

JUDGMENT SUMMARY

Neutral Citation	[2025] ADGMCFI 0020
Case Numbers	ADGMCFI-2023-249; ADGMCFI-2024-047; ADGMCFI-2024-154
Name of Cases	<p>Federal Properties Limited – Sole Proprietorship L.L.C (also known as Federal Properties Limited) v. Rawafid H Jazairi Ibrahim</p> <p>Federal Properties Limited – Sole Proprietorship L.L.C (also known as Federal Properties Limited) v. Amir Sadik Ali Al Samarraie</p> <p>Federal Properties Limited – Sole Proprietorship L.L.C (also known as Federal Properties Limited) v. Zaid Ausama Ibrahim</p>
Judge	Justice Paul Heath KC
Date Issued	25 August 2025
Catchwords	Application for permission to appeal to Court of Appeal. Whether the appeal would have a real prospect of success. Whether there is some other compelling reason why the appeal should be heard.
Cases Cited	<p>Federal Properties Limited – Sole Proprietorship LLC (also known as Federal Properties Limited) v Ibrahim and Ors [2025] ADGMCFI 0013</p> <p>Skelmore Hospitality Group Ltd v Rosewood Hotel Abu Dhabi LLC [2019] ADGM CA 0001</p> <p>Frazer v Walker [1967] 1 AC 569</p> <p>Re D&D Wines International Ltd (in liq); Bailey v Angove’s Pty Ltd [2016] UKSC 47</p> <p>Meridian Global Funds Management Asia Ltd v Securities Commission [1995] 3 NZLR 7</p> <p>Jetivia SA v Bilta (UK) Ltd (in liq) [2015] UKSC 23</p> <p>Lifestyle Equities Ltd v Ahmed [2024] UKSC 24</p>
Legislation and Authorities Cited	<p>ADGM Court Procedure Rules 2016</p> <p>ADGM Real Property Regulations 2024</p>
Executive Summary	<p>These cases concern Federal Properties Limited – Sole Proprietorship LLC (“Federal”) and multiple defendants/counterclaimants (“Counterclaimants”) regarding property ownership disputes. In a joint judgment delivered on 4 July 2025 (“July 2025 Judgment”), the Court dismissed Federal’s claims and found in favour of the Counterclaimants on their counterclaims (see Judgment Summary in [2025] ADGMCFI 0013)</p>

	<p>In each case, Federal made an application to the Court of First Instance for permission to appeal the July 2025 Judgment and sought a stay of execution on the consequential orders made, which included orders to give effect to the transfer of title of four residential units into the names of the respective Counterclaimants.</p> <p>In the joint judgment delivered on 25 August 2025 (“August 2025 Judgment”), the Court dismissed Federal’s applications for permission to appeal, finding no real prospect of success or other compelling reason to grant permission, but granted a limited, temporary stay pending any further application for permission to appeal made to the Court of Appeal. The August 2025 Judgment deals with the legal test for granting permission to appeal, summarises the proposed grounds of appeal relied on by Federal (principally relating to procedural fairness and the misapplication of legal principles under the ADGM Real Property Regulations 2024), and set out the Court’s reasons for refusing permission.</p>
Overall Summary	<p>Background</p> <p>This judgment (the August 2025 Judgment) addresses applications by Federal for permission to appeal a previous joint judgment (the July 2025 Judgment) and for a stay of execution. The applications stem from three related cases (ADGMCFI-2023-249, ADGMCFI-2024-047, and ADGMCFI-2024-154), all of which were heard together due to common issues.</p> <p>Federal was the registered owner of four residential units (2701, 1307, 1315, and 914) in the Mangrove Place Building on Al Reem Island. The Counterclaimants (referred to as the “Unit Owners” in the August 2025 Judgment) – Ms Rawafid H Jazairi Ibrahim and Mr Ausama Ibrahim (for Unit 2701), Mr Amir Sadik Ali Al Samarraie (for Units 1307 and 1315), and Mr Zaid Ausama Ibrahim (for Unit 914) – claimed a prior right to these units, challenging Federal’s registered title.</p> <p>The core issue in the original proceedings was the interpretation and application of indefeasibility provisions in the ADGM Real Property Regulations 2024, specifically Section 22 (indefeasibility) and Section 24(f) (the “Equitable Obligation Exception”).</p> <p>The July 2025 Judgment</p> <p>In the earlier joint judgment of 4 July 2025 ([2025] ADGMCFI 0013), the Court dismissed Federal’s claims seeking possession of the Units, which Federal argued were unlawfully occupied. Instead, the Court granted the Unit Owners’ counterclaims, ordering Federal to transfer each of the Units into their respective names. This decision was based on the Unit Owners’ successful reliance on the Equitable Obligation Exception to challenge Federal’s titles.</p> <p>Federal’s Current Applications</p> <p>Federal sought permission to appeal the July 2025 Judgment to the Court of Appeal, arguing that the appeal would have a “real prospect of success”</p>

	<p>or that there was "some other compelling reason" for it to be heard, as required by Rule 208(4) of the ADGM Court Procedure Rules 2016. Federal also sought a stay of execution of the July 2025 Judgment pending the outcome of any appeal. These applications were opposed by the Unit Owners.</p> <p>Proposed Grounds for Appeal</p> <p>Federal presented 21 grounds for appeal, which the Court categorised into three main areas:</p> <ol style="list-style-type: none"> 1. Procedural unfairness and evidentiary imbalance. 2. Misapplication of legal principles, particularly concerning the attribution of equitable obligations to Federal and the indefeasibility provisions. 3. Lack of evidentiary basis for overriding Federal's registered title. (the Court dealt with 2 and 3 together) <p>Analysis and Conclusion</p> <ol style="list-style-type: none"> 1. Procedural Unfairness/Evidentiary Imbalance: The Court found no real prospect of success on these grounds. It noted that the parties had a full opportunity to present their cases, including extensive witness statements, a five-day in-person hearing, cross-examination, and post-hearing written submissions specifically on the Equitable Obligation Exception. The Court clarified that its reference to (high) authorities (not relied on by the parties in their submissions) that set out settled legal principles did not constitute procedural unfairness. 2. Misapplication of Legal Principles (Indefeasibility): The Court concluded that its interpretation of Sections 22 and 24(f) of the Real Property Regulations was consistent with established authorities, and therefore, no arguable question of law arose. Crucially, the Court reiterated that a finding of fraud is not a prerequisite for invoking the Equitable Obligation Exception under section 24(f). The Court also opined that this was not an appropriate case for the Court of Appeal to offer its views on the new land tenure system on Al Reem Island for the purpose of the "compelling reasons" exception. <p>Consequently, Justice Heath KC dismissed Federal's applications for permission to appeal in all three proceedings.</p> <p>Stay Application</p> <p>Regarding the Stay Application, the Court highlighted that a stay is granted "only in wholly exceptional circumstances". Since permission to appeal was refused, there was no basis for a general stay. However, the Court granted a limited stay of execution for 7 days to allow Federal to apply to the Court of Appeal for permission to appeal, as permitted by Rule 206(4) of the ADGM Court Procedure Rules 2016. If Federal pursues such an application, the stay will remain in place until the Court of Appeal determines it.</p> <p>Costs</p>
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	The Unit Owners were awarded their costs for both the permission to appeal and stay applications. Directions were given for the filing of costs submissions in September 2025.
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This statement is not intended to be a substitute for the reasons of the Court or to be used in any later consideration of the Court's reasons.