The *Saeima*1 has adopted and

the President has proclaimed the following law:

**Law on Termination of Forced Shared Property in Privatised Apartment Residential Houses**

**Chapter I**

**General Provisions**

**Section 1. Terms Used in the Law**

The following terms are used in the Law:

1) **alienation right –** within the meaning of this Law, the right of owners of residential properties of an apartment residential house to redeem the land to be alienated at the alienation price in accordance with the procedures laid down in this Law;

2) **land to be alienated –**  a plot of land determined in accordance with the laws and regulations governing privatisation of residential houses which is functionally necessary for a residential house in the section corresponding to the plot of land of the forced shared property;

3) **apartment residential house –** an apartment residential house which is an independent property object situated on the land owned by another person and is privatised in accordance with the procedures laid down in the law On Privatisation of State and Local Government Residential Houses, the law On Privatisation of Cooperative Apartments, or the law On the Privatisation of Agricultural Enterprises and Fishery Collective Farms, and also division of which into residential properties is registered in the State Immovable Property Cadastre Information System;

4) **apartment owner –** within the meaning of this Law, a person who has obtained a residential property and has corroborated the ownership rights in the Land Register as well as the legal possessor of the residential property until the moment of entering the residential property in the Land Register who is entered as such in the State Immovable Property Cadastre Information System;

5) **forced shared property –** legal status according to which the land and the structures situated on it are independent property objects and the legal basis for existence thereof is Section 14, Paragraph one, Clauses 1, 2, 3, and 4 or Paragraph four of the law On the Time Period of Coming into Force and the Procedures for the Application of the Introduction, Parts on Inheritance Rights and Property Rights of the Renewed Civil Law of 1937 of the Republic of Latvia;

6) **plot of land –** land owned by a private individual on which an apartment residential house is situated, the ownership rights to the land are corroborated in the Land Register, and it coincides or partially coincides with the plot of land determined in the laws and regulations governing privatisation of residential houses which is functionally necessary for a residential house. Within the meaning of this Law, any land which has been obtained after transfer of a residential house for privatisation and the ownership rights to this land are corroborated in the Land Register in favour of apartment owners of the respective residential house, and the extent of undivided shares of the joint property of apartment owners for such land corresponds to the undivided share of the land contained in the composition of the respective residential property shall not be considered a plot of land.

**Section 2. Purpose of the Law**

(1) The purpose of this Law is to ensure the possibility of termination of forced shared property and establishment of a single immovable property within the meaning of Section 968 of the Civil Law.

(2) The forced shared property shall be terminated by apartment owners exercising the alienation right in accordance with the procedures laid down in this Law.

**Section 3. Scope of Application of the Law**

(1) The Law prescribes the procedures by which a forced shared property in which an apartment residential house and a plot of land is situated shall be terminated.

(2) Apartment owners of the apartment residential house and the owner of the plot of land, upon mutual agreement, may determine forced shared property termination provisions that are different from this Law, as far as it does not contradict with the purpose of this Law and is aimed at termination of forced shared property. If a forced shared property between an apartment residential house and a plot of land is terminated on the basis of mutual agreement, the procedures laid down by this Law shall not apply to their termination.

(3) If land that is owned by or escheats to the State or local government coincides or partially coincides with the plot of land determined in accordance with the laws and regulations governing privatisation of residential houses which is functionally necessary for an apartment residential house, the forced shared property shall be terminated in accordance with the procedures laid down in the Law on the Alienation of the Property of a Public Person or the law On Privatisation of State and Local Government Residential Houses.

**Chapter II**

**Alienation Right and Commencement of the Exercising Thereof**

**Section 4. Alienation Right**

(1) Apartment owners of an apartment residential house have the alienation right to the land to be alienated. Exercising of the alienation right in accordance with the procedures laid down in this Law shall allow apartment owners of the apartment residential house to acquire ownership of the redeemable land.

(2) Exercising of the alienation right shall not require consent of the owner of the plot of land.

(3) Until the first-time entry of the residential property in the Land Register, the acquirer of the residential property shall be subject to all the rights and obligations specified in this Law.

(4) If the apartment owner changes during the process of exercising the alienation right, the acquirer of the residential property shall replace the previous apartment owner, taking over all the rights and obligations thereof related to exercising of the alienation right.

(5) If the owner of the plot of land changes during the process of exercising the alienation right, the acquirer of the plot of land shall replace the former owner of the plot of land, taking over all the rights and obligations thereof related to exercising of the alienation right.

**Section 5. Commencement of the Process of Exercising the Alienation Right**

(1) To commence the process of exercising the alienation right, the community of apartment owners of the apartment residential house shall take a decision. In taking the decision on commencement of the process of exercising the alienation right, the community of apartment owners may authorise a person to carry out activities related to the implementation of the process of exercising the alienation right.

