

Red: important comments; has serious legal implications

Blue: important for owners, but no urgent legal implications

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Translations of Turkish Legislation

Traductions de la Législation Turque

T.C. Mevzuatı Tercümeleri

Turkish Condominium Law

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Text updated according to the modifications made by Laws:

No. 2814, dated 12.01.1969

No. 2814, dated 14.04.1983

No. 3227, dated 25.06.1985

Law Decree/431 dated 13.02.1991

No. 3770, dated 11.02.1992

No. 5378, dated 07.07.2005

No. 5627, dated 02.05.2007

No. 5711, dated 28.11.2008

CHAPTER I

General Provisions

A) Condominium ownership and construction servitude

I – General Rule

ARTICLE 1.- Independent ownership rights may be established, under the provisions of this law, by the owner or the co-owners of a real estate on the portions of a completed building such as floor, apartment, office, shop, store, cellar, warehouse which are available to be used separately and independently.

Servitude rights may be established, under this law, by the owner or the co-owners of a building plot on the portions of a building being built or to be built in future and answering to the characteristics indicated above in the first paragraph to be taken as a basis for the condominium ownership to be established after the building has been completed.

II – Definitions

ARTICLE 2. – For the purpose of this law the following terms shall have the meanings indicated below:

a) “Main property” the whole of real property on which condominium ownership is established, “main building” only the portion constituting the main construction, “independent division” the portions of the main property each of which is available to be used independently and separately and which may be owned independently under this law, “annexes” the places which are situated outside the independent divisions and are directly allocated to that division, “condominium ownership” the property right established on the independent divisions and “condominium owner”

the holder of the said right.

b) “Common premises” the places which remain outside the independent divisions of the main property and serve for protection and joint use and “right of use” the right of using these places belonging jointly to the condominium owners in their capacity of co-owners.

c) (**Amended: 13/4/1983 - 2814/art 1.**) “Construction servitude” the servitude established under the provisions of this law by the owner or the co-owners of a building plot for the independent premises of one or more buildings which are being built or will be built on the plot to be taken as a basis for condominium ownership in the future and “holder of a construction servitude” the holder of the said servitude;”

d) “Building plot share” collective ownership share on the building plot to be allocated to the independent divisions according to the principle stated in this law.

e) “Agreement” the authenticated deed concerning the establishment of condominium ownership or construction servitude.

III – Character of condominium ownership and construction servitude

ARTICLE 3. – Condominium ownership is a private ownership related to the building plot share and to the common premises of the main property.

(**Amended second parag.: 14/11/2007-5711/art.1**) Condominium ownership and construction servitude are established by clearly indicating, in line with the collective ownership principles, the building plot share which has been allocated in its project proportionally with the values calculated according to the location and size of each independent division of main property which is subject to this ownership. If the building plot shares have not been allocated proportionally with the shares of independent divisions, each condominium owner or construction servitude holder can apply to the court for re-arrangement of building plot shares. The building plot share which has been allocated to each independent division according to this paragraph shall not be able to be changed due to future increases or decreases in the values of said divisions. The provision of Article 44 is reserved.

(**Amended third parag: 14/11/2007-5711/art.1**) Construction servitude is a servitude type which depends on building plot share and it is, according to the conditions set forth in this Law, converted into the condominium ownership upon request of building plot owner or collective owners who have construction servitude or one of them from land register office after occupancy certificate is received.

IV – Common premises

ARTICLE 4. – The subject of common premises may be determined by agreement. [The following places and things are, in any case, deemed to be common premises under this law.](#)

a) [The foundations and main walls, cross beams, columns, and curtain walls which constitute the load bearing system and other elements of load bearing system, common walls separating independent divisions, ceiling and floors, yards, main entrance doors, entrances, stair cases, elevators, stair-heads, corridors and common W.C.’s situated therein, door-keepers’ apartments or rooms, common laundries and drying rooms, common coal-cellar and garages, recesses and closed places allocated to the protection of electric, water and gas supply meters situated outside the independent divisions, central heating rooms, wells and cisterns, common water tanks and underground shelters.](#)

b) [Sewers and garbage ducts situated outside the division of each condominium owner, and central heating, water, gas and electric installations, common networks and](#)

antennas for telephone, radio and television, air conditioning installations.

c) Roofs, chimneys, common terraces situated on the roofs, gutters and fire escapes.

The things and places not included among the above but indispensable for the common protection and use are deemed to be “common premises”.

B) Connections

I- Connections between the independent divisions and shares of plot :

ARTICLE 5. – In case of transfer of condominium ownership or its conveyance by inheritance, the building plot share, which is attached thereto, shall be transferred at the same time. The building plot share shall not be transferred or conveyed by inheritance separately from the condominium ownership or the construction servitude, neither can it be encumbered by another right.

No building plot share may be left in the main property without being a condominium ownership or a construction servitude being established in favour thereof.

(1) As for the second article of the law no 5711 dated 14/11/2007 the expression “cross beams, columns, and curtain walls which constitute the load bearing system and other elements of load bearing system” has been added after the expression “The foundations and main walls” and has been entered into the text.

The rights encumbering condominium ownership shall also encumber the building plot share, automatically.

No servitude shall be established on a building plot on which there are construction servitudes, if they are not compatible with the said servitudes.

The rights registered or entered in the folio of the main property in the Register prior to the institution of condominium ownership in the main property shall in principle encumber automatically condominium ownership in proportion to the building plot share.

II – Connections between independent premises and annexes and common premises

ARTICLE 6. – Annexes such as coal cellars, water tanks, garages, recesses for gas, water and electric supply meters and W.C.’s situated outside independent divisions but directly allocated to the said divisions shall be deemed to be complementary parts of the independent division to which they belong and the owner of the said division shall become the sole owner of the said annexes.

Annexes shall be entered in the column of (statements) of the condominium ownership log and those situated outside the ground on which is erected the main building shall be separately indicated on the cadastral plan or the map of the land Registry.

No servitudes may be established on independent division, if they are incompatible with condominium ownership and with the rights of other condominium owners.

In case of transfer, encumbrance or lease of independent divisions, the annexes and common premises shall also be automatically transferred, encumbered or leased.

C)End of co-ownership and right of pre-emption

I – End of co-ownership

ARTICLE 7. – No extinction of co-ownership shall be required for an immovable on which condominium ownership or construction servitude has been established.

Legal action or proceedings may be taken in connection with independent divisions as in the case of an independent property. The extinction of co-ownership may be required for such divisions.

II – Right of pre-emption

ARTICLE 8. – (Amended first parag.: 13/4/1983 - 2814/art 3.) In case of sale of an independent division of a property on which the regime of condominium ownership has been

established or building plot share on which construction servitude has been tied up, the other condominium owners shall have no rights of pre-emption.

Should one of the joint owners of an independent division sell his share to another person, the other joint owners shall be entitled to exercise their rights of pre-emption.

A provision contrary to this ARTICLE may be included in the agreement.

D) Scope of application of general provisions

ARTICLE 9. – In the absence of any entry in the condominium ownership log or of construction servitude or in the agreement concluded between the condominium owners or in the management plan or in this law, conflicts arising from condominium ownership shall be settled according to the provisions of the Civil Code or of other relevant laws.

CHAPTER II

Establishment of Condominium Ownership and Construction Servitude

A) General rule

ARTICLE 10. – Condominium ownership and construction servitude shall begin with an authenticated deed and an entry in the Land register.

No condominium ownership shall be established only on one or several divisions of an immovable, prior to the main property being put under the regime of condominium ownership.

(Amended third parag,: 14/11/2007-5711/ art 3) Same type of adjacent independent divisions on the same floor or the floors or divisions such as a hotel, business or commercial place which form completeness with respect to economic or usage purposes can be registered as a single independent division into condominium registration. To be able to make such a registration, it is necessary to have given the appropriate modification document and occupancy certificate to the Title Deeds Registry Office.

Condominium ownership shall be registered according to an authenticated deed drawn up by the keeper of the land of register or by court judgment rendered according to the following paragraph.

When a suit is filed for extinguishing co-ownership of a property suitable for placing under the regime of condominium ownership, if one of the heirs or the co-owners demands that the division be made by establishing condominium ownership and allocating independent divisions, the judge may decide that the immovable in question be put under the regime of condominium ownership on the ground of the documents indicated in ARTICLE 12 and the independent divisions be allocated separately to each co-owner by balancing the shares.

