



Republika e Kosovës
Republika Kosovo - Republic of Kosovo
Kuvendi - Skupština - Assembly

Law No.04/L-061

**ON SALE OF APARTMENTS IN WHICH THERE IS TENURE
RIGHT**

Assembly of Republic of Kosovo,

Based on Article 65 (1), of the Constitution of the Republic of Kosovo,

Approves

**LAW ON SALE OF APARTMENTS IN WHICH THERE IS TENURE
RIGHT**

CHAPTER I
GENERAL PROVISIONS

Article 1
Purpose

This Law regulates the conditions and manner of sale of public and socially owned apartments in which there is a tenure right or the rent right indefinitely, along with common parts and building equipments, and ways determining the selling price of the apartment and termination of tenure rights.

Article 2

Scope of application

This Law applies to socially owned apartments and public housing in which there is tenure right.

Article 3

Definitions

1. Terms used in this Law shall have the following meanings:

1.1. **Residential building** - the building as a whole or the bulk of it, is designated and used for housing.

1.2. **Apartment** - one or more spaces designated and suitable for housing, together with supporting spaces which as a rule, constitute a complex and have separate entrance;

1.3. **Supporting spaces** - space or common areas separate from residential buildings, but are a function of residential buildings, except garages;

1.4. **Sale of apartment** - the sale of a socially owned apartment namely publicly owned, in which the tenure rights of the bearer of housing right and other authorized persons as defined by this Law;

1.5. **Common parts and the residential building facilities and equipments** - parts and equipments which serve the building as a whole, including: foundations, main walls, roof, stairs, chimney, elevators, facade, basement, ceiling, corridor, lightening, clothes washing and drying space, waste space, building council spaces, electrical equipments, lightening conductor, sewerage, telephone network, water supply, tubs, gas and hot water and telephone antenna installation;

1.6. **Holder of tenure right** - a natural person whose apartment has been granted - is awarded an apartment use permit and who has a contract on use of the apartment;

1.7. **Members of the close family of tenure rights holder**- spouse, children born in marriage and outside marriage, adopting, stepmother, adopters, and other persons whose the holder of tenure right is responsible is obliged to keep under the Law, or these persons under the Law have a duty to feed the holder of the tenure rights, and who live together;

1.8. **Buyer** - the person who under the terms of this Law can buy the apartment in which tenure rights exists, which includes the holder of tenure rights, and close

members of a family community of tenure rights holder, with his consent given during his lifetime or after his death, by the decision act of the heritage;

1.9. **Vendor**- a legal person, holder of the tenure right for public owned apartments, the Kosovo Privatization Agency to socially owned apartments, respectively municipality on the apartments whose owner is unknown;

1.10. **Contract** - contracts for the sale of the apartment in which the tenure right exist, connected in accordance with the provisions of this Law;

1.11. **Sale or discount coefficient** - discount from the selling price of the apartment set within the meaning of Articles 17,18,19,20 and 21 of this Law;

1.12. **Ministry** – The relevant ministry of Environment and Spatial Planning.

Article 4

1. Apartment is sold with common parts and building equipments which serve the building as a whole.

2. Selling object is also the garage whether it is as part of the residential building, or if the holder of tenure right has been given to his / her use as part of the apartment.

Article 5

1. Not considered as apartments within the meaning of this Law:

1.1. spaces in buildings used for temporary accommodation; and

1.2. commercial and administrative spaces in buildings.

Article 6

1. Apartments in the ownership of legal entities whose headquarters is in the territory of our country, which are located in the territory of any country deriving of the former Yugoslavia, will be sold in accordance with the provisions of agreements between states and under reciprocity conditions, if otherwise it is not regulated by bilateral agreements.

2. Foreign nationals can buy an apartment under the conditions stipulated by this Law only if it is possible that the citizens of Kosovo to buy an apartment with the same conditions in the respective country.

CHAPTER II RIGHT TO BUY AN APARTMENT

Article 7

1. Each holder of tenure right, namely user of the public or socially owned apartment, except in cases of Article 11 of this Law, shall submit a written request for purchasing an apartment.
2. Request for buying an apartment is submitted to:
 - 2.1. Kosovo Privatization Agency on apartments whose holder of tenure right is socially owned;
 - 2.2. a public institution that has given the apartment, respectively who is the bearer of the tenure right to the public owned apartments.
3. The application from paragraph 1. of this Article, shall be submitted within two (2) years from the date of entry into force of this Law, and the apartment sales contract must be entered within three (3) months from the date of application for purchasing the apartment.
4. If the seller, despite the request of the holder of tenure rights respectively authorized purchaser who has the right to buy the apartment, refuses or does not enter into a contract within the time specified in paragraph 3. of this Article, the buyer acquires the right in the contentious proceedings requires from the competent court to issue a decision that replaces the contract.
5. The term for the contract to purchase an apartment for which at the time of application for purchase, all relevant facts that are essential to selling are not known, a new term will start from the day when these facts are known.
6. Facts known to the apartment market are estimated at the time of contract.
7. The seller is obliged within three (3) months after entry into force of this Law, to inform the tenure right holder, namely the user of the apartment to its rights stipulated by this Article.

