

# LAW OF THE REPUBLIC OF ARMENIA

## “ON STATE REGISTRATION OF RIGHTS TO THE PROPERTY”

Note: Article 41 were subsequently amended.

This law regulates the state registration of rights to property and the activity of the system implementing the state registration.

### **Article 1. Legislation on State Registration of Rights to the Property and the Field of Activity**

The legislation on state registration of rights to the property (hereinafter to be referred to as “state registration”) consists of RA laws and other normative acts.

Provisions of this law include rights and encumbrances to the property, subject to state registration, as stipulated in this law, irrespective of the form of ownership, as well as rights to personal property in cases envisaged by Law.

### **Article 2. Definitions**

State Registration is the registration of origination, modification or termination of the right of ownership to the property, right of use, hypothec, servitude, as well as other rights as stipulated by laws, by the body implementing the state registering as stipulated by this law.

Property – Real property, subject to state registration by this Law and portable property, subject to state registration in cases stipulated by law.

Real Property – Unity of land and/or property affixed to land (buildings, constructions, forests, etc) and of rights to the latter.

Real Estate Unit is a land parcel, building or structure that is separately described by its code and number in the Cadastral Map and which may be considered an object of ownership or use.

Real Estate Object is the real estate unit or the combination of several units.

Cadastral Code is the combination of digits, assigned to the real estate unit and valid until such real estate unit exists as one physical or legal unity.

Cadastral Territory, Sub territory, Sector, Quarter means the geographical territory established for the purpose of conducting state unified cadastre as defined by this law.

Owner or User means the subject to acquire the right of ownership or use registered as stipulated by this law.

Real Estate Transaction is the act related to origination, conveying, modifying or terminating the right to the real estate by real estate subjects.

Registration page is the page in the State Unified Registry of Real Estate assigned to each real estate unit and containing data on that real estate unit and rights to it.

Document is the written instrument evidencing the right of ownership or use to the real estate, encumbrances, their origination, modification or termination.

Subdivided Buildings mean buildings, structures divided into separate real estate units.

### **Article 3. General Principles of State Registration**

The general principles of state registration are:

- a. State protection of registered rights to the property,
- b. Accessibility, objectiveness, updating and centralization of cadastral data.

### **Article 4. Main Objectives of State Registration**

Main objectives of state registration are:

- a. State recognition, guarantee and protection of rights to the property,
- b. Support to the establishment of the real estate market;
- c. Establishment of an information system on property and rights and encumbrances to the property,
- d. Provision of information on the property including rights and encumbrances to bodies of public administration, local and judicial authorities, legal entities, banks and citizens,
- e. Provision of accessibility, objectiveness and updating of information on property, including rights and encumbrances.

### **Article 5. The State Registration System**

The state registration shall be implemented by the system of state unified cadastre of real estate, which consists of the national body of public administration authorized by the RA Government and its territorial subdivisions.

### **Article 6. The National Body Conducting the State Unified cadastre of Real Estate**

The body authorized for the conduct of the state unified cadastre of real estate is the national body of public administration (hereinafter to be referred to as “State Register of Real Estate”), which is responsible for the development and implementation of the real estate market overall policy within the territory of the RA, the state registration of rights to the property for the purpose of recognizing and guaranteeing rights and encumbrances to the property, as well as the establishment of an information system on property, provision of information and the management and supervision of the system’s activity.

### **Article 7. Head of the State Register of Real Estate**

Citizens no older than 60 years, having high education, may be appointed the Head of State Register of Real Property.

The Head of State Register of Real Estate of the RA shall not occupy any other position, be a member of representative body, carry out any other paid work (except for pedagogical, scientific and creative work).

The Head of the State Register of RA Real Estate shall be appointed and discharged by the President of the Republic of Armenia, for 5 years, by the introduction of the Prime Minister of the Republic of Armenia.

The Head of the State Register of Real Estate may be discharged:

- a) due to his resignation letter;
- b) in case of being considered not to be able or to be partly able to work by a verdict of a court, which is in legal power;
- c) due to a verdict of court;
- d) because of death.

