

Unofficial translation

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GOVERNMENTAL DECISION #309-N (24.02.2005) ON THE PROGRAM OF APARTMENT PROVISION THROUGH APARTMENT PURCHASE CERTIFICATES AT THE EXPENSE OF THE ALLOCATIONS PROVIDED BY THE 2005 STATE BUDGET OF THE REPUBLIC OF ARMENIA

With the purpose of providing the implementation of the “Apartment provision through issuance of apartment purchase certificates” expense program stipulated by the RA “Law on 2005 State Budget of the Republic of Armenia” the Government of the RA decides to:

1. Approve the procedure of apartment purchase certificate issuance at the expense of allocations stipulated by the apartment provision expense program under the 2005 RA state budget in accordance with the annex.

2. Provide the RA Ministry of Urban Development with 5,000.0 thousand AMD from the allocation of 2,345,761.6 thousand AMD stipulated by the “07. Apartment granting through provision of apartment purchase certificates” expense program under subgroup 02, group 08 of the annex #1 on functional classification of budget expenses of the RA “Law on 2005 State Budget of the Republic of Armenia”, for the finance of the organizational activities regarding the issuance of apartment purchase certificates according to the estimate coordinated with the RA Ministry of Finance and Economy.

3. The heads of the RA marzes create databases of the apartments (houses) sold in the real estate markets of the marz and undertake measures for the exchange of information between the marz administrations with the purpose of provision of efficiency of the program on apartment provision through issuance of apartment purchase certificates in accordance with the procedure approved by the Provision 1 f the given Decision.

4. The head of the RA Police, the head of the State Real Estate Cadastre Committee under the RA Government, and the head of the Department on Migration and Refugees under the RA Government in accordance with the survey provided by the heads of marzes provide the information on persons who have the right to receive assistance through apartment purchase certificates within 7 days after the receipt of the survey.

5. The head of the Department on Migration and Refugees under the RA Government undertake the selection of 20 refugee families from refugee families living in the hostel located in 70/1, Moldovakan Street, Nor Nork, Yerevan, through lottery, and within 10 days presents the approved list of the selected families as a result of the latter to the RA Ministry of Urban Development.

6. The RA Minister of Urban Development in accordance with the procedure approved by Provision 1 of the given Decision issues apartment purchase certificates within the limits of the allocations stipulated for the solution of apartment issues of refugee families living in Building 1 of the hostel located in 70/1, Moldovakan Street, Nor Nork, Yerevan, within the framework of the apartment provision expense program

under the 2005 state budget, in accordance with the contract on receiving assistance for purchase of an apartment (house) through certificate signed by the head of the Department on Migration and Refugees under the RA Government and the person who has the right to receive assistance through certificate by the procedure established by the RA Legislation.

7. Finish the process of issuance of apartment purchase certificates by the procedure approved by Provision 1 of the given Decision on 15.06.2005 and recognize the RA Minister of Urban Development responsible for the process.

8. Recognize invalid the Decision of the RA Government # 831-N (06.06.2002) “On Approval of the Procedure of Provision Financial State Assistance without Compensation for Purchase of Apartments (Houses) to the Residents of Blocks of Apartments Deprived of Shelter as a Result of the Earthquake within the Complex Program of Reconstruction of the Disaster Zone”.

9. The given Decision enters into force on the following day after the official publication.

SIGNED BY THE RA PRIME-MINISTER ON 18.03.2005

*Annex
To the to the Governmental Decision
#309-N (24.02.2005)*

PROCEDURE
OF APARTMENT PURCHASE CERTIFICATE ISSUANCE AT THE EXPENSE OF
ALLOCATIONS STIPULATED BY THE APARTMENT PROVISION EXPENSE
PROGRAM UNDER THE 2005 RA STATE BUDGET

I. GENERAL PROVISIONS

1. The given procedure establishes the conditions of issuance of apartment purchase certificates (hereafter the certificate) at the expense of allocations stipulated by the 2005 RA state budget with the purpose of implementation of the state obligations on apartment provision regarding the families deprived of shelter.

2. The certificate is a private document, which confirms the right of a certificate bearer to receive state financial assistance without compensation (hereafter the assistance) for purchase of a ready apartment (house) from any natural or legal person.