(Inserted parag,: 14/11/2007-5711/ art 3) Independent divisions which have been assigned to the common benefit or whose income is used to meet common expenses are registered in the condominium ownership registration by writing in their owner part “the numbers of independent divisions” which make benefit of them. This issue shall be shown in the part of statements of independent divisions.

B) Register of condominium ownership

ARTICLE 11. –**(Amended: 14/11/2007-5711/ art 4)** Condominium ownership and construction servitude shall be registered into the condominium ownership registration which shall be kept according to the Title Deeds Registry Rules. Unless otherwise is expressed in this Law, the general provisions regarding registration shall also be applied to the registration transactions to be made according to the condominium ownership registration.

The condominium ownership and construction servitude at the places whose land registry has not been made yet shall be registered in the Condominium Ownership Minute Book to be kept distinctly according to the formula specified in Title Deeds Rules.

C) Establishment of condominium ownership

I – Formalities and documents

ARTICLE 12. – (Amended : 14/11/2007-5711/ art 5)

For establishment of condominium ownership, regarding conversion of main property to the condominium ownership, owner or all stakeholders of that real estate have to apply to the title deeds registry office with below mentioned documents:

- a) The layout plan which shows the location of buildings, occupancy certificate, and architectural project which has been made by the designer architect of project, which has been signed by the owner or all stakeholders of main property, and which has been approved by the relevant public authorities to clearly show the exterior facades and interior divisions of building or buildings, measures of independent divisions, annexes and common places, building plot shares of independent divisions proportional with the values calculated according to their locations and areas, and building construction area of independent divisions.
- b) A management plan which has been prepared according to the usage style of independent divisions, if there are multiple structures, according to characteristics of buildings within the framework of the provisions of Article 28, and which has been signed by the owner or owners who constitute the condominium ownership.
- c) The list in notarized document form which has been signed by the owner or all stakeholders of main property to show building plot share of each independent division, its type such as flat, residence or business place, their sequence numbers beginning from one, and annexes if exist.

II – Agreement and registration

ARTICLE 13. – (Amended first parag.: 13/4/1983 - 2814/art.5) After the Land Registrar has been satisfied that the documents filed are complete and drawn up according to regulations and procedures and that the petitioners have legal ability, he will draw up an official agreement regarding the establishment of condominium ownership or construction servitude. This agreement is deemed to be an application for registration at the same time.

(Amended second parag. : 14/11/2007-5711/ art 6) The statement “Property of this real estate has been converted into condominium ownership” should be written in the ownership cell of condominium ownership log page in which construction servitude is registered if the servitude status is changed to condominium ownership, or of title deed registry log page in which main property is registered if the condominium ownership is directly established during arrangement of agreement so that the page is closed to the transactions other than the servitude rights to be established against and in favor of main property and each independent division which is subject to condominium ownership is registered into a distinct page of condominium ownership log showing building plot share, plate, block, parcel, book, and page number of that division; in addition, the connection between logs is established by writing book and page numbers of independent divisions in condominium ownership log onto general log page where main property is registered.

(Amended third parag. : 14/11/2007-5711/ art 6) The registry record of the rights which are currently included in the page of main property, excluding servitude rights, shall be transferred into the page of independent divisions in condominium ownership log. After the ownership of main property is converted to condominium ownership the servitude rights to be established against and in favor of main property shall also be registered in the page of main property in title deeds registry log and condominium ownership shall be indicated in the statements cell of condominium ownership log.

Each independent division entered in the Register of condominium ownership shall acquire the character of an independent property and shall take the no. carried by the said section in the certified plan.

(Amended: 13/4/1983 - 2814/ art.5) A certified copy of the project concerning his own independent division from the project specified in subparagraph (a) of ARTICLE 12 shall also

be delivered to condominium owner upon his request in addition to scaled document of title.

D) Institution of construction servitude

ARTICLE 14. – (Amended first parag. : 14/11/2007-5711/ art 7) The building plot owner or stakeholders who desire to establish construction servitude on a building plot on which any building has not been constructed or its building has not been completed and to register this plot in the title deeds registry office have to submit their demand with the project and plan which have been prepared according to the subparagraph (a) of Article 12, management plan specified in line with the subparagraph (b) and list mentioned in the subparagraph (c). In transition to condominium ownership a distinctly prepared management plan shall not be required.

Construction servitude may be established on this building plot only by indicating in the column of **(statements)** of the Register where the plot is entered the building plot share to be allocated to the independent division concerning each construction servitude in the agreement or in the petition, and the numbers of the independent divisions subject to the regime of condominium ownership after the building has been completed, according to the projects which have been submitted and the annexes attached to these sections shall be indicated in the column of **(statements)**.

When, after the building is completed the transformation of construction servitude into condominium ownership is demanded by one of the holders of construction servitude, the registration shall be made according to the authenticated deed concerning the registration of the construction servitude and the documents indicated in ARTICLE 12 and on the ground of the confirmation of the Municipality stating that the independent divisions of the main property conform to the plan previously submitted.

(Inserted parag. : 14/11/2007-5711/ art 7) For the main property with construction servitude whose structures have been completed, the transition to condominium ownership has to be completed in one year from the certification of occupancy. Each servitude right owner avoiding from completing or signing the documents which are specified in Article 12 that are to be necessarily submitted to title deeds registry office in time to establish condominium ownership in spite of written notification made by one of construction servitude right owners or manager, shall be punished with the administrative fine at the amount of Thousand Turkish Liras by the municipality if main property is within the boundaries of municipality or by the relevant public authority if it is not within the boundaries of municipality, for each independent division which belongs to him / her.

CHAPTER III

Rights of condominium owners and of holders of construction servitude

A) Right of condominium owners

I – On the independent division

ARTICLE 15. – Condominium owners have on the independent divisions owned by them the rights recognized by the Civil Code to landowners, the relevant provisions of this law being reserved.

II – On the common premises

ARTICLE 16. – Condominium owners become owners of all the common premises of the main property, **in proportion to their building plot share**, according to the provisions ruling coownership.

Condominium owners have the right to use the common premises. The extent of this right in such places as common coal cellars, garage, terrace, laundry and drying rooms shall be proportionate to the building plot share, subject to anything contrary in the agreement.

B) Rights of the holders of construction servitude

ARTICLE 17. – Holders of construction servitude have the right of demanding the mutual execution of the obligations incumbent of them in order that the building can be commenced

and completed within the period stipulated in the agreement and have the right to bring legal proceedings to this effect.

(Amended: 13/4/1983 -2814/md.7) Holders of construction servitudes may appoint as manager one or several from among themselves or from outside for completing the building. The duties, powers and responsibilities of manager of condominium ownership are applied to this manager.

(Inserted: 13/4/1983 -2814/md.7) If the building has been actually completed and the dwelling of two third of independent divisions has been actually started of real properties on which construction servitude was established, even if the transition to condominium ownership has not been realized, the provisions of condominium ownership are applied to the management of main property.

CHAPTER VI

Obligations of condominium owners and of holders of construction servitude

A) Obligations of condominium owners

I – General Rule

ARTICLE 18. – Condominium owners are mutually obliged when they use either the independent divisions or the annexes and common premises, to comply with the rules of equity, and in particular not to disturb each other, not to violate their reciprocal rights, and to conform with the provisions of the management plan.

The provisions of this law regarding the obligations of condominium owners shall also apply to the tenants of independent divisions and to holders of residential rights and to persons regularly using these sections in any way whatsoever. Persons failing to comply with these obligations are jointly responsible with the condominium owner.

(Abolished last parag.: 14/11/2007-5711/ md 24.)

II – Maintenance and protection of the main property and responsibility for damages

ARTICLE 19. – Condominium owners are mutually obliged to maintain the property and to preserve its architectural condition, beauty and solidity.

(Amended second parag. : 14/11/2007-5711/ art 8) One of condominium owners, without written consent of four fifth of all condominium owners, cannot have the construction, repair and facilities, exterior calcimine or painting in different colors made in the common places of main property. However, if it is determined by the court that any defect in common places or facilities will damage main structure or any independent division and it should be fixed or the main structure should be strengthened immediately, said consent of building owners is not sought to execute this repair or strengthening operation according to its project and technical requirements. Condominium owner, in its own independent division, cannot make any repair, facility or modification operation which may damage the main structure. On connected places of independent divisions which are connected to each other by the means of ceiling, ground or wall the repair, facility and modification works which will not damage the main structure may be made with the collective consent of the owners of this division.

