



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

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**Law No. 04/L-134**

**ON THE CONDOMINIUM**

**Assembly of Republic of Kosovo,**

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

Approves

**LAW ON THE CONDOMINIUM**

**CHAPTER I**  
**GENERAL PROVISIONS**

**Article 1**  
**Purpose**

By this law are regulated the rights, obligations and responsibilities of the owners of building unit relating to the use, management and maintenance parts, facilities, spaces and joint equipments of the building - condominium.

**Article 2**  
**Scope**

This law applies to all residential buildings and commercial activities that are owned by more than one owner and, for individual housing unit's complex which have jointly owned on territory, in operation and in use, exclusively the owners of the units.

### **Article 3 Definitions**

1. Terms used in this law shall have the following meaning:

1.1. **Residential building in the condominium** - independent building with two or more appropriate units and designated for housing, respectively housing and commercial activities which is owned by more than one owner.

1.2. **Individual building units** - dwelling units, commercial units or other independent spaces in the building that are individually owned and its dimension is determined by horizontal and vertical boundaries in the condominium agreement.

1.3. **Owner** - the natural person and legal entity that is a holder of the property right of the building unit.

1.4. **Founder of the Condominium** – state institution, legal person, person or group of natural persons that act together, invest on a property, on whose behalf is registered for the first time.

1.5. **Condominium Agreement** - a signed document by all unit owners, which is recorded in the Cadastre and which serves as an Act for establishment of the condominium. The Document must reflect any change in the building with amendment and including any amendments to those documents and include site plans and planimetry. This agreement describes the rights and responsibilities, restrictions and conditions on the way the common elements or units may be used. This typically includes the regulation of a condominium. The Agreement is the key governing document of a condominium.

1.6. **Site Plan** - a plan depicting all or any portion of a condominium in two dimensions that shows the location of the condominium and spaces, parts and common elements.

1.7. **Planimetry** – graphic description of individual building units and condominium.

1.8. **Horizontal Boundary** – boundaries established in the condominium agreement and mean the space between two constructive plates respectively the clear height of the floor-to-ceiling of a unit such that the immovable property respectively below or above the constructive plates is not part of that unit.

1.9. **Vertical Boundary** - the defined boundary of a unit that is not a horizontal boundary of that unit. It is defined in the condominium agreement and typically means the interior walls which limit the unit.

1.10. **Joint Ownership** – part of a property that is not owned individually and is not public property, but in which an indivisible interest is held by unit owners.

1.11. **Joint Ownership Elements** – parts, spaces and common equipment of the condominium which serve to unit buildings and building as a whole, as well as construction land, parking areas, recreational facilities and similar.

1.12. **Joint Ownership elements for special use** - elements intended for exclusive use of one or more individual units but do not serve other units in the building which typically are spaces or common elements of a floor.

1.13. **Joint Ownership elements for general use** - all the condominium elements except for common elements for special use.

1.14. **Owner's Association** – legal body that functions as a non governmental organization or legal person where all owners of individual units are obligated to become members of a condominium.

1.15. **Chairmanship of the Association** – group of units owners, designated in the condominium agreement or in the regulation for the functioning and acts on behalf of the association.

1.16. **Regulations** – any agreement adopted by the Association for the functioning, regulation and management if the Association.

1.17. **House Rules** - agreement adopted by the Association for manner of usage, administration and maintenance of Joint Ownership elements.

1.18. **Participation Fee in Condominium** – part of undivided property in condominium, which serves for defining the measure of participation in common expenses and in the voting for owners of each unit.

1.19. **The usable area** - the total floor area of a building unit, not including wall spaces of the building unit.

1.20. **Administrator** - a commercial entity registered at competent authority for registration of businesses that is contracted by the Owner's Association to conduct management, maintenance or other services for the benefit of the condominium.

1.21. **Total usable area** - the measurement of usable area of all units in square meters.

1.22. **Management** - the implementation of decisions made by the Chairmanship of the Association based on the approved regulations of the Association for the purpose of administration including maintenance and safe operation of a condominium.

1.23. **Resident** – any person with permanent stay in the condominium, and leaseholder with their family members.

1.24. **Conflicting interest transaction** – contract, transaction or other financial relation between: Owners` Association, administrator and a member of the Chairmanship of the Association (except the contract of the Owners` Association with Administrator); Owners` Association and a party related to a member of the Chairmanship of the Association; Administrator and a party related to a member of the Chairmanship of the Association.

1.25. **Related Party** – spouse, descendant, brother or sister, brother`s or sister`s spouse, a property or trust in which the director or the party related to the director has beneficial interests

1.26. **Ministry** - Ministry for Environment and Spatial Planning.

## **CHAPTER II INDIVIDUAL OWNERSHIP AND JOINT OWNERSHIP OF THE CONDOMINIUM**

### **Article 4 Rights of Ownership in Common Elements**

1. All unit owners have an indivisible ownership right to Joint Ownership elements of a condominium.
2. Participation fee in the condominium of the individual unit owner is determined by the percentage ratio of the individual unit area of whole building surface designated for housing.

