# LAW ON SALE OF APARTMENTS WITH OCCUPANCY RIGHT (FBH Official Gazette, nos. 27/97; 11/98; 22/99; 27/99; 7/00; 32/01)

### Consolidated version-for internal use only

# I GENERAL PROVISIONS

# Article 1

This Law shall regulate conditions and method of sale of apartments with occupancy right together with the common parts and facilities of the building, as well as the method of determining the price of the apartment and cessation of occupancy right.

### Article 2

Apartment and auxiliary premises shall be understood to mean premises or a set of premises as defined by provisions of the Law on Housing Relations ("Official Gazette of SR BH", no. 14/84, 12/87 and 13/89-hereinafter: the Law on Housing Relations).

#### Article 3

An apartment shall be purchased with the common parts and facilities of the building which serve to the building as a whole, together with the land under the building.

Common parts and facilities of the building are defined by provisions of the Law on Housing Relations.

Premises with occupancy right which are not considered as an apartment may also be subject to sale, if it is prescribed by the regulations that they may be subject to transactions.

A garage shall also be subject to sale, if it makes a building unit with the apartment or if it was given to the occupant for use as an integral part of the apartment.

# Article 4

For the purposes of this Law, the following shall not be considered as an apartment:

- 1. premises in building for accommodation of individual persons,
- 2. premises in buildings for temporary accommodation and
- 3. premises in administrative and business buildings.

# Article 5

Provisions of this Law shall not be applied to sale of apartments:

1. which are located in buildings for which a procedure for demolition has been initiated,

- 2. which are intended for living while performing official duties,
- 3. which are located in business buildings used for the activities of state administration, Federation administration, judiciary, health care, transport and communications.

### Article 6

Apartments owned by legal entities whose seats are in the territory of the Federation of Bosnia and Herzegovina (hereinafter: the Federation), and which are located in the territory of the states formed after the dissolution of the former SFRY, shall be sold in the manner regulated in the respective state and under conditions of reciprocity, unless otherwise regulated by an interstate agreement.

A foreign citizen, under conditions stipulated by this Law, may purchase an apartment only if a citizen of Bosnia and Herzegovina is entitled to purchase an apartment in the respective state.

# **II RIGHT TO BUY APARTMENT**

### Article 7

Any holder of occupancy right, except in the case referred to in Article 5 of this Law, may submit a written request for buying an apartment to the allocation right holder (hereinafter: seller) and the seller shall be obliged to sell it.

A request under paragraph 1 of this Article shall be submitted within two years from the date of entry into force of this Law, or within three months from the date finalizing any court dispute, whichever date is later, and the contract on sale of the apartment (hereinafter: the contract) must be concluded within three months from the date the request to purchase the apartment is submitted.<sup>1</sup>

If the seller does not conclude the contract upon the request of the occupancy right holder who wants to purchase the apartment within the deadline referred to in paragraph 2 of this Article, the buyer shall have the right to initiate judicial proceedings.

The court ruling shall replace the contract in its entirely.

As an exception, the term for the conclusion of the contract concerning an apartment for which all facts relevant for the sale of the apartment were not established at the time the request for purchasing the apartment had to be submitted, shall be counted from the day of the establishment of these facts.

Facts relevant for the sale of an apartment shall be evaluated at the time of the conclusion of the contract.

### Article 8

Occupancy right holder shall be considered to be a person to whom the apartment was allocated for use by the owner i.e. the allocation right holder of the apartment, and who had signed the contract on the use of the apartment or the person to whom the apartment was allocated by final and binding judicial decision, as well as the person to whom this right was recognised by the act of a competent body in accordance with the Law on Housing Relations.

# Article 8a<sup>2</sup>

An occupancy right holder over an apartment which has been declared abandoned in accordance with the Law on Abandoned Apartments and other regulations dealing with the issue of abandoned apartments, or an occupancy right holder who left the apartment between 30 April 1991 and 4 April 1998 in cases where the apartment was not officially declared abandoned, shall have the right under the conditions provided for by this Law, to purchase his/her apartment immediately after entering into possession of his/her apartment and at the latest within either one year of the date of his/her reinstatement in the apartment, or within one year following the publication of this provision in the Official Gazette of the Federation of Bosnia and Herzegovina, whichever date is later.