(2) The community of apartment owners of the apartment residential house shall take the decision on commencement of the process of exercising the alienation right in conformity with the provisions for taking of a decision of the community of apartment owners, specified in the Law on Residential Properties insofar as it has not been laid down otherwise in this Law.

(3) The decision on commencement of the process of exercising the alienation right and granting the authorisation referred to in Paragraph one of this Section (if any is granted) shall be taken if apartment owners of more than a half of all residential properties located in the apartment residential house have voted “for”.

(4) The decision on commencement of the process of exercising the alienation right shall serve as a legal basis for the local government in the administrative territory of which the apartment house is located to take the decision on a plot of land that is functionally necessary for the apartment residential house.

(5) The local government shall take the decision on a plot of land that is functionally necessary for the apartment residential house not later than within six months from the day of receipt of the submission for the commencement of the process of exercising the alienation right.

(6) If the local government establishes that the plot of land that is functionally necessary for the apartment residential house must be revised, the revision shall be carried out in accordance with the procedures laid down in the law On Privatisation of State and Local Government Residential Houses. The process of exercising the alienation right shall be continued after taking of the decision on revision of the functionally necessary plot of land.

(7) If the local government establishes that, within one year prior to receipt of the submission referred to in Paragraph five of this Section for the particular apartment residential house, a sworn bailiff has terminated a case on termination of forced shared property or land to be alienated is specified for the respective apartment residential house and the alienation price is in effect, the local government shall refuse to issue a decision on a plot of land that is functionally necessary for the apartment residential house. The local government shall request information on the date of termination of the case of forced shared property from the Latvian Council of Sworn Bailiffs. The local government shall request the information on determination of the land to be alienated and the validity of the alienation price from the State Land Service.

(8) The owner of the plot of land has the right to propose to apartment owners of the apartment residential house to take the decision on commencement of the process of exercising the alienation right.

**Section 6. Determination and Registration of the Land to be Alienated**

(1) The land to be alienated shall be determined and registered in the State Immovable Property Cadastre Information System by the State Land Service in accordance with the procedures laid down in this Law.

(2) When the local government decision on a plot of land that is functionally necessary for the apartment residential house or the decision on revision of the functionally necessary plot of land has become uncontestable, the local government shall immediately submit the following to the State Land Service for determination and registration of the land to be alienated:

1) a digital plot of land design of the plot of land that is functionally necessary for the apartment residential house in vector data format in the Latvian geodetic coordinates system or, if vector data is not available, on a specific scale on a cartographic base, displaying the surface topographic situation, a developed graphic material prepared in accordance with the requirements of the law or regulation regarding the procedures for the determination of a plot of land that is functionally necessary for a residential house to be privatised;

2) the decision of the local government which has become uncontestable on the purposes of use of land parcels or sections of land parcels on the plot of land that is functionally necessary for an apartment residential house;

3) the decision of the local government on a plot of land that is functionally necessary for an apartment residential house or the decision of the local government on revision of the functionally necessary plot of land.

(3) The land to be alienated may consist of one or more land parcels or their sections registered in the State Immovable Property Cadastre Information System.

(4) If the land to be alienated coincides with one or more land parcels registered in the State Immovable Property Cadastre Information System, the State Land Service shall register a corresponding land parcel or land parcels registered in the State Immovable Property Cadastre Information System as the land to be alienated in the State Immovable Property Cadastre Information System.

(5) If the land to be alienated partially coincides with one or more land parcels registered in the State Immovable Property Cadastre Information System, the State Land Service shall register a corresponding section of land parcel or sections of land parcels as the land to be alienated in the State Immovable Property Cadastre Information System.

(6) The area and borders of the land to be alienated determined and registered in accordance with the procedures laid down in this Law shall not subject to contesting and appeal.

(7) The procedures for the registration of the land to be alienated in the State Immovable Property Cadastre Information System shall be determined by the Cabinet.

**Section 7. Alienation Price and the Calculation Thereof**

(1) The alienation price shall be calculated by the State Land Service in accordance with the procedures laid down in this Law.

(2) The apartment owners shall redeem the land to be alienated at the alienation price which consists of the sum of cadastral values of land parcels and sections of land parcels included in the land to be alienated.

(3) Each apartment owner shall pay a share of the alienation price according to the extent of the undivided share of the joint property included in the composition of his or her residential property.

(4) For the calculation of the alienation price, the cadastral value of the land parcel and the section of land parcel registered in the State Immovable Property Cadastre Information System shall be used which is in effect on the day of issue of the notification referred to in Section 8 of this Law. For the calculation of a share of the alienation price, the data on the extent of the undivided share of the joint property included in the composition of the residential property, registered in the State Immovable Property Cadastre Information System, shall be used.

(5) The alienation price shall be in effect and used for exercising the alienation right for a period of two years from the day of issue of the notification referred to in Section 8 of this Law.