### **Article 8. Territorial Subdivisions of State Register of Real Estate**

Territorial subdivisions of the State Register of Real Property shall be established by the State Register of Real Estate to implement the state registration of property throughout the territory determined by the State Register of Real Property. Databanks on real estate and rights and encumbrances to it shall be established in the territorial subdivisions of the State Register of Real Estate and shall be considered part of the information system of the State Register of Real Estate.

### **Article 9. Head of the Territorial Subdivision of State Register of Real Estate**

The Head of the Territorial Subdivision of State Register of Real Estate shall implement the state registration of rights to the property located within such territory.

Citizens no older than 60 years, having high education, may be appointed the Head of Territorial Subdivision of State Register of Real Property.

The Head of Territorial Subdivision of State Register of Real Estate shall not occupy any other position, be a member of representative institution, carry out any other paid work (except for pedagogical, scientific and creative work).

The Head of the Territorial Subdivision of State Register of Real Estate shall be appointed and discharged by the Head of State Register of Real Estate of the RA, for a period of 4 years.

The Head of Territorial Subdivision of State Register of Real Estate may be discharged:

- a) due to his resignation letter;
- b) in case of being considered not to be able or to be partly able to work by a verdict of a court, which is in legal power;
- c) in case of liquidation of the Territorial Subdivision;
- d) due to a verdict of court;
- e) because of death;
- f) in other cases stipulated by the RA Legislation.

### **Article 10. Requirements Established for the Head of Territorial Subdivision of State Register of Real Estate**

The following persons cannot be appointed the Head of the Territorial Subdivision of State Register of Real Estate:

- a. COPY,

### **Article 11. Objects of State Registration**

The objects of state registration are the rights of ownership and use, mortgage, hypothec, servitude to the property subject to state registration as set in this law, as well as other rights, their origination, conveyance, modification and termination in cases stipulated by law.

### **Article 12. Subjects of State Registration**

The subjects of state registration are the Republic of Armenia, its communities, citizens, legal persons, foreign states and international organizations, foreign legal and physical persons as well as persons with no citizenship.

### **Article 13. The Organization of State Registration**

For the purpose of organizing the state registration, in accordance with the administrative division (into Marzes), the territory of the Republic of Armenia has been divided into cadastral territories, where each is assigned an individual cadastre code.

Cadastral territories are divided into cadastral sub territories, which cannot violate the borders of the communities and where each is assigned an individual cadastre code.

Cadastral sub territories are divided into separate sectors, districts, and units, where each is assigned an individual cadastre code.

Buildings and structures have individual cadastre codes, which are linked with the cadastre code of the corresponding plot.

Real Property State Unified Registries are provided for the cadastral territories and sub territories.

A unified code system of real property units' recording and state registration operates throughout the territory of the Republic of Armenia. The recording and registration procedures are prescribed by the Government of the Republic of Armenia.

#### **Article 14. Presumption of Public Awareness of State Registration**

All physical and legal persons shall be deemed informed about the registered rights to the real property regardless of their actual awareness of the respective rights.

Any references to other documents on not-registered rights to the property, except for the registration pages of the State Unified Registry, as well as the respective rights shall not be deemed recognized or registered.

#### **Article 15. Main Documents of State Registration System**

The main documents of the state registration system are:

- a. The State Unified Register of Rights to the Property (hereinafter to be referred to as "Registry"),
- b. The Cadastral Map (Plan),
- c. Cadastral File created for the each real estate unit.

#### **Article 16. Registry**

An individual registration page shall be filled out for each real property unit that bears a cadastre code, regardless of the form of ownership. The Registration Pages is divided into the following sections:

- a. Description of real estate unit, with cadastral cods of the plot, building and structure, its location, size, purpose of use and other additional data.
- b. Rights to the real estate, subjects of those rights and data on them
- c. Encumbrances to the real estate, including the servitudes.

#### **Article 17. Cadastral Map (plan) of the Real Estate Unit**

Cadastral map (plan) is the scathe of the reduced and generalized region in appropriate scale and symbols, which demonstrate the units of real property (regardless of ownership type), their location, boundaries, area and type, surface and underground communication network and other data on real estate.

The coordinates of boundaries and diagonals of parcels, buildings, constructions and other affixed structures depicted on the cadastral maps are registered in Real Property State Unified Cadastre Coordinates' Book and shall be linked to General Coordinate System of the Republic of Armenia.

