

LAW
ON BASIC PROPERTY RELATIONS
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Chapter I

BASIC PRINCIPLES

Article 1

Citizens, associations of citizens and other civil legal entities can be holders of property rights within limits and under conditions prescribed by law.

Article 2

The property right can exist both over real estate and other material objects.
The property right can not exist over objects that can only be under social ownership.

Article 3

The property owner has the right to possess an object, use it and dispose of it within limits defined by law.
Everybody is obliged to restrain oneself of violating the property rights of some other person.

Article 4

The property owner realizes his/her property right in accordance with the nature and purpose of the object, as well as with the public interest defined by law.
It is forbidden to exercise the property right contrary to the purpose for which it is by law established and recognized, or contrary to the moral of the socialist self-managing society.

Article 5

The property owner is, during use of the real assets, obliged to restrain him/herself of actions and to remove the causes that result from his/her property, that make difficult the use of somebody else's property (discharge of smoke, unpleasant smells, heat, soot, shakes, noise, effluent waters etc.), that are beyond the usual level considering nature and purpose of the real assets and local circumstances, or that cause considerable damage.

Without any special legal ground exercise of obstructing actions mentioned in paragraph 1 of this article by the help of specific devices is forbidden.

Article 6

For an object over which one disposes of the property right can the usufruct right, "the right of real burden" and mortgage right be established, under conditions defined by law.

It is forbidden to exercise the rights mentioned in paragraph 1 of this Article contrary to the purpose for which they are by law established or recognized, or contrary to the moral of the socialist self-managing society.

Article 7

Acquisition, protection and cessation of the property right, the usufruct right, "the right of real burden" and the mortgage right shall be defined by law.

Article 8

The property right can be taken away or restricted only under conditions prescribed by law in accordance with the constitution.

Chapter II THE PROPERTY RIGHT Holders and subject of the property right

Article 9

A citizen can hold the property right over objects that serve to satisfy his/her personal needs and interests, as well as personal needs and interests of members of his/her family.

A citizen can, within limits defined by law, hold the property right over the family house for living, the house for rest or recovery and a flat as a separate part of a building, that serve to satisfy his/her personal and family needs.

A citizen can use objects mentioned in paragraph 1 and 2 of this Article for acquisition of income only in the way and under conditions that are predicted by law.

Article 10

A citizen can, within limits defined by law, hold the property rights over the agricultural and other land, woods and forest land, business buildings and premises, as well as over means of work that serve for independent exercise of activities in order to gain personal income.

Article 11

An association of citizens and some other civil legal entity can hold the property right over private property that serve to realize common interests of their members and objectives for which they are established.

Holders of the property rights from paragraph 1 of this Article can hold the property right over the business buildings and premises that serve to realize common interests of their members and objectives for which they are established, as well as over the buildings for living and apartments as separate parts of the buildings that serve to satisfy housing needs of workers who work there.

Holders of the property rights mentioned in paragraph 1 of this Article can hold, within limits defined by law, the property right also over the land that serve to satisfy common interests of their members and objectives for which they are established.

Article 12

When there is the property right for a house that is built in accordance with law, on the land that is public property, the owner of that house holds the right of use of the land on which the house is built and the land that serves for the regular use of that house while it exists.

The property right that is mentioned in paragraph 1 of this Article can be transferred only with the transfer of the property right over the house.

Article 13

More persons can hold the right of co-ownership over an undivided object when a part for each of them is determined in proportion to the whole (ideal part).

If the co-ownership parts are not defined, then they are considered to be equal.

Article 14

The co-owner has the right to hold the object and use it together with other co-owners

The co-owner can dispose of his/her part without the agreement of the other co-owners.

In case of sale of the co-owned part, the other co-owners have the right of prior purchase only if defined by law.

Article 15

The co-owners have the right to manage the object jointly.

For undertaking works of regular management of the object it is necessary to get agreement of the co-owners whose parts in total make more than half of the object value.

