GENERAL CONSIDERATIONS ON THE INSTITUTE CO-OWNERSHIP WITH EMPHASIS ON THE LAW OF BOSNIA AND HERZEGOVINA

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Summary

Co-ownership can be defined as having two or more people in one undivided physical thing, the parts that are ideal / aliquot determined. One of the most important features is that the ownership is divided between co-owners in scope, rather than its content so that each co-owner of the property enjoys all the powers, but only up to the size of his ideal. Institute of ownership, as such, from a legal point of view is very interesting if we consider the exclusivity of property rights and the fact that more than one person are being incorporated in the exclusivity. The central part of the work involves the legal status of joint owners, and dissolution of joint ownership of the community. Special emphasis has been on the Draft Law on Property Rights of the Federation of Bosnia andHerzegovina, new solutions and it`s detailed regulation in relation to the Law on Property Relations and the basic principles, the subject and the holders of property rights, and its similarities with the Law on Property Rights of the Republic of Srpska.

The statements presented are only a framework for more detailed consideration of the institute of co-ownership.

Key words: co-ownership, the ideal part, common property, the right to manage, dissolution of joint ownership,voluntary dissolution, judicial dissolution

Co-ownership – the term

The right of ownership is undoubtedly one of the most important property rights. Ownership is the right thing to possess, use, and that it has, in accordance with its nature and purpose. Everyone is obliged to refrain from violations of the rights of property of another person[1] . The right of ownershipbelongs to the absolute right to act erga omnes.There are different forms of ownership: individual ownership, co-ownership, joint ownership and flat ownership.

In contrast to individual property rights in which one entity is the holder of equity powers there is institute of co-ownership with which the law regulates situations where multiple entities appear as owners of physically indivisible thing.

The Institute co-ownership (condominium Latin) is a classical institute which was known in the Roman period. Roman law determines the co-ownership as having more people on the same physical undivided thing with the aliquot parts (ideally determined)[2]. Co-owner of the legal issues could dispose of their shares. He could sell his shares, he could use thing or collect all the fruits of their actions, while not damaging the other owners. To undertake such actions in the classical law would require the consent of all co-owners while the Justinian law requires consent of the majority not by number of persons but depending on the size of the stake. We can say that the institute co-ownership is an individualistic concept[3] as every person who owns a thing is a separate legal entity who posseses a particular piece of property rights and stuff. [4]

The provision of Article 15 Law on Property Relations and the basic principles, and the holders of property rights provides that an undivided co-ownership exists when the object belongs to two or more people, so that part of each is determined in proportion to the whole (of ideal). The thing between co-owners is not really divided, but it is owned by the aliquot parts. In the event that the matter is really divided, each person would belong to physically separate part, in which case it would not be co-ownership. Each co-owner is the owner of that ideal of the things that suit their ownership shares, and in relation to this part has all powers belong to the owner. He has aright to possess a thing, and that it uses it`s proportional part, not violating rights of the other owners. Co-owner has the opportunity to dispose of its parts without the consent of other co-owners which leads us to conclude that the ideal of the things in the legal trade is seen as an independent thing. What will be the co-ownership of one of the co-owners primarily depends on how the co-ownership is established, and if nothing is specified there is presumed to have equal ownership shares.

It is important to note that each of the co-owners is property rights owner, or more precisely their joint ownership of property rights, but inevitably with the entire contents, accordingly with their all proprietary rights. The right of ownership is the sole right and its content is indivisible, so some proprietary powers can not belong to one co-owner and the other proprietary powers to another co-owner, but they all belong to each co-owner[5]. In contrast to this we have divided property, which is characteristic of feudalism, in which the property was divided between the co-owner of the content in a way that once belonged to the co-owners the right to use, other disposition, etc.

