

The public relations related to the management of the common parts of buildings under condominium ownership arrangements, and the rights and obligations of owners, users and occupants of individual units or parts thereof are regulated under the Condominium Ownership Management Act (COMA), (in effect from 1 May 2009, published in State Gazette, issue 6 of 23 January 2009, amended SG, issue 15 of 23 February 2010, amended SG, issue 8 of 25 January 2011, amended SG, issue 57 of 26 July 2011).

Special management regime of the common parts of buildings under condominium ownership arrangements is introduced for buildings constructed in closed-type residential complexes – it is arranged by a written contract with notarized signatures entered into by and between the investor and the owners of the individual units. The contract must be registered by the investor in the Registry Agency on the lot of each individual unit and is referenced to the subsequent purchasers.

Exceptions to the management of the common parts of buildings under condominium ownership arrangements are introduced for buildings containing up to three independent units belonging to more than one owner. In these cases, the provisions of Art. 30, para. 3, Art. 31, para. 1 and Art. 32 of the Property Act apply.

Condominium Management covers procedures and controls over the use and maintenance of the common areas and compliance with the internal regulations in the building under condominium ownership arrangement, as well as the control over the fulfilment of the obligations of the owners, users and residents.

The forms of Condominium Management are the General Meeting and/or the Association of Owners.

The management bodies are: the General Meeting and the Management Board (Manager). The General Meeting of the Association may make a decision, adopted by a majority of more than 50 per cent of the represented notional shares in the association, to assign the powers of the Management Board (Manager) to individuals who are not owners. The contract for authorization is executed by a person authorized by the General Meeting of the Association. The cost of management and maintenance of the common parts under the condominium ownership arrangement will be equally shared by owners, users and residents.

Repair, renovation, reconstruction and rehabilitation of common parts or replacement of common facilities and equipment will be carried out under the decision of the General Meeting of the owners. The General Meeting of the owners or the Association will establish and maintain Repair and Renovation Fund. The costs for the repairs, renovation, reconstruction and rehabilitation of the common areas referred to in the respective decision of the General Meeting of owners will be distributed among the owners of the individual units in proportion to the notional shares of the common parts of the building held by them.

For any issues not covered by the COMA, the provisions of the Ownership Act will apply.

There is a list of the main obligations that each owner must comply with, such as: not to prevent the other owners, operators and occupants from using the common areas of the building; not to cause damage to the common areas; not to rent them; not to participate in activities that cause excessive disturbance and inconvenience to other occupants; to implement the decisions of the General Meeting; to pay their contributions to the necessary expenses; to comply with the sanitary-hygiene standards, etc. A Condominium Book must be organized, kept and maintained in each building which should contain the relevant information on the property, owners, users,

etc. The decisions of the governing bodies adopted in accordance with the condominium ownership arrangements are absolutely mandatory for all owners of the building. Often, the foreign property owners engage companies for management and maintenance to perform all the internal organization of the building, pay the bills on their behalf, collect payments from owners, rent apartments on their behalf, etc. The services of such companies can be found easily through the internet. It is strongly recommended to sign a contract with such a company, following the advice of your lawyer.