### **Article 5 Condominium Elements and Individual Units**

1. Except as provided by the Condominium Agreement:
  - 1.1. parts of the individual unit are considered also all network amplifier, wall reinforcements, internal panel, plaster, panel, tiles, wallpaper, paints, and finite floor and any other material that constitutes part of the finite surface, if the walls, floors, or ceilings are designated as boundaries of a unit;
  - 1.2. any part of a condominium designated to serve only one unit is element of condominium for special use such as: duct, chute, flue, wire, conduit, bearing wall, bearing column, or other fixtures lies partially within and partially outside

the designated boundaries of a unit, whereas any portion serving more than one unit or more parts is a condominium element;

1.3. part of a unit are considered, all spaces, internal partitions, and other fixtures and improvements within the boundaries of a unit;

1.4. any shutters, awnings, window boxes, doorsteps, stoops, porches, balconies and patios and all exterior doors and windows or other fixtures designed to serve a single unit, but located outside the unit's boundaries, are common elements for special use allocated exclusively to that unit.

2. The common elements of the condominium are everything other than the individual units, and include such things as:

2.1. holding construction of the building (foundations, massive walls, poles, construction between floors, roof / slope and flat roofs);

2.2. roof covering (insulate, tiles, halls and similar);

2.3. flat roofs usable and unusable;

2.4. building frontage, entrance door and windows of common areas;

2.5. sheet iron of roof and other works;

2.6. chimneys, ventilation ducts, hydrants, fire extinguishing equipments, water pipes, waste channels and similar;

2.7. common stairs, corridors, fences, emergency exits, balconies or lodges and similar;

2.8. elevators to transfer people and items, with all its equipments;

2.9. electrical wiring of the main fuse to the distribution slab of the building;

2.10. water supply from the main metering to the consumer as well as expenses repairs after interventions;

2.11. installing sanitary facilities and sewage water in common areas;

2.12. vertical installations of sewage from the pipes exit of the apartment to the main wells;

2.13. electrical installation for stairs lighting: automatic, lamps place and fittings, spreader slab and mounted hour metering;

- 2.14. common parts of central heating installation by connecting with jelly and heating devices in common areas;
  - 2.15. installing the phone up to the distribution of building units, installation of doors with electrical handles, interphone rings, lightning conductor installations and similarly;
  - 2.16. water supply equipment (pump and hydro-flexes);
  - 2.17. facilities and installations for waste removal, laundry spaces, basements and under the roof spaces;
  - 2.18. joint septic excavation;
  - 2.19. any other parts, space or other facilities and equipment that are not part of individual units, including the land parcel upon which the building is built.
3. Except for the common elements of the condominium for special use described in subparagraph 1.2. and 1.4. paragraph 1. of this Article, the condominium agreement must specify the unit or units to which elements of the condominium are allocated for special use.

## **Article 6**

### **Condominiums that serve to more Building**

- 1. The condominium that serves to the owners of several buildings is condominium which was built for this purpose and if for their construction have contributed more building owners.
- 2. The Condominium from paragraph 1. of this Article are Joint Ownership elements for general use of all unit owners in those buildings.
- 3. For the proportionally use and administration of the condominium are implemented the provisions of this law.

## **Article 7**

### **Mandatory Regulation**

For Condominiums, the Ministry, by regulation will determine minimal technical norms for condominiums and minimal spatial norms for the functioning areas of these buildings.

## **CHAPTER III CREATION, ALTERATION AND TERMINATION OF THE CONDOMINIUM**

### **Article 8 Creation of the Condominium**

1. A condominium for existing construction, is created by recording the condominium agreement, signed by all unit owners in the building which include at least a site plan and a planimetry of a condominium in the Immovable Property Rights Registry and the Cadastre.

2. For new construction, a condominium is created by recording of the condominium agreement in the Immovable Property Rights Register and the Cadastre under the name of the developer who transfers the ownership of individual units together with the condominium participation fee to the new buyers-owners.

### **Article 9 Designation of Condominium and Individual Units in the Building**

Condominiums and individual units are designated according to Law No.04/L-071 on Address System.

### **Article 10 Contents of the Condominium Agreement**

1. The agreement must contain:

1.1. the names of the condominium and of the association members;

1.2. the building or buildings involved, defined by municipality, street name and house number;

1.3. the general description of the condominium, including size, construction type, general purpose;

1.4. a description of each unit, its position within the building, its purpose, its size, the identifying number, and any particular characteristics;

1.5. the participation fee for each owner;

1.6. a clear description of all common elements and any common elements for special use, including equipment;

- 1.7. the rights and responsibilities pertaining to all owners;
  - 1.8. any restrictions on the use, occupancy and transfer of the units;
  - 1.9. sufficient legal description in which unit owners shall possess only a part of immovable property for few years, named as “limited time property”, if there is any;
  - 1.10. all drawings, planimetries, and technical certificates pertaining to the condominium.
2. The agreement may contain any other matters the filer considers appropriate like the regulations of the condominium.
  3. The Agreement may contain the site plan and planimetry which may contain specific information required to be included in the Agreement.
  4. The Agreement may be amended by presenting changes in the site plan or planimetry to correct typographical or technical errors.
  5. The Agreement may be amended to comply with the requirements, standards or guidelines of any relevant governmental agency.
  6. In cases where an amendment to the agreement that created or adds units must include a certification by an architect or engineer stating that:
    - 6.1. all structural components of the building are completed; and
    - 6.2. for amendments adding of units, that the structural capacity of the building and utility infrastructure is sufficient to support the creation of additional units.
  7. The content of site plan and planimetry shall be determined by sub-legal act.