3. The following persons have the right to receive assistance for purchase of an apartment (house):

a) the persons who are registered for receiving an apartment as of 01.03.2004 in accordance with the procedure approved by the decision of the RA Government # 432 (10.06.1999) “On Approval of the Procedure of Extraordinary Provision of Apartments to the Citizens of the Disaster Zone Residences”, and during the previous years did not use

their right of improvement of apartment conditions within the complex program of the disaster zone reconstruction;

b) the persons who were registered by the Department on Migration and Refugees under the RA Government as of 01.08.2004 in accordance with the criteria established by the program approved by the decision of the RA Government # 747-N (20.05.2004) "On the Primary Program of Shelter Provision for Refugees Displaced from Azerbaijan in 1988-1992" and were included in the lists approved by the heads of marzes.

4. The certificate is given on voluntary basis with the condition to vacate the occupied non-basic construction or temporary dwelling after the purchase of an apartment (house).

5. The certificate is not a share and is not subject to alienation, pawning, exaction and passing to other person.

The apartment (house) purchased through the certificate should correspond to the established conditions for permanent residence.

The property right towards the apartment (house) purchased through the certificate is registered as a common joint property of the assistant recipient and each member of his/her family.

Within 2 years after the moment of registration of the property right the apartment (house) purchased through the certificate cannot be sold, granted, pawned, rented and alienated by other means.

6. The certificate is issued only once in one copy.

In case of the loss of the certificate the lost certificate is recognized invalid by the established procedure on the basis of the application of the certificate bearer, and instead of it the person is issued a new certificate.

In case of death of the certificate bearer the certificate can be re-registered by the name of another member of the family or a person authorized by the procedure established by the RA Legislation in accordance with the application of the members of his/her family. In this case the validity term of the certificate is prolonged for one month.

7. The certificate bearer has the right to authorize another person by the procedure established by the RA Legislation to implement the apartment (house) purchase act on his/her behalf.

8. The certificate includes the following obligatory prerequisites:

a) the series and number of the certificate issuance;

b) the name of the certificate issuing body, date of issuance;

c) the passport (refugee ID) data of a person who receives assistance through the certificate: name, family name, patronymic, date and place of birth;

d) the number of the rooms due to the family of the certificate recipient and the amount of the provided assistance;

e) the term of an apartment (house) purchase through the certificate.

9. The amount of the assistance mentioned in the certificate is determined by the average market price of an apartment (in the number of rooms) due to the family (in the number of persons) of a person who has the right to receive assistance by the norms of the given Provision formed in a given area as of 01.01.2005.

The number of rooms of an apartment due to the family of a claimant for the certificate for the persons mentioned in Subprovision "a", Provision 3 of the given procedure is established as following:

a family consisting of two person of different or the same sex, if the child is under 9 years old, as well as the spouses – 1-room apartment;

a family consisting of two persons of different sexes over 9 years old (except for the spouses), and a family consisting of three persons – 2-room apartment;

a family consisting of four-five persons – 3-room apartment;

a family consisting of six-seven persons – 4-room apartment;

a family consisting of seven and more persons – 5-room apartment.

For persons mentioned in Subprovision “b”, Provision 3 of the given procedure the number of rooms of an apartment due to the family is established proceeding from the norms stipulated by Subprovision “a”, Provision 4, Part 5 of the program approved by the decision of the RA Government # 747-N (20.05.2004) “On the Primary Program of Shelter Provision for Refugees Displaced from Azerbaijan in 1988-1992”.

10. The size of an apartment due to the persons mentioned in Subprovision “a”, Provision 3 of the given procedure is calculated as not more than the size of the apartment in rooms occupied previously by the members of his/her family. In case of correspondence of a larger apartment (in rooms) to the family (in persons) of an assistance claimant at the moment of certificate issuance, the size of an apartment (in rooms) due to his/her family can be enlarged only by one room.

11. The assistance through the certificate is made by payments on the basis of a contract on receiving assistance for purchase of an apartment (house) through the certificate signed by the head of a marz and a citizen by the procedure established by the RA Legislation, in accordance with the certificate issued by the RA Minister of Urban Development in accordance with the given procedure, paying the price of an apartment (house) to a seller of an apartment (house) through a bank selected by the latter.

The term of purchase of an apartment (house) through the certificate is established as three months.

In case of non-selection of a variant of an apartment (house) purchase within the established term, the term fixed in the certificate can be prolong for additional three months in accordance with a person’s application.

12. In case of an apartment (house) purchase through the certificate the size of an apartment (in rooms) should not be less than the size of an apartment (in rooms) due to a person by the norms established by Provision 9 of the given procedure, and in case of a house purchase, the provision of each family member with living surface should not be less than the norms established by the RA Legislation.