The Government of the Republic of Armenia shall define the types and scales of cadastral maps.

#### **Article 18. Implementation of Cadastral Mapping Works**

Cadastral mapping shall be carried out by physical and legal persons with relevant license in cadastral mapping.

Preliminary work in cadastral mapping shall be funded by state budget however updating shall be done at the expense of the owner (user).

#### **Article 19. Boundaries of the Real Estate Unit (Plot)**

Boundaries of real estate unit (plot) may be precise and approximate. Schematic reflection of real property boundaries, without precise boundary measurements on the cadastral maps (plans) is considered to be approximate. Rotary reflection of real property boundary point co-ordinates is considered to be precise, with the precise boundaries and area on cadastral maps (plans).

Rotary point coordinates of real property (parcel) boundaries serve as a basis for securing the parcel boundaries. Parcel boundaries are secured on the ground by boundary markers at the expense of the owner (user) and in the presence of owners, users and their representatives.

The way of determining the boundaries, technical requirements for their accuracy and the form of the boundary markers shall be determined by the State Registrar of Real Property.

#### **Article 20. Keeping the Boundaries of Real Estate Unit (Plot)**

Every owner (user) shall be responsible for keeping boundaries of the plot to which such owner (user) holds the right to ownership.

In the event of illegal change and causing damages to real estate boundaries, the guilty party shall cover all expenses related to the restoration of boundary marks.

#### **Article 21. Cadastre Files Compiled For Each Real Estate Unit**

Cadastre Files compiled for each real estate unit include documents evidencing rights and encumbrances to particular real estate unit, as set below.

- a. On plots allocated to subjects of real estate as well as allocated with the right of ownership or use (homesteads, horticultural (dachas), for construction and service of residential dwellings, for running peasants' and peasants' collective farms, as well as for urban development) and buildings and constructions;
- b. Agreements on real estate alienation (acquisition), lease, sublease, use, mortgage, exchange and servitude as well as court decisions with regard to the servitudes;
- c. Decisions or agreements on transferring lands or buildings and constructions for permanent use;
- d. Agreements on the land boundary consolidation, subdivision or modification;
- e. Decision and agreements on the encumbrances to the real property use;
- f. Decisions, sentences and verdicts on termination of the right of ownership to the real estate;
- g. Decision and sentences on termination of the right of use or lease to the land, building and construction;
- h. Decisions on renunciation of real property or a part of it by the owner;

- i. Documents evidencing ownership rights to real property and encumbrances of rights, origination, conveying, modification and termination thereof.

## **Article 22. Procedures on Receiving Files Registered in the Subdivisions of State Register of Real Estate and Requirements**

Territorial Subdivisions of State Register of Real Estate shall accept documents submitted for registration based on the application of the owner (user) and shall register them in the Registry of Recording. Register for recording applications includes the list of submitted documents, date and hour of receipt, data about the applicant, based on evidencing documents.

The receipt on the payment of prescribed fee shall be attached to the application, as well as documents stipulated by the Article 21 of this law and compiled as prescribed by the legislation of the Republic of Armenia.

Documents submitted in pencil, with corrections and wipeouts shall not be accepted.

Documents submitted with corrections shall be ratified with appropriate signature and stamp.

Documents shall be submitted in 1 copy - the original or its copy approved according to the existing procedure.

Documents causing any changes, additions and termination of the rights to real property are not accepted without the consent of the owner (user), except for the following cases:

- a) if the transaction is concluded based on an authorization letter;
- b) if the transaction is concluded by the guardian, trustee or other legal representative;
- c) if the changes are made by the decision or verdict of the court;
- d) if the right is vested due to the death of the owner (user) based on the last will or legal succession.

The form of Registry for recording applications and the procedure of its maintenance shall be approved by the State Register of Real Property.

## **Article 23. State Registration**

Rights originating from real estate transactions, such as the right of ownership, right of use, mortgage, hypothec, servitude, other encumbrances, rights to personal property, as well as other rights stipulated by law shall be subject to state registration within 30 days from the day of transaction in the Territorial Subdivision of Real Estate State Registration, where such real estate is located.