**Article 11**  
**Amendment of the Condominium Agreement**

1. The condominium agreement includes planimetry and may be amended by majority votes of the unit owners who own more than fifty percent (50%) of usable area of the condominium.
2. The condominium agreement is done for:
  - 2.1. changing the size of the building, increasing the number of units, or changing the common areas;
  - 2.2. changing the designated purpose of a unit;



3. If from the amendments benefit all unit owners, the responsibilities and costs are borne by the Owners' Association.
4. Consent of the owners discussed in paragraph 1. of this Article must be verified by the competent authorities.
5. Amendments must be filed in the Cadastre.
6. Amendments should reflect changes in the participation fee in common elements and common elements for special use.

## **Article 12 Termination of Condominium**

1. Except in the case of taking all units by expropriation, a condominium may be terminated only by the agreement of all unit owners in compliance with provisions in Law No.03/L-154 on Property and Other Real Rights.
2. An agreement to terminate must be executed in the same manner as a contract to transfer immovable property, by the number of unit owners required by paragraph 1. of this Article.
3. The Owners' Association, on behalf of the unit owners, may contract for the sale of the immovable property of the condominium following termination, but the contract is not binding on the unit owners without prior approval.
4. If property is to be sold following termination, title to that property, upon termination, vests in the Owners' Association as trustee for the holders of all interests in the units that has the necessary power to facilitate the sale.
5. Until the sale has been concluded, the Owners' Association continues in existence with all the powers it had before termination process.
6. Proceeds of the sale must be distributed to all unit owners and lien holders as their interests may appear, in accordance with this Article, taking into account the value of property owned or distributed that is not sold so as to preserve the proportionate interests of each unit owner with respect to all property cumulatively.
7. Property relations with owners who do not wish to sell their property shall be regulated by the Law No. 03/L-154 on Property and Other Real Rights.
8. Following termination of the condominium, the proceeds of any sale, together with the assets of the Owners' Association, are held by the Owners' Association as trustee for unit owners and holders of liens on the units to ensure completion of financial obligations of the units.

**Article 13**  
**Public Disclosures Required**

1. The Owners' Association shall make the following information available to unit owners:

- 1.1. the name of the Owners' Association;
- 1.2. the name of the Owners' Association's designated administrator, if any;
- 1.3. a valid physical address and telephone number for both the Owners' Association and the administrator, if any;
- 1.4. the name of the condominium;
- 1.5. the initial date of recording of the condominium agreement; and
- 1.6. the Cadastral number of the recording of the condominium agreement.

2. Within ninety (90) days after the end of each year, the Owners' Association shall make the following information available to unit owners:

- 2.1. the operating budget for the current fiscal year;
- 2.2. a list of expenses, by unit type, including both regular and special expenses;
- 2.3. its annual financial statements, including any amounts held in reserve for the year immediately preceding the current annual disclosure;
- 2.4. the results of the recent audit report;
- 2.5. a list of all Owners' Association insurance policies;
- 2.6. the Owners' Association Condominium Agreement and any amendments, regulation of association functioning and house rules; and
- 2.7. the minutes of the member meetings.

3. The Owners' Association may make the information public according to paragraph 1. and 2. of this Article by:

- 3.1. posting on an internet web page if notice of the web address is delivered to the unit owners;
- 3.2. making the information available at the Owners' Association office; or
- 3.3. personal delivery.

4. The cost of distribution required by paragraph 3. sub-paragraph 3.3. of this Article shall be accounted for as a common expense.

5. If the address of the Owner's Association or administrator change, the Association must update the information within ninety (90) days after realization and the same ones must be re-published.

## **CHAPTER IV JOINT USE AND BUILDING UNITS**

### **Article 14 Condominium use**

1. The owner is obliged to use the condominium in accordance with the purpose and extent of which corresponds to the rights of other owners.

2. Owners decide on all joint works in aiming at improving conditions for its use.

### **Article 15 Performance of the allowed activities in the condominium**

1. Residential buildings may change the Canterbury, or common parts of the building can be re-designated only when in harmony with urban regulatory plan and requirements of the construction.

2. Relationship between the beneficiaries of the right for re-designation of condominium and the co-owners of the building will be regulated through the agreement.

3. Consent of the owners must be verified to the competent authorities.

4. Beneficiary of the right under paragraph 2. of this Article is obliged to get the consent from all other owners and to compensate for the value of re-designated area in the condominium if not otherwise agreed.

### **Article 16 Use of Building Units**

Any owner its own property right in the building unit, performs in such a way as not to impede other owners to use their owned units, respectively exploitation and use of common parts and equipment in the building.

**Article 17**  
**Performance of the allowed activities in building units**

1. As a subject of provisions of the condominium agreement, a unit owner may:
  - 1.1. realize any improvement or change of its own unit if it does not effect the structural integrity, electric system, mechanic system, as well as in reducing the participation fee of other owners in common elements without permission of Owners` Association;
  - 1.2. eliminate or change any part or may create exit, whereas the partial or total division is a common element, if such actions don`t effect the structural integrity, electrical system, mechanical system or don`t have an effect in reducing the building stability after the purchase of a neighboring unit or a part of a neighboring unit.
2. In accordance with the provisions of this law, the owner can change the unit designation of the building if he performs the conditions and procedures specified by law in force.
3. In accordance with paragraph 1. of this Article, to change the designation of the building unit, the owner previously must ensure the consent by other owners, where the amount of usable surface of their special units compound over fifty percent (50)% of the total exploitable building.
4. Consent of the owners must be verified to competent authorities.