If in cases from paragraph 2 of this Article no agreement is reached, and undertaking of those works is necessary for regular maintenance of the object, then decision regarding this shall be made by court.

For undertaking works that exceed the frame of regular management (alienation of the whole object, change of object's purpose, letting the whole object for rent, establishment of mortgage for the whole object, establishment of "the real usufruct rights", major repairs, etc.) it is necessary to get the agreement of all the co-owners.

The co-owners can entrust management of the object to one or several co-owners or to some third person.

The costs of use, management and maintenance of the object, as well as other charges that relate to the whole object, shall be borne by the co-owners in proportion with the size of their parts.

Article 16

A co-owner has the right to demand division of the object at any time, except in time when such division would be in disfavor for other co-owners, unless otherwise determined by law.

The right from paragraph 1 of this Article doesn't become out-of-date.

The agreement in which a co-owner waives his/her right to division of the object permanently shall be null and void.

The co-owners shall determine way of division of the object by mutual agreement, and in case when an agreement cannot be reached, the decision shall be made by court.

The court shall decide that the division is done by sale of the object if physical division is not possible, or it is possible but only with considerable decrease of the object value.

To a co-owner who during division has been allocated the object or part of the object the other co-owners shall guarantee for legal and physical shortages of the object within limits of values of their co-owner's parts.

The right from paragraph 6 of this Article shall expire after three years from the division of the object.

Article 17

In cases and under conditions determined by law the co-ownership also exists in the undivided object whose one part is under public ownership and over the other part exist the property right.

Article 18

In cases and under conditions determined by law there is a possibility of the right of common ownership.

The common ownership is the ownership of more persons over an undivided object when their shares are determinable but they are not determined in advance.

Article 19

In cases and under conditions determined by law there can exist the right of ownership to an apartment and business premises as a separate part of the building.

2. Acquisition of the property right

Article 20

The property right can be acquired by law itself, based on legal affairs and by inheritance.

The ownership right can also be acquired by decision of the government authorities in a way and under conditions determined by law.

Article 21

By law itself the property right can be acquired by creating a new object, combining, mixing, building on somebody else's land, separation (collecting) of fruits, adverse possession, acquisition of property from non-owners, occupation and other cases defined by law.

Article 22

A person who builds a new object using his/her material and work shall acquire the property right over that object.

The property right over an object belongs to the owner of whose material, based on legal affair, such an object has been built by another person.

If somebody has of somebody else's material engaging his/her work built a new object, then such an object shall belong to him/her if he/she has been holder in due course (hereinafter: the conscientious holder) and the value of work is greater than the value of the material, and if the values are equal – then there should be co-ownership.

Article 23

When objects that belong to various owners are combined or mixed in such a way that they cannot be separated without considerable damage done or without disproportionate costs spent, then the previous owners shall be entitled to the co-ownership right over the new object, this being done in proportion with the value that particular objects had in the moment of combination or mixture

If somebody of the owners has been holder in undue course (hereinafter: the non-conscientious holder) the conscientious owner can request, within time-limit of one year from combination or mixture of the object, that the whole object be allocated to him/her or that the whole object be allocated to the non-conscientious owner, provided that he/she compensate the value of the object to the conscientious owner.

In case when there is difference between the combined or mixed objects so that one of them has negligible value in relation to another, the owner of the latter object acquires the property right over the new object, but he/she is obliged to compensate the appropriate value to the person who has therewith lost the ownership right over the object.

Article 24

A person who can be holder of the property right, and who builds a house or some other building (building object) on a land over which somebody else holds the property right (builder), he/she shall acquire the property right also over the land on which the building object has been erected, as well as over the land that is necessary for regular use of such building object, if/he/she hasn't known nor could have known that he/she has built on somebody else's land, and the land owner has known for the building but hasn't put his/her objections immediately.

In case from paragraph 1 of this article the land owner has the right within the time limit of three years from the day when he/she learnt for the finished building, but at the latest within 10 years from the date of the finished building, to request from the builder compensation for the value of the land in the amount of its market price in time when court decision has been made.