Each condominium owner is responsible towards the other condominium owners for any damage caused by his own fault to the main property and to other independent divisions.

III – Participation in the general expenses of the main property

ARTICLE 20.-

(Amended first parag.: 13/4/1983 - 2814/art.9)

Each of the condominium owners are liable to participate the followings unless otherwise is agreed between themselves:

- a) Equally to the expenses of door-keeper, central heating operator, gardener and watchman and the advances to be collected for them;
- b) The insurance premiums of the main property and the maintenance, protection, amplification and repair expenses of all common premises, in other expenses such as the

salary of the manager and in the operating expenses of the common installations and the advance payment for expenses, in proportion to its share of the building plot (1).

c) Condominium owners may not refrain from paying his share of expenses and advance payments by desisting from his right to use the common premises or installations or that he does not need to benefit from the same because of the situation of his independent division.

(Amended : 13/4/1983 - 2814/art.9) Legal action and execution proceedings may be taken against condominium owners who fail to pay their share of expenses and advance payments, by each condominium owner or by the manager, according to the management plan, this law and general legislation. Condominium owner who did not pay all of his expenditure or advance share is liable to pay delay compensation calculated by monthly five percent delay interest for the delayed days.(1)

Should any fault committed by a condominium owner or a person using in any way whatsoever the independent division of the said owner entail the expenses enumerated in the first paragraph, those having taken part in the expenses shall have a right of revocation for the payments made by them, against the condominium owner in question or the persons having caused the said expenses.

IV – Insurance contract

ARTICLE 21. – The board of condominium owners may decide to insure the main property for an amount to be fixed by the board.

In case of insurance, condominium owners shall participate in the insurance charges in proportion to their share in the building plot.

The insurance amount to be collected in case of complete destruction of the property shall be distributed among the condominium owners in proportion to their share in the building plot, subject to any agreement to the contrary.

If only one or several independent divisions or annexes or part of the common premises have been damaged, the insured amount to be collected shall be spent for repairing the damaged parts, in proportion to shares in the building plot.

Condominium owners may insure separately their independent divisions in their name and for own account in order to cover losses which could not be covered by the insurance of the main property. In this case they shall have sole claim to the insured amount to be collected, without prejudice to their share in the insured amount of the main property.

The imperative provisions concerning the insurance are reserved.

(1) By the Article 9 of the law No.5711 dated 14/11/2007 the expression “amplification” has been added after the expression “protection” in the subparagraph (b) of the first paragraph and the expression “ten percent” in the second paragraph has been amended as “five percent” and entered into the text.

V – Guarantee of common expenses

ARTICLE 22. – **(Amended first parag: 13/4/1983 - 2814/art. 10)**

Also the people who are benefiting continuously from one of the independent divisions depending upon a lease contract, residing right or another reason are liable jointly and successively from expenditures and advance liability and delay compensation of the share of condominium owner as per article 20. However, the liability of the leaser is limited with the lease amount that he is liable to pay and the payment that he makes is deducted from his lease debt.

If the debt of the condominium owner cannot be charged in this way as well, legal right of lien shall be registered in favor of the other condominium owners for this amount upon written request of the manager, if any, otherwise one of the condominium owners on the independent division of the condominium owner that fails to pay for the debt as determined

by the court.

(Amended last sentence: 14/11/2007-5711/art. 10.) The provision of last paragraph of Article 893 of Turkish Civil Code No. 4721 is also applied here.

(Amended: 13/4/1983 - 2814/art 10.) The claims of condominium owners on the condominium owner who fails to pay his share of expenses or other persons in charge are preferred debts.

VI – Obligation to give permission

ARTICLE 23. – Should it be necessary, for the purpose of repairing a damage or defect having occurred in the independent division of a condominium owner, or in the installations of this division or for the rebuild of facilities and for the technical examinations required for building safety to enter another independent division, the owner of or the persons residing in the said division in any other capacity are obliged to grant the permission to enter the said division and carry out the necessary work.⁽¹⁾

In case of damage to a part of the main property, for the refecton of the said damaged part and its annexes or the common premises or the installations of the independent division, should it be necessary to use the interior or the exterior of undamaged independent divisions

the owners or the persons residing in the said sections in any other capacity shall grant the permission.

The owners of independent divisions having obtained the permission shall immediately compensate any damage sustained by the owners or the persons residing in any other capacity as a result of the permission granted under the foregoing paragraphs.

VII – Prohibitions

ARTICLE 24. – No institutions such as hospital, dispensary, clinique, polyclinique, pharmaceutical laboratory shall be established in an independent division of the main property, entered as a dwelling or business place in the Register. Agreements concluded by condominium owners contrary to this prohibition shall be null and void. Doctors' consultation rooms which do not have the character of a dispensary, clinique or polyclinique are excepted.

Places such as cinema, theatre, café, casino, pavillon, bar, club, dancing hall and similar entertainment and meeting places and feeding places such as bakery, restaurant, pastry-shop, milk-shop and places such as workshop, dye-shop, printing-works, shop, gallery and market can only be opened in an independent division of the main property entered as dwelling in the Register, with the unanimous decision of the board of condominium owners.

This decision shall be entered on all the folios of the condominium ownership log concerning independent divisions, upon the request of the manager or one of the condominium owners.

VIII – Obligation to transfer the condominium ownership

ARTICLE 25. – Should any of the condominium owners violate the rights of other condominium owners to the point of making a nuisance of himself, by neglecting to fulfil the obligations and failing to pay the debts incumbent on him under this law, the other condominium owners are entitled to request the judge that the ownership right of the owner of the said independent division be transferred to them.

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(1) By the article 11 of the law no.5711 dated 14/11/2007 the expression “technical examinations required for building safety” has been added after the expression “rebuild of facilities” in this paragraph and entered into the text.

(Amended second parag. : 14/11/2007-5711/ art 12)

Filing an action against such a condominium owner for paying the value of property of independent division at the nearest date to the resolution to him / her and transferring this

ownership to other condominium owners proportionally with their building plot shares is possible only if the other condominium owners conclude to a majority resolution by number and building plot share, unless otherwise has been previously agreed. If some of condominium owners do not choose to file then the suit is filed by other condominium owners and the judge, before s/he passes a decision, gives an appropriate time to the claimants to pay the transfer value in a three-month time deposit bank account for paying to the right owner in future and to submit the receipt. When the document as per this payment is submitted and in case of the acceptance of law suit, the judge adjudicates to transfer the ownership of the independent division of respondent to claimant condominium owners in proportional to their shares and to pay the transfer value and its accrued interest to respondent.

Under the following circumstances, the nuisance mentioned in the first paragraph is deemed, in any case, to exist :

- a) If failure to pay the debts resulting from common expenses and advance payments entails executive processing or legal action three times in two calendar years,
- b) If in spite of the order given in accordance with ARTICLE 33 by the justice of the peace of the locality where the main property is situated, the debts and charges indicated in this law are not paid or fulfilled and the rights of other condominium owners continue to be thus violated for one year,
- c) In case of any act contrary top morals, by using the independent division as a house of prostitution, gaming house or the like.

(Amended fourth parag. : 14/11/2007-5711/ art 12) If the right to file lawsuit in this article is not used in six months from the date on which the decision of condominium owners to file lawsuit regarding transfer is learnt and in five years from arise of right to file lawsuit or if the reason of lawsuit has disappeared the action is dismissed.

B) Debts of construction servitude holders

ARTICLE 26. – Holders of construction servitudes are mutually obliged to comply in due time with the obligations incumbent on them in order to complete, according to the agreement and to plan, the building to be constructed on the common plot covered by the said servitude, in order to transform the same subsequently into condominium ownership and they facilitate the work of building according to the rules of equity.

(Amended second parag. : 14/11/2007-5711/ art 13) If one of construction servitude owners does not pay his / her debts in two months in spite of and from the notification made through the medium of notary public the judge, upon the written request of others, adjudicates to transfer her / his building plot share and construction servitude to the other stakeholders in proportion to their building plot shares.

Should the construction servitude become extinct through failure to build within the legal time limit by the fault of a servitude holder, the party at fault shall compensate the damages sustained through such action by the other holders.

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CHAPTER V

Management of the Main Property

A) Board

ARTICLE 27. – The main property shall be managed by the board of condominium owners and the method of management shall be decided by the said board, subject to the imperative provisions of the law.

B) Management plan

ARTICLE 28. – *The management plan shall determine the method of management, the object and manner of use, the remuneration of managers and controllers and other details regarding management. The management plan has the force of an agreement binding on all*

condominium owners.