13. The payment of the price of an apartment (house) purchased through the certificate is implemented within 10 bank days after submission of the purchase-sell contract to the RA Minister of Urban Development.

14. In case of purchase of an apartment (house) of lower price than the amount of the assistance fixed in the certificate the difference of the prices is left at the disposal of an assistance recipient citizen, and in case of purchase of an apartment (house) of higher price the difference of the prices is filled by the personal means of the assistance recipient.

15. With the consent of the family members of the person two apartments (houses) may be purchased through the certificate, the common size of which should not be less than the sizes mentioned in Provision 9 of the given procedure.

Moreover, the purchase-sell contracts of two apartments (houses) are signed simultaneously.

In case of purchase of two apartments (houses) the assistant recipient and each member of his/her family can be co-owners of only one of the two apartments (houses) purchased through the certificate.

16. In case of non-selection of a variant of an apartment (house) purchase within the term fixed in the certificate, the certificate loses its force, the contract signed with the head of a marz is considered canceled, and a person who has the right for assistance keeps the right of being listed in the apartment list.

17. In case of an apartment (house) purchase through the certificate the certificate loses its force, and the certificate bearer is excluded from the lists of apartment conditions improvement.

18. The expenses of publication of certificate samples are realized by centralized procedure at the expense of allocations stipulated by the "Apartment Provision through Issuance of Apartment Purchase Certificates" expense program under the 2005 RA state budget.

II. ORGANIZATION OF ACTIVITIES ON ASSISTANCE PROVISION THROUGH THE CERTIFICATES

19. The RA Minister of Urban Development organizes and leads the activities on assistance provision for purchase of an apartment (house) through the certificate through a commission created by him (hereafter the commission) and an assistance working group created by a head of marz.

A representative of the RA Ministry of Urban Development, marz administration, the central treasury of the RA Ministry of Finance and Economy, State Real Estate Cadastre Committee under the RA Government, as well as the head of the community or a person authorized by him with his consent is included in the structure of the commission.

During organization of the certificate issuance activities for the persons mentioned in Subprovision "b", Provision 3 of the given procedure the structure of the commission is completed with one representative of the Department on Migration and Refugees under the RA Government.

A representative of the RA State Urban Department is obligatory included in the structure of the assistance working group created by a head of a marz.

20. The functions of the commission are:

a) announcement in press and mass media of the beginning of the process of certificate issuance and the conditions of certificate issuance;

b) monitoring of the implementation of the assistance provision procedure through certificates;

c) examination of the compliance of the presented documents regarding persons receiving assistance through certificates with the conditions of assistance provision;

d) calculation of the assistance amount mentioned in the certificate;

e) approval of the list of persons receiving assistance through certificates and preparation of the draft of the RA Urban Minister's decree on certificate issuance to these persons;

f) registration of the adopted decisions on the persons receiving assistance through certificates in registers (Sample # 1).

21. The function of the assistance working group are:

a) registration of notifications on receiving assistance through certificates directed to the persons registered for the improvement of apartment conditions;

b) registration of the decisions made by the persons on receiving assistance through certificates;

c) examination of the documents attached to the applications for receiving assistance through certificates;

d) composition of lists of persons who have the right to receive assistance through certificates;

e) provision and registration of conclusions on the compliance of the selected variant of the purchased apartment (house) with the conditions established by the RA Legislation for permanent residence;

f) creation of database and provision of information on the apartments (houses) sold in the real estate market.

III. PROCEDURE AND CONDITIONS OF ASSISTANCE PROVISION AND PAYING THROUGH CERTIFICATES

22. The head of a marz notifies the persons mentioned in Subprovisions “a” and “b”, Provision 3 of the given procedure on receiving assistance through certificates in accordance with the order of the approved lists.

23. Within 5 days after the receipt of the notification the persons wishing to receive assistance through certificates submit an application, coordinated with the major family members, to the head of a marz.

Attached to the application are the passport (refugee ID) data of the applicant and his/her family members, as well as the reference on temporary accommodation.

The persons who have not presented a written wish to receive assistance through certificates within the term mentioned in the given Provisions are considered the ones who refused the receipt of assistance.

24. On the basis of the results of consideration of the applications received within a 10-day term and in accordance with Subprovisions “a” and “b”, Provision 3 of the given procedure the head of a marz composes the list of persons receiving assistance through certificates (Sample # 2) and submits them to the RA Minister of Urban Development for approval.

