

UNOFFICIAL TRANSLATION: LAW 7933

Regulatory Law of Condominium Property
(Includes Reforms by Law 10229 & Law 10746)

CHAPTER I: General Provisions

Article 1: What Can Be a Condominium?

The "Condominium Regime" applies to:

- **A)** Vertical buildings (apartments, offices, parking spots) divided into floors or units.
- **B)** Different buildings constructed on a single property (e.g., gated communities with detached homes).
- **C)** Properties suitable for construction (vacant lots) and rural properties.
- **D)** Existing developments (residential, commercial, tourist, industrial, or agricultural) that wish to convert to this regime, provided they have independent units and shared common areas.
- **E)** Concessions (property in the Maritime Zone) if authorized by the granting authority.
- **F)** Sub-condominiums (projects developed in phases where new "mother properties" are created inside the original one).

Article 2: Creating the Condominium Deed

To create a condominium, the owner(s) must register a public deed stating:

- **A)** Description of the land (*Finca Matriz*) and general description of the buildings.
- **B)** The specific use (residential, commercial, etc.) of the project and each unit.
- **C)** Description of Common Areas.
- **D)** Confirmation that construction plans are approved by authorities.
- **E)** Rules for dividing or combining units.
- **F)** The **Total Value** of the condominium and the **Percentage of Value** assigned to each individual unit (this percentage determines voting power and HOA fees).

Article 3: Approvals Required

The project must be based on plans approved by the INVU (National Institute of Housing), the Ministry of Health, and the respective Municipality.

Article 4: The Bylaws

The public deed must include the "Bylaws of Condominium and Administration" (Reglamento).

Article 5: Registration

The deed must be registered at the National Registry (Registro Nacional). The original property title is cancelled, and new titles are created for the complex.

Article 6: Birth of the Unit

The "Private Units" (Fincas Filiales) officially exist only upon registration of the deed.

CHAPTER II: Private Units & Common Assets

Article 7: Independence

Each unit is an autonomous portion of property. It must have independent access to a public road or a common area leading to one.

Article 8: Ownership

You are the exclusive owner of your private unit (Finca Filial). You have a right to use the common areas according to their purpose.

Article 9: Common Areas

Common areas belong to all owners in proportion to their unit's percentage.

- **Key Rule:** No owner can be restricted from the "rational use" of common areas, regardless of their ownership percentage.
- **Restriction:** Common areas cannot be divided.

Article 10: Mandatory Common Items

The following are legally defined as common:

- **A)** The land (in vertical buildings).
- **B)** Foundations, main walls, roofs, stairs, lobbies, and access roads.
- **C)** Administration and security offices.
- **D)** Central installations (electricity, water pumps, gas, internet).
- **E)** Elevators and trash incinerators.
- **F)** Anything else declared common in the Bylaws.

Article 11: Renting Common Areas

Common areas can be rented out (e.g., a rooftop for an antenna) if the Assembly approves. Income goes to the HOA fund.

Article 12: Inseparable Rights

You cannot sell your share of the pool or gym separately from your house. They are legally attached.

Article 13: The Obligation to Pay

Owners must pay for administration, maintenance, and operation.

- **Strict Rule:** You cannot avoid paying fees by renouncing your use of the common areas (e.g., "I don't use the pool, so I won't pay").

Article 14: Improvements

- **Necessary Repairs:** Approved by a majority vote (>50%).

- **Useful Improvements (Upgrades):** Approved by a two-thirds vote (66.6%).
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CHAPTER III: Rights & Obligations of Owners

Article 15: Conduct & Use

You must use your property only for its designated purpose.

- **Prohibitions:** You cannot disturb the peace, safety, or health of others. You cannot use the unit for illegal or immoral purposes.
- **Fines:** A judge can impose a fine of one "Base Salary" for violations, plus damages.

Article 16: Renovations

- **Allowed:** Modifications inside your own unit.
- **Banned:** Modifications that affect the structure, main walls, or essential elements of the building.

Article 17: Floor Rights

Owners of the ground floor or top floor do not have extra rights (like owning the yard or the roof) unless the deed specifically says so.

Article 18: Maintenance

- **Shared Walls:** Maintenance of shared walls/floors is paid by the affected neighbors.
- **Floors:** You must maintain your own floors/pavement.

Article 19: Common Expenses

Common expenses include: Taxes on common land, insurance policies, administration fees, maintenance, cleaning, and improvements approved by the Assembly.

Article 20: The "Fast-Track" Foreclosure (CRITICAL)

Your property serves as the guarantee for your HOA debts.