(6) The alienation price calculated in accordance with the procedures laid down in this Law shall not be subject to contesting or appeal.

**Section 8. Notification on the Land to be Alienated and the Alienation Price**

(1) After determination of the land to be alienated and registration thereof in the State Immovable Property Cadastre Information System and calculation of the alienation price, the State Land Service shall prepare and send to apartment owners of the apartment residential house and the owner of the plot of land a notification on the land to be alienated and the alienation price.

(2) The following shall be indicated in the notification:

1) the information of the State Immovable Property Cadastre on the apartment residential house, the plot of land, the land to be alienated, and the residential properties of the apartment residential house;

2) the alienation price;

3) the share of the alienation price payable for each land parcel or section of land parcel included in the land to be alienated;

4) the distribution of the alienation price according to the undivided shares of the plot of land if the land to be alienated coincides with several plots of land;

5) the distribution of the alienation price according to the undivided shares of the plot of land if the alienable land belongs to several persons (joint owners);

6) the approximate corresponding share of the alienation price of undivided share of joint property included in the composition of each residential property;

7) the distribution of the alienation price according to the undivided shares of the residential property if the residential property belongs to several persons (joint owners);

8) the distribution of the alienation price according to the undivided shares of the joint property of the residential house included in the composition of the residential property;

9) the term in which the alienation price is in effect and can be used for exercising the alienation right.

(3) After the issue of the notification, any changes in the extent of the undivided share of the joint property included in the composition of residential properties shall not change the share of the alienation price calculated for each apartment owner.

**Chapter III**

**Exercising of the Alienation Right**

**Section 9. Initiation of a Case on Termination of Forced Shared Property**

(1) A case on termination of forced shared property shall be initiated by a sworn bailiff on the basis of an application of an authorised person of the community of apartment owners of the apartment residential house or at least one apartment owner of the apartment residential house.

(2) An application for the initiation of a case may be submitted to a sworn bailiff not later than six months from the day of issue of the notification referred to in Section 8 of this Law. The notification referred to in Section 8 of this Law shall be attached to the application.

(3) A sworn bailiff shall initiate a case immediately after receipt of the application referred to in Paragraph one of this Section if:

1) the notification referred to in Section 8 of this Law is attached to the application;

2) the application is submitted within the term indicated in Paragraph two of this Section;

3) another sworn bailiff has not initiated a case on termination of forced shared property regarding the same apartment residential house.

(4) If the submitted application does not meet any of the requirements referred to in Paragraph three of this Section, the sworn bailiff shall not initiate a case and shall notify the applicant of the detected deficiencies, returning the notification referred to in Section 8 of the Law to the applicant, if any has been attached to the application.

(5) Any expenses related to conducting of a case on termination of forced shared property and the fee of the sworn bailiff shall be covered from the State budget funds in accordance with the procedures stipulated by the Cabinet.

**Section 10. Activities of a Sworn Bailiff after Initiation of a Case on Termination of Forced Shared Property**

(1) After initiation of a case on termination of forced shared property, a sworn bailiff shall check the current information available in State information systems on who are the apartment owners of the apartment residential house and the owner of the plot of land, and shall send them a notification on the initiation of the case. The notification shall be sent also to the authorised person of apartment owners of the apartment residential house, if such authorised person is known.

(2) The notification on the initiation of the case on termination of forced shared property shall contain the term by which the apartment owners shall notify the sworn bailiff in writing of the date, time, and place of the general meeting of apartment owners, and information that, if the community of apartment owners fails to take the decision on exercising the alienation right within the term and in accordance with the procedures laid down in this Law, the case on termination of forced shared property will be terminated.

**Section 11. Taking of the Decision on Exercising the Alienation Right**

(1) The decision on exercising the alienation right shall be taken by apartment owners, participating and voting at the general meeting of apartment owners, or by the apartment owner in person or his or her authorised person, notifying the sworn bailiff of own vote before the day of the general meeting.

(2) The general meeting of apartment owners of the apartment residential house regarding the exercising of the alienation right shall take place in conformity with the conditions for convening of the general meeting of apartment owners and taking of a decision laid down in the Law on Residential Properties, insofar as it has not been laid down otherwise in this Law.

(3) The general meeting of apartment owners shall be convened within one year from the day of issue of the notification referred to in Section 8 of this Law.

(4) The date, time, and place of the general meeting of apartment owners shall, not later than 40 days before the general meeting, be coordinated by apartment owners or their authorised person with the sworn bailiff whose record-keeping contains the case on termination of forced shared property regarding the specific apartment residential house. After coordination of the date, time, and place of the general meeting, the sworn bailiff, using the information available in State information systems, shall draft a current list of residential properties of the apartment residential house and their owners.