<sup>&</sup>lt;sup>1</sup> Paragraph 2 was amended by the HR's Decision of 17 July; published in the FBiH OG, no. 32/01; previous para. 2:" Request from paragraph 1 of this Article shall be submitted within two years from the day of the application of this Law, and contract on sale of the apartment (hereinafter; the contract) must be concluded within three months from the day the request for buying apartment has been submitted."

<sup>&</sup>lt;sup>2</sup> Article 8a was amended by the HR's Decision of 17 July 2001; published in the FBH Official Gazette no. 32/01 (this Article was introduced first time by the Law on Amendments to the Law on Sale, FBH OG, no. 11/98; amended by the HR's decision of 1 July 1999, FBiH OG, no. 27/99).

# Article 8b<sup>3</sup>

An occupancy right holder referred to in Article 8a of this Law is only entitled to submit a written request to purchase his/her apartment in accordance with Article 7 of this Law once he/she provides proof that he/she and all members of his/her family household, as defined in the law on Housing Relations, has/have vacated any accommodation where they were residing as legal or illegal users.

In order to meet this requirement, the occupancy right holder shall furnish signed minutes from the competent adminiostrative body evidencing his/her/their departure, hand-over of heys, and scaling of the premises or reinstatement of the pre-war occupancy right holder to the vacated premises, or evidence that the current accommodation does not need to be vacated in accordance with the Low. Where applicable, the competent administrative body shall be obliged to provide the occupancy right holder with this evidence.

The competent authority shall, within one month of entry into force of this Law, define by instruction, legally valid evidence for the purposes of this Article where the minutes are not available or where the current accommodation does not need to be vacated in accordance with the Law.

The evidence must be attached to the written request for buying an apartment. The evidence is an integral part of the written request for buying the apartment and the request cannot proceed in its absence.

#### Article 9

Under conditions prescribed by this Law, the members of the close family household of the occupancy right holder may also buy an apartment, with approval of or in case of death of the occupancy right holder.

Members of the close family household of the occupancy right holder shall be considered to be the person referred to in the Law on Housing Relations.

#### Article 10

Under conditions prescribed by this Law the occupancy right holder, his/her spouse or a member of his/her close family household may purchase only one apartment.

Any contract concluded in violation of provision referred to in paragraph 1 of this Article shall be null and void.

#### Article 11

Spouses may buy an apartment together, and one of them may buy it only with the approval of the other one.

If co-tenants have the occupancy rights on one apartment, they shall buy the apartment together each the part on which he/she has the occupancy right, unless they agree otherwise.

As an exception from paragraph 2 of this Article, if one or more co-tenants do not submit the request for buying their parts of the apartment within the deadline referred to in Article 7 of this Law, other co-tenants shall have the right to buy the apartment.

Approval and agreement referred to in paragraphs 1 and 2 of this Article shall be given in the contract or in a separate document with certified signature.

<sup>&</sup>lt;sup>3</sup> New Article 8b was introduced by the HR's Decision of 17 July 2001; published in the FBiH OG, no. 32/01.

In case the approval is not given, or the agreement is not reached, the decision shall be made in the judicial proceedings.

# Article 12

Apartments shall be sold by the seller from Article 7(1) of this Law.

#### Article 13

Apartments whose seller is unknown shall be sold by the municipality.

# Article 14

For the purposes of this Law, an apartment whose seller is unknown shall be understood to mean an apartment whose allocation right holder is a legal person which did not register its activities according to the current regulations, or which ceased to operate and its legal successor is unknown or not determined, or whose seat is unknown, and the occupancy right holder is not able to file the request for buying the apartment within the deadline prescribed by Article 7(2) of this Law.

In case referred to in paragraph 1 of this Article the occupancy right holder shall submit the request to the competent service of the municipality in which the apartment is located.

After having completed the required procedure, the competent service of the municipality shall allow the occupancy right holder who fulfils the conditions prescribed by this Law to purchase the apartment, and shall conclude the contract within the deadline referred to in Article 7 of this Law.

# Article 15

Apartments whose allocation right holders were the former JNA and the SSNO (Federal Secretariat of National Defence) shall be sold by the Federation Ministry of Defence in accordance with this Law.