The emergence of co-ownership

Co-ownership can arise in several ways. The most common ways of establishing co-ownership are based on legal business, the decision of state authorities and under the law. In these cases we have called competition between the owners. [6]

Co-ownership can be created on the basis of unilateral and bilateral legal matters. From unilateral legal transactions, as a way of co-ownership, the most significant is testament. Co-ownership arises under a will if the testator left a legacy thing to two or more people. In this case, each

[1] Law on Property Legal Relations – Službene novine Federacije B&H No.6/98

[2] M. Sarac / Z. Lucic, "Rimsko privatno pravo", Law Faculty, University of Sarajevo, Sarajevo, 2006, 130

[3] Medieval law was the most collectivist conceived which led to the appearance that more individuals ogether as members of a collectivity, appear as the owners of one thing. This point is represented by their joint ownership and their share in the matter has not been determined.

[4] Gavella N. et al., "Stvarno pravo", 2 ed, Narodne novine, Zagreb, 2007, 683

[5] Gavella N. et al., Ibid., 685

[6] Gavella N. et al., Ibid., 687

of these people belong to the same ideal of things unless the testator specified otherwise in the will.

As for the bilateral legal matters concerned it is important to specify the contract of sale as well as the partnership agreement. Agreement on the sale of co-ownership occurs if two or more people buy a physically undivided thing, e.g. a house or a car, so that each pay part of the total sum of money (cost) and on that basis they gain a share in the property right of things. Co-ownership can also be gained on the basis of purchasing co-owned shares.

Agreement on partnership exists when two or more people mutually pledge to unite their work and to achieve an allowed common goal.[7] Co-ownership arises under a contract of partnership where two or more people unite their property or labor and property in order to acquire ownership of a thing, for example, two or more people investing together funds and work raise a building so that each is entitled to a share of the entire building (the right to one half or one third, etc.) [8][9]

Decision of the State authorities, co-ownership may occur in the process of land consolidation. Land consolidation is redistribution of soil particles in a given area for better utilization.[10] Conducted by grouping land into larger and more regular particles and its redistribution to more efficient utilization. Co-ownership occurs with the decision of the authorities in the process of land consolidation when the decision assigns two people the same land.

Under legislation, co-ownership is established, after fulfilling certain conditions for which the law binds these effects. It is encountered in many cases, such as: legal inheritance, marital estate,population growth (accessio), mixing things, processing things, the emergence of wood on the border As for the legal succession, it is important to emphasize that there are joint heirs until the final decision in the inheitance proceedings, in relation to their ancestral property in the capacity of Society. After the Resolution their relationship becomes a co-ownership community, if they decide to establish joint ownership on certain things. Property relations between spouses are regulated by the Family law in. Marital estate is property that the spouses acquire by working during their marriage, as well as income from these assets[11] . Marital estate is by its nature co-ownership which is one of news in the Family Law of B&H Federation[12] , compared to the previous solution,where the marital estate represented the common property of spouses. The law provides for equal ownership shares between spouses in marital earnings. The Family Law of the Republic of Srpska[13] has retained the earlier decision, under which the marital estate is jointly owned.

Co-ownership can occur in some cases of movable property growth (accessio) , without the will of the co-owners (communio incidens). If there is a union of movable property up to that time belonged to different owners, the exclusive right of ownership of such people shall cease on the particles and each of them gets co-ownership of the particles establihed by the merger. The size of co-ownership is determined in proportion to the value of the particles compared to the value of the whole thing[14]. If any of the owners did malpractice, a conscientious owner may require, within one year from the date of joining or mixing things, that the whole thing belongs to him or that the property belong to the conscienceless owner who reimburses the exchange value of his stuff (Article 26).

Processing (specificatio) movable assets may result from co-ownership only if the value of material is equal to the value of investment. The possibility of establishing co-ownership of the growth of timber on the border is not currently regulated by the applicable Law of Property Legal Relationsin the Federation. However, Article 70 Draft Law on Property Rights of the Federation from 2010 states that property of wood determines according to the tree. The tree belongs to the one from whose land has grown, no matter where it is, stands, where the roots and more branches expel . The tree that grew on the border is co-ownership of the neighbors on both sides of the boundary. Law on Property Rights of the Republic of Srpska contains almost identical solution as well as the Draft Law on Property Rights of the Federation.

