LAW OF THE KYRGYZ REPUBLIC

On state registration of rights to Immovable property

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This Law establishes legal fundamentals and the procedure for functioning of the single state system of registration of rights to immovable property on the whole territory of the Kyrgyz Republic. The purpose of registration system is to ensure state protection of registered rights to immovable property and to encourage the development of the real estate market. This Law effectuates the registration system envisaged by the Civil Code of the Kyrgyz Republic.

Chapter 1 General provisions

Article 1. Terms and definitions

- 1. State registration: record keeping by the registration body of ownership rights and other rights to immovable property, limitations, emergence, transfer and termination of those rights, as established by this Law.
- 2. Immovable property (real estate): land plots, parts of subsoil, isolated water objects and everything which is firmly connected with land, removal of which is impossible without incommensurate damage to their purpose, including forests, perennial plants, buildings, installations, etc.
- 3. Unit of immovable property (real estate): a land plot, building, installation, apartment or any other unit of real estate which is separately defined (has separately established border) and may be owned or used according to legislation of the Kyrgyz Republic.
 - 4. Registration system: the single state system of registration of rights to a unit of the immovable property.
- 5. Registration body: the state registration body acting in accordance with this Law which is responsible for registration of all rights to immovable property and transactions therewith.
- 6. To register means to enter a record in the registration card (state registry) on emergence, alteration, termination or existence of the right and limitations of rights with respect to the unit of the immovable property which is assigned its identification number in accordance with the established procedure.
- 7. Identification number is an individual, non-repeated on the territory of the Kyrgyz Republic registration code of the unit of immovable property which is assigned in accordance with the procedure established by this Law and shall be retained while this unit of real estate exists as a whole.
- 8. Owner or user (title holder) is an individual or legal entity whose last name or denomination is registered pursuant to this Law as the owner or user of the unit of immovable property.
- 9. Transaction with real estate: actions of individuals and legal entities directed at establishment, alteration or termination of rights to a unit of immovable property.
- 10. Limitation is the restriction of rights to possession, disposal, use of the unit of immovable property, including rights of third parties (lease, pledge, mortgage, easement, contractual obligations, court rulings on attachment of the property and other rights established by legislation of the Kyrgyz Republic which restricts the rights of the owner or user of the real estate). Limitation may include also any agreement between the owners or users of the immovable property

on intention to bind these owners or users to make a voluntary contribution for the general maintenance of the immovable property.

- 11. Lease is the agreement between the lessor and the lessee on providing to the lessee the right of exclusive possession and use of the immovable property of the lessor for a definite period and for a definite fee.
- 12. Sub-lease is the agreement between the lessee and the sub-lessee on granting the sub-lessee the right of exclusive possession and use of the immovable property of the lessee for a definite period and for a definite fee.
- 13. Pledge is the method of securing obligation when the obligor (pledgeholder) acquires the right in case of default of the obligation by the obligor to receive satisfaction at the expense of the pledged property in priority to other creditors with exceptions provided by legislation of the Kyrgyz Republic.
- 14. Mortgage is the pledge of land plots, enterprises, buildings, installations, non-residential premises, apartments and other property with the purposes of securing obligations under agreements (loan-credit, sale and purchase, lease, work contract and other contracts).
- 15. Easement is the right to a restricted use of the immovable property of other person without actual possession thereof, and any agreement of the owner or user of the immovable property on action or inactivity on its territory for the benefit of other persons.
- 16. Option is a priority right of purchase or lease of the immovable property within the period, at the price and on the conditions stipulated by the parties in the preliminary contract (agreement).
- 17. Right establishing document is the document which establishes, transfers, restricts or terminates the right of ownership and other rights to the unit of immovable property (law, decision of the relevant competent body, contract, court ruling and others).
- 18. Fixed border is the border of the unit of immovable property (land plot) fixed on the spot by the boundary signs of the established form with reference to capital buildings and installations, permanent landmarks or to geodetic posts, all the turning points of which have known coordinates.
- 19. Approximate border is the border of an unit of the immovable property (land plot) indicated on the schematic plans, and not fixed on the spot with boundary signs of the established form.
- 20. Registration zone is the zone of the administrative liability and jurisdiction of the local registration body borders of which are determined by the State Registry. Borders of the zone must not necessarily coincide with the borders of the administrative rayons. It may consist of a part of the administrative rayon, or of one, two or more administrative rayons.
- 21. State registration body (State Registry) is the body of state governance, which performs governance, coordination and control over the functioning of the single state system of registration of rights to immovable property in accordance with Article 9 of this Law.