In case if the requirement of state registration of rights originating from the real estate transaction is not fulfilled the transaction shall be deemed invalid. Such transaction shall be deemed null and void.

State registration of registered rights to the property, including state registration of the mortgage, hypothec, shall be carried out according to the sequence of applications entered (based on the month, day and hour in the Registry) in the Territorial Subdivision of Real Estate State Registration. Applications for state registration of the same real estate unit submitted earlier shall have a priority over application submitted later.

Registered rights, including mortgage, hypothec shall have priority over rights submitted within the determined period but not registered.

No particular right to the property shall be registered, if the right of ownership (use) to such property is not registered.

## **Article 24. Implementation of State Registration**

For the purposes of state registration subjects holding rights to the real property shall submit documents stipulated by Article 21 of this Law together with the application to the local subdivision of the State Register of Real Property.

Local subdivisions of the state register verify the conformity of the submitted documents with the legislation of the Republic of Armenia.

In the event of unconformity, the submitted documents shall be returned with compulsory comments on drawbacks within five days after the receipt. Returned documents, with relevant additions and corrections, shall be submitted again within 15 days from the day the documents were returned to the owner (user).

Cadastral file on real property is compiled after checking the documents and registered in the real property state registration unified registry with the appropriate changes in the cadastral maps.

Rights to the property shall be considered registered from the moment of registration in the Registry.

Information on the registration of rights to the property shall be transferred to the Information Center of the state register of real property within twenty four hour time (this provision shall be valid from the year 2001).

The state registration shall be carried out within 15 days from the date the documents are submitted to the local subdivision of the State Register of Real Property.

Rights to personal property are subject to state registration in cases envisaged by Law.

Regulations on the state registration of rights to personal property shall be defined by the Government of the Republic of Armenia.

## **Article 25. Certificate on Registration of the Ownership (Use) Right to the Real Estate**

Immediately after the state registration of rights to the real estate a Certificate on registration of the Ownership (Use) Right to the Real Estate shall be issued.

The Certificate on the Ownership (Use) Right to the Real Estate shall include the name of the owner (user) of the real estate, reference to the codes of the real estate units, the state registration number, rights to the property, servitude, targeted use, sizes, the real estate plan, other additional data.

The form of the Certificate on the Ownership (Use) Right to the Real Estate shall be approved by the RA Government.

**Article 26. State Registration of the Right of Mortgage, Hypothec**

State registration of the right of mortgage, hypothec shall be carried out in the territory where the subject of mortgage, hypothec is located by the Territorial Subdivision of Real Estate State Registration.

State registration of the right of mortgage, hypothec shall be made in the relevant page of the Registry where the real estate subject to mortgage, hypothec is registered.

In case of change of the term of the mortgage, hypothec, the owner and size of the real estate under the burden of mortgage, hypothec, based on the agreement with the mortgagee the registration of the right of mortgage, hypothec shall be changed.

**Article 27. Certificate on Registration of the Right of Mortgage, Hypothec**

After the state registration of the right of mortgage, hypothec, the mortgagee receives the Certificate on Registration of the Right of Mortgage, Hypothec.

The month, day, hour and registration number of the mortgage, hypothec contract shall be stated in the Certificate on Registration of the Right of Mortgage, Hypothec, which shall be certified by the signature and seal of the official working in the territorial subdivision of the state register of real estate.

The form of the Certificate on Registration of the Right of Mortgage, Hypothec shall be approved by the Government of the Republic of Armenia.

**Article 28. Encumbrances to the Property Subjects to Mortgage, Hypothec**

After the registration of the right of mortgage, hypothec, encumbrances (ban) shall be applied to the property as prescribed. The procedure of enforcement of the encumbrance shall be defined by the State Register of Real Property. While registering the right of mortgage, hypothec no contradicting documents should be registered without the consent of the mortgagee.

**Article 29. State Registration of the Right of Mortgage, Hypothec of the Property of Legal Persons Located in Several Areas (branches)**

State registration of the mortgage, hypothec right to the property of legal persons located in several areas (branches) is conducted by the territorial subdivision of real property state register of the area where such property is located, according to the procedure prescribed by this law.