The legal position of the co-owners

As already stated, the right of property between co-owners is not divided according to content but to the extent, so that each owner of property enjoys all the powers, but only up to the size of its holding.[15] We can distinguish between the legal status of each co-owner with respect to the whole thing and the legal status of each co-owner in respect of his ideal.

1. In the legal status of each co-owner with respect to the whole thing can be noted that the object belongs to all co-owners, and not only one of hem. Each co-owner in exercising their ownership rights to things is limited by the rights of other co-owners. Each co-owner has certain rights in relation to the whole thing, of which the most important are: the right to possession, the right to use or right to use and manage. One of the most important powers of the content of ownership is certainly a property of things. All co-owners belong together property of things and therefore it is a common property. In co-owners possessive will is

[7] Bikic A / E. Bikic, "Obligaciono pravo - special section", 2 ed, Law Faculty, University of Sarajevo,Sarajevo, 2001, 163

[8] O. Stankovic / M. Orlic, "Stvarno pravo", 3 ed, Naučna knjiga, Belgrade, 1986, 230

[9] In the book 'Obligaciono pravo' – a special part, professor Bikic states that partnership assets are partnership interests which according to the contract, shall enter into partnership. It also includes assets acquired in the course of the partnership. Partnership interests and assets acquired are equity partnership.Partnership shares may be varied and may occur as a fact, law, money, work, etc.

[10] Legal Lexicon, Lexicographic Institute, Zagreb 2007, s.v. 'land consolidation'.

[11] Traljić N. / S. Bubić, "Bračno pravo", Law Faculty, University of Sarajevo, Sarajevo, 2007

[12] Family Law of the Federation B&H – Službene novine Federacije Bosne i Hercegovine No. 38/05

[13] Republic of Srpska Family Law – Službene novine Republike Srpske No. 54/02

[14] R. Kovacevic Kuštrimović / M. Lazic, "Stvarno pravo"Sven Nis, Nis, 2006, 217

[15] In the event that terminates the right of one of the co-owner, immediately comes to action one of principles of property rights. This means that when a co-owner leaves their share immediately abandoned share belongs to the other co-owners, regardless of what the parts were eventually enrolled in land registry.

directed to participate in the exercise of rights in their name, but under the relevant aliquot section. The way that made possession of the common things in the first place is an issue of internal agreement among co-owners. Possession of common things can be done in several ways. There is a possibility that all owners of property made jointly, when possible (e.g. possession of a common courtyard), then that property made successively (e.g. 10 days is a car with one, 10 in another), that one of co-owners shall possess for all (example, one is in possession of the entire house), and possession executed by the third part for all co-owners[16]. It is essential that a co-owner has the real power of things even only indirectly. Co-owner is also entitled to property protection in case of harassment or unlawful seizure of property. He enjoys this protection in respect of third person, and in their relations with other co-owners if one of them disables the other's way in the exercise of rights on the fact that it is their common property.

Co-owner has the right to use the stuff but when it is bound to respect such rights as other owners.Typically, co-owner has the right to use the thing in proportion to the share that has the stuff. This applies in all cases where the useful properties of things exhaust by using. In cases where the use does not exhaust the beneficial properties of things it is not necessary to restrict the use of things in proportion to its content. Fruits and other revenues of the things belong to co- owners in proportion to the size of their holdings. Co-owner is entitled to as many fruits and other revenue what is the extent of his share[17] . But when it comes to using a co-owner does not always exercise their right proportion to their share, but is obliged to bear the costs of the use of proportional size of its holding. In the case of the existence of exclusive property rights management of things does not have a specific function. The question of management arises as soon as there are more bearers of rights over property on one thing. Co-ownership is a community and that is why the community needs in such a way to organize the execution of equity powers. Arranging the execution of equity powers in case of joint ownership is called the management of co-owned items. It involves deciding on all terms being in co-ownership[18] . The right belongs to the management of any co-owner, regardless of the size of its co-owned parts. Co-owners jointly manage things since it refers to taking control of jobs that are in the interest of all. But together does not mean unanimous[19]. With each act of governance it is not necessary to have the consent of all co-owners, therefore, we distinguish regular tasks and duties of emergency management. management