**Article 18**  
**Termination of proceedings**

The Chairmanship Association, the administrator or any other owner can request to terminate work on changes, if the changes in the building unit or in common elements are carried out without consent of Owners` Association or have deviated from the condominium agreement with Owners` Association.

**Article 19**  
**Responsibility for Damages**

1. The owner is responsible for the damage cased during the use of his/her unit and has impact to other building units or in joint ownership, in accordance with general legal provisions.
2. The owner, respectively the lessee of the building unit is responsible for the damage caused in the building unit, namely the condominium, where the cause derives from a

third person invited as a visitor of the owner/lessee. If the damage is caused by unreasonable or unsafe conditions in common elements, then the Association is liable.

**Article 20**  
**Tenant Relations to the Condominium**

1. Owners retain all rights and responsibilities of the condominium granted by the condominium agreement and relevant regulations, whether or not units are leased to a third party. A unit owner is solely responsible for payment of all financial assessments including property taxes.
2. The owner must require from each lessee to comply with the condominium agreement, bylaws and house rules in condominium.
3. Unit Owners can lease their units to a third party subject to complying with the condominium agreement, bylaws and house rules of the condominium
4. Lessees are entitled to the use and enjoyment of the unit and common elements as specified by the lease contract.
5. Depending on the condominium agreement, sub-legal acts and house rules of a condominium, the owner who leases a unit to a third party must provide a rent notice to the Chairmanship of the Association or the Administrator as an Agent of the Owners' Association. The notice shall include contact information for the owner and the lessee.

**CHAPTER V**  
**CONDOMINIUM BODY OF DECISION-TAKING AND SHARING OF**  
**RESPONSIBILITIES**

**Article 21**  
**Decision-taking bodies**

The responsible decision-making bodies for administration of a condominium are the Owners' Association, Chairmanship of the Association, who have the power to delegate certain function to an administrator.

**Article 22**  
**Owners' Association**

1. For a newly constructed condominium, a Condominium Owners' Association shall be organized no later than the date the first unit in the condominium is conveyed to a purchaser.

2. For existing buildings with two or more units, unit owners shall establish the Condominium Owners' Association at the time the condominium agreement is filed establishing the condominium.
3. At the time the Owners' Association is formed, the unit owners must also adopt applicable regulations if they are not included in the Condominium Agreement.
4. The membership of the owners' association at all times shall consist exclusively of all unit owners.
5. If the condominium is terminated pursuant to Article 12 of this Law, the Owners' Association shall consist of all former unit owners entitled to distribution of proceeds of the property.

**Article 23**  
**Regulations of the Owners' Association**

1. The method of functioning of the Owners' association is determined by regulations.
2. In compliance with this law, the regulations issued by the Owners' Association must include:
  - 2.1. the number of members of the Chairmanship of the Association and the titles of the officers of the Owners' Association;
  - 2.2. election of the Chairmanship of the Association, president, treasure officer, secretary and of all other officers of the Owners' Association specified in the regulations;
  - 2.3. the qualifications, powers, duties and terms of office of, and manner of electing and removing, members of the Chairmanship of the Association and officers and the manner of filling vacancies;
  - 2.4. powers of the Chairmanship of the Association or officers who may delegate to other persons or to an Administrator, if any;
  - 2.5. officers who may prepare, execute, certify, record and amend the condominium agreement on behalf of the Owners' Association; and
  - 2.6. a method for amending the regulations.
3. Subject to the provisions of the condominium agreement and regulations may provide for any other matters the Owners' Association deems necessary and appropriate.

**Article 24**  
**Legal status and Registration of the Owners' Association**

1. The Owners' Association may decide if it shall be as a Non-Profit Organization (hereinafter, NGO) and wins such legal status upon registration at the Ministry relevant for Public Administration or a legal entity registered in the Ministry of Trade and Industry.
2. Any change in membership must be included in the Owners' Association status and forwarded to the competent body for registration.

**Article 25**  
**Denomination of the Owners' Association**

Name of the Owners' Association as an NGO or legal entity shall contain the words "owners' association", to which should be added also the address of the condominium building.

**Article 26**  
**Legal Rights of the Owners' Association**

1. In accordance with paragraphs 2. and 3. of this Article, and based on the Condominium Agreement, the Owners' Association, without specific authorization in the agreement, may:
  - 1.1. adopt and amend regulations;
  - 1.2. adopt and amend budgets for revenues, expenditures, reserves and payment of financial obligations as a part of common expenses of units' owners;
  - 1.3. hire and discharge the administrator, other employees, officials and other independent contractors;
  - 1.4. defend and participate in litigation or administrative proceedings as a representative of one, two or more units' owners in any matter related to the condominium;
  - 1.5. enter into contractual relationships and bear the liabilities;
  - 1.6. regulate the use, maintenance, repair, replacement and modification of common elements;
  - 1.7. do additional improvements to the common elements;