(5) The persons who have the right to convene the general meeting of apartment owners in accordance with the Law on Residential Properties shall, not later than 30 days before the general meeting, invite each apartment owner in writing or according to other procedures stipulated by the community of apartment owners. The invitation shall contain the date, time, place, and agenda of the general meeting.

(6) An apartment owner may announce own vote regarding the matter of exercising the alienation right not earlier than 30 days and not later than one day before the general meeting in person or through the authorised person, arriving at the office of the sworn bailiff whose record-keeping contains the case on termination of forced shared property. The voting notified to the sworn bailiff shall not be subject to amendments or revocation.

(7) If the owner of the respective apartment changes after the voting referred to in Paragraph ten of this Section, the previously notified voting regarding exercising of the alienation right shall be binding on the acquirer of the residential property.

(8) At the general meeting of apartment owners regarding exercising of the alienation right, apartment owners are entitled to vote if the general meeting is attended by the sworn bailiff whose record-keeping contains the case on termination of forced shared property regarding the specific apartment residential house.

(9) At the general meeting of apartment owners regarding exercising of the alienation right, apartment owners are entitled to vote regardless of the number of apartment owners participating at the general meeting.

(10) The decision on exercising the alienation right shall be considered taken if, after counting the votes cast in accordance with the procedures laid down in Paragraphs six and nine of this Section, apartment owners who hold more than a half of all residential properties located in the residential house have voted “for”.

**Section 12. Activities of the Sworn Bailiff, in Taking the Decision on Exercising the Alienation Right**

(1) In participating at the general meeting of apartment owners, the sworn bailiff shall draft a deed on the voting of the general meeting regarding exercising the alienation right, indicating in this deed:

1) those apartment owners or their authorised persons who have participated at the general meeting of apartment owners, indicating the given name, surname, personal identity number, and address of the place of residence of the natural person or the name, registration number, legal address, representative, and basis for representation of the legal person;

2) the vote cast by each apartment owner.

(2) The deed on the voting of the general meeting regarding exercising the alienation right shall be signed by the sworn bailiff, the chairperson and the minute-taker of the general meeting of apartment owners.

(3) If the chairperson or the minute-taker of the general meeting of apartment owners refuses to sign the deed referred to in Paragraph one of this Section, a notation shall be made in the deed, indicating the reasons for refusal, if any are made known. The refusal to sign the deed shall not affect the validity thereof.

(4) After the general meeting of apartment owners the sworn bailiff shall, within 10 days, draft a deed on exercising the alienation right, indicating:

1) those apartment owners or their authorised persons who have participated in the voting for exercising the alienation right, indicating the given name, surname, personal identity number, and address of the place of residence of the natural person or the name, registration number, legal address, representative, and basis for representation of the legal person;

2) the vote cast by each apartment owner, indicating separately those apartment owners who have voted for exercising the alienation right before the day of the general meeting of apartment owners in accordance with the procedures laid down in Section 11, Paragraph six of this Law;

3) the decision of the community of apartment owners on the matter of exercising the alienation right, indicating the distribution of “for” and “against” votes;

4) if the decision “for” exercising the alienation right has been taken, the date referred to in Section 8, Paragraph two, Clause 9 of this Law until which the alienation price shall be paid and details of the deposit account of the sworn bailiff to which the payment shall be transferred.

(5) After signing the deed on exercising the alienation right, the sworn bailiff shall notify the decision taken to the owner of the plot of land and apartment owners of the apartment residential house. If the decision “for” exercising the alienation right has been taken, the notification shall include the information referred to in Paragraph four, Clause 4 of this Section.

**Section 13. Consequences of Failure to Notify a Sworn Bailiff of the General Meeting of Apartment Owners**

If a sworn bailiff does not receive a notification on the date, time, and place of the general meeting of apartment owners corresponding to the term indicated in Section 11, Paragraph three of this Law, the sworn bailiff shall take the decision on termination of the case and send the decision to the applicant who has submitted the application referred to in Section 9, Paragraph one of this Law. The decision on termination of the case shall be taken by the sworn bailiff also if the general meeting of apartment owners has been convened but the decision on exercising the alienation right has not been taken until expiry of the term indicated in Section 11, Paragraph three of this Law.

**Section 14. Procedures for the Payment of Alienation Price and Consequences**

(1) If the decision of the community of apartment owners on exercising the alienation right is taken within the term specified in Section 12, Paragraph four, Clause 4 of this Law, the alienation price shall be paid into the deposit account of the sworn bailiff.

(2) The alienation price shall be considered as paid if full alienation price in one or several payments has been received in the deposit account of the sworn bailiff within the term specified in Section 12, Paragraph four, Clause 4 of this Law.

(3) After receipt of full alienation price or expiry of the term for the payment thereof, the sworn bailiff shall check own deposit account whether the alienation price is paid and shall draft a deed on payment of the alienation price.