Article 2. Objects of single state registration system

The rights and restrictions of rights to the unit of the immovable property shall be the objects of the single state registration system.

Article 3. Subjects of single state registration system

Subjects of single state registration system according to this Law shall be individuals and legal entities which have rights to immovable property on the territory of the Kyrgyz Republic.

Article 4. Rights and restrictions subject to compulsory

registration

Following shall be subject to registration:

- 1) ownership right;
- 2) right of economic management;
- 3) right of operative management;
- 4) right of life-time inherited possession;
- 5) right of perpetual (permanent) use;
- 6) rights arising from mortgage or pledge;
- 7) rights to temporary use, lease or sub-lease for the period of three and more years;
- 8) easements (except indicated in Article 6 of this Law);
- 9) restrictions of rights on drafting projects, construction and use of the separate unit of the immovable property, except restrictions which cover the immovable property in accordance with the legislation and other normative acts of the Kyrgyz Republic.

- 10) rights arising from court rulings;
- 11) rights of nature use, the list of which is established by the legislation of the Kyrgyz Republic;
- 12) other rights subject to registration currently or in future in accordance with the Civil Code and other legislative acts of the Kyrgyz Republic.

Article 5. Other rights which may be registered

A preliminary agreement for acquisition of the right to immovable property or the priority right to purchase of the immovable property may be registered according to this Law by choice of the parties to the agreement either as the option or as the priority right. Other legally established rights to immovable property which comply with the requirements of this Law may also be registered.

Article 6. Rights and limitations which are considered valid irrespective of registration

Following rights and limitations shall be considered valid irrespective of whether they are registered or not, but shall not be secured by the state protection provided by this Law:

- 1. Right of access to existing by the moment of opening of a registration body electric transmission lines, telephone and telegraph lines and poles, pipe-lines, geodetic points and other rights conditioned by public needs.
- 2. Rights of spouses, children and other dependents established by legislation of the Kyrgyz Republic even if these rights were not registered independently.
 - 3. Right to temporary use, lease or sub-lease for the period less than indicated in point 7 of Article 4 of this Law.
- 4. Right of actual users to priority use of the immovable property established by Article 265 of the Civil Code of the Kyrgyz Republic.
 - 5. Rights of tax bodies established by the legislation of the Kyrgyz Republic.
- 6. Limitations as general rules and prohibitions (referred to health care, public security, environment protection, etc.) established by legislation of the Kyrgyz Republic.

Article 7. Compulsoriness of registration and liability for its delay

- 1. Any right establishing or other document referred to the rights or their restrictions subject to compulsory registration in accordance with Article 4 of this Law shall be submitted to the registration body not later than thirty days from the moment of preparing (making) the said document.
- 2. Where the document is submitted later than thirty days after its preparation, the penalty for each day of the delay shall be paid in the amount established by legislative and normative acts of the Kyrgyz Republic in addition to the registration fee.
- 3. Absence of state registration of rights to immovable property shall entail liability provided by this Law, Civil Code and other legislative acts of the Kyrgyz Republic.

Chapter 2 Organization of single state system of registration of rights to immovable property

Article 8. Administrative structure of bodies of single state system of registration of rights to immovable property

- 1. State registration of rights to immovable property shall be carried out by the bodies of justice.
- 2. Single state system of registration of rights to immovable property shall consist of the republican body of governance and local registration bodies.
- 3. The Republican body of governance of the single state system of registration of rights to immovable property shall be the state registration body under the Ministry of Justice of the Kyrgyz Republic (hereinafter State Registry).
- 4. Local registration bodies (hereinafter, registration bodies) of the single state registration system of rights to immovable property shall be rayon, inter-rayon and municipal departments (bureau) which are legal entities and are directly subordinate to the State Registry.
- 5. Activities of the bodies of single state system of registration of rights to immovable property shall be performed in accordance with the Provisions developed on the basis of this Law and approved by the Government o the Kyrgyz Republic, and in accordance with the procedures developed by the State Registry.

Article 9. State registration body (state registry)

- 1. The State Registry shall be the body of state governance defining and regulating the policy in the field of development of real estate market and providing governmental protection of the registered rights to immovable property.
- 2. The State Registry shall provide management, coordination and control over functioning of the single state system of registration of rights to immovable property on the whole territory of the Kyrgyz Republic.