Article 25

If the builder has known that he/she builds on somebody else's land or if he/she hasn't known for that, and the owner has put his/her objections immediately, the land owner can request to be allocated the property right over such building object or that the builder break down the building object and recover the land in the previous condition, or that the builder reimburse him/her the market price for the land.

As an exception from paragraph 1 of this Article, court can decide that the erected building object shouldn't be broken down if its breaking down, considering circumstances of

the case and especially value of the object, economic position of both the builder and the land owner, as well as their behavior during erection, wouldn't be socially justified.

In cases from paragraph 1 of this Article the land owner is also entitled to compensation of the damage.

If the land owner requests to be allocated the ownership right over the building object he/she shall be obliged to reimburse the builder value of the object in the amount of the average construction price of the object in the place where the object is located in time of making court decision.

The right of choice from paragraph 1 of this Article the land owner can realize at the latest within the time limit of three years from the day when construction of the building object is finished. After expiration of this period the land owner can only request payment of the market price for the land

Article 26

If the builder is conscientious and the land owner didn't know for the construction in case when the building object is worth considerably more than the land, the building object together with the land belongs to the builder, and he/she is obliged to pay the land owner the market price for the land.

If the value of the land is considerably higher, court shall at the request of the land owner allocate the building object to him/her, and make him/her obligated to compensate the builder the building value of the object in the amount of the average construction price of the object in the place where it is located. Such a request the owner can submit within three years from the day of completion of construction of the building object.

If the builder is conscientious and the land owner didn't know for erection, in case when the value of the land and the value of the building object are approximately equal, court shall decide to allocate the building object, that is the building object together with the land to the land owner or builder, considering their needs and especially their housing circumstances.

The land owner, that is the builder, is entitled to compensation for the land, that is building object, according to provision of paragraph 1 of this Article.

Article 27

The property right over the "fruits" given by the object belongs to the owner of the object.

The conscientious holder, usufructuary and renter of the object that give fruits shall acquire the property right over the fruits in the moment of their separation (cropping).

The fruits from paragraph 2 of this Article, until their separation (cropping), make the component part of the object and they belong to its owner.

Article 28

The conscientious and legal holder of the private property, over which somebody else holds the property right, shall acquire the property right over such object through adverse possession after expiration of three years.

The conscientious and legal holder of the real estate, over which somebody else disposes of the property right, shall acquire the property right over such object through adverse possession after expiration of ten years.

The conscientious holder of the private property, over which somebody else has the property right, shall acquire the property right by adverse possession after expiration of ten years.

The conscientious holder of the real estate, over which somebody else disposes of the property right, shall acquire the property right over such an object by adverse possession after expiration of 20 years.

The heir shall become the conscientious holder from the moment of opening the inheritance even in the case when the testator was non-conscientious holder, and the heir didn't know nor could have known for that, and the time for adverse possession start to run from the moment of opening the inheritance.

Article 29

Over objects that are under public property the property right can not be acquired by adverse possession.

Article 30

The time needed for adverse possession starts to run from the day when the holder has entered into the right of possession of the object and it shall be terminated with expiration of the last day of the period needed for adverse possession.

In time needed for adverse possession shall also be counted the time during which the predecessors of the present holder have been holding the object as conscientious and legal holders, that is conscientious holders.

For interruption, that is delay of the adverse possession shall accordingly be applied provisions on interruption, that is delay of the obsolete demand.

Article 31

The conscientious person shall acquire the property right over the private property which he/she has obtained with compensation from the non-owner, who within his/her activity puts on trade such objects, from the non-owner to whom the owner has handed over the property in possession based on the legal work that is not the ground for acquisition of the property right, as well as in the public auction.

The former owner can request from the conscientious acquirer to recover him/her the property with compensation at the market price, if such a property has special significance for him/her.

The request from paragraph 2 of this Article can not be placed after expiration of the period of one year, from acquisition of the property right over such property.

