency enlisted to manage Apartment 1234, located inDIFC (the "Defendant").

Background and Hearing

3. On 1 March 2019, the Claimant and the Defendant entered into a written agreement (the "Lease Agreement" or "Lease") for the period of 1 year for the amount of AED 170,000. The Claimant provided the Defendant with 3 cheques in the amount of AED 56,667 to cover the agreed amount.

4. On 26 May 2019, the Claimant gave notice of her intention to terminate the Lease Agreement early. The parties agreed that the final day of the Lease would be 25 June 2019. The Claimant requested that the Defendant return the two postdated cheques that remained in the Defendant's possession along with an additional payment of 5 days' unused rent.

5. On 25 June 2019, the parties conducted a joint inspection of the property, but the Claimant refused to sign the inspection form until she received the post-dated cheques.

6. On 27 June 2019, the Claimant handed over the keys and access cards to the Defendant in exchange of the post-dated cheques. At the same time, the Defendant informed the Claimant that her security deposit would only be refunded 28 days following the return of the keys and the final inspection of the apartment.

7. Following numerous email communication between the parties in relation to the apartment's snag list, the parties agreed by way of an email dated 22 July 2019 as follows:

"Dear Ms. Linda,

Good afternoon and it was nice meeting your this morning.

As discussed,

1. Requesting you to please install the lights in the living area and in the kitchen hood

2. stickers be removed in all areas where we have specifically mentioned.

This is to confirm that we have found the wooden panel and you will not be charged of the same.

Apartment will be kept open so you can go and do the works as mentioned above.

Your security deposit refund is on process, we will update once it is ready to be collected.

Alternatively, you may share your account number so we can deposit the cheque to your account once it is released by your Landlord.

Thank you and best regards,

Lucy Office Manager"

8. On 3 October 2019, the Claimant filed a claim with the DIFC Courts' Small Claims Tribunal (the "SCT") seeking a refund of the 5 days rent in June in the amount of AED 2,322.38.

9. The parties failed to reach a settlement following a Consultation before SCT Judge Nassir Al Nasser on 22 October 2019 and, consequently, the case was set for a Hearing before me on 3 February 2020. I heard submissions of both the Claimant's and the Defendant's representatives.

The Claim

10. The Claimant submits that the Defendant has refused to return the remainder of the rent due to the snag list of the apartment. The Claimant submits that before returning the keys to the Defendant, the apartment was painted and put back to its original state. The Claimant provided the court with evidence of a `paint invoice'.

11. The Claimant submits that the snag list falls under wear and tear as the responsibility of the Defendant.

12. In reply, the Defendant submits that it took 73 days to put the apartment back to its original state and that the Defendant did not charge the Claimant for any of the items on the snag list or any additional rent to put back the apartment in its original state.

Findings

13. First and foremost, the relevant Lease Agreement is in relation to an apartment in the DIFC, therefore by default, any agreement shall be governed by the prevailing law of the DIFC, United Arab Emirates and that upon failure to resolve any disputes connected to the Lease Agreement, the dispute shall be referred to the DIFC Courts. Therefore, it is clear and undisputed that the DIFC Courts have jurisdiction to decide this matter. As the claim value is less than AED 500,000, this claim is properly before the SCT.

14. There is a dispute between the Claimant and Defendant in relation to whether the Claimant is entitled to the 5 days of rent in June.

15. The Claimant submits that she returned the property back to the Defendant and she is entitled to the 5 days rent left in the month of June. The Defendant argues that it took them 73 days to restore the apartment to a position where they can rent it again.

16. The Court is satisfied that the Claimant is entitled to the 5 days of rent due to the fact that, on 25 June 2019, the Claimant was willing to return the keys to the Defendant in exchange of the post-dated cheques and, but for the Defendant's delay, the exchange was postponed to 27 June 2019.

17. The Court is of the view that, after reviewing the snag list, the items that were presented by the Defendant as falling under the Claimant's

responsibility were not major, (i.e. changing of lights and removal of stickers). The Claimant presented an invoice from the contractors proving that she changed all the faulty lights and applied a fresh coat of paint throughout the apartment. The Defendant in any event did not file any counterclaim against the Claimant.

18. In addition to the above, the Claimant completed the contractually agreed 1-month notice period in accordance with the Lease Agreement, as such, I am satisfied that she has fulfilled her duty under the Lease.

19. In sum, I am of the view that the Claimant is entitled to the five days of rent.

20. The Claimant has also sought recovery of an invoice in the sum of AED 115.50, which the Defendant has not opposed.

Conclusion

21. As such, the Defendant is liable to pay the Claimant the amount of AED 2,322.38 for five days rent.

22. The Defendant shall pay the Claimant the sum of AED 115.50 in respect of the unpaid invoice.

23. The Defendant shall pay the Claimant the amount of AED 367.50 towards the court filing fee.

Issued by:

Nassir Al Nasser

SCT Judge

Date of issue: 17 February 2020

At: 3pm