Jobs of items regular use are those that are taken for regular maintenance, use and exploitation of its regular order. The one generally include: harvesting the fruit, with minor maintenance repairs, giving things in the lease for a termexceeding one year, payment of necessary expenses, keeping things, the payment of costs to be paid[20] . For the regular management tasks required is consent of co-owners whose parts together make up more than half of the value of things. In order to undertake some work in the framework of regular management decision is required of the majority and not the majority by number of persons but the largest share.

If you do not obtain the necessary consent and undertaking the work is necessary for routine maintenance items, each co-owner has the right to request that the court makes the decision. The court's decision will, in this case, replace the majority decision. Co-owner of which is against the will of the majority decided to take some work,or is it the court said, the draft Law on Property Rights gives a certain protection. That he has the right to require security for future claims. Co-owner who is obligated to provide insurance fulfills its obligation by providing collateral or guarantee.This is another of many examples from which we see that the draft Law on Property Rights offers broader protection and comprehensively regulates this matter.

Construction of emergency management are activities that exceed the framework of regular management. Construction of emergency management are related mainly to: the alienation of the whole thing, change of things, the issuance of all things in the lease, the establishment of a mortgage on the matter, the establishment of service, major repairs. If there is doubt, it is considered that the work exceeds the ordinary course of business management.[21] Some authors divide these tasks into two groups. The first group includes jobs that still have the feature of control, but are beyond normal border management. The second group includes jobs that do not mean management but disposal. In the first group there are jobs that are changing the culture or way of using land, works which renew or transform matter to increase the value, utility or income, works which include carrying out major repairs or modifications[22] . To undertake these tasks the consent of all co-owners is required. If at least one co-owner is against the execution of the work, the decision can not bring this kind of work and it can not be undertaken. If there is no consent of all co-owners, and there are particularly good reasons to take a job , each co-owner has the right to request that the court makes the decision. Co-owner who without the necessary consent of the other co-owners took some work carried out someone else's work and in this way between him and other co-owners develop an obligatory relationship with the applicable mandatory legal rules on the management without a warrant (negotiorum gestio). Their mutual rights and obligations depend on what it was the kind of management without a warrant. If you performed the work in the interests of other co-owner then has acted as: managing the emergency, manager on behalf of others or as a manager against the ban. But if the job is done to maintain the benefit for themselves to be unjustly on the activity without warrant. There is a possibility that the co-owner who acted as manager without a warrant, for the

[16] M. Vedriš, „Osnove imovinskog prava“, Informator, Zagreb, 1997, 139

[17] O. Stanković, M. Orlić, ibid., 225

[18] M. Vedriš/P. Klarić, „Građansko pravo“, 12. ed.., Narodne novine, Zagreb, 2009, 251.

[19] In the Roman Law all decisions on management things had to be brought unanimously, ageed by all co-owners

[20] N. Gavella et al., ibid., 693.

[21] This decision is prescribed by the Draft Law of Real Property

[22] O. Stanković, M. Orlić, ibid., 228.

work done, gets subsequent approval of the other co-owners (ratihabitio).[23]

The law foresees the possibility for co-management to entrust managing matters to the manager. The decisionon setting up the manager, about who will be the manager and revocation of manager is made in accordance with all co-owners. Unlike the Law on Property Relations which only provides for this possibility, the Draft Law on Property Rights in detail regulates all issues related to the transfer of management and the legal position of trustee. Inthis sense, provided that the Manager can be installed by any person who has full legal capacity, whether it be one of the co-owners or third parties.The manager is the contractor co-owners, so if co-owners do not specify otherwise, in respect of its rights, duties and termination of his powers apply appropriate rules of order, provided that: co-owners who together own the majority of co-ownership of parts they can fire the manager, with a notice three months; can also remove the trustee at any time if there is an important reason. If the trustee is grossly neglected his duties, the court will dismiss it at the request of any co-owner and set the other manager. Owners of property have the ability to limit their co-ownership rights, so as to establish a flat ownership. In this way, ownership of a special part of the property has been established.