- 1.8. acquire, hold, provide and bear the right of property or interest to immovable or movable property on its behalf, based on Article 10, subparagraph 1.8. of this Law;
  - 1.9. allocate common expenses, lease revenues, licenses, and concessions related to common elements;
  - 1.10. impose and receive payments and fees for the use, rental and use of the common elements as described in Article 5 of this Law;
  - 1.11. impose additional charges for late carrying out of owners financial obligations, reasonable cover of fees for the engagement of attorney and other legal costs for collection of payments and carrying out other actions to enforce the powers of the Owners' Association, regardless of whether or not the suit was initiated, and, after notice and provision of the opportunity the party to be heard, the imposition of penalty for violation of the condominium agreement, regulations and rules of the Owners' Association;
  - 1.12. impose reasonable charges for the preparation and recording of amendments of the condominium agreement or the report on financial obligations that have not been carried out by the owners;
  - 1.13. provide the indemnification for its officers and Chairmanship of the Association and for the payment of insurance policy of the building, if possible;
  - 1.14. assign the right to future income, including the right to impose the payment of common expenses, but only to the extent the condominium agreement expressly so provides;
  - 1.15. exercise any other powers in conformity with condominium agreement and regulations;
  - 1.16. exercise other powers that may be exercised in Kosovo by NGO-s or legal persons of the same type as the Owners' Association; and
  - 1.17. exercise the powers necessary and in compliance with the governance and operation of the Owners' Association.
2. The Owners' Association may exercise its power in a manner that is fair, reasonable, and non-discriminatory, and the condominium agreement should not require it to do otherwise.
  3. Administrator, employee, independent contractor, or any person that represents the Owners' Association should be subject to this Article to the same extent as the Owners' Association itself would be.



## **Article 27 Meetings**

1. Meetings of the unit owners, as members of the Owners' Association, shall be held at least once in a year.
2. Owners may attend personally or may authorize a proxy pursuant to Article 28 of this Law.
3. Extraordinary meetings shall be called by the chairman, a majority of the members of chairmanship of the Association, or by unit owners having 1/5 of the votes in the Owners' Association.
4. The chairmanship of the Association or the administrator may provide notice at least two (2) weeks before the meeting by hand delivering the notice to the unit owners or, if the unit owner does not reside at the condominium, by sending the notice via mail, facsimile, or email to the address provided by the owner. The notice shall also be posted in a conspicuous place at the condominium.
5. The notice shall state the time and place of the meeting and the points of the agenda, including the reason of the meeting for any proposed amendment to the agreement or regulations, proposal-amendment to the budget, and proposals for dismissal of the officials or members of the chairmanship of the Association.
6. All regular and extraordinary meetings of the Owners' Association are open for discussion to all members of the Owners' Association or their representatives. Agenda of the meeting shall be available for changes.
7. Condominium Agreement cannot limit unit owners' rights to be notified of and to attend meetings.
8. Meetings of the Owners' Association are led by the Chairmanship of the Association.
9. Besides it is determined in Article 15, paragraph 4. of this Law, matters put to a vote by the Owners' Association will pass if decided by a majority of owners constituting more than fifty percent (50%) of the votes.
10. Unless the regulations provide otherwise, a quorum is deemed present to hold a meeting of the Owners' Association if fifty percent (50%) of the participants are present personally or represented by proxy at the beginning of the meeting.
11. Unless the regulations provide otherwise, a quorum is deemed present to hold a meeting of the Chairmanship of the Association if fifty percent (50%) of the participants are present personally or represented by proxy at the beginning of the meeting.
12. In case of a lack of quorum, the Chairmanship of the Association or the administrator shall appoint a new meeting.

13. In the meeting of the Owners' Association, the matters that can be brought to a vote are those points presented in the agenda provided in the notice on holding the meeting.

14. In the meeting of the Owners' Association, the secretary of the Chairmanship of the Association or the administrator shall keep records and evidence all decisions of the meeting. A copy of the minutes will be distributed to all owners.

15. Notwithstanding paragraph 6. of this Article, the members of the Chairmanship of the Association thereof may hold a closed door meeting during a regular or extraordinary session.

16. Owners' Association shall define in the regulation when there shall be held the closed door meetings.

17. If a closed-door meeting is held, the minutes shall notice that the closed-door meeting was held and shall provide in general information regarding the matter discussed in closed door meeting.

## **Article 28 Voting and Proxies**

1. The power of the vote shall be defined by the quota of participation.

2. Units' owners may delegate the right of voting by a proxy.

3. A unit owner may not revoke a proxy given pursuant to this Article except by actual notice of revocation to the person presiding the meeting of the Owners' Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven (11) months after its date, unless it is provided otherwise.

4. The manner of voting and other details of functioning and decision-making during the meetings shall be regulated by the regulations of Owners' Association.

5. Any action of the Owners' Association based on the acceptance or rejection of a vote, consent, written ballot, waiver, proxy appointment, or proxy appointment revocation is valid unless a court of competent jurisdiction determines otherwise.

## **Article 29 Chairmanship of the Association**

1. The Chairmanship of the Association is the lead governing body of the Owners' Association.

2. The Chairmanship of the Association is charged with managing the condominium unless a majority of the unit owners vote to hire an Administrator.

3. Except as provided in the Condominium Agreement, regulations, or any other provisions of this Article, the Chairmanship of the Association may act in all instances on behalf of the Owners' Association.