Article 10. Local registration bodies of the single state system of registration of rights to immovable property

- 1. Local registration bodies shall be formed by the State registry in every registration zone as independent legal entities in accordance with the procedure established by the Government of the Kyrgyz Republic.
- 2. The right to immovable property and transactions herewith shall be subject to the state registration in the local registration body at the place of location of the immovable property. Any attempt to register immovable property in some other registration zone shall be considered invalid.
- 3. Every local registration body shall form the data base on the objects and subjects of immovable property which thereafter shall be included into the republican immovable property information system of the State registry.

Article 11. Powers of the single state registration system

The Registration system shall have the following powers in addition to those established in other sections of this Law:

- 1. To demand from any individual or legal entity the compulsory provision of the documents or information on the right or on the limitation of the right to immovable property which are subject to registration.
- 2. To take decisions binding on the individuals and legal entities on compensation of the expenses incurred to the registration system while providing the said services in whose interests the services were rendered in accordance with this Law.

Article 12. Requirements to the employees of the single state system of registration of rights to immovable property

The registration of rights to immovable property is a governmental activity and it may not be directed to receipt of personal profits. The employees of the state registration system shall be forbidden to hold any other offices, to perform registration of rights to immovable property by themselves on their own name, or on name of their close relatives. Where the employees of the registration system or their close relatives are the holders of the rights to immovable property, these rights shall be registered by other employees of the registration system. Other requirements to state employees established by the law of the Kyrgyz Republic shall also apply to the registry system employees.

Chapter 3 Documents of the single state registration system

Article 13. Main documents of the single state registration system

- 1. The main documents of the single state registration system shall include:
- a) registration map;
- b) registration card;
- c) registration log-book.
- 2. The main documents of the registration system may be prepared on paper or in electronic format (in computer's memory, on diskettes, etc.).
 - 3. The forms of the said documents shall be established by the State registry.

Article 14. Registration maps

- 1. The registration maps are divided into two categories the registration zone maps and the registration index maps.
- 2. In the registration zone map the borders, geographical location and the numbers of the registration sectors are shown.

- 3. For each of the registration sectors one or series of registration index maps shall be prepared. Where the registration index map for certain sector consists of a series of maps, the existence of number of maps shall be reflected at the registration zone map. The registration index map shall show the approximate borders, the geographical location and the numbers of the land plots.
- 4. The registration maps shall be kept in accordance with the requirements of the law applied to the single state system of cadastre maps.

Article 15. Registration cards

For each unit of immovable property a registration card shall be prepared, and this card shall consist of the following three sections:

section of identification of the immovable property unit specifying the identification number of the unit of the immovable property, availability of the map of the unit of the immovable property and the rate of accuracy of the borders (approximate or fixed);

section of registration of the rights specifying the name and address of the owner, user, lessee or other holder of the right to be registered in respect of the unit of immovable property, specifying also the right establishing document and the type of ownership;

section of limitations describing all the limitations of the rights having effect on the unit of the immovable property and specifying the right limiting document and the type of limitation (pledge, mortgage, servitudes, etc.).

Article 16. Registration file

- 1. For each unit of immovable property a registration file shall be prepared which may consist of one or several volumes.
- 2. The registration file shall contain duplicates (copies) of all the documents specified in the registration card which have the information on the origin, change, termination or limitation of the rights to the unit of immovable property, as well as the map of the unit of the immovable property if available.

Article 17. Registration log-book

In the registration log-book the records shall be made specifying the name and address of the applicant, the date and time of receipt of the document for registration, identification number of the unit of immovable property, being subject-matter of the document, information on whether the registration of the document had been permitted, suspended or refused, and containing the signature of the employee of the registration body who had received the document, as well as the description of the document submitted for registration.

Chapter 4
Functioning of the single state registration system

Article 18. Identification numbers of units of immovable property

- 1. To all the units of immovable property the unique identification numbers shall be assigned in accordance with the procedure to be established by the State registry.
- 2. Where the land plot accommodates buildings and constructions, further identification numbers referred to the identification number of the land plot shall be assigned to them. If the building has separate units of immovable property, these units shall be assigned the corresponding consecutive numbers referred to the identification number of the building.

