

TO: Clients and Friends of the Firm  
FR: Frishberg & Partners  
RE: Building a Rooftop Penthouse

Living in a two-tier rooftop penthouse in the center of Kiev can be a lovely experience. Or, better yet, why not rent it out to a wealthy lessee for a monthly fortune? The process of reconstructing a rooftop into a residential paradise is draconian at best and requires careful assessment.

## **I. Discussion**

In total, the rooftop reconstruction process in Ukraine consists of 3 general, deceptively easy stages: (a) collecting the necessary preparatory paperwork; (b) completing the actual construction; and (c) obtaining final permissions to put the construction work into commission. Importantly, property ownership rights will legally vest only after the last step.

Immediately below we will attempt to identify the legal documents that are necessary to construct a rooftop penthouse.

### **A. Collecting Preparatory Documents**

Before construction can legally begin, the following background documents are required:

1. The Kiev City Administration's consent to begin technical drafts for construction (to be undertaken by a licensed organization);
2. Written, notarized consent of the other apartment owners in the building and their underage children;
3. Consent of various state agencies (fire department, sanitary-epidemiological and environment control, energy management, water supply, among many others); and
4. The Kiev City Council's approval and issuance of a construction permit. Note that additional unexpected conditions may be imposed at this stage, such as maintenance of nearby parks or other social infrastructure objects.

## B. Post-Construction Documents

After construction is completed, a thorough “review and approval” process begins.

1. The state agencies listed above in A3 must review the finished construction for technical compliance with the draft project and issue a corresponding act (“Act”);
2. The Act is submitted to the Kiev City Administration, which sends it to the Bureau of Technical Inventory (“BTI”) to measure the property and prepare the corresponding technical description, plans and drawings. Eventually, BTI places its seal upon the technical passport (note that such seal bears a restriction that prohibits operation of the building, which must later be removed);
3. The investor submits the technical passport to the Kiev City Administration again and obtains consent (from state agencies listed in A3 above) to put construction into operation (to commission the building);
4. The Kiev City Council resolves to commission the building and sends its resolution to BTI to rescind the restriction described in B2 above;
5. The final BTI plan, without any restrictions, is yet again submitted to the Kiev City Administration for a final time. At this stage, the investor can receive its ownership certificate for the finished construction; and
6. The ownership certificate must be submitted to the BTI for its final, final registration.

## II. Conclusion

To avoid some of the pitfalls suffered by other investors, we strongly suggest that you read the latest property legislation. And, maintenance of a friendly, open dialogue with the local authorities responsible for issuing permissions and consents is of vital importance. In combination, you just might succeed.