**Article 30. Registration of the Right of Mortgage, Hypothec and Deeming the Certificate on Registration of Right of Mortgage, Hypothec Invalid**

The registration of the right of mortgage, hypothec and the Certificate on the Registration of the Right of Mortgage, Hypothec shall be deemed invalid due to;

- a. the application of the owner of the Mortgage, Hypothec Certificate;
- b. the joint application of the mortgagee and the mortgagor; or
- c. the court verdict or decision on the termination of the mortgage, hypothec.

Based on these documents, a note shall be made in the appropriate section of the Registry deeming the registration of the Mortgage, Hypothec Contract and the Certificate on Registration of Right of Mortgage, Hypothec null and void.

After deeming the registration of the Mortgage, Hypothec Contract and Hypothec Right Registration Certificate null and void the ban is removed.

**Article 31. State Registration of the Right of the Real Estate Leasing**

State registration of the right of real estate leasing shall be carried out by the territorial subdivisions of the state register at the place, where the real property subject to lease is situated.

If stipulated by the contract, the right of real estate leasing shall be re-registered in case of variations of the terms and liabilities of the real property leasing as well as in case of the change of the real property owner.

The right of real property leasing shall be valid until the end of time limits prescribed in the contract.

State registration of the rights of real property leasing shall be made in the Registry, in the appropriate section of the registration page of the real property, which is the subject of leasing. The plan of the real property, which is the subject of leasing, provided by the competent authorities shall also be attached to the lease contract for state registration.

State registration of mortgage, hypothec and other rights to the leased real property shall be performed only with the written consent of the lessee, unless otherwise stipulated by the lease contract.

A Certificate on registration of the right of real estate leasing shall be issued immediately after the state registration of the right of real estate leasing.

The form of the Certificate on registration of the right of real estate leasing shall be approved by the Government of the Republic Armenia.

**Article 32. State Registration of the Right to Lease Real Property of Legal Persons Located in Several Areas (branches)**

State registration of the right of real property Leasing of legal persons located in several areas (branches) is conducted by the territorial subdivision of real property state register of the area where such property is located according to the procedure prescribed by this law.

### **Article 33. Deeming the State Registration of the Right of Real Estate Leasing and the Certificate of Registration of the Right of Real Estate Leasing Invalid**

State registration of the rights of lease to the real property and the Certificate of Registration of the Right of Lease to Real Property shall be deemed invalid:

- a. by the joint application of the lessee and lesser;
- b. by the court decision on the termination of the real property lease contract;
- c. upon the termination of the lease contract time limit.

Deeming the registration of the leased real property in case of sub-lease, mortgage, hypothec and other rights shall be carried out only based on the written consent of persons holding such rights.

Based on the above mentioned documents a note is made in the appropriate section of the real property state registration unified register deeming the state registration of the rights of lease to the real property and the Certificate of Registration of the Right of Lease to Real Property null and void.

### **Article 34. Registration of Transfer by Law, Court Decision, Verdict or Other Documents of Real Property Acquisition**

In the event if the state or any other person obtain ownership or use rights to the real property unit, due to law, court decision, verdict or other documents of real property acquisition, then upon the application of the interested persons, in case of the availability of the appropriate documentation, the state or the person shall be registered as the owner (user) of the property in the appropriate registration page of real property state registration unified register.

The same procedure shall be applied for registration of titles acquired by the virtue of adverse possession as certified by the respective documents issued by respective responsible authorities.

### **Article 35. Decisions, Sentences and Verdicts terminating the Ownership Right to the Real Property; Decisions on Renunciation of Real Property or the Part of it by the Owner; Decisions on Termination of the Right to Lease and Permanent use of Real Property.**

Decisions and sentences terminating the right to property with regard to real property, decisions on renunciation of real property or its part of it by the owner, decisions on termination of the right to lease and use of real property are subject to registration by making appropriate changes in the real property unit registration form of the real property registration unified register and cadastral map.

### **Article 36. Registration of Rights to Common, Joint and Shared Real Estate**

State registration of rights to the real property belonging to two or more owners (registration form of each) shall include information on common, joint and shared property, and in the event of shared property, the share of each owner shall be identified.