Article 19. Procedure for receipt of the documents submitted to local registration body and the requirements to such documents

- 1. The registration bodies shall accept the right establishing documents on the basis of the statement (application) of an individual or a legal entity.
 - 2. The application shall be accompanied by a receipt on payment for the services of the registration body.
- 3. The right establishing documents submitted to the registration body shall be accepted in due form and shall contain on compulsory basis the following:

- a) the name of the document;
- b) identification number of the unit of immovable property;
- c) signatures of all the interested parties;
- d) notarization, if it is required in accordance with the law of the Kyrgyz Republic.
- 4. The documents must comply with the requirements of the law of the Kyrgyz Republic. Additional requirements to the documents shall be established by this Law and other normative and legal acts of the Kyrgyz Republic.
- 5. All the documents submitted to the registration body shall be presented in two copies including the original. The original of the document after the registration shall be returned to the applicant, and the copy of the document shall be attached to the registration file.
- 6. The documents having erasures or additions, crossed out words and other non-agreed corrections, as well as the documents the records in which are made in pencil, shall not be accepted.
- 7. The documents striving for transfer, change, termination or imposition of limitations on the right which has been registered already, also shall not be accepted without written consent of the owner of this registered right, except the following cases:
 - a) if the transaction is made under a power of attorney in accordance with the requirements of the law;
 - b) if the transaction is made by authorized persons, trustees or guardians;
 - c) if the transfer, change, limitation or termination of the right arises on the basis of a court judgment;
 - d) if the assignment of the right happens due to decease (legal succession).
- 8. The documents corresponding to the requirements of this article and to other requirements to certain documents established by this Law and other legal acts of the Kyrgyz Republic, shall be accepted by the registration body.
- 9. The personality of the applicant shall be certified by a passport for an individual, and for a legal entity by the documents identifying the personality and powers of its representative.

Article 20. Indication of exact date and time of submission of documents for registration

- 1. While receiving the documents from the applicant, the registration body must register in the registration log-book the date and exact time of submission of the documents.
- 2. The receipt certifying the receipt of the corresponding documents for registration with indication of the date and time of their submission, shall be issued to the applicant.

Article 21. Preliminary registration

Where there is no disputable situation and where the registration body recognizes that the person is the actual owner of the immovable property, but that person has no relevant legal documentation, or the registration body has other reasons for doubts in his ownership right, - the preliminary registration shall be made which does not guarantee protection of the right provided by Chapter 7 hereof.

The applicant may at any time submit to the registration body the duly prepared legal documentation or a court judgment, and after review and consideration of this documents the registration body shall carry out the formal registration.

Article 22. Grounds for suspension or refusal to registration

- 1. The ground for suspension of the registration of the right of an actual owner of an immovable property for the term not in excess of ten days shall be the statement of a person challenging this right provided there is the consent of the owner for such suspension. Where the action on this issue has not been brought to a court within this period of time, the registration of the right must be carried out. In case the notification on the claim has been received from the court, the registration shall be suspended pending the court judgment. At the same time the courts must within 3 days from the day of receipt of the claim notify the corresponding registration body on this.
- 2. Where the owner of an immovable property does not give his consent for suspension of the registration, the registration body must register the right of the owner for this immovable property, provided the submitted documents comply with the requirements of this Law and of other legal and normative acts of the Kyrgyz Republic.
 - 3. The registration of rights for immovable property may be refused under the following reasons:
- a) if the submitted documents do not correspond to the requirements established by this Law and by other normative and legal acts of the Kyrgyz Republic;
 - b) if the application for registration of the right has been made by an incapable person;

- c) if the organization or person who issued the submitted document, or the person whom this document concerns, have no right to enjoy the rights which registration they are striving for in respect of the said unit of immovable property.
- 4. In case of refusal the information on the reason for such refusal shall be sent to the applicant. The copy of the letter shall be attached to the registration file, prepared earlier for this unit of immovable property, and the corresponding record shall be made in the registration log-book.
- 5. The refusal in state registration of the rights to immovable property or of transactions herewith or evasion of the registration body from the registration may be subject to appeal in court.

Article 23. Correction of mistakes made in the course of registration

- 1. The mistakes made in the course of registration which do not change the belonging, nature or content of the registered right may be corrected by the registration body itself with notification of all the interested parties.
- 2. Correction of the mistakes changing the belonging, nature or content of the registered right shall be allowed only with the consent of the interested parties.

Article 24. Public access

- 1. The information of the single state registration system shall be open for the public access.
- 2. The agencies performing state registration of the rights to immovable property and of the transactions herewith, must provide information on the registration made and on the registered rights to any person except the documents and the information representing a state secret.
- 3. Issue of the information and the copies of the documents of the single state registration system shall be made for the established fee in accordance with the procedure established by the State Registry of the Kyrgyz Republic.