(4) Copies of the deed on payment of the alienation price shall be sent by the sworn bailiff to apartment owners of the apartment residential house, their authorised person, if known, and the owner of the plot of land.

(5) The alienation right shall be considered exercised if apartment owners of the apartment residential house have taken the decision on exercising the alienation right and have paid the alienation price into the deposit account of the sworn bailiff within the scope of the case on termination of forced shared property conducted by the sworn bailiff in accordance with the procedures and within the terms laid down by this Law.

(6) If the sworn bailiff establishes that the alienation right has been exercised in accordance with the provisions of Paragraph five of this Section, he or she shall notify the State Land Service thereof in writing.

(7) If the alienation right has been exercised in accordance with the provisions of Paragraph five of this Section and a pledge right on the plot of land has been corroborated, the sworn bailiff shall also notify the person in favour of whom the pledge right on the plot of land has been corroborated of exercising of the alienation right. If the place of residence of this person is unknown, the information shall be published in the official gazette *Latvijas Vēstnesis*.

(8) If the sworn bailiff establishes that the alienation right has not been exercised in accordance with the provisions of Paragraph five of this Section, the sworn bailiff shall, without undue delay, refund the payments made into the deposit account for exercising the alienation right to the payers thereof and shall terminate the case on termination of forced shared property.

**Section 15. Contracts for Payment of the Alienation Price**

(1) On the basis of a decision of the community of apartment owners, contracts may be concluded on behalf of apartment owners of the apartment residential house in order to receive funding for payment of the alienation price.

(2) The decision on conclusion of a contract shall be considered as taken if apartment owners of more than a half of all residential properties located in the apartment residential house have voted “for”.

(3) Any obligations arising from the contracts referred to in Paragraph one of this Section shall be shared and the share of obligations of each apartment owner shall correspond to the extent of the undivided share of the joint property included in the composition of the residential property of the apartment owner.

(4) As regards the obligations arising from the contracts referred to in Paragraph one of this Section, no liability shall apply to those apartment owners who have paid into the deposit account of the sworn bailiff the share of the alienation price corresponding to the extent of undivided share of joint property included in the composition of their residential property.

(5) The term for full performance of the obligations arising from the contracts referred to in Paragraph one of this Section may not be shorter than three years for those persons who have not agreed to conclusion of such contracts. In such cases, the annual extent of performance of the obligations shall be determined proportionally to the overall term of performance.

**Section 16. State Aid for Obtaining Funding for Exercising the Alienation Right**

(1) The State may provide aid to owners of an apartment residential house in the matters related to obtaining funding for payment of the alienation price.

(2) The types, extent, and conditions for granting aid shall be determined by the Cabinet. The Cabinet regulation are issued if funding for granting aid is provided for in the annual law On the State Budget.

**Section 17. Consequences of Non-exercising of the Alienation Right**

(1) The alienation right shall be considered not exercised if after initiation of a case on termination of forced shared property:

1) the general meeting of apartment owners has not been convened within the term specified in Section 11, Paragraph three of this Law for taking of the decision on exercising the alienation right;

2) the decision on exercising the alienation right is not taken at the general meeting or general meetings of apartment owners within the term specified in Section 11, Paragraph five of this Law;

3) the alienation price has not been paid into the deposit account of the sworn bailiff in accordance with the procedures laid down in Section 14, Paragraph two of this Law.

(2) If the alienation right has not been exercised, the sworn bailiff shall terminate the case on termination of forced shared property in accordance with the procedures laid down in this Law. Termination of the case shall not serve as an obstacle for reopening the case in accordance with the procedures laid down in this Law.

(3) Apartment owners of an apartment residential house may initiate new process of exercising the alienation right not earlier than one year after termination of the case on termination of forced shared property.

**Chapter IV**

**Cadastral Survey of the Land to be Alienated, Corroboration of the Ownership Rights to the Land to be Alienated in the Land Register, and Payment of the Alienation Price to the Former Land Owner**

**Section 18. Cadastral Survey of the Land to be Alienated**

(1) If the land to be alienated coincides with one or more land parcels registered in the State Immovable Property Cadastre Information System, cadastral survey of the land to be alienated shall not be performed.

(2) If the land to be alienated partially coincides with one or more land parcels registered in the State Immovable Property Cadastre Information System, the State Land Service shall organise cadastral survey for division of the plot of land, separating the land to be alienated or a section thereof from the plot of land. Apartment owners of the apartment residential house and owner of the plot of land shall be informed of cadastral survey activities of the land to be alienated; however, their failure to arrive or objections shall not serve as an obstacle for the performance of cadastral survey and the registration of the surveyed land parcel and cadastral survey data in the State Immovable Property Cadastre Information System.

(3) If the area of the land to be alienated which is indicated in the notification referred to in Section 8 of this Law changes due to the cadastral survey, it shall not affect the amount of the alienation price and the proportional distribution thereof among several owners of plots of land.