An organisational unit of the federation Ministry of Defence on the muni8cipal level shall sell the apartments from paragraph 1 of this Article which are on the territory within its jurisdiction.

Apartments whose allocation right holders were the bodies and organisations of former SFRY, with the exception of paragraphs 1 and 2 of this Article, shall be sold by the Cantonal Government on the territory of which the apartment is located.

Apartments which are owned by the bodies and organisations of Bosnia and Herzegovina shall be sold by the Government of the Federation BH.

# **III PRICE OF AN APARTMENT**

# Article 16

The price of an apartment shall be defined by contract, depending on:

- 1. the value of the apartment established in accordance with Article 18 of this Law;
- 2. amount of funds of the occupancy right holder which he invested in the apartment;
- 3. depreciation of the apartment;
- 4. level of war damage which the occupancy right holder repaired, or which is to be repaired;
- 5. discounts recognised belonging to the purchaser.

# Article 17

The price of the apartment shall be fixed on the basis of the value of the apartment as defined by Articles 18 to 21 of this Law and reductions as defined by Articles 21 to 24 of this Law, and shall be calculated in DM.

### Article 18

The value of the apartment shall consist of the construction value of the apartment, corrected by apartment's location coefficient.

The construction value of an apartment shall be 600 DM per m2.

Apartment's location coefficient shall be established by the competent Cantonal Government within the range from 0.80 to 1.20 depending the area of the settlement where the apartment is located, infrastructure support to the settlement, floor and other relevant facts.

# Article 19

Upon the request of the purchaser, the value of the apartment shall be reduced by the amount of personal funds invested or which need to be invested in the apartment by the purchaser, as follows:

- 1. non-refunded funds he/she invested as his/her own share for the purposes of acquiring occupancy rights;
- 2. the funds not paid in the name of compensation for dispossessed property to the holder of occupancy rights for the purpose of acquiring occupancy rights;
- 3. funds with which the holder of occupancy rights removed war damage.

The amount of invested funds shall be defined on the basis of documentation or the estimate of the expert witness of civil engineering profession.

The amount of invested or needed funds from paragraph 1, line 3 of this Article shall be recognised to the purchaser in the amount not exceeding 30% of the construction value.

### Article 20

The value of an apartment defined on the basis of Articles 18 and 19 of this Law shall be reduced on the basis of depreciation at the rate of 1% per year, and not more than up to 60%.

The price of garage shall be defined in the manner from paragraph 1 of this Article, provided that the purchaser does not have the right to reductions, and that he shall be obliged to pay the price of garage in full even in case when the apartment is paid by instalments.

### Article 21

The purchaser shall be given a personal reduction of price of the apartment determined in accordance with Article 20 of this Law, in the amount of 1% per full year of service with domestic legal or physical persons, including years of service with legal and physical persons from area of SFRY until 6 April 1992.

Reduction based on years of service of spouses defined in paragraph 1 of this Article shall be calculated cumulatively and up to 75%.

The beneficiary of family pension who is a purchaser, shall also be recognised a reduction of price of the apartment based on the years of service of the deceased holder of occupancy right.

### Article 22

The purchaser of an apartment shall be recognised a reduction of price of the apartment determined in accordance with Article 21 of this Law, as follows:

1. 0.25% for every month spent in the RBH Army, Croat Council of Defence or Police (hereinafter: the Armed Force) as well as in the National Liberation War from 1941 to 1945<sup>4</sup>.

<sup>&</sup>lt;sup>4</sup> Law on Amendments to the Law on Sale published in the FBH Official Gazette no. 22/99 of 11 June 1999;

2. 0.12% for every month spent under a working duty and in the unit of Civil Protection during the state of war.

# Article 23

Purchasers of apartments who are war victims shall be entitled to a special reduction of the value of the apartment determined in accordance with Articles 19 to 22 of this Law, as follows:

1. discount of 100% when the apartment is purchased by:

a) minor child as well as by the child receiving full time education both parents of whose were killed in the home guard-defensive war or were killed as victims of the aggression,

b) person who is military or civil invalid of war with at least 90% of physical damage.

2. Discount of 75% when the apartment is purchased by:

a) person whose two or more members of the family household were killed as members of the Federation Armed Forces in the defensive liberation war or were killed as victims of that aggression.

b) the occupancy right holder whose spouse was killed in the home guard-defensive liberation war as a member of the Armed Forces or was killed as a victim in that aggression if he/she lives in a family household with a pre-school child (an adopted child) receiving full time education or with a child (an adopted child) who is the holder of the family property.