Article 25. Issue of the document on the registered right and provision of the information services

- 1. The registration body under the petition of an applicant and after payment of the correspondent fee shall:
- a) certify the made registration by issue of the document on the registered right or by making certifying record on the document submitted for the registration;
- b) issue the certified copy of the registration card for any unit of immovable property and copies of any other documents kept in the registration file.
- 2. The official documents issued by the registration body under this article shall be certified by the official stamp of the registration body and in accordance with the provisions of this Law shall guarantee the authenticity of the information contained therein.

Chapter 5 Borders of immovable property

Article 26. Borders of units of immovable property

- 1. Borders of units of immovable property may be fixed or approximate. Generally, the registration index map shall show the approximate borders and location of the units of immovable property.
- 2. Fixing of the borders may be made by initiative of the registration body or by the owner of the right to that unit of immovable property.
- 3. Where it is necessary to establish the fixed borders, the registration body shall notify all the parties, whose rights may be offected, on its intention to verify and fix the said borders.
- 4. After hearing of all the interested persons, the registration body by way of special survey to be carried out by individuals or legal entities having license for map and geodesic works, shall fix the borders of the unit of immovable property, and after that the corresponding changes shall be made in the registration index map; the registration cards and the copies of the plan shall be attached to the registration files.
- 5. Where the fixing of the borders is made under request of an interested person or persons, all the costs referred to fixing of the borders shall be covered by these persons.
- 6. In case of disagreement with the made fixation of the borders the interested persons shall have the right to appeal against the actions of the registration body in accordance with the established procedure.

Article 27. Maintenance of the borders

- 1. Every owner or user of an unit of immovable property must keep in proper order his land survey marks fixing the borders of the unit of immovable property on the spot.
- 2. The person answerable for illegal change or damage to land survey marks irrespective of whether the corresponding penalty was imposed on him, must cover all the costs referred to restoration of the said land survey marks.

Article 28. Introduction of changes in the registration maps

- 1. The registration body shall have the right to make corrections in the text information or to organize special survey in order to verify the borders of an unit of immovable property with consent of individuals or legal entities whose rights may be effected by such changes. In accordance with the results of the survey the changes shall be introduced in the registration index map, and the corresponding records shall be made in the registration card, registration file and the registration log-book.
- 2. In case of non-substantial change of the borders of the units of immovable property the identification number of the unit of immovable property shall not be subject to change at the registration index map.

Article 29. Joining and dividing units of immovable property

- 1. Where individual or a legal entity is or becomes titleholder for adjacent units of immovable property and the rights hereto are identical, the registration body under request of the said titleholder and the decision of the competent agency may unite the said units of immovable property.
- 2. The owner of the right to a unit of immovable property may bring petition to the registration body on division of an unit of immovable property. Provided there is a relevant decision of a competent agency and consent of all the interested parties, the registration body shall register the division of the unit of immovable property for two and more new units. In case of division or consolidation of an unit of immovable property the identification numbers existed earlier shall be considered invalid (without the right of their repeated use), and to the new units of immovable property shall be assigned their own identification numbers.

Chapter 6 Effectuation of the registered rights

Article 30. The effective date of the registration and governmental protection of the registered rights

- 1. The effective date and time of the registration of a right to immovable property shall be deemed the date and time of submission of the document for registration to the registration body.
- 2. From the moment the registration becomes effective the government shall provide the protection of the registered rights in accordance with the procedure established hereof.

Article 31. Presumption of the knowledge on registration

- 1. All the individuals and legal entities shall be deemed to know about the registered right to immovable property irrespective whether they knew actually about the existence of such right or not.
- 2. The reference in the documents kept in the registration file to nonregistered rights or to the rights specified in other documents, shall not mean the registration of those rights.

Article 32. Priority of registered rights

The registered rights shall have the priority over non-registered rights except the rights and limitations specified in Article 6 hereof.

The documents on the right to an unit of immovable property submitted for registration earlier shall have priority over the documents on the rights to the same unit of immovable property submitted later.

Chapter 7
Indemnification of losses

Article 33. Liability for damage

- 1. The agencies of the single state system of registration shall bear liability for the damage caused to individuals or legal entities as a result of:
- a) wrongfulness of information contained in the registration card or in an official document issued by the registration body under Article 25 hereof;
- b) inaccuracy, mistake or intentional malfeasance in the course of performance of functional duties by the employees of the registration system. The claims initiated against the registration system under this article shall be considered in the corresponding court. The court shall take such claim for its adjudication provided the claim was considered preliminary by the agencies of the registration system.
- 2. The amount of damage caused to immovable property of the claimant shall be evaluated by its value at the moment of initiation of the claim and not at the moment of the registration.
 - 3. The claims on indemnification of losses shall be based on the independent evaluation of the damage.
- 4. The employees of the registration system shall not bear personal material responsibility for the mistakes or inaccuracies made unintentionally in the course of their duties but shall be liable for intentional wrongdoing, malfeasance or other criminal offense in accordance with the law of the Kyrgyz Republic.