Article 32

Over a private property that has been abandoned by its owner, the property right shall acquire the person who has taken such property in possession with intention to appropriate it (occupation), unless otherwise prescribed by law.

The property right can not be acquired by occupation of a real estate.

Article 33

On the basis of the legal work the property right over a real estate shall be acquired by registration into the "public notary book"(cadastral books) or in some other appropriate way that is prescribed by law.

Article 34

On the basis of the legal work the property right over a private property shall be acquired by delivery of such property into the possession of the acquirer.

The delivery of the private property shall also be considered as executed with delivery of the document based on which the acquirer can dispose of such property, as well as with handing over some part of the property or with issuing a paper or some other way of indication that means delivery of the property.

When a private property is in the possession of the acquirer based on some legal ground, he/she shall acquire the property right over it in the moment of conclusion of the legal work with the owner of the object based on which the property right has been acquired.

If the acquirer of the property right over a real estate leaves such a property to be further under possession of the transferor based on some other ground, he/she shall acquire the property right over it in the moment of conclusion of the legal work with the owner of the property on the basis of which he/she shall acquire the property right.

The property right over a private property held by a third person shall be transferred to the acquirer in the moment of conclusion of the legal work through which the transferor has transferred the right to request recovery of the property. The third person has the right to place all the objections to the new owner that he/she had toward the former owner.

The delivery of the private property shall be considered as accomplished also when based on the actual circumstance results that the delivery has been implemented.

Article 35

When more persons have concluded special legal works in order to acquire the property right over the same property that is individually determined, that right shall be acquired by a person to whom the property has been delivered first.

Article 36

The property right over a property shall be acquired through inheritance in the moment of opening of inheritance paper for the property of the deceased person, unless otherwise defined by law.

3. Protection of the property right

Article 37

The owner can lodge an appeal and request from the holder recovery of the individually determined property.

The owner has to prove that he/she disposes of the property right for the property whose recovery he/she is requesting, as well as that it is under factual power of the defending party.

The right for lodging an appeal from paragraph 1 of this Article doesn't become obsolete.

Article 38

The conscientious holder shall deliver the property to the owner together with the fruits that are not picked up yet.

The conscientious holder shall not be obliged to pay compensation for use of the property nor to be responsible for deterioration and ruining of the property that resulted during his/her conscientious holding.

The conscientious holder shall be entitled to compensation of necessary costs for maintenance of the property.

The conscientious holder may request reimbursement of the "beneficial" costs to the extent to which the value of the property has been increased.

The necessary and beneficial costs from paragraph 3 and 4 of this Article the property owner shall be obliged to compensate to the conscientious holder to the extent to which those costs are not covered by the benefits he/she has obtained of the property.

The conscientious holder has the right to compensation of the costs that he/she has made for his/her own satisfaction or decoration of the property, only if in such a way the value of the property has been increased. If what has been done for own satisfaction or decoration of the property can be separated from it without causing considerable damage, the conscientious holder has the right to separate it and keep it for him/herself.

The conscientious holder has the right to keep such a thing until he/she is reimbursed the amount of the necessary and beneficial costs that he/she has made in connection with maintenance of the property.

The claim for reimbursement of the necessary and beneficial costs shall become obsolete after expiration of three years from the day of delivery of the property.

Article 39

The non-conscientious holder is obliged to deliver all the fruits to the property owner.

The non-conscientious holder shall reimburse the value of the picked up fruits that he/she has consumed, alienated or destroyed, as well as the value of the fruits that he/she failed to collect.

The non-conscientious holder shall compensate the damage caused by deterioration or ruining of the property, except in case that such a damage would have been caused even if the property were with the owner.

The non-conscientious holder may request compensation of the necessary expenses that the owner would have incurred if the property were with him/her.

The non-conscientious holder shall be entitled to compensation of the beneficial expenses only if they were beneficial personally for the owner.

The non-conscientious holder shall not be entitled to compensation of expenses that he/she has made for his/her satisfaction or decoration of the property, but he/she can take the thing that he/she has built-in for his/her satisfaction or decoration of the property if it can be separated without damaging the property.