In that case the apartment shall be jointly owned by the spouse and the child (adopted child).

3. Discount of 50% when an apartment is purchased by:

a) occupancy right holder whose spouse was killed in home guard-defensive liberation war or was killed as a victim in that aggression,

b) military invalid or a civil war invalid with 60% to 90% of physical damage,

c) a parent whose child with who the parent lived in a family household was killed in the home guard-defensive liberation war or was killed as a victim in that aggression.

4. Discount of 25% when the apartment is purchased by:

a) military or civil invalids of war with 20% to 60% of physical damage.

Military and civil war invalids of certain categories from this Article shall be considered persons to who that property is recognised on the basis of a separate law.

War invalids and other invalids who do not belong to the category of invalids defined in paragraphs 1-4 of this Article shall be entitled to a discount in the amount of an appropriate category of invalidity from this Article deduced by 20%.

b) camp inmates and political prisoners who were in camps or prisons respectively during the aggression on Bosnia and Herzegovina, for at least 12 months, which shall be proved by a credible documentation.

# IV FUNDS AND WAYS OF PAYING THE PRICE OF APARTMENT

# Article 24

Payment of purchase price of the apartment shall be done by one of the means of payment, as follows:

1. cash,

2. certificates based on citizen's claims, regulated by special regulations.

In case of cash payment, payment the price of an apartment shall be reduced by  $20\%^5$  of the determined purchase price.

# Article 25

Cash payment of the price of the apartment may be agreed to be in full or by instalments, according to the choice of purchaser.

<sup>&</sup>lt;sup>5</sup> Law on Amendments to the Law on Sale published in the FBH Official Gazette no. 11/98 of 3 April 1998;

If the payment is agreed to be in full, the payment deadline may not be longer than 30 days from the day of entering into the contract.

# Article 26

The deadline for payment by instalments may not exceed 25 years, and shall be paid in 25 equal annual instalments with 1% annual interest.

The Cantonal Government may prescribe a shorter period for payment by instalments, with a smaller interest rate.

# Article 26a<sup>6</sup>

If the buyer, after he has paid a number of instalments for his apartment, closes a contract to pay everything in cash, the price of the apartment that he has to pay for shall be reduced for the interest rate calculated by the annual rate of 2% on the instalments paid in advance, as referred to in Article 26 of this Law, according to the interest calculation method.

# **V** REGISTRATION OF APARTMENT OWNERSHIP RIGHTS

#### Article 27

The ownership right to an apartment shall be acquired upon the registration in the Land Register.

If the purchaser contracted the payment in instalments the right to register the ownership in the Land Register shall be acquired upon the day of the payment of the first instalment, provided that the apartment may not be sold or disposed of in legal transactions with living persons until the day of the payment of the last instalment.

If a real property is not registered in the Land Register, the ownership right to the apartment shall be acquired upon submission of the contract to the Land Registry Service of the Court in whose jurisdiction the apartment is located and upon the registration in the record of submitted contracts held in the Court.

The way of setting up and keeping the submitted contracts record shall be regulated by a separate cantonal regulation.

# Article 28

When the apartment is used by the families of dead soldiers, disabled war veterans, demobilised soldiers and expelled persons on the basis of a legal title, the purchaser of the apartment may establish a lease relation with that person under conditions prescribed by a separate law regulating the lease of apartments.

The lease relation from paragraph 1 of this Article may not last longer than 3 years.

#### Article 29

The seller shall be obliged to submit for approval the contract on the sale of the apartment to the competent Attorney General within 30 days from the day of entering into the contract.

If the Attorney General finds that the agreed price of the apartment was not determined in accordance with the provisions of this Law, he/she shall invite the parties to amend the contract and thus bring the apartment price into compliance with the provisions of this law within 30 days from the day of receipt of the contract.

<sup>&</sup>lt;sup>6</sup> New Article 26a introduced by the Law on Amendments to the Law on Sale published in the FBH Official Gazette no. 11/98 of 3 April 1998;

If the parties fail to comply, the Attorney General shall file an action for the cancellation of the contract within 60 days from the day of the submission of the contract.