Rights to individual units of the real property object, which are common, joint and shared property are registered on the basis of the court decision, verdict, or contract concluded in accordance with the acting legislation.

### **Article 37. Registration of the Servitude**

Owners of real property units may transfer the right of servitude in accordance with the written and sealed contract.

The right to servitude may also be granted by the verdict of the court.

The nature of servitude, the time limit of operation, the size of payment, every condition or restriction with regard to servitude, data on the person granting the right of servitude, data on the servitude user and etc. shall be filled out in the relevant page of the Real Property State Registration Unified Registry based on the Servitude Contract or court decision.

Changes in the registration page of the real property unit in the Real Property State Unified Registry shall be made based on written applications of interested persons or on the court decision, sentence or verdict.

### **Article 38. Registration of Encumbrances**

Territorial subdivisions of state register of real estate, based on the letters (decisions) of investigators, prosecutors, courts, bodies implementing the liquidation and restructuring of legal persons, shall carry out the state registration of encumbrance as defined by the Legislation, by applying requirements of Article 28 of this Law, until a decision is made by the relevant institution to terminate the encumbrance.

Encumbrances shall be registered in the appropriate section of the Registry registration page of the real property unit, subject to encumbrance.

After the state registration of the encumbrance the territorial subdivision of the State Register of Real Property shall put an attachment and inform the interested parties in written form thereof.

While registering the encumbrance, no contradicting documents shall be registered.

Encumbrance Contracts submitted by the real property owners (users) shall be registered pursuant to the same procedure.

### **Article 39. Changing Real Estate Boundaries, Subdivision and Consolidation**

Real Property owners may change boundaries of their real property: consolidate or subdivide them.

Changes are made in accordance with agreements, court decisions, sentences and verdicts. Based on them relevant changes shall be introduced in such real property's registration page of the real property state registration unified registry (by canceling the registration page and opening a new one), as well as in the cadastral maps.

In case of consolidating or subdividing the boundaries of real estate unit, the former code assigned to it shall be deemed invalid and a new code shall be assigned.

Rights to any part of the real property unit shall not be registered if the owner had not subdivided his/her real property beforehand as prescribed by the legislation, or there is no court decision, or verdict.

State registration of agreements on subdivision or consolidation of boundaries of the real estate, may be rejected, if such changes contradict the law as well as urban development, land relations or sanitary norms.

#### **Article 40. Registration of Rights to Units Within Subdivided Buildings**

In buildings having separate units of real property (apartments, trade and service booths and other) and being the property of more than one owner, rights to each of the unit shall be registered in the Registry and shall be assigned an individual registration page.

Separate codes shall be assigned to apartments, trade and service booths within the building and other objects of ownership. Such codes shall be linked with the relevant building codes, which in its turn shall be connected with the land parcels on which such buildings are affixed.

A separate cadastral file shall be compiled for every property object within the building.

In the registration page of the Registry a note shall be made on the type of right to the real property with regard to common area.

Real property cadastral file shall include the building plan, where a note shall be made of real property individual units and every part of common ownership or use.

Rights to real property within condominiums shall also be subject to state registration. A separate cadastral file shall be compiled for such real property.

#### **Article 41. Rights and Encumbrances to the Property That Have Legal Power Regardless of State Registration**

Rights and encumbrances to the property have legal power regardless of the state registration:

- a. Unregistered servitudes for public utilities, service and protection of main lines and communications and rights-of-way (electrical and radio communication, water lines, canals, railway, highways, etc.) in existence prior to the effectiveness of this law;
- b. Rights of spouses, children and other dependents as prescribed by the RA legislation, even if they are not registered separately;
- c. Encumbrances (general rules and restrictions) as prescribed by the RA legislation, including health protection, defense, environmental protection, etc.

#### **Article 42. Correction of Errors Made During State Registration**

Errors made during state registration shall be corrected upon the submission of an application by the real property owner (user) or at the discretion of the officer of the Real Estate State Register in the presence of appropriate documents.

Errors made during state registration may be corrected by the officer of the State Register of Real Property individually, if they do not change the content of real property, the nature of rights, qualitative and quantitative characteristics. Interested parties shall be informed thereof.