In the absence of any provisions in the management plan, disputes arising from the management of the main property shall be settled according to this law and to general legislation.

(Amended: 13/4/1983 - 2814/art 11.) The votes of four fifth of condominium owners are required for any modification in the management plan. The right of condominium owners to apply to the court according to article 33 is reserved.

The management plan and amendments thereof shall be binding on all condominium owners and their heirs and general legatees and their managers and controllers.

The date of the management plan and of all subsequent amendments shall be entered in the column entitled "statements" of the condominium ownership log and they shall be attached to the management plan and kept with the documents regarding the establishment of condominium ownership.

C) Meeting of the condominium owners and resolutions

I – Time of meetings

ARTICLE 29. – The meeting of condominium owners shall be held at the time indicated in the management plan and at least one a year. If no time is indicated, it shall be held during the first month of each calendar year. (**Inserted sentence: 14/11/2007-5711/ art 14**) As per the multiple buildings, the boards shall meet at the times specified in the management plans but at least once in two years, or in the first month of second calendar year if such time has not been specified in management plan.

When there is an important motive, the meeting of condominium owners may be called at any time, by the manager or the controller or one third of the condominium owners, by a notice sent by registered mail or signed by all condominium owners, at least fifteen days prior to the date specified for the meeting, by indicating the reasons thereof.

The first notice shall also indicate the place and date of the second meeting if there is no quorum at the first meeting. (**Inserted sentence: 14/11/2007-5711/ art 14**) The time between first and second meetings cannot be less than seven days.

II – Quorum

ARTICLE 30. – The meeting shall be held when more than one half of the number of condominium owners and more than one half of the plot shares are present and shall render its resolution by majority.

(Amended second parag. : 14/11/2007-5711/ art 15) In case that the first meeting cannot be made because the quorum cannot be met then the second meeting is made in fifteen days at the latest. The quorum in this meeting is the absolute majority of participants.

The provisions specified in this law regarding quorum are reserved.

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III – Voting

ARTICLE 31. – **Each condominium owner has one vote without any consideration for the proportion of his share in the building plot.**

A condominium owner of more than one independent division in the main property, has a separate vote for each independent division. However whatever the number of independent division owned is, he shall not have a number of votes exceeding one third of all the votes. Fractions shall be discarded when calculating the number of votes.

Should an independent division be owned by several persons, they shall be represented on the board of the condominium owners by one of to whom they will delegate their powers. Should an condominium owner be under disability, he will be represented by his legal representative. If the resolution to be taken concerns him directly, the condominium owner may be present at the discussion without having voting power.

(Amended last parag. : 14/11/2007-5711/ art 16) One of condominium owners can use her / his vote by the medium of her / his representative. **One person cannot be assigned as the representative to use more than 5% of the number of votes. However, as per the immovable assets which are subject to forty or less condominium ownerships one person can represent maximum two people.**

IV – Resolution

ARTICLE 32. – The main property shall be managed according to the resolutions taken by the board of condominium owners according to the agreement, the management plan and the provisions of the law.

All condominium owners and their heirs and general legatees and managers and controllers shall abide by the resolutions passed by the board of condominium owners.

Disputes resulting from the use or management of the main property, among the condominium owners or between them and the managers and controllers, or among the managers and controllers, shall be settled by the board of condominium owners.

The resolutions of the board of condominium owners shall be entered in a register having all its pages numbered and legalized by the Notary and shall be signed by all condominium owners present at the meeting. Dissentients shall sign the resolution by giving a reason for their opposition.

Disputes arising on a question shall be settled in principle according to a previous resolution on the same question entered in the register of resolutions.

V – Intervention of the judge

ARTICLE 33. – **(Amended first parag. : 14/11/2007-5711/ art 17)** Each condominium owner who has attended but used dissentive vote in the board meeting in accordance with the provision of Article 32 in one month from the date of adjudication, and each condominium owner who has not attended in the board meeting in one month from the date s/he learns the board resolution but in six months from the date of adjudication at the latest can file a nullity suit against the resolutions of the board of condominium owners at the court of peace of the place in which the said main property is located; and in the cases the resolutions of the board of condominium owners are deemed invalid due to absolute nullity there will be no time restriction to apply to the court. One or more condominium owner who suffer because one of condominium owners or any person who continuously makes benefit of her / his flat based on the lease agreement, right of occupation or any other reason does not fulfill her / his debts or obligations can apply to the court of peace authorized in that place and plead for the intervention of judge.

The judge, after having heard the parties, shall immediately render his judgment according to this law and the management plan or in the absence of these according to general legislation and the rules of equity and shall notify the party concerned verbally or in writing to comply thereto within a short time to be fixed by the judge.

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(Amended third parag. : 14/11/2007-5711/ art 17) The ones who have not fulfilled the requirements of decision given by the judge are punished with the administrative pecuniary penalty from two-hundred and fifty Turkish Liras to two thousand Turkish Liras by the court. The provision of Article 25 is reserved.

D)Manager

I – Assignment

ARTICLE 34. – Condominium owners may entrust the management of the main property to a person or to a committee of three persons to be chosen from among themselves or outsiders. The said person shall be called “manager” and the committee “board of managers”.

When the main property contains eight or a larger number of independent divisions, the assignment of a manager is compulsory.

When all the sections of the main property are owned by a single person, he is legally in the situation of manager.

The manager shall be appointed by the numerical majority of the condominium owners and the majority of building plot shares.

The manager shall be appointed anew at each legal annual meeting of the condominium owners. The retiring manager is reeligible.

If the condominium owners fail to agree on the matter of management of the main property or of the assignment of a manager, upon the request of one of the condominium owners and, if possible, after having heard the other owners, the justice of the peace of the locality where the main property is situated shall appoint a manager. This manager shall have the same powers as a manager appointed by the condominium owners and shall be responsible towards them.

The manager appointed by the justice of the peace shall not be replaced by the board of condominium owners before six months have elapsed since his assignment. However, for a justified reason the court having appointed the manager may authorize his replacement.

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The contract to be signed with the manager may contain a clause providing for the deposit of a guarantee. Even in the absence of such a clause the board of condominium owners may require a deposit from the manager for a justified reason.

(Amended last parag. : 14/11/2007-5711/ art 18) The name and surname, business and residence addresses of manager should be hung in a frame beside the entrance door of main property or on a visible place at the entrance. If this is not done, upon the application made by the relevant person, the manager or each member of the board of managers is punished with the administrative pecuniary penalty from fifty Turkish Liras to two-hundred and fifty Turkish Liras by the same court.

II– Duties of the manager

1. General duties of management

ARTICLE 35. – The duties of the manager are indicated in the management plan. Subject to anything to the contrary in the plan, the manager shall be entrusted with the following duties:

- a) Executing the resolutions passed by the board of condominium owners,
- b) Taking the necessary precautions for the protection, maintenance and use of the main property in accordance with its object,
- c) Insuring the main property,
- d) Collecting a sufficient amount in advance at the time indicated in the management plan and, in the absence of any indication, in the course of the first month of each calendar year for the general management work of the main property maintenance work such as protection, repairs, cleaning, the elevator, central heating and air conditioning service and insurance, and when the advance is spent, collecting additional advances,
- e) Accepting all other payments regarding the management of the main property, paying the debts resulting from the management of the main property and, if he has been given the authority by the condominium owners, collecting the rent of independent divisions,
- f) Receiving the notifications concerning the whole of the main property,

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- g) Taking the necessary precautions to prevent the expiry of any time limit or the loss

of any right concerning the main property,

- h) Taking on behalf of condominium owners the necessary measures for the protection and maintenance of the main property which are to their advantage,
- i) Instituting proceedings against condominium owners failing to comply with the obligations and charges concerning condominium ownership and having entered in the condominium ownership log the right of statutory lien,
- j) Opening in a valid bank, an account in his own name but by indicating his qualification of manager of the main property in order to deposit and withdraw, when needed, the sums and advances collected.
- k) Calling the board of condominium owners to the meeting.

2. Accounting and keeping of records

ARTICLE 36. – The manager shall enter in the book indicated in ARTICLE 32, in the chronological order, the resolutions passed by the board of condominium owners, a summary of protests and notices and all expenses, and shall preserve this book and all vouchers for expenses and other vouchers in a file.

The manager shall have this book closed by the Notary, in the course of the month following the end of each calendar year.