2. When it comes to the legal position of co-owners in terms of his ideal, we can state that every co-owner is the full owner of their ideal / aliquot part. From this it follows that all powers belong to them, powers belonging to the owner in relation to the subject of their property rights. They alone decide on their ownership shares, independently collect their fruits, alone bears all costs and burdens of this part, etc. Co-owner can dispose of their parts without the consent of other co-owners. In the case of joint ownership of sales, the other co-owners have the option to purchase shares only if the law prescribes.[24]

Co-owner can leave his ideal of renouncing part of their joint ownership. The consequences are different depending on whether co-owner leaves his ideal piece of real estate or movable property. For the abandonment of the ideal of movables it is not just enough the proclaimed will of the co-owners who with the intention of quitclaim of co-owner's part abandon property of the ideal. In this case other owners gain their ideal. For the abandonment of the ideal property it is not enough only the proclaimed will of the co-owners, but it is necessary to erase the entry of his rights from the land registry[25] . Co-owner may encumber his ideal. They can establish heir personal easement. Establish a real easement and dispose the real part of the common things can do only co-owners all along. [26]

Dissolution of the community co-ownership

It is possible to predict the number of situations in which individual co-owners will no longer be willing to co-exist in the community co-ownership. Joint execution of ownership rights to the undivided physical stuff is complicated by the possible and potential conflicts that may lead to termination of the community[27]. Therefore, the right of dissolution of the right of each co-owner of a sui generis right of the transforming under which each co-owner is authorized to request and obtain a change of the current situation, with the will and even against the will of the other co-owners until the termination of the community joint ownership as it previously existed[28]. According to the Law of Property Relations co-owner has the right to require the division of things and this right does not expire. Agreement with which co-owner permanently waives the right to divide things is void. The provisions of this law is obvious that co-ownership is not constituted as a permanent and indissoluble community. Co-owners are associated only with economic interests, so that when these interests can not match there is no reason that co-ownership community still exists. However, the Draft Law on Property Rights co-owners gives the opportunity to unanimously decide that the time limit, which can not be longer than 3 (three) years, may not claim ownership rupture. Identical situation is in the Law on Property Relations in the Republic of Srpska. Although the co-owner can not permanently waive the right to require the division, this right may be limited. It can be restricted by the law or the co-manifestation of his will. Limitation of rights of the co-owners dissolution is associated only with that co-owner and does not pass to their heirs and other successors. In the event that the restriction of rights on the co-ownership dissolution of a property is registered in the land register it absolutely works[29] . The dissolution costs are born by all co-owners in proportion to their shares. In dissolutions of the community co-ownership it is necessary to distinguish between voluntary sharing of judicial separation. We may speak on a voluntary dissolution when co-owners end co-ownership with agreement. Agreement on the dissolution of the co-owners is the legal basis for voluntary dissolution. Co-ownership is not dissolved by achieving agreement on the dissolution, but this agreement represents the only legal grounds for dissolution. Method of determining co-dissolution is selected with the agreement by the co-owners. If one of the co-owner does not fulfill their obligation under the agreement on dissolution, each of the other co-owners can go to court to seek enforcement. As noted above, the way dissolution is executed is determined with the agreement by all co-owners. Method of

[23] N. Gavella et al., ibid., 701.

[24] The Draft Law on Real Property regulates particular cases where co-owner sells part of their property. Among other things it is provided that the other co-owners have beter option to purchase shares. Co-owner who intends to sell part of their co- ownership shall by registered mail or in person by the notary inform other owners about giving accurate land registry and cadastral data properties, price and other terms of sale. The proposed co-owners are obliged within 30 days to inform the bidders about the possible acceptance of the offer. Failure to do so, co-owner is free to sell their share of the property to another person,but not at a lower price or more favorable terms. If co-owner sells part, without being offered to the other owners, these stockholders who should have better option to purchase shares may require from the court to annul the contract and that ownership is under the same conditions transferred to the respective ownership shares.