Errors made during state registration, if changing the content of real property, the nature of rights, qualitative and quantitative characteristics, may be corrected by the officer of the Real Property State Register only if there is a written consent of the interested parties.

If the state registration has been conducted on the basis of the document issued by any competent body, the correction of errors in the documents of state registration may be made only in the submitted document, upon the relevant correction made by such body.

#### **Article 43. Grounds for Rejection of state Registration**

The state registration shall be rejected if documents submitted for registration do not correspond to requirements of the RA legislation. They are as follows:

- a. documents are not filled in accordance with the procedure determined by the law;
- b. absence of the receipt of state registration payment; or
- c. documents are written in pencil, or contain corrections as well as are not duly filled out.

It is prohibited to refuse real property state registration for reasons other than the above mentioned (including such reason, as "inexpedience").

In the event of refusing the registration of the document, the applicant shall be notified in writing on the reasons for rejection within five days period.

A copy of the written refusal shall be maintained in the Cadastral File of the real property and a note shall be made in the Registry of Applications in the prescribed manner.

#### **Article 44. Provision of Information on the Property and Registered Rights and Encumbrances to it**

Real property registration system shall be open.

Only cadastral data, which contains state, service and commercial secrets shall not be publicized.

The information regarding real property and registered rights to it shall be used by all physical and legal persons.

It is prohibited to provide the cadastral file on real property except for cases stipulated by law.

In cases stipulated by law, before the cadastral file is provided, it shall be copied and kept by the State Register of Real Estate until the cadastral file is returned.

While providing information on real property and registered rights to it, copies or extracts from the compiled real property cadastral file shall be made.

The information on real property and registered rights to it shall be provided by mentioning the name of the real property unit owner, its location, rights of ownership, use, mortgage, encumbrances, including the servitude, other data on real property scathes, surveys, plans as well as information on its appraisal and other rights to the real property.

Plans for buildings and structures shall be provided only upon the written consent of the owner.

Data on real property, rights and encumbrances to it shall be certified by affixing the stamp of the state register territorial subdivision.

The government of the Republic of Armenia defines the procedures on providing information with regard to real property cadastral data.

#### **Article 45. Fees and Terms established for Provision of Information on the Registered Rights and Encumbrances to the Property**

Provision of information on registered rights and encumbrances to the property shall be paid.

The State Register of Real Estate shall provide the requested information within 5 days of the day of receipt of the application and the evidence of payment of the prescribed registration fee.

#### **Article 46. Republic of Armenia to Guarantee the Registered Rights and Encumbrances to the Property**

The Republic of Armenia shall guarantee the reliability of the provided information on registered rights and encumbrances to the property.

#### **Article 47. Compensation of Damages Resulting From Provided Information on Registered Rights and Encumbrances to the Property**

Damages caused as a result of providing inaccurate and unreliable information on the registered rights and encumbrances to the property during the provision of such information shall be compensated to relevant persons. If parties do not agree the amount of compensation for caused damages shall be determined by a court of law. Damages shall not be compensated in the following cases:

- a. If the damage results from submitting inaccurate information by the applicant;
- b. If documents ratified by competent bodies or notary offices bears incorrect information;

In case of errors in the description of boundaries and cadastral surveys (plans) person, who has carried out the work shall pay compensation to respective persons against damages.

#### **Article 48. Maintenance of Documents on Property and Evidencing Registered Rights and Encumbrances to the Property**

Documents on property and evidencing the registered rights and encumbrances to the property are maintained by hard copies and on computer diskettes with no time limits.

Officers of State Register of Real Estate shall carry responsibility as prescribed by the RA legislation for damaging, losing, stealing, hiding, not careful maintenance of the documents as well as for the publication of state, commercial or confidential information contained in the documents.

#### **Article 49. Fees for Services of State Registration and Financing of the System**

Fees for the services of state registration and provision of information on property and registered rights and encumbrances to the property shall be charged to centralized special account.

The amount and list of fees shall be determined by the state register of real property, with the consent of the Ministry of Finance and Economy of the RA. Annual costs of state register of real property shall be planned and implemented in the amount of expected annual incomes, through the following lines:

- Current costs;
- Costs for the development of the system;
- Establishment of the reserve fund (for the compensation of damages caused to the owners, users).