The manager failing to comply with the duties indicated in this ARTICLE shall be liable to the penalties indicated in the last paragraph of ARTICLE 33.

3. Drawing up the operation project

ARTICLE 37. – (Amended: 13/4/1983 - 2814/art. 12)

If there has not been any accepted operation project by the board of condominium owners, the manager shall draw up the same as soon as possible.

This project shall particularly indicate the following details :

- a) Estimates of income and expenses of the main property for the period of one operational year.
- b) The approximate amounts of the share of each condominium owner on all expenses, according to the principles of article 20 of this Law;
- c) The amount of the advance that each condominium owner has to pay according to the principles of article 20 of this Law, in order to cover the estimated and other eventual expenses.

This project is notified to condominium owners or beneficiaries of independent divisions by either personally in return for their signatures or registered mail. Should one of the condominium owners object to the said project within seven days after the date on which it has been communicated to him, the matter shall be reviewed by the board of condominium owners and a resolution is passed regarding the said project, in case of necessity a new project shall be drawn up.

Finalized operation projects or resolutions of the board of condominium owners regarding operation expenditures are deemed documents specified in paragraph 1 of article 68 of Execution and Bankruptcy Law.

III– Responsibility of the manager

1. General rule

ARTICLE 38. – The manager is responsible towards the condominium owners exactly as an attorney.

(Inserted parag. : 14/11/2007-5711/ art 19) The claims against the resolutions of the board of condominium owners, board of block representatives, or board of mass building representatives can be filed against the manager representing condominium owners, or against the manager who was voted by the board of block representatives or board of mass building representatives on condition of showing animosity towards him/her.. The manager announces the said claim to all condominium owners or board of block or mass building representatives.

In case of the nullity of board resolution, the court expenses shall be met from the common expenses.

2. Giving of accounts

ARTICLE 39. – The manager shall submit to the board of condominium owners, at the times indicated in the management plan and, in the absence of any plan, in the course of the first month of each calendar year, a statement of the income collected and expenses paid in connection with the main property, up to the date in question.

Should it be required by one half of the condominium owners and whatever their share of building plot is, the manager may be asked to submit accounts outside the dates indicated in the management plan.

IV – Rights of the manager

ARTICLE 40. – The manager shall in principle have the rights of an attorney.

Should the condominium owners fail to comply with their obligations and charges incumbent on them in due time and entirely in spite of a formal notice served through the notary, the manager shall be entitled to terminate his contract and withdraw without having to pay any compensation and claim from the condominium owners, the compensation of losses suffered through such action.

Even if no retribution has been fixed in the management plan, or in the contract concluded with him, the manager may claim from the condominium owners a reasonable retribution.

(Amended: 13/4/1983 - 2814/art.13.)

The board of condominium owners decide whether the manager who has been appointed among condominium owners will participate to normal management expenditures or not, should he participate, in which proportion he will participate. If no decision was made to this end, the manager does not participate half of the normal management expenditures of his share during his management period.

E) Control of the management

ARTICLE 41. – The board of condominium owners shall regularly control the manner in which the manager is discharging his duties and may at any time replace the manager for a justified reason.

If no fixed time has been specified in the management plan for the control of accounts, this control shall be made every three months. The accounts may however be controlled at any time for a justified reason.

The board of condominium owners may entrust the duty of control to a controller or to a control board to be chosen from among themselves by numerical majority or by majority of building plot share. In this case the controller or the control board shall submit to the board of the condominium owners, at the times indicated in the management plan and in the absence of such plan, in the course of the first month of such calendar year, a report indicating the results of the control and their opinion regarding the method of management of the main property. This report shall be duplicated and one copy sent by registered mail to each condominium owner.

- The controller shall enter this report and the resolutions taken by them as well as other questions deemed necessary in a register having all its pages legalised by the notary and shall sign these entries.

F) Innovations and additions

I- Those that are useful

ARTICLE 42. – Condominium owners cannot make, on his own authority, alterations in the common premises of the main property. All innovations and additions for making the common premises easier to use and more comfortable or more useful shall be made by a

decision rendered by condominium owners, by numerical majority or majority of building plot shares.

(Inserted paragraph: 1/7/2005-5378/ Art. 19) Where compulsory for the life of disabled persons, the project revision shall be discussed in the meeting to be held by the landowners within not later than three months and shall be decided upon majority of number of votes and shares in the land. If the meeting cannot be held within this period of time or the demand for revision is not accepted by majority, the construction, repair and installation shall be made according to the certified project revision or layout to be obtained from the concerned authorities pursuant to the report of the commission stating that this does not endanger safety of building. The concerned authorities shall finalize the certified project revision or layout demands within not later than six months. The procedures and principles for formation of the commission, working procedures and the process after use by the disabled persons shall be laid down in a regulation that shall be prepared jointly by the Ministry of Public Works and Settlement and the Administration Department for Disabled Persons.

The expenses of these procedures shall be paid by the beneficiaries of renovations at percentage of benefiting.

(Amended fourth paragraph: 18/4/2007-5627/art.16) Thermal isolation, fuel conversion of heating system and conversion of heating system from central system to individual system or from individual system to central system upon request of any of the condominium owners, could only be made with the decision to be taken by majority of the condominium owners in terms of number and share of building plot. However, conversion of heating system from central system to individual system in the buildings with a total construction area of two thousand meter squares or above could only be made with the decision to be taken by unanimous votes of the condominium owners in terms of number and share of building plot. Expenses of joint works in this respect are paid pro rata to share of building plot. Procedures and principles regarding distribution of heating expenses in central heating systems shall be regulated by the regulation to be issued by the Ministry of Public Works and Settlement.

(Amended fifth paragraph: 18/4/2007-5627/art.16) In case it is decided for conversion of heating system from central system to individual system, provisions in the management plan in contradiction to this decision are deemed to be amended.

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II- Those that are very expensive or luxurious

ARTICLE 43. – If the innovations and additions that are being considered as very expensive or have a luxurious character as compared with the special conditions of the building or are not situated in places or passages to be necessarily used by all condominium owners, a condominium owner who does not want to participate in the expenses shall not be bound to participate. Expenses on innovations and additions of this kind shall be paid by the condominium owners who have decided on their construction.

If however the condominium owner who has not taken part in the expenses at the beginning, or his heirs or universal legatee, share in the building and maintenance expenses in proportion to their share of building plot, they become entitled to take advantage of the luxurious innovations and additions.

III- Addition of independent divisions

ARTICLE 44. – In order to add a floor to the main property or to transform a recessed into a full or to build and add subsequently independent divisions as indicated in ARTICLE 24 in the ground or the basement floor, or on the empty parts of the building plot, it is necessary:

a) that the board of condominium owners pass a unanimous resolution to this effect,

b) that the shares of building plot to be allocated to all the independent divisions, main property, including the new additions, be duly determined again and by unanimous resolution according to the future situation of the main property following such building, c) That a construction servitude be established with an authenticated instrument according to ARTICLE 14 on the share of building plot allocated to the new independent division to be added, that such servitude be entered in the column of servitudes of condominium ownership log of all the independent divisions of the main property and that a connexion be established according to ARTICLE 13 with the old folio of the main property.

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Condominium owners who, while approving such additions and enlargements do not wish to participate must confirm by an authenticated instrument that they agree to their diminished share of building plot being allocated to the independent divisions of those who have made the addition.

In this case, the new independent divisions shall be transformed into condominium ownership according to the authenticated instrument concerning the establishment of construction servitude, provided that the value of the reduced portion of the building plot share of the condominium owners who have not participated in the construction of the new independent division be paid to them and becomes the property of the person or the joint property of the persons who have built the same and is entered in the name of the new owner or owners in a separate folio of the condominium ownership log.

G) Alienations and important questions

ARTICLE 45. – Alienations such as the institution of an encumbrance on the main property or the division and transfer of the separated portion to a third person or important administrative affairs such as the letting on hire of the outer walls or of the roof of the main property for advertising purposes shall be subject to the unanimous decision of all the condominium owners.

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CHAPTER VI

End of the Condominium Ownership and of the Construction Servitude

A) End of the condominium ownership

I – Through the loss or the expropriation of the main property with its building plot

ARTICLE 46.- Condominium ownership shall end with the cancellation of its record in the Land Register.

Condominium ownership shall not end automatically following the ownership of all independent divisions of the main property by a single person.