### Article 30

The contracting parties shall be obliged to certify their signatures.

The body competent for the certification of signatures shall certify the signatures of the parties upon the finding that the contract was submitted for approval to the competent Attorney General, which is to be confirmed on the back of the contract.

# Article 31

The contract on the sale of the apartment by instalment payments must contain the purchase's statement authorising the registration of mortgage on the purchased apartment on behalf of the seller, in the amount of the price and interest.

#### Article 32

The mortgage shall become valid upon the registration in the Land Register. In the area for which land records are not kept the mortgage shall become valid upon the registration in the Book of Title Deeds or other book in which the mortgage on real property is registered.

When the court receives the request for registration, i.e. the registration of apartment ownership, it shall register ex officio the mortgage on behalf of the seller in the full amount of the price and interest.

# Article 33

Occupancy right of the apartment of the holder thereof shall terminate on the day of entering into the apartment sales contract.

# Article 34

Contract on the sale of the apartment concluded under the conditions prescribed by this Law shall not be subject to sales taxation.

# VI THE MANNER OF DISTRIBUTION OF FUNDS

# Article 35

Income realised from the sale of apartment referred to in Article 13 of this Law shall be included in the municipal budget.

#### Article 36

Income realised from the sale of apartments referred to in Article 15 of this Law shall be allocated as follows:

- 1. 80% to the cantons
- 2. 20% to the Federation

#### Article 37

Income realised from the sale of apartments referred to in Article 12 of this Law shall be allocated as follows;

1. 905 of income to the enterprise or other legal entity for the purpose of giving credits under favourable conditions for purchasing apartments for their workers.

if the enterprise or other legal entity does not need crediting under favourable conditions for purchasing apartments for their workers, the income from the preceding paragraph may be used for its development.

2. 10% of income to the enterprise or other legal entity for the payment of costs caused by the sale of apartments.

Income realised from the sale of apartments referred to in paragraph 1, line 1 of this Article shall be used by the enterprise for the given purposes until the day of approval of the privatisation programme by the competent privatisation agency.

Once the privatisation programme is approved to the enterprise, further instalment payments collected from the sale of apartments referred to in paragraph 1,line 1 of this Article shall be paid into the budget of the municipality and the town on the territory of which the apartment is located and shall be used for the development of the communal infrastructure.

# Article 38

Entities realising income from the sale of apartments in accordance with Articles 35, 36 and 37 of this Law, shall allocate 70%<sup>7</sup> of income to the cantonal fund for construction of apartments for family members of killed soldiers, disabled war veterans, demobilised soldiers and expelled persons.

The rights and obligations of the cantonal fund for the building of apartments shall be regulated by a special cantonal regulation<sup>8</sup>.

#### Article 39

When concluding a contract on sale of apartment under provisions of this Law, an occupancy right holder who concluded a contract on the purchase of the apartment on the basis of the Law on Security in JNA and the Law on Amendments to the Law on Rights and Obligations of the Federal Bodies Regarding Socially Owned Assets Used by Them (Official gazette of the SFRY, no. 84/90) shall be recognised the amount paid calculated in DEM at the exchange rates valid on the day of the payment.

### Article 39a<sup>9</sup>

If the occupancy right holder of an apartment at the disposal of the Federation Ministry of Defence uses the apartment legally and s/he entered into a legally binding contract on purchase of the apartment with SSNO before 6 April 1992 in accordance with the Law referred to in Article 39 of this law, the Federation Ministry of Defence shall issue an order for the registration of the occupancy right holder as the owner of the apartment with the responsible court.

#### Article 39b

In the event that the occupancy right holder referred to in Article 39a of this Law did not effect the payment of the total amount of the sale price of the apartment in accordance with the sale contract s/he shall pay the reminder of the amount specified in that contract to the Ministry of Defence of the Federation.

If the contract provided for the payment of the sale price in instalments, an annex to the contract shall be made regulating the payment of the remaining instalments and the creation and registration of a mortgage in accordance with this Law.

The provisions of Article 39a of this Law and paragraph 1 and 2 of this Article shall also be applied to contracts on the purchase of apartment concluded before 6 April 1992 in cases where the verification of signatures has not been done before the responsible court.