(4) The cadastral survey of the land to be alienated and, if any, the section of land remaining with the land owner shall be performed using the State budget funds not later than within nine months from the day of exercising the alienation right in accordance with the provisions of Section 14, Paragraph five of this Law.

(5) The State Land Service shall send a notification regarding the results of the cadastral survey of the land to be alienated and, if any, the section of land remaining with the land owner to the sworn bailiff whose record-keeping contains the case on termination of forced shared property regarding the specific apartment residential house after the data on the cadastral survey of the land to be alienated and, if any, the section of land remaining with the land owner is registered in the State Immovable Property Cadastre Information System.

(6) The procedures for the cadastral survey of the land to be alienated shall be determined by the Cabinet.

**Section 19. Basis for Corroboration of the Ownership Rights of Apartment Owners to the Land to be Alienated**

(1) The decision of the community of apartment owners on exercising the alienation right and payment of the alienation price in accordance with the procedures and within the terms laid down in this Law shall serve as a legal basis for corroboration of the ownership rights of the apartment owners to the alienated land in the Land Register.

(2) The ownership rights of the apartment owners shall be corroborated in the Land Register in accordance with the procedures laid down in the Land Register Law insofar as it is not laid down otherwise in this Law.

**Section 20. Corroboration Request and the Appendices Thereof**

(1) After receipt of the notification referred to in Section 18, Paragraph five of this Law, the sworn bailiff whose record-keeping contains the case on termination of forced shared property, using the current data of the State Unified Computerised Land Register and the State Immovable Property Cadastre Information System obtained during data exchange between information systems, shall submit corroboration requests signed in accordance with the procedures laid down in the laws and regulations regarding electronic documents and request:

1) to separate the land to be alienated from the plot of land, specifying the land areas remaining with the owner of the plot of land, to attach the land to be alienated to the division of the Land Register of the apartment residential house, and to make an property right notation in relation to the apartment owners whose residential properties are not entered in the Land Register;

2) as regards residential properties entered in the Land Register, to attach the undivided share of the joint property of the land to be alienated which corresponds to the undivided share size of the joint property of the specific residential property, the composition of the respective residential property and to corroborate the ownership rights of apartment owners. If the data on undivided shares of joint property included in the composition of the residential property entered in the Land Register and registered in the State Immovable Property Cadastre Information System differs, changes in divisions of the Land Registers of residential properties are made in accordance with the data registered in the State Immovable Property Cadastre Information System.

(2) If the land to be alienated coincides with a plot of land, the sworn bailiff shall request attaching the land to be alienated to the Land Register division of the apartment residential house and shall apply Paragraph one, Clause 2 of this Section.

(3) The sworn bailiff shall attach to the corroboration request a deed drawn up in accordance with the procedures laid down in this Law regarding:

1) exercising of the alienation right (Section 12, Paragraph four of this Law);

2) payment of the alienation price (Section 14, Paragraph three of this Law).

(4) Consent of the person against whom the corroboration is directed as well as consent of any other third parties shall not be required for submission of the corroboration request. Examination of the corroboration request shall not be hindered by guarantees and securities of rights entered in the Land Register.

(5) In corroborating the ownership rights of apartment owners to the land to be alienated in the Land Register, and also in making changes to the Land Register division of the owner of the plot of land, apartment owners and the owner of the plot of land shall be released from payment of the State fees and processing fees for corroboration of the ownership rights of apartment owners and amending of the rights of owners of the plot of land in the Land Register.

(6) Forms of the corroboration request shall be approved by the Cabinet.

**Section 21. Conditions for the Corroboration of Ownership Right of Apartment Owners to the Land to be Alienated in the Land Register**

(1) In corroborating the ownership rights of apartment owners to the land to be alienated in the Land Register, the land to be alienated shall be transferred into ownership of apartment owners free from any encumbrances and charges imposed on the plot of land (in the section in which it coincides with the land to be alienated) due to liabilities (debt liabilities, pledge rights, encumbrances adopted as a condition at obtaining the property, and also maintenance, inheritance contracts, real charges, alienation rights, building rights, lease and use rights), and also free from prohibitions imposed within the framework of criminal proceedings, insolvency proceedings, and civil proceedings. This condition shall not apply to real servitudes.

(2) In corroborating the ownership rights of apartment owners to the land to be alienated in the Land Register, the encumbrances, charges, and prohibition notations referred to in Paragraph one of this Section shall be deleted without consent of those persons in whose favour such notations have been corroborated.

(3) In corroborating the ownership rights of apartment owners to the land to be alienated in the Land Register, the restrictions on obtaining land ownership specified in the law On Land Reform in the Cities of the Republic of Latvia and the law On Land Privatisation in Rural Areas shall not apply.