The entry in the Register shall be cancelled following a written application made by all the condominium owners or by the owner of all independent divisions for the purposes of transforming condominium ownership of the main property into an ordinary ownership and the property in question shall be entered in a new folio of the General Register, according to the shares of plot accruing to the independent divisions, by effecting a connection with the old entries. If alterations have been made in the character of the main property after the establishment of condominium ownership, they shall also be entered in the new folio.

If one of the independent division encumbered by a real right or by a personal right has been entered in the Register, the transformation of condominium ownership into ordinary ownership and the cancellation of the entry in the condominium ownership log may not be requested as long as the right in question has not been cancelled from the Register with the approval of the holder of the said right.

If the encumbrance, while refusing the cancellation of the entry, agrees that the encumbrance

be transferred only to the property share of the debtor or, according to the character of the right, to all co-ownership shares, it shall be entered in the General Register by transferring the same only on all the co-ownership shares of the debtor in the property placed under the regime of ordinary ownership, without being cancelled from the Register.

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In case of total loss or expropriation of the main building with its building plot, the cancellation of the entry in the Register shall be made according to general legislation.

When the main property is entirely expropriated, the price of expropriation of each independent division shall be estimated separately by taking into account also the building plot share and the annexes attached thereto and paid to the owner of the division in question.

II – Destruction of the main building

ARTICLE 47. – Should the main building be entirely destroyed, condominium ownership on the main property shall automatically end.

When one of the independent divisions of the main building is entirely destroyed and its owner does not have it rebuilt within two years, the other condominium owners or some of them may request from the judge, within the year following the expiry of the said time limit, that the building plot share of the division in question be transferred to them against payment of its value and in proportion to their shares of building plot. In this case the shares of plot transferred shall be entered in the column of (**Statements**) of the relevant folios of the condominium ownership log. Those who have acquired the building plot share are obliged to have the independent division rebuilt within two years after the date of transfer or all the owners of independent divisions shall, within the same time limit, calculate again the value of their shares of plot attached to the independent divisions according to the second paragraph of ARTICLE 3 of this law and have them entered in the condominium ownership log.

In case of non-compliance with the foregoing paragraph, the regime of condominium ownership of the main property shall automatically end and the provisions of co-ownership shall apply to the insurance compensation collected for the property in question or for the damaged divisions.

If several independent divisions are destroyed and the rebuilding of one division depends on the rebuilding of another, the owners of the independent divisions which were destroyed shall

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inform in writing the other condominium owners within six months after the destruction, whether they intend to rebuild or not. (**Amended last sentence. : 14/11/2007-5711/ art 20**)

The ones who have not declared are deemed that they do not want to get it made again and their building plot shares are firstly transferred to the ones who desire to have their divisions made in consideration of its value.

The condominium ownership of independent divisions which have been destroyed shall be transformed into construction servitude during the periods indicated in this ARTICLE and a transitory entry shall be made in the column of (statements) of the condominium ownership log. When the independent division is rebuilt, it will come again under the regime of condominium ownership and the transitory entry is cancelled.

III – Obligations of informing and cancellation of the entry

ARTICLE 48. – In case of destruction of the totality or part of the main property or of the main building, the Land Registry of the locality where the property in question is situated is and all the condominium owners, shall be informed thereof immediately by the manager and, in the absence of a manager, the Land Registry shall be informed by the owner of the independent division which has been destroyed. The owner of the independent division and the manager shall be jointly responsible, the first for the totality and the second for one fifth

on the damage resulting for failure to notify the destruction. The Treasury shall not be responsible.

When condominium ownership ends, the folios of condominium ownership shall be closed and the property entered in the General Register according to the rules of co-ownership, in proportion to the shares of plot, by effecting a connexion with the entry in the general Register, prior to the establishment of condominium ownership. In this case the provisions regarding co-ownership shall apply to the insurance compensation and to the debris.

If the co-owner or the co-owners wish to rebuild under the regime of condominium ownership on the site of the main building which has been entirely destroyed, the provisions regarding the establishment of construction servitude and condominium ownership shall be applied.

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B) End of the construction servitude

ARTICLE 49. – The owner or co-owners of the site subject to construction servitude may end this servitude at any time by having the entry regarding construction servitude cancelled by means of a written statement handed to the Land Registrar.

The construction servitude shall automatically end when the building plot on which it has been instituted is entirely destroyed or becomes unfit for building or when it is expropriated.

(Amended paragraphs: 13/4/1983 - 2814/art 14.): The judge of peace court may decide also by hearing the related people in case of necessity to terminate construction servitude or extend the period upon the request of one of the owners when no building is erected for a period of five years on the site, according to the plan submitted at the time of establishing this construction servitude. This period may be extended again upon request.

When condominium ownership is terminated according to the above paragraph, the record on title deed log is deleted.

CHAPTER VII

Final Provisions

A) Prohibitions

ARTICLE 50.- After this law comes into force , no construction servitude may be established by one of the co-owners of a property under the Civil Code or other laws, for the exclusive use of a division of the said property as a condominium owner.

No condominium ownership may be established on a building which is not entirely of masonry.

B) Adaptation to the new situation

I – For the servitudes established after the Civil Code coming into force

ARTICLE 51.- (Amended first paragraph: 30/4/1969 - 1166/art 1.) The ownership of properties on which a servitude has been established by one of the owners of a property after the Civil Code coming into force up to this Law coming into force , for the exclusive use of a division in the property in question as a condominium owner, must be transformed into condominium ownership and entered in the condominium ownership log up to 2nd January 1971. Otherwise the servitude shall terminate and only co-ownership will continue.

The transformation of the ownership of the property into condominium ownership under the first paragraph and its entry in the condominium ownership log shall be effected upon the request of one of the co-owners made to the Land Registry on the ground of documents filed at the Land Registry and the photograph mentioned in paragraph (b) of ARTICLE 12 of this law. In this case it is sufficient that the photograph be signed by co-owner who has applied to the Land Registry.

The other co-owners may not object to the said transformation and not desist from sharing in the expenses and the drawing up of the management plan. If they desist, ARTICLE 33

regarding the intervention of the judge shall be applied.

II – For the rights established prior to the Civil Code

ARTICLE 52. – The rights established under such names as (air right, room ownership) prior to the Civil Code coming into force shall be transformed into condominium ownership or construction servitude under this law in accordance with the provisions indicated below, within three years after the coming into force of this law.

If there exists on the property divisions on which these rights have been established, the beneficiaries shall become, by an agreement concluded between themselves, co-owners of the site of the property in question under the provisions of the Civil Code regarding coownership, in proportion to the value of their respective divisions, without being obliged to pay any price and shall establish a construction servitude according to the relevant provisions of the law on condominium ownership.

If there are no building divisions, but there exists only an air right, the said right shall be automatically transformed into a construction servitude rendering the holder thereof co-owner of the building plot under the rules of subparagraph (a) and shall be entered in this manner in the Register.

If within three years after the date of this law coming into force, the beneficiaries do not transform their old rights into condominium ownership or servitude, this transformation shall be effected by the Land Registry of the locality where the property is situated, ex officio or upon the request of one of the beneficiaries, by determining the shares of plot in proportion to the value of the separate divisions and by preparing the necessary document, according to the rules of subparagraphs (a) and (b) of this ARTICLE and all beneficiaries shall be informed thereof.

The expenses incurred for the transformation of these rights into condominium ownership or servitude by the Land Registry shall be paid by the Treasury and collected from the beneficiaries under the provisions of the special Law regarding the collection of State claims. Beneficiaries may object to the decision of the Land Registry by bringing an action before the court of the peace within one month after the date of notification.

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III – Management of the servitudes established under the Civil Code

ARTICLE 53. – Until the servitudes established prior to this law coming into force by one of the co-owners of a property for the exclusive use a division of the property in question as a condominium owner have been transformed into condominium ownership under this law, the provisions of this law regarding the management of the property, the obligations of preparing a management plan, the expenses and the obligation of insurance and of sharing in the relative premium shall be applied.

C) Situation of condominium ownership in case of co-ownership under the special law

ARTICLE 54. – (**Amended first paragraph: 14/11/2007-5711/art.21**) In case of collectivization according to the provisions of Building Code if there is a real estate which is subject to condominium ownership among the collectivized real estates and if all owners have come to an agreement to terminate collectivization according to the Article 46 of the Code No. 6785 on Building if this collectivization has been made before 9.11.1985 or according to the Article 16 of the Code no. 3194 on Building if the collectivization is after this date, then the termination of collectivization is made under the provisions of this agreement.