Article 34. Limitation terms

The claims against the registration system must be initiated within three years from the moment of arising of the ground for the claim.

Article 35. Exclusion of liability of the single state

registration system

- 1. The single state registration system shall not be liable to claimants for the damage caused as a result of the following:
 - a) negligence or intentional presentation of false information for mercenary ends;
 - b) mistake or inaccuracy of a notary;
 - c) mistake of special survey or description of the borders.
- 2. Indemnification of losses caused to individuals or legal entities being not subject to indemnification under this Law shall be decided in accordance with the procedure established by other legal acts of the Kyrgyz Republic.

Article 36. Guarantee fund

The guarantee fund shall be formed under the State Registry to provide compensations for the damages in accordance with the requirements of this chapter. The procedure for the formation and use of the resources of the guarantee fund, as well as the amount of deductions to the guarantee fund from the sums to be collected by each registration body, shall be determined by the Regulations on this guarantee fund subject to approval by the Government of the Kyrgyz Republic.

Article 37. Indemnification of losses caused to the guarantee fund

Any individual or legal entity, who caused damage as a result of negligence, fraud or other crime, and which damage was indemnified on the account of the guarantee fund, must compensate the losses caused to the guarantee fund. In order to provide compensation of the damage caused to the guarantee fund, the State Registry shall have the right to bring action to the corresponding court against the guilty person.

Chapter 8
Specific features of registration of certain types of rights and limitations

Article 38. Registration of right to apartments and other premises located in the buildings being in common ownership

1. The unique identification numbers shall be assigned to each unit of immovable property in the buildings consisting of apartments (flats) or other separate units of immovable property, and registration card and registration file shall be prepared for each unit.

2. The owners of apartments or other units of immovable property who formed condominiums, cooperatives or other legal entities under the law of the Kyrgyz Republic, must register the founding document or other document with description of their rights and responsibilities. This document shall be subject to registration in the registration cards of all the units of immovable property being part of such formation.

Article 39. Registration of co-owners of immovable property units

The following information must be contained in the registration cards for an unit of immovable property being in common ownership of two and more owners:

whether these persons are the common owners under the right of common share ownership or the owners under the right of common joint ownership;

where these persons are the owners under the right of common share ownership, - the share of each owner shall be specified;

where the size of the shares of the participants of common share ownership can not be determined under the law and is not established by agreement of all its participants, - the shares shall be deemed equal.

Article 40. Registration of lease agreements

- 1. Any lease agreement in respect of an unit of immovable property concluded for the term of 3 and more years, shall be subject to registration. Lease or sub-lease for the term less than 3 years may be registered under the will of the parties to the lease or sub-lease agreement, but the sublease, which preceding lease agreement had not been registered, shall not be subject to registration.
- 2. Where part of an unit of immovable property is leased, the documents to be submitted for registration must contain survey of the plan of this part of the unit of immovable property.
- 3. Any documents establishing sub-lease, mortgage or another form of disposal for the whole or part of the leased unit of immovable property, shall not be subject to registration without written consent of the lessor, if such consent is required under the lease agreement. Prohibition for a lessee for any form of disposal in respect of the whole or part of the leased unit of immovable property must be recorded in the registration card.
- 4. A lease agreement shall be terminated either upon the expiration of the lease term, or under the court decision, or where the condition arises, or in case of submission of the statement of the lessee and the lessor on voluntary termination of the lease agreement. Where the lease agreement is terminated, the corresponding record shall be made in the registration card.
- 5. Where the lease was registered under condition of sub-lease or mortgage, the lease may not be voluntary terminated by the lessee before expiration of its effective term without consent of the owner of the right for sub-lease or the mortgage.

Article 41. Registration and satisfaction of mortgages

- 1. Under the civil law of the Kyrgyz Republic all the mortgages of immovable property shall be subject to registration in respect of that unit of immovable property which is the subject-matter of the mortgage.
- 2. The terms and conditions of the mortgage agreement, prohibiting the borrower to dispose of the pledged unit of immovable property or use it for subsequent mortgage, must be pointed out in the registration card. The document assigning the right of disposal of the pledged unit of immovable property (that is the subsequent mortgage) shall not be subject to registration without consent of mortgage creditor.
- 3. The priority for satisfaction of the mortgage claims shall be determined by the date and time of its submission for registration even in case where a foreclosure court judgment registered later is available.
- 4. The registration body may cancel the registration of mortgage upon receipt of the evidence that all the amount to be paid by the borrower under the mortgage has been paid to the creditor, and that the borrower has no other obligations over the creditor and must not pay any additional sums.