[25] N. Gavella et al., ibid., 690.

[26] M. Vedriš/P. Klarić, ibid., 253.

[27] A. Maganić,'Razvrgnuće suvlasničke zajednice', Zbornik Pravnog fakulteta u Rijeci, University in Rijeka, 1/2008.

[28] H. Kačer, Dioba suvlasništva, Pravo u gospodarstvu, 6/1999.

[29] N. Gavella *et al.,* ibid., 705.

determining co-dissolution is ian essential part of the contents of their agreement. Co-owners can not agree how to determine dissolution that is factually impossible to achieve or is not allowed.[30] Also provisions of the co-ownership dissolution would be null and void and they would be to the detriment of third parties or co-owners who do not participate in the dissolution.[31] It is very important to distinguish between the dissolution of the separation of co-ownership of things. First of all co-ownership can dissolve in another way not only the division of things. If the law prohibits distribution of things, it does not affect the dissolution of co-ownership which in this case may be conducted by payment or in a civil way. There is the possibility of standardized methods for the dissolution of co-ownership. Standardized ways of dissolution of co-owned communities are: a) the physical division of things, b) the geometric division of things, c) distribution of more stuff per equivalent, d) civil dissolution, e) dissolution in payment. In fact the physical separation of co-ownership thing is divided into the required number of independent physical things of which each belong to an occasional co-owner. There is a possibility of physical separation of things, whether it is divisible, or indivisable things. Since divisable things are things that can be divided into individual parts and that in fact does not diminish their value or destroy their essence their physical separation does not create any problem. However, the physical division of indivisible item leads to its destruction and yet it is not prohibited if it is in accordance with the wishes of co-owners. Geometric division of things, as a way of dissolutions of co-ownership shall apply in the case of dissolution of co-ownership of the property. Geometric division of the matter is not shared, but physically the particles are determined by measurement. In this case the properties are divided into smaller plots of land or land lot. By geometric division occur as many particles as needed to meet all co-owners according to the size of co-ownership shares. The particles resulting from the division need not be of equal size and value. [32] The distribution of items per equivalent can be considered as a way of dividing the ownership when simultaneously dissolving co-ownership in a few things (moving or stationary). It is conducted so that each co-owner of all these things belong to the account of his co-ownership some of the things. Co-owners usually agree that the value of things that belong to them are of approximately equal to the value of their co-ownership. Co-owners can also arrange to use the distribution equivalent to the charge, so that co-owners who receive the things of greater value pay others the difference in cash. [33] Civil division is particularly suitable for the dissolution of co-ownership of things that are indivisible. It is implemented in a way that co-owned thing is sold and the money divided among the co-owners in proportion to the size of their co- ownership. Civil division is the simplest way of dissolution of co-owned community since it can be applied to all kinds of things, both movable and immovable property. Dissolution of payment appears in cases where co-ownership thing is not shared but belongs to a property of one co-owner who pays the rest of the value of their co-ownership shares. Law on Property Relations prescribes that the other co-owners are liable for legal and physical deficiencies of things up to the value of their co-ownership shares to co-owner who won the division of the whole thing or part of things. If co-owners can not reach agreement on the division of this court will decide. Judicial separation is performed according to the rules of contentious proceedings, if there is no dispute among the co-owners of co-owned by their past relationship. If there is a dispute between co-owners of the object of co-ownership or co-ownership itself, then the court will decide on the dissolution in the legal proceedings. Co-ownership is not yet dissolved with a final court judgment stating the dissolution. It is properly dissolved only in the execution of this decision. Execution of court decisions on dissolution of co-ownership may be required by each co-owner who has participated in the process of dissolution. Law on Property Relations provides that if a natural division of things is impossible or possible only with a significant reduction in the value of things, than the court will decide that the division is executed by selling things. The draft law on real rights is quite accurate in this regard and stated that the sale of the items should be made at a public auction or in some other appropriate manner. The judicial public sale may be voluntary and enforceable. If co-owners agree to execute civil division, the thing is sold on a voluntary judicial sale pursuant to the rules of contentious proceedings. If co-owners have not reached agreement, and the court decides to make the civil division, the thing is sold at the executive judicial public sale under the rules of the Law on Executive Procedure[34] . Co-owners may also participate in the judicial public sale. The court may award the point in having one or more co-owners, taking into account the size of their co-ownership shares, their needs and other circumstances, the obligation to pay compensation in the market value to the other owners in proportion to their shares. One of the owners who participate in the process of dissolution could require the court to determine that the matter of co-ownership belong to them binding them to pay the other owners the value of their parts. For this issue there must exist certain legal requirements. In the first place there should be a serious reason why a thing should belong to them in the property and that the court in deciding has not already been bound by the statutory provisions. If co-owner who requests to annul the payment of co-ownership and their right really belong, the court in deciding is tied with the right, so court's decision on the division will be brought accordingly. The Court will decide which of the co-owners on the basis of the decisionis to become a property owner, and also will determine how much and when the one is required to pay the rest of their payments on behalf of co-ownership shares[35] . With the Decision of the Court between this and