<sup>&</sup>lt;sup>7</sup> Law on Amendments to the Law on Sale published in the FBH Official Gazette no. 11/98 of 3 April 1998;

<sup>&</sup>lt;sup>8</sup> New paragraph 2 introduced by the Law on Amendments to the Law on Sale published in the FBH Official Gazette no. 11.98 of 3 April 1998;

<sup>&</sup>lt;sup>9</sup> New Articles 39a, 39b, 39c, 39d and 39e introduced by the HR's Decision, published in the FBH Official gazette no. 27/99 of 5 July 1999;

#### Article 39c

The provisions of Articles 39a and 39b shall also be applicable to an occupancy right holder who has exercised the right to repossess the apartment pursuant to the provisions of the Law on the Cessation of Application of the Law on Abandoned Apartments (Official Gazette of the FBH, no. 11/98 and 18/99).

#### Article 39d

A person who does not realise his/her right under this Law with the Federation Ministry of Defence, may initiate a proceedings before the responsible court.

# Article 39e

The occupancy right holder who is not entitled to the repossession of the apartment or does not submit a claim for the repossession of the apartment in accordance with the provisions of Article 3 and 3a of the Law on Cessation of Application of the Law on Abandoned Apartments and who entered into a legally binding contract on the purchase of apartment with the SSNO before 6 April 1992, shall have the right to submit a request to the Federation Ministry of Defence for compensation of the funds paid on that basis, unless it is proved that these funds were acknowledged for purchase of an apartment outside the territory of Bosnia and Herzegovina.

# VII SPECIAL PROVISIONS

### Article 40

Legal status of apartments which are under construction and the manner of their privatisation shall be regulated by a special regulation to be passed by the competent Cantonal body.

For the purposes of this Law, the apartment under construction shall be understand to mean every newly built apartment on which a technical inspection has not been done and a positive statement on use of the apartment has not been given.

When passing this regulation, the competent cantonal body shall consider the rights of an investor (contractor), level of construction, as well as other circumstances relevant for a fair solution.

# Article 41

Upon a request of the seller or the purchase, the responsible body which keeps the records on apartments shall be obliged to provide access to data relevant for the sale of the apartment.

### Article 42

Maintenance of common parts of the building in which the apartment have been sold, as well as renting of the apartments for which the holders of the occupancy right have not submitted a request for sale, shall be regulated by a special cantonal regulation.

# VIII PENALTY PROVISIONS

# Article 43

Legal entity-the seller of the apartment shall be fined for an offence by the amount from 1.000 KM to 10.000 KM:

- 1. if he does not act in accordance with the provision of Article 7 of this Law;
- 2. if he acts in contravention of the provisions set forth in Article 8a of this Law<sup>10</sup>;
- 3. if he determines the price of the apartment in contravention of the provisions of Article 18 to 25 of this Law;

<sup>&</sup>lt;sup>10</sup> New item 2 introduced by the Law on Amendments to the Law on Sale, published in the FBH Official Gazette no. 11/98 of 3 April 1998;

- 4. if he does not act in accordance with the provision of Article 29, paragraph 1 of this Law;
- 5. if he uses means acquired by sale of apartments for purposes which are opposite to provisions of Articles 35 to 38 of this Law.

A responsible person within legal entity shall be fined for the offence referred to in paragraph 1 of this Article, by the amount from 500 KM to 1.000 KM.

### Article 44

A responsible person within the competent body which keeps the record on apartments shall be fined for an offence by the amount from 500 KM to 1.000 KM if he does not act in accordance with provisions of Article 41 of this Law.

# Article 45

Until the KM becomes operational, the fines foreseen in Articles 43 and 44 of this Law may be paid in DM or the same amount denominated in other currencies used in payment operations in the Federation of Bosnia and Herzegovina, at the average rate published by the competent financial institution on the date of payment.

# IX FINAL AND INTERIM PROVISIONS

# Article 46

Contracts on the use of apartment which were concluded under the Law on Housing relations by the day of the entry into force of this Law, shall cease to be valid at latest within three years<sup>11</sup> from the date of the entry into force of this Law.

Persons who acquired the occupancy right or the legal title to lawfully occupy the apartment in accordance with provisions of the Law on Housing Relations, by the expiry of the deadline referred to in Article 50 of this Law, shall have the right to purchase the apartment in accordance with the provisions of this Law.