(**Amended second paragraph: 14/11/2007-5711/art.21**) If such an agreement cannot be concluded, the valid value of each real estate before the collectivization is determined by the court of peace authorized to resolve this collectivization according to the provisions of above mentioned article and after the nearest value of each real estate on the date of resolution has

been determined also by applying producer price index issued by Turkish Statistical Institute it is decided that the owner of most valuable real estate is offered to purchase other real estates at this price level. When this offer is accepted and the said amount is paid the collectivization is terminated.

If the price is not paid within one month or no bank guarantee or guarantee in kind is given within six months after the notification of the judgment of the court having become final, the whole of the properties under co-ownership shall be sold by auction while maintaining condominium ownership and joining thereto, if feasible, the other properties, otherwise by *info@argustercume.com - www.argustercume.com*

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cancelling condominium ownership, and co-ownership shall be ended and the sale proceeds shall be divided among the owners in proportion to the value estimated for each property according to the second paragraph.

D) Taxes and charges

ARTICLE 55. – The establishment of condominium ownership and of construction servitude is free of all taxes and charges as long as it does not entail the transfer of the property to a third person. This exemption shall also extend to the formalities of transformation into condominium ownership under ARTICLE 51, of servitudes established after the coming into force of the Civil Code under ARTICLE 52 into condominium ownership or construction servitude .

Condominium ownership shall, after its establishment, be notified by the Land Registrar to the Municipality and to the Revenue office of the locality where the main property is registered.

E) Situation in localities where there is no municipalities

ARTICLE 56. – The duties entrusted to Municipalities by this law shall be discharged, in localities where there is no municipality, by the municipality of the chief town of the province or of the district to which the locality in question is attached and, in the localities mentioned under ARTICLE 47 of Law No. 6785, on Building, by the Municipality concerned.

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CHAPTER VIII⁽¹⁾

Right of Timeshare

ARTICLE 57. – The right to enjoy a building or an independent division suitable for use as a residence in favour of any one of the co-owners during certain period of the year, may be established as a right of servitude based on the shares hold in the collective property.

This right is expressly defined as the right of timeshare.

ARTICLE 58. – Unless otherwise is agreed in the deed, the share hold in the collective property is determined equally in consideration of the number of terms and utilization period of the property.

The right of timeshare can be established only on the independent buildings in the nature of residence or those which are transformed into condominium ownership or construction servitude.

Real right compatible with this right can be established on the collective property.

The right of timeshare can be transferred or assigned or devoted to the heirs in consideration of the shares hold in the collective property.

ARTICLE 59. – The right of timeshare should cover the certain periods of the year and shall not be less than 15 days. Unless otherwise is agreed in the contract, the possessor of right of timeshare may delegate others to exercise this right.

ARTICLE 60. – When making declaration about the main property, independent divisions and independent buildings, an annotation is entered in the land registry log indicating the

establishment of right of timeshare on the independent division or the building and this fact is also noted in the title deed.

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ARTICLE 61. – The periods to be allocated to the co-owners, principles and procedures relating to utilization, transfer and assignment of the shares hold in the building or independent division within the scope of timeshare, election of the managers, rights and responsibilities of the managers, the period to be reserved for major repair works, maintenance expenses etc. are determined in the term-co-ownership contract. The timeshare contract containing all these details is enclosed to the deed after being signed by the rightful parties and an annotation on this subject is entered in the declarations column of the land registry log.

(1) This section and the articles under this section have been added by the first article of Law No. 3227 dated 10/6/1985.

The co-owners who hold share in each building or independent division utilized as collective property must appoint, among themselves or from outside, a real person or legal entity to act as a manager and to represent them in the condominium owners' board. The managers who are appointed according to the general provisions of this law may also be assigned to function as the manager of the collective property subject to timeshare.

ARTICLE 62. – Unless otherwise is agreed in the management plan, establishment of right of timeshare on some of the independent divisions transformed to condominium ownership, is not subject to consent of the owners of the other independent divisions.

ARTICLE 63. – Unless otherwise is agreed in the contract, the co-owners of the servient building and independent division cannot demand partition of the property.

ARTICLE 64. – At the end of the term specified in the registry log, the co-owner is obliged to evacuate the independent division or the building in time to be delivered to the new coowner

according to the provisions of the contract.

In case the property is not evacuated at the end of the term, it is evacuated at once by security forces with the order of territorial governor upon notification of a co-owner to use the property or the manager by attaching the title deed register and the agreement to his demand, without any further transaction or sending a notification. Filing of an appeal to the

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administrative authorities or the court may not suppress enforcement of evacuation decision.

The right of the concerned parties arising out of the laws and the contract are hereby reserved.

ARTICLE 65. – As for the matters which are not covered by this Law, contract or management plan, the provision of Turkish Civil Code and the relevant laws are considered in determination of the rights and liabilities, powers and responsibilities of the co-owners and settlement of disputes.

PART NINE (1)

Special Provisions Regarding Mass Buildings

Scope

ARTICLE 66- (Inserted: 14/11/2007-5711/art 22.) Mass building refers to multiple structures which have been / will be constructed in line with a certain certified layout plan on one or more building parcel(s) and which are connected to each other by infrastructure facilities, common usage areas, social facilities and services and management of these facilities.

The building parcels within the scope of mass building have to be adjacent or neighboring

parcels. However, it is not necessary for the places between these parcels which, according to the building zone plan, have been allocated to public services such as road, public square, open space area, green area, park, parking lot. Each building parcel within the scope of mass building is distinctly taken into account during establishment of construction servitude and condominium ownership. However, if the mass building includes multiple building parcels, a condominium ownership relation cannot be established between individual parcels according to mass building provisions.

As the buildings are completed, the construction servitudes which belong to the completed buildings may be changed to the condominium ownership.

(1) By the article 22 of the law no 5711 dated 14/11/2007 the following articles have been added under "Part Nine" entitled "Special Provisions Regarding Mass Buildings" after article 65 and articles no 66 and 67 have been amended as articles 75 and 76.

Common Places

ARTICLE 67- (Inserted: 14/11/2007-5711/art 22.) The parcels which are within the scope of mass building and which have been allocated to common use and benefit of independent divisions within this scope are registered into title deeds registry by writing the plot, parcel, block and independent division numbers of other parcels within the scope of mass building to which they have been allocated and they become the common places of independent divisions located in the parcels allocated to them.

Common social and infrastructure facilities of multiple structures within the scope of mass building are deemed the common places of independent divisions to which they have been allocated regardless of their parcel and structure.

Site Plans and Projects

ARTICLE 68-(Inserted: 14/11/2007-5711/art 22.) In mass buildings the locations of buildings, common places and facilities, their use types and purposes covering whole parcel or parcels within the scope of mass building are indicated in the site plan and projects which have been prepared according to the provisions of building plan approved by the relevant authorities as a whole.

Arrangement, operation, and maintenance of public spaces can be undertaken by the mass building management in case a mutual understanding has been made with the authorized public institute and provided that the use by public is not restricted.

The issues regarding establishment of condominium ownership and construction servitude, required documents, and transactions to be made at title deeds registry office are arranged in a Regulation to be issued by the Ministry of Public Works and Settlement.

Management

ARTICLE 69-(Inserted: 14/11/2007-5711/art 22.) Each block of building having common places in the main structure which covers multiple independent divisions on the parcel and parcels within the scope of mass building, regarding its own problems and common places solely belong to it, is managed by the board of block condominium owners constituted by the owners of independent divisions at that block. If there are non-block structures on a parcel or if such structures and block structures are at the same parcel, then this parcel, regarding its problems and common places solely belong to it, is managed by the board of condominium owners constituted by the owners of independent divisions at that parcel. The management type of blocks and non-block structures is additionally indicated in the management plan. If there are multiple parcels on a plot then the common places of these parcels which constitute the plot are managed by the board of plot condominium owners constituted by the owners of independent divisions at that plot and the management style is determined by this board, save for the mandatory provisions of law. This authority may be given to the board of plot representatives in the management plan. Unless otherwise arranged in the management plan, the board of plot representatives consists of the block managers who are voted by the

independent division owners in each block and representatives who are voted by the independent division owners of non-block structures. The number and selection method of the members of board of plot representatives are indicated in the management plan by taking the structure of mass building into account. These managers and representatives have the right to vote as the number of independent divisions which they manage and represent.