(4) In corroborating the ownership rights of apartment owners to the land to be alienated in the Land Register, the special procedures laid down in the law On Immovable Property Tax for the registration of change of the immovable property owner in the Land Register shall apply.

(5) Concurrently with corroboration of the ownership rights of apartment owners in the Land Register, all legal relations (including lease), rights (including pre-emptive) and obligations arising from existence of forced shared property between the apartment residential house and the plot of land, except for those specified in this Law, shall cease.

(6) For the residential properties not entered in the Lang Register, the respective undivided share of the joint property of land parcel shall be added in the State Immovable Property Cadastre Information System after adding the land parcel to the Land Register division of the apartment residential house.

**Section 22. Protection of the Interests of the Persons in Whose Favour a Pledge Right on the Plot of Land has been Corroborated**

(1) During the process of exercising the alienation right, the interests of the person in whose favour the pledge right on the plot of land has been corroborated shall be observed. Exercising of the alienation right may not in itself serve as the basis for requesting early fulfilment of obligations which are secured with the plot of land or for believing that the abovementioned obligations are being violated.

(2) The owner of the plot of land and the person in whose favour the pledge right to the plot of land has been corroborated may agree on distribution of the alienation price or a share of the alienation price (if the land to be alienated coincides with several plots of land). If there are several persons in whose favour the pledge right to the plot of land has been corroborated and the owner of the immovable property wishes to agree on distribution of the alienation price, he or she shall reach an agreement with all these persons.

(3) In the case referred to in Paragraph two of this Section, the amount to be disbursed to the person in whose favour the pledge right to the plot of land has been corroborated shall be used with regard to early extinguishing of obligations without changing the conditions for the fulfilment of the obligations unless the parties agree otherwise.

(4) If the owner of the plot of land and the person in whose favour the pledge right to the plot of land has been corroborated have agreed on distribution of the alienation price or a share thereof, these persons shall submit to the sworn bailiff a notification regarding distribution of the alienation price or a share thereof until corroboration of the ownership rights of apartment owners in the Land Register. The notification shall indicate what amount of the alienation price or a share thereof is to be disbursed to the owner of the plot of land and the person in whose favour the pledge right to the plot of land has been corroborated, indicating the bank account to which the specified amounts are to be transferred.

(5) A sworn notary shall certify the authenticity of the signatures of the persons on the notification regarding distribution of the alienation price or a share thereof or the notification shall be signed with a secure electronic signature.

**Section 23. Payment of the Alienation Price to the Former Land Owner**

(1) After corroboration of the ownership right of apartment owners of the apartment residential house to the land to be alienated in the Land Register, a sworn bailiff shall, without undue delay, disburse the alienation price to the former owner of the plot of land.

(2) In order to disburse the alienation price or a share thereof to the former owner of the plot of land, the sworn bailiff shall contact this person and establish his or her current account number opened with a credit institution. If the former owner of the plot of land does not provide information on the current account number opened with a credit institution, the alienation price shall be stored in the deposit account of the sworn bailiff until the moment when the person himself or herself notifies the sworn bailiff of his or her current account number opened with a credit institution.

(3) If the land to be alienated consists of several land parcels or sections of land parcels from different plots of land, when disbursing the alienation price to the former owners of the plot of land, the sworn bailiff shall observe the distribution of the alienation price among the owners of the plots of land (joint owners) indicated in the notification referred to in Section 8 of this Law.

(4) If the land to be alienated coincides with a plot of land to which a pledge right has been corroborated in favour of another person and the sworn bailiff has received a notification regarding distribution of the alienation price or a share thereof, the sworn bailiff shall disburse the alienation price or a share thereof due to the respective owner of the plot of land in accordance with the provisions of the abovementioned notification.

(5) If the land to be alienated coincides with a plot of land to which a pledge right has been corroborated in favour of another person and the sworn bailiff has not received a notification regarding distribution of the alienation price or a share thereof, the alienation price shall be paid in accordance with the procedures laid down in Section 24 of this Law.

(6) If a prohibition notation regarding imposition of attachment on the property has been entered in the respective division of the Land Register with regard to the plot of land, the sworn bailiff shall coordinate the disbursement of the compensation with the person directing the proceedings.

(7) The proceeds from alienation of the plot of land alienated in accordance with this Law is subject to the special procedures for the imposition of personal income tax laid down in the law On Personal Income Tax.

**Section 24. Payment of the Alienation Price if the Land to be Alienated Coincides with a Plot of Land to which a Pledge Right has been Corroborated in Favour of Another Person and the Sworn Bailiff has not Received a Notification Regarding Distribution of the Alienation Price or a Share Thereof**

(1) The alienation price or a share of the alienation price due to the respective owner of the plot of land shall be stored in the deposit account of the sworn bailiff for a period of three years from corroboration of the ownership rights of apartment owners to the land to be alienated in the Land Register, and the sworn bailiff shall notify the former owner of the plot of land and the person in whose favour the pledge right to the plot of land has been corroborated.