The conscientious holder shall be considered as non-conscientious from the moment when he/she is delivered a complaint, but the owner can try to prove that the conscientious holder has turned into non-conscientious holder also even before submission of the complaint.

Article 40

The right of the owner to claim delivery of the collected fruits from the non-conscientious holder as well as compensation for the value of the fruits that he/she has

consumed, alienated, failed to collect or destroyed, shall become obsolete within three years from the day of delivery of the property.

The claim of the non-conscientious holder of the property regarding compensation of expenses shall become obsolete within three years from the day of delivery of the property.

Article 41

A person who has individually acquired certain property based on legal ground and in legal manner, and hasn't known or couldn't have known that he/she hasn't become the owner (the supposed owner) shall be entitled to claim its recovery also from the conscientious holder to whom such a property belongs without the legal ground or based on the weaker legal ground.

When two persons are considered as the supposed owners of the same property, the stronger legal ground shall hold the person who acquired the property "as burdened" in relation to the person who acquired the property "as burdenless". If the legal grounds of these persons are of the same strength then the priority has the person who holds the property.

The right of lodging a complaint from paragraph 1 of this Article doesn't become obsolete.

Article 42

If a third person without any grounds disturbs the owner or supposed owner in some other way, and not with forfeiture of the property, the owner, that is the supposed owner, can lodge a complaint claiming interruption of such disturbance.

When by disturbance from the paragraph 1 of this Article the damage has been caused, the owner has the right to claim compensation of the damage according to the general rules for compensation of damage.

The right to lodge a complaint from paragraph 1 of this Article doesn't become obsolete.

Article 43

The co-owner, that is common owner has the right to lodge a complaint for defense of the property right over the whole property, and the co-owner has also the right of complaint for defense of his/her right to a part of the property.

4. Cessation of the property right

Article 44

The property right shall cease with the transfer of the property into the public ownership.

Article 45

The property right that certain person holds over the property shall cease when some other person acquires the property right over that property.

Article 46

The property right shall cease with abandonment of the property.

The property shall be considered abandoned when its owner in an indisputable manner expresses his/her will that he/she doesn't want to hold it anymore.

The abandoned real estate shall be transferred into the public property in the moment of its abandonment.

Article 47

The property right shall cease when the property is ruined.

Over the remnants of the ruined property the owner still holds his/her property right.

Article 48

The property right shall also cease under other circumstances that are predicted by law.

Chapter III

THE EASEMENT

Article 49

The real easement is the right of the owner of one real estate ("the dominant tenement") according to which for the needs of such real estate he/she can exercise certain acts on the real estate of another owner ("the servient tenement") or to request from the owner of the servient tenement to restrain him/herself of exercising certain acts that otherwise he/she could exercise on his/her real estate.

The real easement can be established either for certain period of time or for certain season of the year.

If the dominant or servient tenement is the public means in a public legal entity, then workers and other working people in such a public legal entity have the rights and responsibilities that have holders of the rights and responsibilities that result from the real easement, unless otherwise prescribed by law or contract.

Article 50

The real easement shall be exercised in a way in which the servient tenement is the least loaded (burdened).

If for exercise of the real easement it is necessary to use some device or to take some action, the costs of maintenance of such a device and undertaking such actions shall be borne by the owner of the dominant tenement.

If such a device and action also serve for the interests of the owner of the servient estate, the costs of maintenance of such a device and costs for undertaking such an action shall, in proportion with the benefits they get, be borne by both owner of the dominant and owner of the servient estate.

Article 51

The real easement shall be established by legal work, decision of the government authority and adverse possession.

Article 52

On the basis of legal work the real easement shall be acquired by registration into the public notary (cadastral) book, or in some other appropriate way prescribed by law.

Article 53

By decision of a court on division of property or by decision of some other government authority the real easement shall be established when the owner of the dominant tenement in whole or in part can not use such tenement without corresponding use of the servient tenement, as well as in other cases defined by law.