4. Liabilities of the Chairmanship of the Association, in more details, shall be regulated by regulations.

### **Article 30 Administrator**

1. The Owners' Association may hire an administrator to carry out day-to-day management functions of the condominium.

2. Any administrator hired must provide:

2.1. proof of fidelity insurance or a security bond written to protect and reimburse the association in the event of illegal action by the administrator;

2.2. certificate that proves the completion of the training of at least one (1) member of the Administrator as it is defined with an Administrative Instruction by the Ministry; and

2.3. business certificate by the competent body for business.

3. The administrator's duties shall be set forth in a contract between the administrator and the Owners' Association.

3.1. the contract shall not grant the administrator any powers greater than that of the Chairmanship of the Association and can include those matters set forth in Articles 29 and 30 of this Law;

3.2. the contract shall include:

3.2.1. name of the condominium;

3.2.2. names and contact information of both parties and their key points of contact, including after hours in the event of an emergency at the condominium;

3.2.3. specific powers and responsibilities of the administrator;

3.2.4. amount and terms of compensation;

3.2.5. amount of fidelity insurance or surety bond required; and

3.2.6. contract period.

4. The contract may be entered into by the Chairmanship of the Association but must be approved by majority votes of the Owners' Association at the next annual meeting or at a special meeting called for the purpose of ratifying the administrator's contract.
5. The administrator is responsible for reporting to the Chairmanship of the Association every month, including providing a full accounting of all collections and expenditures. The administrator shall also assist the Chairmanship of the Association to report to the Owners' Association at the annual meeting.
6. The administrator must keep accurate and detailed records regarding the finances and management of the condominium and must make these records available to any unit owner upon request.
7. The contract with the administrator is terminable at will by either party.
8. After completion of the contract by expiration or by termination, the administrator shall immediately return all documentation regarding the condominium to the Chairmanship of the Association.

### **Article 31 Conflict of Interest**

1. Except the transactions defined by the conflict of interest, no loans shall be made by an Owners' Association to a member of the Chairmanship of the Association or the administrator. Any member of the Chairmanship of the Association or administrator who assents to or participates in the making of any such loan shall be liable to the Owners' Association for the amount of such loan until the repayment thereof.
2. A conflicting interest transaction is not prohibited if:
  - 2.1. the material facts as to the member or administrator's relationship or interest and as to the conflicting interest transaction are fully disclosed to the Chairmanship of the Association;
  - 2.2. the Board of Directors in good faith approves the conflicting interest transaction by the majority of votes of members of the Chairmanship of the Association.

### **Article 32 Legal Liability**

1. Founder of the condominium shall be liable for the full realization of the agreement with owners of units of condominium and areas in their function as well as for the consequences of acting or non-acting in any part of the condominium.

2. Any action alleging an act or omission by the association must be brought against the association and not against any unit owner.

3. Whenever the founder is liable to the association under this Article, the founder is also liable for all expenses of litigation, including reasonable attorney fees, incurred by the association.

4. Founder of the condominium is liable to the association for all funds of the association collected during the period of founder control which were not expended properly.

### **Article 33 Insurance**

1. The owners' association should maintain, to the extent reasonably available:

1.1. property insurance on the common elements to cover the loss for various reasons in an amount of the insured property repair;

1.2. commercial general liability insurance arising in connection with the management of the common elements, in an amount specified by the regulations of Owners' Association.

2. If the insurance described in paragraph 1. of this Article is not available, or if any policy of such insurance is cancelled or not renewed without a replacement policy having been obtained, the association shall promptly notify the unit owners.

3. By the Condominium Agreement there shall be defined any other insurance that units' owners consider it appropriate to protect the condominium and managing bodies.

4. Cost for insurance is a common expenditure of the Association where each unit owner shall be obliged to cover the expenditures in the amount of his participation fee.

5. The cost of repair or replacement in excess of insurance proceeds and reserves is a common expense.

6. Any administrator contracted by an association for the managing of thirty (30) or more units of a condominium must obtain and maintain insurance in an amount not less than the amount necessary for covering the expenditures for the last two (2) months, plus reserves, according to the calculations from the current budget of the Association.

7. Each unit owner should carry out the insurance of the unit.

**Article 34**  
**Administrator Authorizations**

1. The Administrator collaterally with certain powers defined by applicable laws, has also other authorizations as following:

1.1. designs the maintenances plan of building, timely implementation and execution of this plan;

1.2. maintains account management expenses;

1.3. inform the owners for his / her assigns and assess monthly and annual accounts;

1.4. prepares invoices for the owners based on monthly accounts and pays taxes for contracts with third persons;

1.5. presents an annual report for the management of the facility;

1.6. represent owners to the relevant authorities for issuing permits and municipal services;

1.7. the administrator performs also other duties prescribed by this Law, other laws in force or by the agreement of the owners.

**Article 35**  
**Administrator's right to select third person**

1. The Administrator for performing specific tasks, which are part of the management framework, may authorize a third person to conduct all or a part of the work. The administrator remains responsible for all work performed by the third party.

2. The administrator must advise and answer to the Chairmanship of the Association with respect to any contracts made with third parties.

3. Procedure of selection of third persons for conducting the specific tasks shall be defined by owners in the Condominium Agreement or regulations.

