

BUYER GUIDE · 31 OCTOBER 2026

Off-plan payment plans: *how they work and how to choose*

60/40, 50/50, post-handover and 1% a month explained, with real examples, the fees on top and how the law protects your money.

When you buy off-plan in Dubai, you don't pay the full price on day one. You pay in stages: a down payment when you book, instalments while the building goes up, and the balance on handover, or in some plans, after you get the keys. The split between those stages is the **payment plan**, and it matters as much as the price. This guide explains the common plans, what you pay on top, and the rules that protect your money.

The plans *at a glance*

10–20% TYPICAL DOWN PAYMENT ON BOOKING	**4%** DLD REGISTRATION FEE, PAID ON TOP	**Escrow** YOUR INSTALMENTS GO INTO A PROJECT ESCROW ACCOUNT
50% MOST BANKS WILL LEND ON AN OFF-PLAN HOME		

Sources: Dubai Law No. 8 of 2007 on escrow accounts; Khaleej Times, 30 August 2026 (mortgage limits). Down payments vary by developer.

How to read *a payment plan*

Plans are usually written as two numbers, such as **60/40**. The first number is what you pay **before handover**, including the down payment. The second is what is left to pay **on handover** or, in a post-handover plan, after it. Instalments before handover are either set by **date** (for example, 10% every six months) or by **construction progress** (for example, 5% when the building reaches 30% completion). Many plans mix both.

The main *types of plan*

PLAN	HOW IT WORKS	BEST FOR
Construction-linked (e.g. 80/20, 70/30)	Most of the price is paid during construction, and a smaller balance on handover.	Buyers with steady savings who want a small final payment.
Balanced (50/50, 60/40)	About half paid while the building goes up, the rest on handover.	Investors who want to keep cash free, or plan a mortgage at handover.
Post-handover	Part of the price is paid in monthly or quarterly instalments for one to five years after you get the keys.	Buyers who want to rent the unit out and use the rent towards the instalments.
1% a month	A fixed 1% of the price every month, usually during construction and sometimes after.	Buyers who prefer small, predictable monthly payments.

Real examples *from current projects*

PROJECT	PLAN	DOWN PAYMENT	HANDOVER
REEF 995, DLRC	60/40 on handover, or 60/40 with 40% over 2.5 years after handover (1.33% a month)	20%	Q4 2028
Sorrento, DAMAC Lagoons	50/50: half during construction, half on completion	15% (5% on booking + 10% within a month)	Q1 2030
DAMAC Islands, Dubailand	75/25 with about 1% a month: 55% over construction, 25% on completion	20%	Q4 2028
The Meriva, Dubai Islands	70/30: dated instalments, then instalments linked to construction progress, 30% on completion	20%	Q2 2030
Fior 1, Rashid Yachts & Marina	80/20: 10% instalments every six months or so, 20% on completion	10%	July 2030

Plans as published on our listings. Developers change plans and offers often, so ask us for the current terms before you book.

A worked example: *AED 1,000,000 apartment*

STAGE	60/40 ON HANDOVER	60/40 WITH 2.5 YEARS POST-HANDOVER
Down payment (20%)	AED 200,000	AED 200,000
During construction (40%)	AED 400,000	AED 400,000
On handover (40%)	AED 400,000	—
After handover	—	About AED 13,300 a month for 30 months
DLD fee (4%), usually at booking	AED 40,000	AED 40,000

With the post-handover plan, you get the keys while 40% is still unpaid. If you rent the apartment out, the rent can cover a large part of those monthly instalments.

What you pay *on top*

- **DLD registration fee: 4% of the price.** Paid when your purchase is registered with the Dubai Land Department under the Oqood system, usually at booking. Some developers run offers that cover all or half of it.
- **Registration and admin fees.** Small fixed fees for the Oqood registration and the developer's paperwork.
- **Service charges** start once the building is handed over.
- **A mortgage, if you need one.** For an off-plan property, banks lend up to **50%** of the value, and the down payment must come from your own money, not a personal loan or credit card.

How the law *protects your payments*

- **Escrow accounts.** Under Dubai Law No. 8 of 2007, payments from off-plan buyers go into an escrow account opened for that specific project with an approved bank. The money is reserved for building that project, and the developer's creditors cannot touch it.
- **Refund if a project is cancelled.** If RERA cancels a project, the developer must refund all payments.
- **Registration.** Your purchase is registered with the DLD through Oqood, so it appears in the official records before the building is finished.
- **If you miss payments.** The developer must go through the DLD, which gives you 30 days' notice to pay or agree a settlement. After that, what the developer can keep depends on how far the building has progressed: up to 25% of the unit's value if it is less than 60% complete, and up to 40% if it is 60% complete or more. Any excess must be refunded. This is why it pays to choose a plan you can keep up with.

Sources: Dubai Law No. 8 of 2007 on escrow accounts; Article 11 of Law No. 13 of 2008 as amended by Law No. 19 of 2017 (Dubai Legislation Portal); Khaleej Times, 10 October 2026.

How to choose *the right plan*

- **Match the plan to your cash flow.** Add up every payment and its date, and make sure you can meet each one comfortably.
- **Plan the handover payment early.** If you will need a mortgage for the final payment, check how much a bank will lend you well before handover.
- **Compare the total, not just the down payment.** A low deposit can come with a higher price. Compare the price per square foot between projects.
- **Check the developer's delivery record** and the handover date. A plan is only as good as the developer behind it.
- **Read the Sale and Purchase Agreement (SPA)** for late-payment terms, handover conditions and what happens if the building is delayed.
- **Thinking of a Golden Visa?** Off-plan and mortgaged homes can qualify. See our Golden Visa guide.

Compare *payment plans* with us

Tell us your budget and how you'd like to pay, and we'll shortlist projects whose plans fit, with the full schedule for each.

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Sources

- Dubai Law No. 8 of 2007 Concerning Escrow Accounts for Real Estate Development (Dubai Legislation Portal)
- Explanatory Notes on Article 11 of Law No. 19 of 2017, amending Law No. 13 of 2008 (Dubai Legislation Portal)
- Khaleej Times, "Missed off-plan payments in Dubai? Here's what your developer can legally do", 10 October 2026
- Khaleej Times, "UAE property: Can you use a personal loan to fund your mortgage down payment?", 30 August 2026
- Developer payment plans as published on dxblisting.com listings, October 2026

This guide is for information only and is not legal or financial advice. Payment plans, fees and offers are set by developers and can change. Read your SPA carefully before you sign. Tarek Imad · BRN 52002 · Tanami Properties L.L.C. · ORN 770107