(2) The sworn bailiff shall make a disbursement from the deposit account prior to the term referred to in Paragraph one of this Section on the basis of an execution document and taking into account that the alienation price or a share thereof is to be distributed in accordance with the same procedures as laid down in the Civil Procedure Law for distributing the money received from the sale of immovable property encumbered with a pledge, or on the basis of a notification regarding distribution of the alienation price or a share thereof. Disbursement based on the notification regarding distribution of the alienation price or a share thereof shall only be acceptable in the amount due to the persons referred to in the notification after covering the claims that are to be given preference in comparison with the claims of these persons.

(3) If an attachment is imposed on the property of the former plot of land, the alienation price or a share thereof stored in the account of the sworn bailiff shall be transferred to the person directing the proceedings to act in accordance with the provisions of the Criminal Procedure Law.

(4) If insolvency proceedings of the former owner of the immovable property have been declared, the alienation price or a share thereof stored in the account of the sworn bailiff shall be transferred to the insolvency administrator to act in accordance with the provisions of the Insolvency Law. Extinguishing of the pledge right in the cases specified in this Law shall not in itself affect the right of the person in whose favour the pledge right to the plot of land was corroborated as a creditor in insolvency proceedings in conformity with the principle of the preservation of rights enforced in Section 6 of the Insolvency Law.

(5) At the beginning of the last year of the term referred to in Paragraph one of this Section, the sworn bailiff shall send to the declared place of residence or legal address of the former owner of the plot of land and the person in whose favour the pledge right to the plot of land has been corroborated an invitation to agree on distribution of the alienation price or a share thereof and to submit a notification regarding distribution of the alienation price or a share thereof and shall inform of the consequences referred to in Paragraphs six and seven of this Section.

(6) If the alienation price or a share thereof stored in the deposit account of the sworn bailiff is not disbursed in the cases provided in this Law prior to expiry of the term referred to in Paragraph one of this Section, the sworn bailiff shall disburse the stored alienation price or a share thereof to the former owner of the plot of land in accordance with the procedures laid down in Section 23, Paragraph two of this Law.

(7) Starting from the last year of the term referred to in Paragraph one of this Section, the restrictions referred to in Section 22, Paragraph one of this Law shall not be applicable to the person in whose favour the pledge right to the plot of land has been corroborated.

**Chapter V**

**Obtaining of Information and Ensuring of Communication**

**Section 25. Obtaining of Information Required for a Sworn Bailiff to Conduct a Case**

(1) State institutions shall provide a sworn bailiff with the information required for conducting a case on termination of forced share property free of charge from the following State information systems:

1) the Register of Natural Persons;

2) the State Immovable Property Cadastre Information System;

3) the State Unified Computerised Land Register.

(2) A sworn bailiff has the right to receive free of charge any information required for the purpose of conducting a case also from other State and local government institutions.

**Section 26. Right to Become Acquainted with the Case Materials of a Sworn Bailiff and to Request Document Derivatives Therefrom**

Owners of the plot of land, apartment owners of the apartment residential house as well as the manager of the abovementioned apartment residential house and the authorised person referred to in Section 5, Paragraph one of this Law may become acquainted with the case materials of a sworn bailiff regarding termination of forced shared property and may request document derivatives.

**Section 27. Ensuring of Communication**

(1) If this Law provides for a sworn bailiff to contact any person referred to in the Law (apartment owner, owner of the plot of land, and other persons), the provisions of the Law on Notification shall apply.

(2) If a natural person is an apartment owner of an apartment residential house and he or she does not have a declared address of residence (additional address) and he or she has not expressed a wish to receive documents electronically, the State Land Service and the sworn bailiff shall send documents to the address of the apartment of the apartment residential house owned by or in possession of this person.

**Transitional Provision**

Until 1 January 2025, the State Land Service shall calculate the alienation price specified in Section 7, Paragraph four of this Law as follows:

1) from 1 January 2023 until the moment of approval of the Cabinet regulation regarding the cadastral value base for 2025, 2026, 2027, and 2028 – in accordance with the information calculated and published by the State Land Service on the projected cadastral values of land parcel and a section of land parcel which have been developed in accordance with the immovable property transaction information as on 1 July 2019;

2) from the moment of approval of the Cabinet regulation regarding the cadastral value base for 2025, 2026, 2027, and 2028 until 31 December 2024 – in accordance with the information calculated and published by the State Land Service on the projected cadastral values of land parcel and a section of land parcel which have been determined in accordance with the immovable property transaction information as on 1 July 2022.

The Law shall come into force on 1 January 2023.

The Law has been adopted by the *Saeima* on 25 November 2021.

President E. Levits

Rīga, 7 December 2021