**Article 36**  
**Municipality responsibilities towards condominium**

1. Municipality through urban regulatory plans shall define the common land and public areas in the function of condominium, common electrical, water-supply and sewerage as well as central heating installations by respecting the minimal norms for areas in the function of condominium.

2. If the condominium, parcel in which it has been built is partially or totally a municipal property, the municipality should agree, during the process of condominium registration, to entitle the units' owners on common areas in the function of the building regulated upon paragraph 1. of this Article.
3. Municipalities, respectively the competent municipal body shall maintain the register of condominium and administrators that practice this activity in territory managed by it.
4. The form, content and manner of keeping the register under paragraph 2. of this Article shall be determined by sub-legal act from the Ministry.
5. The municipality shall initiate the establishment of the Owners' Association through projects depending on budgetary possibilities.
6. Ministry in cooperation with the Municipality shall provide education and training to the buildings' owners and Chairmanship of the Association regarding the governance and functioning of the condominium.

## **CHAPTER VI ADMINISTRATION AND MAINTENANCE OF THE CONDOMINIUM**

### **Article 37 Common Expenses**

1. Until the Owners' Association makes a common expense assessment, the founder shall pay all common expenses. After any assessment has been made by the Owners' Association, assessments shall be made at least once a year, budget shall also be adopted at least once a year by the Owners' Association.
2. Except for assessments under paragraphs 3. and 4. of this Article, all common expenses shall be assessed against all the units in accordance with the participation fee set forth in the condominium agreement pursuant to Article 10 of this Law. Any common expense fixed by the Owners' Association shall bear interest at the rate established by the association not exceeding the rate allowable by law.
3. As specified with the agreement:
  - 3.1. any common expense associated with the maintenance, repair, or replacement of a condominium element for special use shall be assessed against the units to which that common element is assigned, equally, or in any other proportion the agreement provides;
  - 3.2. any common expense or portion thereof benefiting fewer than all units shall be assessed exclusively against the units benefited; and

- 3.3. costs of municipal services shall be assessed based on the policies defined by the operators.
4. If any common expense is caused by the misconduct of any unit owner, the association may assess that expense exclusively against such owner's unit.
5. Each unit owner is liable for taxation made against such owner's unit:
  - 5.1. units' owners shall pay the tax whether or not they used the common elements or used the unit against which the assessment is made;
  - 5.2. units' owners must pay tax to cover costs that were properly approved by the association, regardless of whether the unit owner voted for or against the approved decision.

**Article 38**  
**Management of Revenues Collected by the Owners' Association**

1. The Chairmanship of the Association and administrator, if any, shall ensure that all funds of the Owners' Association are maintained in a separate bank account.
2. If an administrator manages multiple condominiums, the funds of each condominium must be kept in separate accounts.
3. Unless otherwise provided in the condominium agreement, any surplus funds of the association remaining after paying or setting aside money for common expenses and prepaying or setting aside reserve funds shall be credited to the unit owners in proportion to the participation fee to reduce their future common expense assessments.

**Article 39**  
**Use of Owners' Association Revenue**

1. Revenues collected by the Owners' Association through tax or other sources may be used only to cover expenses for:
  - 1.1. repayment of loans, including principal and interest;
  - 1.2. emergency repairs to the condominium;
  - 1.3. necessary repairs to the condominium;
  - 1.4. regular management works of condominium;
  - 1.5. condominium insurance from an insurance company;



1.6. fire protection.

**Article 40**  
**Regular Administration**

1. Regular management works, which are of interest to all unit owners of a building are as following:

- 1.1. maintaining hygiene in the surface of joint spaces;
- 1.2. regular maintenance of electrical installations in the common parts of the building;
- 1.3. maintenance of lighting and other electrical devices within and outside the building;
- 1.4. payment of costs of electricity in the common parts of the building;
- 1.5. painting walls inside and outside the building;
- 1.6. regular servicing of elevators;
- 1.7. regular servicing of fire fighting installations and fire extinguishers in the building;
- 1.8. regular servicing of water supply, sewerage, electrical installations and installation of machinery;
- 1.9. disinfection of the common space of the building and special parts in the whole building;
- 1.10. cleaning of horizontal and vertical water gutters and water collector.
- 1.11. cleaning of the septic excavation;
- 1.12. maintaining and cleaning of chimney;
- 1.13. necessary repairs as:
  - 1.13.1. repair of roofs, abutments walls, piles, mid-floor constructions and foundations;
  - 1.13.2. reparation of chimneys and damaged ventilation channels;
  - 1.13.3. repairing the damaged facade of the building;

1.13.4. isolation of walls, floors and foundations of buildings;

1.14. all other required works to keep the building in regular condition and to be protected the residents of that building, of which is decided by the Owners' Association.

#### **Article 41** **Emergency repairs of condominium**

1. Emergency repairs are considered the undertaken works in condominium with the case of:

1.1. damage to the central heating system;

1.2. cracks, defects and bottlenecks in water supply and sewerage system, to prevent further negative effects;

1.3. problems presented in the electrical wiring;

1.4. major damage to chimneys and ventilation ducts;

1.5. rain water penetration into the building, rehabilitation of major consequences and damage to the roof;

1.6. threat of static stability of the building or certain parts of the building;

1.7. damage in elevators;

1.8. collapse of parts of the facade;

1.9. rehabilitation of the consequences from fire;

1.10. any other construction, repair or rehabilitation urgently needed to protect the condominium or its users from the immediate damage or additional damages.