Article 8

Close members of a family community of tenure rights holder have the right to housing accommodation sold under the provisions of this Law.

Article 9

1. When one of the spouses who live in joint family has won the tenure right, holder of tenure right is also the other spouse.
2. Spouses can buy the apartment together, and one of them only with the agreement of the other.
3. In cases where the cohabitants are holders of tenure rights, they buy the apartment together, each for the part which is the bearer of the tenure rights, if they do not reach other arrangements.
4. Notwithstanding paragraph 3. of this Article, it is worth the case when one or more cohabitants do not submit a request to purchase a part of his / her apartment within the time specified in the provisions of paragraph 3 of Article 7 of this Law, in such cases other cohabitants gain the right to buy the apartment in general.
5. Agreement, under paragraph 2. and 3. of this Article, is in the form of a written contract and certified to a competent Institution.
6. In case of disputes, legal proceedings will decide.

Article 10

1. The apartments, which have been proved that their vendor is unknown, the right to sell is borne to municipalities whose territory is the apartment.
2. In terms of this Law, apartments of unknown vendor are considered such apartments whose holder of the tenure right is a legal entity who has not registered activity, or has ceased its activities and its successor is unknown, or its headquarter is not known and tenure rights holder is not able to apply for purchasing an apartment within the time specified in paragraph 3 of Article 7 of this Law.
3. In cases under paragraph 1 of this Article, the holder of tenure rights, submits a request to buy the apartment to authorized body of the municipal administration in the territory of which the apartment is located.
4. The local municipal authority, after completion of the determined procedure, shall approve the application for purchase of apartment of tenure right holder who has fulfilled the conditions under this Law and signs a contract within the time specified in Article 7 of the Law.

CHAPTER III
EXEMPTION FROM THE RIGHT TO BUY THE APARTMENT

Article 11

1. Under the Law provisions from selling is excluded:
 - 1.1. apartment located in buildings to which the destruction procedure has been initiated;
 - 1.2. apartment located in administrative buildings used for the conduct of state administration, judiciary, health, and other representative buildings used for the need of local and central institutions;
 - 1.3. apartment located in charitable institutions, respectively belonging to the charitable institution and which can go on the achievement of goals for which it is established, building constructed or bought by the funds provided or collected for charity and other purposes of public interest;
 - 1.4. apartment used for pensioners housing and other persons, in terms of social protection;
2. Tenure right holder shall be compensated in an equivalent manner.

CHAPTER IV
POWERS FOR DETERMINING THE APARTMENT STATUS

Article 12

1. Municipality defines which apartments belong to administrative or representative buildings, under Article 11 of this Law.
2. The Municipality, under the request of the person concerned, confirms which apartments are purchased from funds provided or collected for charitable purposes or other public interest purposes, under Article 11 of this Law.

Article 13

1. Before signing a contract for the sale of the apartment, the seller is obliged to ask the Kosovo Property Agency, to verify whether a requirement to certain apartment in the Housing and Property Directorate established by UNMIK Regulation 1999 / 23 and

2000/60 or in Kosovo Property Agency, established by UNMIK regulation 2006/50 amended and supplemented by Law No.03/L-079.

2. If the Kosovo Property Agency or her heir confirms that the apartment that is the subject of sale is submitted an application at the institutions from paragraph 1 of this Article, it is obliged to send the seller a certified copy of the decision of the Housing and Property Claims Commission respectively Kosovo Property Claims Commission and such decisions shall be applied by the seller.

3. Apartments which are subject to conflict of tenure rights can not be sold until the final decision of the court or other competent Institution.

Article 14 **Contract Contents for Apartment Sale**

1. The sale of the apartment is done under the contract which is in writing and include:

1.1. contracting parties;

1.2. time and place of contract;

1.3. details of the apartment which is the subject of this contract;

1.4. price;

1.5. declaration of the seller who accepts the transfer of ownership rights to the buyer and its registration in the register of immovable property;

1.6. statement of the buyer accepting a mortgage on the apartment, in case of payment in rates;

1.7. conditions, manner and time of completion of contract and;

1.8. reasons for termination of the contract.

Article 15

1. The contract by the contracting parties must respect the deadline set by paragraph 3 of Article 7 of this Law.

2. The contract signed by the contracting parties is verified in the competent Institution.

Article 16
Setting the Selling Price

1. Base price for calculating the sale price for apartments is one hundred (100) Euro per m².
2. Sale discount coefficient is $KL = 0.03$ for each year of seniority.

Article 17

1. Apartment selling price is calculated according to the formula:

$$Sp = Av - (Av \times Aa \times Sc)$$

Where:

Sp- selling price;

Av- the apartment value;

Aa- apartment aging;

Sc- sale coefficient.

Article 18

1. Sale coefficient during the process of calculating the selling price of the apartment is applied for aging period of the apartment from fifteen (15) to thirty (30) years.
2. For apartments older than thirty years (30), the sale coefficient is applied to them as those with thirty (30) years of seniority.