The easement from paragraph 1 of this article shall be acquired on the day of decision validity, unless otherwise prescribed by law.

On request of the owner of the "servient" tenement the competent government authority shall also determine the corresponding compensation that the owner of the dominant tenement shall pay to the owner of the servient tenement.

Article 54

The real easement shall be acquired through adverse possession when the owner of the dominant tenement has factually exercised the easement during the period of 20 years, and the owner of the servient tenement hasn't objected to that.

The real easement can not be acquired through adverse possession if it has been exercised by misuse of the owner's trust or holder of the servient tenement, by force, deceit or if the easement has been ceded until revocation.

Article 55

The real easement over the real estate that is the public property incorporated within some public legal entity can not be acquired by adverse possession.

Article 56

The owner of the dominant tenement can request that toward the owner of the servient tenement the existence of the real easement be established.

For an appeal based on paragraph 1 of this Article shall accordingly be applied provisions in Article 37, paragraph 2 of this law.

Article 57

If the owner of the dominant tenement is groundlessly prevented or obstructed to exercise his/her real easement, he/she may lodge a complaint asking interruption of such prevention or obstruction.

Article 58

The real easement shall cease if the owner of the servient tenement has opposed to its exercise and the owner of the dominant tenement hasn't been exercising his/her right for three consecutive years.

The owner of the servient tenement can request cessation of the real easement when it becomes unnecessary for the use of the dominant tenement or when it comes to cessation of some other reason due to which it has been established.

The real easement shall cease if it is not exercised during the period of time that is necessary for its acquisition through adverse possession, when the same person becomes owner of the servient and dominant tenement or when the dominant or servient tenement become ruined.

Article 59

If the dominant tenement becomes divided, the real easement shall remain in favor of all its parts.

The owner of the servient estate can request that the real easement of the owner of some part of the divided dominant tenement shall cease if the real easement doesn't serve the needs of that particular part.

If the servient tenement has been divided, the real easement shall remain only in those parts in which it has been exercised.

Article 60

The right of usufruct, the right of use, the right of residence, as well as the right of the "real burden" shall be regulated by law.

Chapter IV

MORTGAGE RIGHT

Article 61

The mortgage right (lien) can exist over the real estates, private property and rights.

The mortgage right can occur based on legal work, court decision and law.

Article 62

For the mortgage right over the private property and mortgage rights over the rights shall apply provisions on mortgage that are contained in the prescriptions that regulate the obligation (bond) relations.

Article 63

In order to satisfy certain claim a real estate can be burdened with the lien in favor of the creditor (mortgage) who, in a way prescribed by law, is authorized to

request compensation of his/her claim resulting from the real estate before the creditors who do not dispose of the mortgage over it, as well as before the creditors who has acquired the mortgage after him/her, regardless of the change of owners of the burdened real estate.

The mortgage relates to all the real estate, to its fruits before collection (separation), as well as to its other component parts and belongings.

In order to satisfy a claim the mortgage can be established for more real estates (common mortgage).

The real estate under mortgage shall in the whole secure the claims of the creditors till the complete compensation of such a claim, regardless of the later division of the real estate (indivisibility of mortgage)

Article 64

On the basis of a legal work or judicial decision the mortgage shall be acquired by registration in the public notary book, or in some other way prescribed by law.

Based on law the mortgage shall be acquired in the moment of fulfillment of the requirements prescribed by law.

Article 65

When for the same real estate there are more mortgages, the order of the mortgages shall be determined according to the moment of their establishment, unless otherwise prescribed by law.

Article 66

The mortgage can be transferred to somebody else only together with the transfer of the claim that is by such mortgage secured.

The mortgage creditor can establish the mortgage over the existing mortgage in favor of a third person without agreement of the mortgage debtor (super-mortgage).

Article 67

If the mortgage debtor reduces the value of the real estate burdened with the mortgage or in some other way deteriorates its state, the mortgage creditor can request from court to order the mortgage debtor to abstain from such acts, and if

he/she doesn't respect this, he/she can request compulsory payment of the claim that is secured by the mortgage before it is due.