Annual costs of the system of state register of real property shall be approved by a separate Annex of the RA State budget. In case of positive difference between the income and costs of the system of state register of real property, the difference shall be directed to the state budget, in case of a negative difference, it shall be financed by the RA state budget. Reports shall be submitted to the Ministry of Finance and Economy of the RA, as stipulated by the Legislation on Incomes and Costs.

Salary fund of the system shall be formed based on the number of employees and the average salary in the system, taking into account the double amount of the average salary in the republic (exclusive budgetary institutions).

Promotion fund shall be established for employees, the amount of which shall not exceed the annual salary fund and shall not be less than 40% of the annual salary fund. The amount of the promotion fund (annual and per quarters) shall be approved together with the Ministry of Finance and Economy of the RA.

Regulations on the establishment and use of the Reserve fund shall be defined by the RA Government. Positive difference between the annual financial incomes and costs shall be directed to the state budget.

#### **Article 50. Transition to Unified System of State Registration**

After enforcement of this law the State Register of Real Estate shall develop and submitted for the approval of the RA Government the timetable for founding territorial subdivisions of real property state register and their activities.



Upon the establishment of the main documents (real property state registration unified register, cadastral maps of cadastral territories and subterritories) according to the decree of the State Register of Real Property, a Statement shall be given to the appropriate territorial subdivision for implementation state registration.

Upon the receipt of Statement from the Real Property State Register, the territorial subdivision of the state register shall be considered the only state agency, which has the right to implement the real property state registration within its territory. State registration made by the real property state register territorial subdivision pursuant to the current legislation of the Republic of Armenia prior to the real property cadastre mapping, shall be legal and not subject to re-registration until the implementation of real property transactions by the real property subjects.

#### **Article 51. Rights of Officials of State Register of Real Property**

The real property state register official shall be entitled to:

- a. accept references on the real property use, qualitative changes, rights and encumbrances from the bodies of public administration, local authorities, judicial bodies, legal entities and citizens;
- b. make corrections in the Registry and cadastral maps after notifying the interested persons;
- c. adopt departmental acts regarding real property state registration;
- d. verify the documents submitted for the state registration and if necessary demand other documentation certifying the right to real property;
- e. refuse the state registration in the cases of non compliance of the documents with the RA legislation and for the evasion from payment of prescribed state fees.

#### **Article 52. Responsibilities of the State Register Officials**

State register officials shall be responsible for:

- a. organizing state registration of the real property in the prescribed period of time;
- b. refraining from publishing, disseminating state cadastre data containing state or commercial secrets;
- c. provide credibility, integrity, availability and publicity of real estate cadastre data;
- d. provide reports and document copies from the compiled cadastral file on real property upon the payment of the prescribed fees.

#### **Article 53. Rights of Subjects of State Registration**

Subjects of state registration shall be entitled to:

- a. Receive information on the property and registered rights and encumbrances to it in accordance with the stipulated procedure,
- b. Appeal on the actions of the state register officials by judicial proceedings;
- c. Claim compensation on damages caused as a result of illegal actions by the state register officials by judicial proceedings.

#### **Article 54. Responsibilities of Subjects of State Registration**

Subjects of state registration shall be responsible for:

- a. Submitting any legal transaction regarding real property changes within 30 days to the territorial subdivisions of the state register;
- b. Presenting other documents certifying real property right at the request of the state register;
- c. Paying defined fees for state registration.

#### **Article 55. Settlement of Disputes On state Registration**

The disputes related to the real property state registration are resolved by the judicial proceedings.

#### **Article 56. Transitional Provisions**

The term for state registration set by this law does not apply to documents evidencing rights and encumbrances to the property located throughout the territory of the RA and existing prior to the enforcement of this law. The mentioned documents, regardless of their terms shall serve as the basis for registration of rights to the property by the territorial subdivisions of state registration of real estate, if they are submitted by the owners and users according to the prescribed procedure.

#### **Article 57. Enforcement of International Agreements**

In the case of collision of the norms prescribed by this law with the norms of the international agreements signed and ratified by the Republic of Armenia, the norms of international agreements shall be enforced.

#### **Article 58. Entry into Force of Law**

This law shall enter into force from the moment of its publication.