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Recovery of unpaid rent of a leased property





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Subject of the case:

A case was by our client (H) against Company (S) (defendant) for recovery of rental dues of rented property leased by our client based on the tenancy contract existed between our client and the defendant.

Summary of the case:

The company (defendant) failed to settle the rent amount of the leased premises (plot of land) for which a tenancy contract was signed between our client (plaintiff) and the company (defendant)– a matter, which led our client to approach us to sue the company and recover the unpaid rent.

The case ended up with the court issuing a ruling in favour of our client, ordering the company to pay our client the full amount of the outstanding rent.

Details:

As per the lease contract entered into between the plaintiff and the defendant, the main obligation of defendant was payment of rent to the plaintiff, which defendant failed to obligate and breached its contractual obligations as agreed in the tenancy contract.

We filed the case before the General court and represented our client to claim its legal right against the company.

The defendant was served with a notice more than once to appear in court, but they did not appear in the hearing. Following the non-appearance of the defendant, the court accepted to pursue the case and we submitted the corroborated evidences, which showed the court that our claims were legible.

Since the case was involved with complicated financial matters, we requested the court to allow us to bring in the client's accounts and finance team, who helped calculate the amount of the overdues in an appropriate manner to the Court, which showed the Court clearly the defendant was not committed to pay the said amounts in a correct and timely manner. The total value of the outstanding rent was SAR 2,050,400 (Only Two Million and Fifty Thousand and Four Hundred Saudi Riyals).

Based on the above, we noted to the Court to enforce the relevant Sharia and lawful stipulations, including:

- 1 Allah said in the holy Quraan: (O you, who have believed, fulfill [all] contracts).
- 2- Prophet Muhammad, PBUH, said in the Hadith: (It is not permissible to take the money of a Muslim except if he is fully content.)
- 3- The enforcement of Paragraph (1) of Article No. (57) of the Law of Civil Procedure (before Sharia Courts), which states: If the defendant is absent from the first hearing without being notified in person or through his agent, consideration of the case shall be postponed to a subsequent hearing of which the defendant shall be notified. If he is absent from said hearing without an excuse acceptable to the court and without being notified in person or through his agent, the court shall rule on the case and its judgment shall be considered in absentia with respect to the defendant.

Court Ruling:

Upon reviewing our submission, the honorable court ordered the company (defendant) to pay our client the total due amounts, which are valued at SAR 2,050,400 (Only Two Million and Fifty Thousand and Four Hundred Saudi Riyals). The ruling was deemed final since the company was unable to challenge the verdict as it failed to produce any evidentiary documents or arguments what could prove in its favour, which ended up in upholding the primary court ruling by the honorable judges of the appellate court.

Ruling date:2019

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