Article 68

Cessation of the mortgage can be requested:

- When the mortgage debtor pays off the claim that is secured with the mortgage;
- When the mortgage creditor waives the mortgage through written statement given before the competent government authority that keeps the public notary book in which the mortgage is registered;
- When the real estate that was burdened with the mortgage has been transferred into the public property;
- When the same person has become both the beneficiary of the ownership and holder of the mortgage for the same property, and

When the real estate that is burdened with the mortgage has been ruined and hasn't been recovered.

When the real estate that is burdened with the mortgage has been transferred into the public ownership, the acquirer shall compensate the claim that is secured with the mortgage for that real estate up to the amount of its market price in the moment of transfer into the public ownership, unless for certain cases otherwise prescribed by law.

When the owner of the real estate, that is burdened with the mortgage that has been transferred into the public property, as compensation has been given some other real estate, then the mortgage shall be transferred to such new real estate.

Article 69

The provision of the contract on mortgage by which the mortgage creditor negotiates for him/herself that in case of non-payment of the debt he/she should be entitled to compensate his/her claim by acquisition of the property right over the real estate under mortgage, by collecting the fruits that such real estates gives or by use of the real estate in some other way shall be null and void.

Chapter V

LEGAL TENURE

Article 70

Legal tenure shall have each person that directly exercises the factual power over a property (direct legal tenure).

Legal tenure shall also have a person who exercises the factual power of a property through some other person, who, based on usufruct, contract on the use of an apartment, rent, care, service or some other legal work has been given the property under indirect possession (indirect legal tenure).

Possession of the right of real easement has a person that factually uses a real estate of some other person in volume that corresponds to the contents of such easement.

Possession of property or rights can hold more persons at the same time (co-possession).

Article 71

A person that based on work or similar relation, or in a household exercises the factual authority over the property for some other person, and he/she is obliged to act according to instructions of this another person, shall not have the possession.

Article 72

The possession shall be legal if it is based on valid legal ground that is necessary for acquisition of the property right and if it is not acquired by force, deceit or misuse of trust.

The possession is conscientious if the holder hasn't known or couldn't have known that the property he/she is holding is not his/hers

Conscientiousness of the possession shall be assumed.

Article 73

The heir shall become holder in the moment of death of the testator, regardless of time when he/she has acquired the factual authority over the property.

Article 74

The possession shall be lost when the holder ceases to exercise the factual authority over the property.

The possession shall not be lost if the holder has been temporarily prevented to exercise the factual power regardless of his/her will.

Article 75

Each holder of the property and rights (Article 70) has the right for protection of disturbance or forfeiture of the possession (disturbance of possession).

Article 76

The holder has the right of self-help against the person that without authorization disturb him/her in his/her possession, or has taken it away from him/her, under condition that danger has been immediate, that self-help has been necessary and that way of its exercise corresponds to the circumstances of the dangerous situation.

Article 77

The judicial protection from disturbance, that is forfeiture of the possession can be requested within 30 days from the day when one has learnt for disturbance and the offender, and at the latest within one year from the moment when disturbance occurred (the dispute due to disturbance of the possession).

Article 78

Court shall provide protection toward the last status of the possession and occurred disturbance, therewith the right of possession, legal grounds of possession and conscientiousness of the holder has no influence.

The holder who has acquired the possession by force, in secret or misuse of trust also has the right for protection, except toward the person from whom he/she has acquired the possession in such a way, if from the occurred disturbance haven't expired the time limits from Article 77 of this law.

Article 79

In decision on the request for protection of the disturbance of possession shall be ordered prohibition of further disturbance of the possession under threat of fine, that is recovery of the forfeited possession, as well as other acts necessary for protection from further disturbance.

Article 80

The co-holder shall enjoy protection according to provision of Article 75 of this law in relation to the third persons, as well as in mutual relations with the other co-holders, if one of them disables the other in the previous way of exercise of the factual authority over the property that is in their possession.