Article 19

The price of the garage is set in the manner provided under paragraph 1 of Article 16 of this Law, but the buyer is not entitled to sale discount and shall pay the cost of the garage, under Article 20 of this Law.

Article 20
Method of Payment of Apartment Selling Price

1. Payment of the apartment selling price and of garage can be made with cash-in such case there is a 20% decrease from the selling price. Deadline for cash-payment can not be

longer than fifteen (15) days, after the day of signing the contract.

2. Payment of the apartment selling price can be done by monthly installment for a period not longer than ten (10) years.

Article 21

If the buyer of the apartment does not comply with the contract on the payment method, about the observed delays will be applied interest penalty under the applicable Law.

Article 22

Payment Inability of Apartment Price

1. If the buyer of the apartment can not pay the debt due to the loss of his regular income or members of the family community residing with him/her, then the contract on the sale of the apartment is terminated and is established a joint ownership in the apartment proportional to the number of installments paid in proportion to the total number of installments contracted.

2. In the case from paragraph 1 of this Article, the buyer of the apartment continues to use the apartment in quality of tenant for the apartment in which he has not gained the ownership.

CHAPTER V

REGISTRATION OF PROPERTY RIGHT IN THE APPARTMENT

Article 23

1. The buyer/purchaser gains the right of the apartment ownership when the apartment is registered in the registry of immovable property rights.

2. If the buyer has contracted payment method of the purchase price in installments, the right of ownership registration in the register of immovable property rights is acquired by the payment of final installment.

3. If the immovable property is not registered in the register of immovable property rights, the right of ownership over the apartment for which the payment is done, it is obtained with the certification and registration of the contract to the competent body in the territory of which the apartment is located.

4. Municipal Cadastral Office shall register the Immovable Property Rights in the

registry under the authorization of the Kosovo Cadastral Agency and in accordance with applicable Law.

Article 24

In the case of contractual payment in installments, the contract for the sale of the apartment shall contain a statement of the buyer with which he / she enables the registration of the right of mortgage on the account of the seller on the purchased apartment for the amount of price and interest.

Article 25

1. The mortgage right is obtained by its registration in the registry of immovable property rights.
2. In municipalities where it is not established the registry of rights over immovable property, the mortgage right is achieved by registration of that right in another adequate register for registration of mortgage right on immovable property.
3. In cases where the competent authority accepts the request for registration or recognition of the ownership right over the apartment, it must ex officio to register also the mortgage right on behalf of the seller for the amount of the sale price and interest.

Article 26

The tenure rights shall be terminated on the day on which the bearer of tenure right or his authorized representative signs the contract on the apartment market.

Article 27

For contracts selling the apartments under the provisions of this Law, no turnover tax is paid on immovable property.

CHAPTER VI METHOD OF DISTRIBUTION OF FUNDS FROM SALE OF APARTMENTS

Article 28

1. Money collected from the sale of apartments whose bearer of the tenure right are

socially owned enterprises are paid into the account of social enterprise and used according to the applicable legislation on privatization of socially owned enterprises.

2. Funds from the sale of apartments are paid in:

2.1. in the municipal budget when the holder of the tenure right are municipalities;

2.2. in Kosovo budget when the holder of the tenure right are public central.

3. Received funds under paragraph 2 of this Article shall be used to solve the housing needs under Article 11 of the Law No. 03/L-164 on Financing of Special Housing Programs.

CHAPTER VII SPECIAL PROVISIONS

Article 29

1. The legal status of the unfinished buildings and their mode of privatization shall be regulated by special Law.

2. Uncompleted apartments, in terms of this Law, is considered each apartment building which is not subject to technical control and for which there was not issued a use permit.

Article 30

Authorized body for data management - records of apartments, is bound at the request of the seller or buyer, to enable access to those data that are important for the sale of apartments.

CHAPTER VIII PENALTY PROVISIONS

Article 31

Fine in the amount of five hundred (500) Euro to one thousand (1000) Euro will be applied to the responsible person of the authorized body if he fails to comply with the provisions of Article 30 of this Law.

**CHAPTER IX
TRANSITIONAL AND FINAL PROVISIONS**

Article 32

Contracts for apartments use which are managed in accordance with the Law on Housing Relations (Official Gazette of KSAK "-No. 11/83, 29/86 and 42/86), which are formally contracted until the day of entry into force of this Law, shall be valid up to two (2) years, after the entry into force of this Law.

Article 33

1. If the holder of tenure right does not make a purchase contract before the deadline set by Article 32 of this Law, continues to use the apartment as a tenant.
2. The amount of rent and the tenant and landlord relations are determined by the Municipality under the Law on Financing of Special Housing Programs.

Article 34

Abrogation provisions

With the entry into force of this Law, all legal provisions, acts and regulations which are inconsistent with this Law shall be abrogated.

Article 35

Entry into force

This Law shall enter into force fifteen (15) days after publication in the Official Gazette of the Republic of Kosovo.

**Law No. 04/L-061
21 December 2011**

President of the Assembly of the Republic of Kosovo

Jakup KRASNIQI