

Meetings of Co-Owners during the Coronavirus Crisis

How best can they be managed?

Many sectors and professions are facing challenges due to the crisis caused by the spread of the coronavirus and its economic and social consequences. There are some challenges particular to certain professions. CEPI fully respects the need for rules to be established and followed to ensure public health and security in the current crisis but wishes to draw attention to a particular concern of property managers in the management of meetings of co-owners.

Buildings with multiple owners such as multi-apartment blocks require specialised management. Decisions must be taken concerning the upkeep of the building on an ongoing basis. For such decisions to be valid, it is normally the case that such decisions must be made at meetings of the co-owners held on a regular basis in accordance with national legal requirements. These meetings must in most countries be held in person following a defined procedure allowing for proper discussion and voting by co-owners on important decisions that must be taken to ensure the safety and maintenance of the building.

Today property managers are faced with the situation that these physical meetings are difficult or impossible to organise. This results from the social distancing measures that remain in place in a number of EU countries. Such measures present difficulties for property managers in carrying out their duties in accordance with legal requirements.

Difficulties may be presented in organising meetings of co-owners, which for practical reasons have to be held normally in indoor meeting rooms. Today there may be limits on the numbers of persons permitted in such rooms per square metre which mean that, even if it is possible to hold such a meeting, it is impractical or even impossible to find a suitable venue. There is a shortage of locations large enough to accommodate enough people in such circumstances, particularly at a time when hotels and other buildings with suitable meeting spaces may remain closed or unavailable.

Practical solutions need to be found to this problem. CEPI is in the process of developing a digital toolbox for its members and considering solutions for virtual meetings. In some countries, e.g. France, it has already been agreed that meetings of co-owners may take place virtually at a distance without requiring physical presence in a certain building. In France this was possible before the crisis if it had been approved by a previous general meeting. For the period 1 June to 31 January 2021 such a virtual meeting may take place without having received prior approval. Discussions are ongoing in several other countries that are considering similar alternatives. However, this does require changes to be made to national legislation, at least on a temporary basis.

Therefore, on behalf of property managers throughout Europe, CEPI asks that the possibility be allowed in these exceptional circumstances for the relevant national legislation to be adapted upon request to allow for meetings of co-owners to be held virtually whilst still respecting the proper decision-making process. This option is to be preferred to having meetings which are mixed (physical/virtual). We recognise that there are some concerns about such an exception, and that above all it must be ensured that all co-owners are given the opportunity to take part in such a process whilst also respecting the voting procedure. However, these concerns are outweighed by practical considerations in the current circumstances so that it is important that the necessary adaptations can be made as quickly as possible. Above all it is necessary to be prepared in the event of a continuation or recurrence of the current crisis.

Connecting European Real Estate Professionals Across Europe

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