The common places, spaces, and facilities within the scope of mass building are managed by the board of mass building condominium owners constituted by the owners of independent divisions at that mass building and the management style is determined by this board, save for the mandatory provisions of law. This authority may be given to the board of mass building representatives in the management plan. Unless otherwise is arranged in the management plan, the board of mass building representatives consists of the block managers who are voted by the independent division owners in each block and representatives who are voted by the independent division owners of non-block structures. The number and selection method of the members of board of mass building representatives are indicated in the management plan by taking the structure of mass building into account. These managers and representatives have the right to vote as the number of independent divisions which they manage and represent.

Management Plan and Amendment of This Plan

ARTICLE 70-(Inserted: 14/11/2007-5711/art 22.) A single management plan is arranged for the structures and places within the scope of mass building. The management plan is binding on all condominium owners at that mass building. To be able to amend this management plan four fifth of all votes represented by the members of mass building representatives is needed.

The provisions of management plan regarding temporary management can be changed by the four fifth of the votes of independent division owners at the mass building area.

Assignment of Manager and Controller

ARTICLE 71-(Inserted: 14/11/2007-5711/art 22.) Unless otherwise is arranged in the management plan, a manager and a controller are assigned by the board of block condominium owners for the block, condominium owners at the parcel on which are nonblock structures for the common places and spaces which have been allocated to them, and board of mass building representatives for all common places, spaces and facilities within the scope of whole mass building.

Block manager and controller are voted by the majority of condominium owners in the block. The manager and controller of the common places and facilities of non-block structures are voted by the majority of the condominium owners in these structures by the number and building plot share. And the manager and auditor of all common places, spaces and facilities within the scope of mass building are voted by the majority of the number of independent divisions represented by the managers and representatives who attend in the board of mass building representatives.

Participation in Common Expenses

ARTICLE 72-(Inserted: 14/11/2007-5711/art 22.) The common expenses regarding common places and facilities which have been allocated to common use and benefit of a certain structure of condominium owners of several structures are met by the condominium owners at these structures and the common expenses regarding common places and facilities which have been allocated to common use and benefit of all divisions are met by all condominium owners.

The resolutions made by block condominium owners, mass building representatives, and temporary board of directors resolutions are within the scope of documents specified in the first paragraph of Article 68 of the Execution and Bankruptcy Law no. 2004.

Condominium owners cannot avoid from paying mass building common expense share and advance payment to be collected declaring that they abdicate from their right of use of

common places, spaces and facilities within the scope of mass building or claiming that these areas are located on another parcel or on public places or they do not need to use them because of the status of their independent divisions or of their own status.

Temporary Management

ARTICLE 73-(Inserted: 14/11/2007-5711/art 22.) The management plan may anticipate to establish a temporary board of managers to undertake the tasks and to use the authorities of board of managers, to make required attempts and calls for the establishment of a permanent board of managers until the board of mass building representatives is established. In this case, the management plan arranges the provisions on the issues such as establishment procedures and task period of temporary management. Temporary management may last by one year from the completion of mass building at the latest. This period cannot be longer than ten years from the obtainment of first occupancy certificate within the scope of mass building, in any case.

Other Provisions to Be Applied

ARTICLE 74-(Inserted: 14/11/2007-5711/art 22.) Save for the special provisions anticipated in this section, all provisions within the scope of this Law are also applied to the mass buildings in the same way or by analogy."

Competent court

Supplementary ARTICLE 1.(Inserted: 13/4/1983-2814/art. 15) - All the disputes that may arise during enforcement of this law shall be settled in the court of common affairs.

Evacuation of common section allocated for use

Supplementary ARTICLE 2.(Inserted: 13/4/1983-2814/art.15) – Where a section is allocated to the house-porter, central heating operator, gardeners and guards and the managers appointed from outside, these persons are obliged to evacuate the sections allocated to them within fifteen days upon cancellation or termination of the contracts by the condominium owners' board or the manager authorized by this board. If the place is not evacuated within the specified period, intervention of the security forces is demanded and the place is evacuated within one week pursuant to the decision of territorial governor, which is taken upon application of the manager or any one of the flat co-owners. In such a case, there is no need to execute further transaction or to send a warning notification. The filing of an appeal to the administrative authorities or the court may not suppress enforcement of the decisions taken in this respect. The rights of the concerned parties arising out of the laws and the contract are hereby reserved.

Special provisions covering more than one building

Supplementary ARTICLE 3– (Inserted: 13/4/1983 - 2814/art 15.; Abolished: 14/11/2007-5711/art 24.)

Transformation to construction servitude

Supplementary ARTICLE 4. – (Inserted: 13/4/1983 - 2814/art 15) Where a plot is jointly acquired by five or more persons to construct a building (s) and in case of opposition of 4/5 of the shareholders to the decision taken for transformation to construction servitude, the court may decide cancellation of the shares of the opponent shareholders in the property and registration of these shares in the name of the other shareholders willing to purchase these shares under the following conditions:

- a) If it is proved that the collective property is acquired for the purpose stated above,
- b) If not complied to the decision for transformation to construction servitude by the majority stated above, or failed to fulfil the liabilities in this respect within two months despite the notification sent by the notary public.

If the current value of the shares of the co-owners opposing the court decision is deposited in the cash office of the court as determined by the court.

TEMPORARY ARTICLE 1-

(Inserted: 14/11/2007-5711/art 23.) In the main properties whose construction servitude has been established and the buildings on it have been completed and their occupancy certificates have been arranged before effectiveness date of this Law, converting into the condominium ownership is necessary in two years from the effective date of the Law. As per these buildings, the taxes, fees, and charges which accrued from the date of occupancy certificate are collected without any charge for being late during the transactions to convert into condominium ownership. Although one of construction servitude right owners or manager has made written notification to each construction servitude right owner to complete the irregular documents required for establishment of condominium ownership, each construction servitude right owner who has not fulfilled these requirements will be punished with the administrative pecuniary penalty at the amount of one thousand Turkish Liras by the municipality if the main property is within the boundaries of municipality or relevant authority if it is out of the boundaries of municipality.

Date of enforcement

ARTICLE 75. – This law shall come into force six months after the date of its publication.

G) Body in charge of enforcement

ARTICLE 76. – The provisions of this law shall be enforced by the Council of Ministers.

TEMPORARY ARTICLES WHICH HAVE NOT BEEN ENTERED INTO THE LAW NO 634 DATED 23/6/1965

1) Temporary articles of the Law no. 2814 dated 13/4/1983

Construction servitude right which have not been deleted:

TEMPORARY ARTICLE 1- If construction servitudes related to the buildings which have not been completed on the building plot to which is referred in construction servitude, within the specified time before the enforcement of this Law, the provision of article 49 which has been amended by this Law is applied.

Files brought before:

TEMPORARY ARTICLE 2- Files brought into by civil court of first instance before the enforcement of this Law due to conflicts resulting from the Law on Condominium no. 634 shall be settled by the same courts.

2) Temporary article of the Law no. 3370 dated 5/2/1992:

TEMPORARY ARTICLE- The authority to pass decree laws entitled to the Board of Ministers through the Law on Authority Related to making Amendments in Some of the Laws on the Use of natural Gas shall be valid until the end of the time granted by the said law on Authority for the Law on Condominium no. 634.

3) Temporary articles of the Law no. 5711 dated 14/11/2007

TEMPORARY ARTICLE 1- The Regulation which should be arranged in accordance with this Law shall be arranged in six months from the effective date of the Law.

TEMPORARY ARTICLE 2- Even there is not a management plan at the buildings whose construction servitudes have been established before the effective date of the Law no. 2814 and dd. 13/4/1983, the condominium ownership is established according to the provisions of Article 12.

TEMPORARY ARTICLE 3- The management plans of mass buildings established before the effective date of this Law shall be adapted to the provisions of this Law in six months from effective date. For any change to be made in the management plan for consistency with this law, the majority votes of existing board of condominium owners shall be sufficient. Existing mass building managements continue their tasks as temporary managements until the management plan is changed and manager is assigned in accordance with this new plan. The manager of mass building is voted in three months following **the** change of **the** management plan.

(1) Article 57 related with the “Date of enforcement” has been remunerated as 66 and article

58 related with “Body in charge of enforcement” has been remunerated as 67 by the first article of the Law no. 3227 dated 10/6/1985.

(2)Articles 66, 67, 68, 69, 70, 71, 72, 73, 74 have been added under “Part Nine” entitled “Special Provisions Regarding Mass Buildings” after the article 65 and articles 66 and 67 have been amended as articles 75 and 76 by the article 22 of the Law no. 5711 dated 14/11/2007.