[30] The Law prescribes that co-owners agreebly determine way of devision within the limits of the possible and allowed.

[31] N. Gavella et al., ibid., 708 Pravni leksikon, ibid., s.v. 'geometric devision'.

[32] *Pravni leksikon*, ibid., s.v. 'geometric devision'.

[33] N. Gavella *et al.*, ibid., 709.

[34] O. Stanković, M. Orlić, ibid., 237.

[35] N. Gavella et al., ibid., 714.

the other co-owners is created mandatory relationship in which he owes, and the others claim. If the co-owner fails to comply within a specified time their obligation to pay any co-owners of the the court can require the fulfillment of obligations, or may require reversal of the decision on dissolution. If there appears a cancellation of decision there will be co-ownership re-established, and thus the possibility of a new rupture.

Dissolution of co-ownership makes for each co-owner a dual legal effect. First, he ceases to be owner of certain things but at the same time acquires the property of their particular thing or money.The legal effects of the dissolution conducted are really legal. Upon co-ownership dissolution all of which are co-owners as part of the dissolution be held are responsible for the real (material) and legal shortcomings of what each of them earned, or should acquire in the dissolution of co-ownership It is important to emphasize that the dissolution does not affect the ownership rights of the third party or the rights of co-owners who did not participate in the dissolution. On their responsibility are applied mandatory legal rules on liability of the seller's real and legal shortcomings of sold items. This responsibility is reciprocal so that all co-owners are responsible to each co-owner and each co-owner of the Republic of Srpska.

Conclusion

Through this work the importance of the institute of co-ownership is emphasized. Since the Roman period, the co-ownership found its place in the legal systems of most European countries. Pointing to one of the most important aspects of co-ownership, the possibility that several people have undivided ownership of physical things so that each of them enjoys all property rights, leads to the conclusion that this institute solved numerous problems that could arise in practice. Starting from inequality of legal regulations in the area of Bosnia and Herzegovina, which is evident from the fact that the Law on Property Legal Relations is in force in the Federation from 1998, while the Republic of Srpska adopted the Law on Property Rights in 2008 . Adoption of the Law on Property Rights in both entities will mark the biggest reform in the sphere of property rights in Bosnia and Herzegovina. Specifically in the Federation, the Law on Property Rights is in draft form, which should soon be adopted. This law, in the area of co-ownership, shall complete unification with the Republic of Srpska law, as well as the detailed regulation of a number of issues ranging from the transfer of management rights and legal position of managers onwards. It comes easily to some kind of modernization of regulations and their adaptation to modern requirements. The statements presented are only a framework for more detailed consideration of the institute of co-ownership.

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