Article 42. Registration of the use right

Where the government assigned right of use to an individual or legal entity in respect of an unit of immovable property being in state ownership, the name of the holder of the use right shall be specified in the corresponding section of the registration card, and the state is pointed out as the owner.

- 1. Raise, transfer, change or termination of the rights to immovable property may be performed on the basis of a power of attorney in cases provided for by the law of the Kyrgyz Republic. The documents on the raise, transfer, change or termination of the rights to immovable property shall not be subject to registration if the power of attorney has not been submitted formally to the registration body and has not been registered with these documents.
- 2. The right to immovable property which the persons possess on the basis of trusteeship and other trust relationships, shall be subject to registration only upon presentation to the registration body of the documents establishing the trust relationships including the agreements and the court judgments.
- 3. The registration card in these cases must contain the statement that the right of ownership is limited by the trust relationship.

Article 44. Registration of servitudes

- 1. All the servitudes except those specified in Article 6 hereof, shall be subject to registration in accordance with the requirements of this Law.
- 2. While registrating the document establishing a servitude, the terms and conditions of the servitude must be specified in the registration card, and also the unit of immovable property limited by such servitude and the units of immovable property benefiting from such servitude must be described.
- 3. Where necessary the plans of the units of immovable property showing the location and the zone of action of the servitude shall be attached to the document establishing the servitude.
- 4. Registration of the servitudes shall be carried out by making the corresponding record both in the section of limitations or the registration card for the unit of immovable property encumbered by the servitude, and in the section of registration of the rights of the registration card for the unit of immovable property which owner benefits from the servitude.
- 5. Where the effective term of the servitude is not specified in the document, the rule on endlessness of its action and automatic assignment of the servitude rights to subsequent owners of the rights to immovable property shall apply.

Article 45. Registration of notifications and the court judgments on bankruptcy

- 1. The agencies authorized under the law of the Kyrgyz Republic to supervise the process of liquidation or reorganization of a bankrupt legal entity must within ten days submit for registration the notification that this legal entity has no right to alienate its rights for immovable property.
- 2. Where and individual businessman is recognized bankrupt (insolvent) by a court, this court judgment shall be submitted to the registration body.
- 3. The registration body while receiving such notification or court judgment shall record the corresponding information in the section of limitations of the registration card, and the original notification or the copy of the court judgment shall be attached to the registration file for this unit of immovable property.

Article 46. Registration of rights established by a court judgment

- 1. The right to immovable property established by a court judgment shall be subject to registration in accordance with the procedure provided by this Law for registration of other rights.
- 2. Any court judgments referred to a right to immovable property shall be registered upon their submission to the registration body from the moment of their enactment by the court irrespective of whether this judgments become effective or not.

The appeals and protests against such court judgments shall also be registered.

Article 47. Registration of rights arising under acquisitive prescription

The right of ownership shall arise with the person acquired this property under acquisitive prescription, and this right shall be registered on the basis of the document to be issued by corresponding competent agency.

Chapter 9
Settlement of disputes

Settlement of disputes related to registration of rights to immovable property shall be made by corresponding agencies authorized for that by law of the Kyrgyz Republic, as well as by a court.

Article 49. Notification on existence of dispute

Where there is a dispute in respect of rights to immovable property, the corresponding authorized agency or court considering the suit, must within three days notify the registration body on existence of the conflict situation, and the registration body shall make record on that in the registration cards of the corresponding units of immovable property. The decisions of corresponding agencies on the disputes shall be subject to registration in the registration card of the unit of immovable property. Where one of the parties disagrees with the decision of the corresponding authorized agency, this decision may be appealed in court.

Chapter 10
Registration fees and financing of the single state registration system

Article 50. Registration fees

The fees for registration to be collected by the registration bodies and their amount except the services on provision of information and copies of the documents shall be established by the effective legal and normative acts of the Kyrgyz Republic.

Article 51. Distribution of funds

The proceeds from the activity of the registration bodies shall be distributed as follows: for covering the operational costs of the registration system; for funding of the guarantee fund to be formed under this Law.