Article 81

Regardless of the dispute due to disturbance of the possession (Article 77) one can request the judicial protection of the possession on the basis of the right of possession.

Chapter VI

RIGHTS OF FOREIGN PERSONS

Article 82

Foreign physical persons can be holders of the property right over private objects in the same way as the citizens of the Socialist Federal Republic of Yugoslavia, unless otherwise prescribed by federal law.

In the territory of the Socialist Federal Republic of Yugoslavia foreign physical persons can, under conditions of reciprocity, be holders of the property rights over land and houses that they have acquired through inheritance in the same way as the citizens of the Socialist Federal Republic of Yugoslavia, unless otherwise prescribed by an international agreement.

Article 83

To foreign countries for the needs of their diplomatic and consular missions, as well as to organizations and specialized agencies of the United Nations, with previously obtained agreement of the federal authority for judicial affairs, can be sold buildings for official use

over which the property right exists or they are under public ownership, as well as building land over which there is the property right for the purpose of construction of such buildings.

Article 84

The foreign physical persons can, in accordance with the urban designs, that is decisions, be given for long-term rent, for sporadic or durable rest and recovery and satisfaction of other personal needs of themselves or members of their families, only buildings occupying one apartment.

Based on paragraph 1 of this Article accommodation buildings can be given for long-term rent only by organizations of associated labor and social-political communities.

The long-term rent can be concluded at least for five years, and at the most for thirty years.

After expiration of the contracted term the rent can be extended, but the total duration of the rent according to the previous and new contracts can not be longer than thirty years.

At the request of the tenant the long-term rent shall be registered into the public notary book or in some other way prescribed by law.

The long-term rent that has been registered has the legal effect also toward the latter acquirer of the accommodation building.

Article 85

An accommodation building can be given to a foreign citizen under the long-term rent by written contract, after previously obtained agreement of the body that is authorized for that according to the republic, that is the province law.

The decision on giving or refusal of the agreement for the long-term rent the authorized body shall make at its own discretion, without mentioning reasons for that, and it is final in an administrative procedure.

The building that has been given to him/her for long-term rent a foreign physical person can also give for rent to the home hotel and tourist organizations during time when he/she doesn't use it, and in cases and under circumstances prescribed by law.

Chapter VII

THE JURISDICTION IN CASE OF CONFLICT OF THE REPUBLIC, THAT IS THE PROVINCE LAWS

Article 86

For formal exercise of the legal work as regards property relations over the real estates the jurisdiction lies on the Republic, that is the Autonomous Province in whose territory the real estate is located.

Article 87

For the rights and responsibilities resulting from the property relations over the real estates the jurisdiction lies on the Republic, that is the Autonomous Province in whose territory the real estate is located.

For the rights and responsibilities resulting from the property relations over private objects the jurisdiction lies on the Republic, that is the Autonomous Province in whose territory the object is located in time of initiation of the dispute.

For the rights and responsibilities resulting from the property relations over a private object that shall be registered into the public notary book, from the moment of registration the jurisdiction lies on the Republic, that is the Autonomous Province, in whose territory the public notary book is located.

Article 88

If a citizen holds real estates in the territory of more republics, that is autonomous provinces, for determination of maximum real estates over which one can hold the property right shall apply the republic law, that is law of the autonomous province, whatever is more favorable for him/her, provided that in the territory of one republic, that is autonomous province he/she cannot hold more than maximum of the real estates that is prescribed for that republic, i.e. autonomous province.

Article 89

On the day when this law enters into force shall cease to apply provisions of Art. 40b. 40v. 40g. and Article 41 of the Law on trade in land and buildings ("The Official Gazette of SFRY" No. 43/65, 57/65, 17/67 and 11/74) and provisions of Article 439, Art. 441, par. 2 and 3 and Article 443, par. 1 of the Law on litigation procedure ("The Official Gazette" of SFRY, No. 4/77).

Article 90

This law shall enter into force on 1st September 1980.