- **The Lien:** Unpaid HOA fees, fines, and interest constitute a **Mortgage Lien** (*Gravamen Hipotecario*) on your home.
- **The Weapon:** A certificate of debt signed by a **CPA (Certified Public Accountant)** is a "Title of Executive Mortgage." This allows the HOA to skip standard court trials and proceed directly to **foreclosure auction**.

Article 21: Selling Your Unit

To sell, you need a certificate from the Administrator stating you are debt-free.

- **Warning:** If there is a debt, the **buyer** becomes responsible for it jointly with the seller.

Article 22: Tenants & Occupants

Owners are responsible for their tenants. If a tenant repeatedly breaks the rules, the HOA (with power of attorney from the owner) can evict the tenant.

Article 23: Sanctions

If rules are broken, the HOA can impose (after due process):

- A) Written warning.
 - B) Financial fine.
 - C) Eviction (in extreme cases).
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CHAPTER IV: The Assembly & Administration

(Includes 2025 Reform on Virtual Meetings)

Article 24: The Assembly (Supreme Authority)

- **Meetings:** Must meet at least once a year.
- **Virtual Meetings (New 2025):** Assemblies may be held **virtually** using technology (Zoom/Teams) that guarantees real-time audio, video, and interaction. The invitation must explain how to access the meeting.
- **Quorum:** Requires 2/3 of the total value for the first call. Any number of attendees suffices for the second call.
- **Voting Power:** Votes are counted by the **Percentage of Value** of your property, not one vote per person.

Article 25: Convocation

The Administrator calls the meeting. If they refuse, owners representing 1/3 of the value can call the meeting themselves.

Article 26: Annual Duties

The Assembly approves the budget and the Administrator's report. Agreements are binding on everyone.

Article 27: Voting Majorities (2022 Reform)

- **A) Unanimous Vote (100%)** is required ONLY to:
 1. Change the general nature of the condominium.
 2. Renounce the condominium regime.
 3. Sell or mortgage the *entire* condominium complex.
- **B) Two-Thirds Vote (66.6%)** is required to:
 1. Change the specific use of a unit.
 2. Build new floors/areas.
 3. Change or acquire common assets (unless it reduces green zones, which needs 100%).
 4. Rent out common areas.
 5. Rebuild the condo.
 6. Change ownership percentages.

- 7. **Modify the Bylaws** (This previously required 100%).
- **C) Simple Majority (>50%)** is required for all other decisions.

Article 28: Minute Book

All agreements must be recorded in a Minute Book (*Libro de Actas*).

Article 29: The Administrator

The Administrator (person or company) is elected by the Assembly and acts as the legal representative (*Apoderado General*).

Article 30: Duties of Administrator

Care for common assets, collect fees, execute Assembly decisions, and enforce the law.

Article 31: Authority

The Administrator's decisions are mandatory unless overturned by the Assembly.

Article 32: Emergency Actions

If the Administrator is absent or fails to act, any owner can perform urgent repairs and claim reimbursement (certified by a CPA).

Article 32 bis: Legal Books

The Condo must maintain three registered books:

1. Assembly Minutes.
2. Board Minutes (*Junta Directiva*).
3. Accounting/Cash Book (*Libro de Caja*).

CHAPTER V: Bylaws (Reglamento)

Article 33: Content of Bylaws

The Bylaws must minimally cover:

- Hiring/firing the Administrator.
- Calculation of HOA fees.
- Meeting frequency.
- Use of common areas.
- Sanctions/Fines.
- Rules on **Exterior Facades** (changing windows, paint, decor).

Article 34: Acceptance

New buyers are automatically subject to the existing Bylaws.

CHAPTER VI: Structural Conditions

Article 35: Requirements

- Structures must use non-flammable materials.
 - Must have vertical ducts for utilities and trash (trash chutes) in vertical buildings.
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CHAPTER VII: Extinction & Destruction

Article 36: Dissolving the Condo

The condominium regime can be terminated only by a unanimous vote (100%). The property is then re-registered as standard property.

Article 37: Destruction

If the condo is destroyed:

- Insurance money is used to rebuild.
- If the majority votes to rebuild, those who refuse to pay can be forced to sell their units to the others (Buyout Clause) within 15 days.

Article 38: Financing

State banks and insurance institutes must adapt their rules to allow loans and insurance for condominiums.

CHAPTER VIII: Final Provisions

Article 39: Social Interest Condos

Establishes "Social Interest Condominiums" for low-income housing, eligible for government bonds and subsidies.

Article 40: Civil Code Updates

(Technical Clause): Updates the Costa Rican Civil Code to legally recognize the concept of owning a "slice" of a building or a lot within a larger lot.

Article 41: Repeal

Repeals the old 1966 Law.

Article 42: Validity

This law is currently in effect.

Signed: President of the Republic, San José, October 28, 1999.