Attached to the list are:

a) the copies of applications and attached documents of the assistance claimants;

b) the information on the permanent residence of assistance claimants and apartments (houses) belonging to them with the property right verified with the RA Police under the RA Government and the State Real Estate Cadastre Committee under the RA Government.

The information on registration in the Department on Migration and Refugees under the RA Government as well as the apartment vulnerability is submitted with the list of persons mentioned in Subprovision “b”, Provision 3 of the given procedure.

25. Within a 10-day term the commission discusses the documents submitted to the RA Minister of Urban Development by the head of a marz.

26. On the basis of the results of the discussion of the commission the RA Minister of Urban Development approves the list of the assistance recipients, and within not more than 5 days notifies about that the persons, suggesting signing a contract with the head of a marz on receiving assistance for the purchase of apartment (house) through the certificate.

27. Within three days after receiving the notification the persons who have the right to receive assistance sign a contract with the head of a marz on receiving assistance for the purchase of apartment (house) through the certificate, which is presented to the RA Minister of Urban Development after notary ratification.

28. The RA Minister of Urban Development or a person authorized by him, in accordance with the contract signed by the person and the head of a marz on receiving assistance, issues the certificate for the person within 5 days after the conclusion of the contract in an area announced in advance.

29. After selecting the variant of the purchased apartment (house) within the established term the certificate bearer applies to the head of marz with a request to give a conclusion on the compliance of the selected variant with the conditions for permanent residence established by the RA Legislation.

30. After the receipt of the positive conclusion of the head of a marz the certificate bearer within three days signs an apartment (house) purchase-sell contract, the copy of which is presented within 1 day to the head of a marz, attaching the bank prerequisites of the deposit account on demand opened in advance in his/her and the seller's executive bank.

In case of the purchase of an apartment (house) the price of which is higher than the amount of assistance fixed in the certificate, the copy of the entry extract given by the bank on transferring the price difference from the personal means of the assistance recipient through certificate to the deposit account on demand of the seller, is also attached.

31. The head of a marz within three days presents the documents regarding the realized purchase-sell deal to the RA Minister of Urban Development.

32. Within a 2-day term after the receipt of the documents regarding the realized purchase-sell deal the commission examines:

- a) the compliance of the realized deal with the conditions of the given procedure;
- b) the compliance of the price of the purchased apartment (house) with the provided assistance;
- c) in case of the purchase of an apartment (house) the price of which is higher than the amount of assistance fixed in the certificate, the fact of transferring the price difference from the personal means of the assistance recipient through certificate to the deposit account on demand of the seller.

In case of inaccuracies revealed as a result of document examination implemented by the commission the documents are returned to the assistant recipient through certificate for their replacement.

33. On the basis of the positive decision of the commission the RA Minister of Urban Development submits an application on paying the prices of apartments (houses) purchased through certificates to the local department of the central treasury of the RA

Ministry of Finance and Economy mentioning the sums subject to paying to assistance recipients and apartment (house) sellers.

The copies of the issued certificates, the purchased apartment's (house's) purchase-sell contract and the contract on providing assistance for purchase of an apartment (house) through certificate, as well as the bank prerequisites of the deposit account on demand opened in advance in a bank selected by the assistance recipient and the seller of an apartment (house), are submitted with the application.

Simultaneously, the RA Minister of Urban Development presents the documents of the persons mentioned in the application to the bank attaching the originals of the issued certificates.

34. Within three bank days after receiving the application the local department of the central treasury of the RA Ministry of Finance and Economy transfers:

a) a sum corresponding to 80% of the price of the sold apartment (house) to the deposit account on demand opened in a bank selected by the seller, and the remaining 20% after the receipt of the act on passing-receiving of the apartment (house) sold by the seller signed by the established procedure;

b) the difference of the amount of the provided assistance and the price of the purchased apartment (house) to the deposit account on demand opened in a bank selected by the assistance recipient through certificate after receiving the reference of the head of a marz on the virtual vacating of the occupied non-basic construction or the temporary dwelling.

35. As soon as the bank receives the assistance sums from the local department of the central treasury of the RA Ministry of Finance and Economy it realizes the relevant payments.

36. The bank presents the originals of the paid certificates to the RA Minister of Urban Development mentioning the paid sum and attaching an extract from the deposit account on demand of a citizen.

37. The RA Minister of Urban Development presents monthly information on the process of certificate issuance and the persons who have purchased apartments through certificates (Sample # 3) to the RA Government.

