

THE BY-LAWS OF LAND SALES TO CITIZENS

In accordance with Article 9 of the Land Code of the Republic of Armenia, the Government of the Republic of Armenia rules the following:

1. To confirm the current By-Laws on Land Sales to Citizens.
2. The Ministry of Justice and the Ministry of Agriculture are obliged to work out and confirm within one month the statutes of auction commissions for land sales.

CONFIRMED BY DECREE OF THE GOVERNMENT OF THE REPUBLIC OF ARMENIA

993

THE BY-LAWS OF LAND SALE TO CITIZENS

1. The given By-Laws establish the procedure of sales of state-owned lands from the reserve fund to the citizens of the Republic of Armenia.
2. The sale of plots of land to citizens is implemented through an auction:
 - a) for the purposes of farming and collective farming;
 - b) as auxiliary land adjacent to households or as plots of land for the construction of dwelling houses and for their provision;
 - c) for gardening (in summer houses).
3. The maps (attached to the building plan of the given settlement) and conditions of auctions compiled and approved by the city, village (town) councils of deputies and executive committees serve as a ground for the auctioning of the plots of land.
4. The general terms of auction land sales are established by the local councils of deputies and executive committees.
5. The executive committees of the regional (city) councils of deputies form auction commissions for land sales, which include: the chairpersons (deputy chairpersons) of the executive committees of regional (city) councils of deputies, (in the quality of the president of the commission), the head land surveyor, the head architect, and other relevant experts.
6. When declaring a land auction, the purpose of land sales should be indicated, in accordance with Paragraph 2 of the given By-Laws.
7. The auction commission publicizes the event of land sales and implements it. The auction commission can not restrict the participation of certain persons in the auction, unless otherwise envisaged in the acting legislation.
8. The auction commission announces the auction and its terms in the media no less than 2

months prior to the auction, detailing::

- a) the location of the sold plot of land, its indexes, its area, category, its cadastre data and starting price.
- b) the map showing the location of the plot;
- c) the purpose of sale or preferable purposes;
- d) the availability of roads, waterways, sewerage system, and electricity supply lines,
- e) the place and time of the auction;
- f) the content of application of the auction participant, the purposes and terms of allotment;
- g) the list of documents liable for submission;
- h) the environmental requirements concerning the utilization of land and natural resources;

9) The citizens willing to participate in the auction must submit the following to the auction commission:

- a) an application in which is indicated the index of the plot in question, the purposes and terms of land utilization, the address and phone number;
- b) the grounds for the requested plot of land.

The applicants are responsible for the accuracy of information submitted.

10. The filing of applications for the participation in the auction is finished one month prior to the auction.

11. The activities of the auction commissions are guided by the by-laws confirmed by the Ministry of Agriculture and the Ministry of Justice of the Republic of Armenia.

12. The auction commissions conduct the auction for those plots of land which are claimed by more than one applicant.

13. The following applications are denied participation in the auction:

- a) which contain forged data;
- b) the documents do not meet the requirements of the legislation of the Republic of Armenia;
- c) the fulfillment of the applicant's responsibilities is not appropriately guaranteed;

The person who gives the highest price is considered the winner of the auction (with the exception of the cases mentioned in Article 2, Paragraph 3 of the given By-Laws.)

14. In accordance with the given By-Laws, the regional (city) auction commissions sum up the results of the auction and determine the winner of the auction.

In its decree the auction commission indicates the list of auction commission members, the name, the patronymic and surname of the winner, the results of the vote, the list of

submitted applications and the term within which the winner must be given the state decree certifying his rights of land ownership. The decrees issued by auction commissions are liable to publication.

The decrees of auction commissions are confirmed by the executive committees of regional (city) councils of deputies.

The decree of the executive committee of the regional (city) council of deputies and the appropriate documents submitted to the commission (as envisaged in the given By-Laws) are handed to the Ministry of Agriculture of the Republic of Armenia.

15. Auction sales of land are carried out in one stage; preliminary stages are ruled out.

16. In case the auction is declared null and void, the next auction is conducted no sooner than in 15 days.

The next auction is announced and takes place in accordance with rules envisaged for the previous auction. In case the next auction does not take place, if there is one applicant willing to purchase the plot, the plot is sold to him at the starting price.

17. The winner of the auction is handed a state decree issued by the executive committee of appropriate local council, certifying his rights of ownership.