# Article 46a<sup>12</sup>

On receipt of a written request for purchasing an apartment in accordance with Articles 7, 8, 8a and 8b of this Law, Article 44, paragraph 1(6), and Articles 47 and 49 of the Law on Housing Relations shall be suspended until the purchase contract is concluded.

Purchasers subject to Articles 8a and 8b of this Law shall be fully released from liability for any administrative or other expenses that might otherwise accrue pursuant to the Law on Administrative Procedures and the Law on Housing Relations.

### Article 47

Provisions of this Law shall not be applied to the sale of privately owned apartments which have not been subject to nationalisation, on which the occupancy right has been acquired.

Sale of apartments which are subject to restitution shall be regulated by a separate regulation on restitution.

### Article 48

The residential building and apartments in the building which have been damaged during the war cannot be subject to sale, if they do not provide permanent fitness, usability and safety of all basic parts of the building as a whole which are being used by all users of the building.

<sup>&</sup>lt;sup>11</sup> Law on Amendments to the Law on Sale published in the FBH OG, no. 7/00 of 5 March 2000;

 $<sup>^{12}</sup>$  New Article 46a was introduced by the HR's Decision of 17 July 2001; published in the FBiH OG, no. 32/01.

After having concluded the required procedure, the fitness of the building referred to in paragraph 1 of this Article, shall be determined by the administrative municipal body responsible for urban planning and civil engineering affairs.

# Article 49

Cantonal Government shall pass regulations referred to in Articles 18, 26 and 27 of this Law within 15 days from the date of the entry into force of this law.

# Article 50

Cantonal Assemblies shall pass regulations referred to in Articles 40 and 42 of this law within two years from the date of the entry into force of this Law.

# Article 51

This Law shall enter into force on the eight day of its publishing in the "Official Gazette of the Federation of Bosnia and Herzegovina" and shall be applied upon the expiration of 90 days after its entry into force.

NOTE: The Government of the Federation of Bosnia and Herzegovina issued the Decision on Temporary Regulating Sale of Apartments (FBH Official Gazette, no. 7/00; entered into force on 6 March 2000) with which the general deadline for the purchase of socially-owned apartments in FBH has been extended for two months (until 6 May 2000). In addition, this Decision regulates the following;

- 1. Requests for purchase of apartments for which the revalidation of contract on use of apartment is done in accordance with Article 2 paragraph 4 of the Law on Cessation of Application of the law on Abandoned Apartments shall be submitted within <u>three</u> <u>months</u> from the day of revalidation of the contract on use of apartment;
- 2. Request for purchase of apartments to which multiple user is returning referred to in Article 11 paragraph 4 item 6 of the Law on Cessation of Application of the Law on Abandoned Apartments, as well as for the purchase of devastated apartments shall be submitted within <u>three months</u> from the day of entry into the possession of the apartment;
- 3. Sale of apartments located in the territory of the Federation which are owned by legal entities based in countries which belonged to the former SFRY shall be done by the Government of the Federation BH in accordance with the Law on Sale of Apartments with Occupancy Rights. Request for purchase of these apartments shall be submitted until 6 June 2000;
- 4. Sale of apartments located in the Federation which are owned by legal entities based in the Republika Srpska shall be done by the municipality in the territory of which the apartment is located. Requests for purchase of these apartments shall be submitted <u>until 6 June 2000.</u>

On 4 May 2000 the Government issued Decision on Amendments to the Decision on Temporary Regulating sale of Apartments (FBH Official Gazette, no. 16/00; entered into force on 7 May 2000) with which the general deadline for the purchase of socially-owned apartments has been extended for another four months (until 6 September 2000).

This new deadline does not apply for the above listed cases.

On 26 October 2000 the Government issued decision on Changes and Amendments to the Decision on Temporary Regulating Sale of Apartments (FBH Official Gazette, no. 48/00; entered into force on 11 November 2000). Two changes were introduced:

1. occupancy right holders referred to in Article 18d, paragraph 7 (temporary users issued by a new contract on use of the unclaimed military apartment) can submit request for purchase of apartment within three months from the date of repossession of the apartment;

2. after privatisation of companies is finished, apartments owned by companies shall be sold by municipality on which territory the apartment is located.