#### **Article 42** **Regular Maintenance of Buildings**

1. Chairmanship of the Association, or directly through the administrator or owners' association, shall prepare a plan for regular maintenance of buildings. The plan will last at least one (1) year.

2. In the maintenance plan, the Chairmanship of the Association will set the elements to be maintained or repaired and will include them in the budget required from Article 37 of this Law.

3. If any owner believes that the maintenance plan does not ensure preservation of the condominium, he/she may challenge the plan and the budget by submitting an objection to the Chairmanship of the Association. If the Chairmanship of the Association rejects this objection, the unit owner can take the available steps under this law, including the convening of an extraordinary meeting of the Owners' Association.

4. In cases where one or more owners do not respect the maintenance plan, each owner may notify the municipal inspector to take a decision against them to implement the maintenance plan.

### **Article 43 Other Expenses**

1. Other expenses can be approved by the majority of owners or as otherwise set forth by this Law.

2. Other expenses are expenses that exceed costs of regular management include changes in joint ownership, changes of use in the building and improvements that are not included in regular maintenance of building, hiring professionals such as attorneys and accountants, and social and community betterment activities.

3. If an Owners' Association does not approve a proposed expense, any unit owner or a combination of unit owners can fund the expense on their own, if the activity or service giving rise to the expense is consistent with the Condominium Agreement, regulations, house rules and this Law, and has obtained the necessary owner approval, if such approval is necessary.

4. Units owners, who own more than half of the parts in the condominium, approve house rules, which set fundamental rules of neighbor understanding in the building.

## **CHAPTER VII SUPERVISION**

### **Article 44 Administrative Supervision**

1. The respective Ministry for Environment and Spatial Planning shall be responsible for the implementation of the provisions of this Law and sub-legal acts issued under this Law.

2. The respective Ministry for Environment and Spatial Planning shall supervise the legality of work of municipal administration regarding the implementation of the provisions of this Law.

**Article 45**  
**The inspection supervision**

1. The inspection supervision on the implementation of this law and sub-legal acts issued under this Law shall be performed by the municipal inspector authorized for housing within the settings of competent authority for inspection.
2. In the territories that are under the competence of Ministry, the inspection supervision shall be performed by the Inspectorate of the Ministry.
3. During the inspection performing, inspectors of paragraph 1. of this Article have right to perform inspection in all housing buildings and housing buildings that have a unit of commercial business and that are in ownership of more than one owner, and also as complex of individual housings and business units that have in joint ownership a territory, in function and in use exclusively for the owners of units if the administration committed in compliance with the provisions of law and sub-legal acts issued under this Law.
4. The Owners' Association or Administrator as well as owners of individual units in the condominium are obliged to enable the inspector having approach on necessary documents relating to the administration of the condominium.
5. For the ascertained state on the building, the inspector keeps the record based on which will issue a decision and based on which will be allowed the execution.
6. Against the decision of the authorized Inspector for housing can be initiated appeal to the Ministry.
7. The Complaints against the decision will not postpone its execution.

**CHAPTER VIII**  
**PENALTY PROVISIONS**

**Article 46**

1. The Owners' Association may record a lien on a unit for any tax levied against that unit or fines imposed against its unit owner.
2. The amount of a lien shall be increased depending on tax levied.
3. The lien shall remain on the unit, and must be satisfied before the unit can be sold, transferred or otherwise conveyed.
4. A lien under this Article is prior to all other liens on a unit except:

- 4.1. liens recorded before the recordation of the condominium agreement;
  - 4.2. a security interest on the unit which has priority over all other security interests on the unit and which was recorded before the date on which the assessment sought to be enforced became delinquent; and
  - 4.3. liens for real estate taxes and other governmental assessments or charges against the unit.
5. Recording of the condominium agreement constitutes record notice and perfection of the lien.
  6. The association shall provide a unit owner or such unit owner's designated representative with written notice of the nature and amount of unpaid assessments, fines or other amounts currently charged to the owner's unit. If notice is not given, the association shall have no right to assert a lien upon the unit.
  7. The association's lien may be foreclosed in the same manner as a mortgage on real estate.
  8. The association shall be entitled to costs and reasonable attorney fees incurred by the association in enforcing the lien.
  9. Members of the Chairmanship of the Association or Administrators are subject to legal liability to the Owners' Association as provided by this Law, and may also face criminal prosecution if they engage in criminal activity while carrying out their respective responsibilities.

## **CHAPTER IX TRANSITIONAL AND FINAL PROVISIONS**

### **Article 47**

1. The sub-legal acts required by this law will be issued by the Ministry, within six (6) months from entry into force of this law.
2. By enforcement of this Law, the Law No. 03/L-091 for Use, Management and Maintenance of Building Joint Ownership will be abrogated.
3. Organized owners` units according to the Law No. 03 / L 091 for Use, Management and Maintenance of Building Joint Ownership, within six (6) months from entry into force of this law, to come into compliance with this law.

**Article 48**  
**Entry in to force**

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

**Law No. 04/L-134**  
**29 July 2013**

**President of the Assembly of the Republic of Kosovo**

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**Jakup KRASNIQI**