Chapter 11
Transition to the single state registration system

Article 52. Opening of registration bodies

- 1. From the moment of promulgation of this Law the State Registry shall develop and submit for approval to the Government of the Kyrgyz Republic the plan of gradual opening of local registration bodies in the registration zones throughout the whole territory of the Kyrgyz Republic.
- 2. After approval by the Government of the Kyrgyz Republic of the plan of opening of the local registration bodies, all the governmental bodies making registration and having right establishing documents for immovable property must provide the available documentation free of charge by request of the registration body.
- 3. Local governmental administrations must provide free of charge premises, meeting the requirements of safety storage of the equipment and information, for the local registration bodies.
- 4. Under decision of the State Registry on readiness of a local registration body for the opening the certificate on official opening and functioning of that agency shall be issued.

Article 53. Legal consequences of opening of the local

registration bodies

From the moment the decision of the State Registry on official opening of the local registration body becomes effective:

this Law shall apply in this registration zone;

the local registration body shall be considered the only governmental body having powers to register rights to immovable property in this registration zone;

all the governmental and other bodies (organizations) dealing with the registration of rights to immovable property and formalizing transactions herewith, shall terminate the activity on registration of rights to immovable property in this registration zone;

all the transactions with the rights to immovable property or their limitations shall be subject to registration in the local registration body, and may not be registered in any other governmental or other bodies (organizations) which carried out the registration earlier;

the government agencies preparing and issuing the initial right establishing and right limiting documents in accordance with the effective legislation must within five days send the copies of these documents to the registration body of the registration zone where the unit of immovable property is located;

all the current legal and normative acts requiring registration of rights to immovable property and formalization of transactions with that property in other governmental bodies (organizations) in contradiction to this Law shall be considered invalid in that part and shall be brought in line with this Law.

Article 54. Validity of the earlier existed rights

The rights to immovable property existed before opening of the local registration body in that registration zone shall remain valid and shall not be subject to re-registration before initial registration described in this chapter.

Article 55. Initial registration

- 1. The State Registry shall develop regulations and forms required for establishment of the procedure and introduction of the initial registration.
- 2. From the moment of opening of the local registration body the registration body on the basis of the certificate issued by the State Registry shall organize the preparation of the initial registration maps, as well as registration cards and registration files for each unit of immovable property in the registration zone being under jurisdiction of this registration body.

Article 56. Public notification on initial registration

- 1. After completion of preparation of the initial registration maps, registration cards and registration files, the three month period shall be established for public notification on the initial registration with placement in public accessible place of the registration index maps and of the list of owners and users of the units of immovable property. The registration cards for units of immovable property may be presented for review by request of interested persons.
- 2. Within the same three month period any individual or legal entity may submit to the registration body a claim in written form specifying the unit of immovable property and description of any mistake or inaccuracy in a registration index map and a registration card made in the course of the initial registration. The claims submitted after expiration of the established three months period shall not be accepted. These claims shall be settled in accordance with the procedure established by articles 48 and 49 of this Law.
- 3. After expiry of the three months period designed for public notification all the initial registration cards for the units of immovable property in which respect there were no claims shall be considered as official documents on the final registration.

Article 57. Settlement of disputes on the issues of initial

registration

- 1. The registration body upon receiving written claim to a unit of immovable property shall take measures to settle the dispute by mutual agreement among all the interested parties. Such agreed corrections and decisions shall be recorded in the document certified by the registration body, and the corresponding record shall be made in the registration card which becomes official document on final registration.
- 2. Disputable situations which may not be settled by mutual agreement of all the interested parties shall be submitted for consideration to a corresponding competent body, and the record on existence of conflict situation shall be made in the registration card.
 - 3. The decisions of the corresponding competent bodies may be appealed in court.

Article 58. Procedure for this Law to become effective

- 1. This Law shall become effective stage by stage in the registration zones on the territory of the Kyrgyz Republic in accordance with the procedure provided by articles 52-53 hereof. Before this Law becomes effective in the registration zone, all the governmental and other bodies (organizations), dealing with registration of rights to immovable property and transactions therewith, shall continue their activity in accordance with the legislation of the Kyrgyz Republic.
 - 2. The Government of the Kyrgyz Republic shall:

make proposals on introduction of changes and amendments to legal acts in connection with this Law; bring all the earlier enacted normative and legal acts in line with this Law.

3. The changes to legal and normative acts made in order to bring them in line with this Law shall become effective in the registration zone only from the moment this Law becomes effective.

President of the Kyrgyz Republic A.Akaev

Adopted by the Legislative Assembly of the Jogorku Kenesh of the Kyrgyz Republic November 26, 1998