

# SEOUL SPECIAL METROPOLITAN CITY ORDINANCE ON THE MAINTENANCE AND IMPROVEMENT OF URBAN AREAS AND DWELLING CONDITIONS FOR RESIDENTS

Enactment No. 4167, Dec. 30, 2003  
Amendment of Other Laws No. 4174, Mar. 05, 2004  
Partial Amendment No. 4238, Nov. 05, 2004  
Partial Amendment No. 4269, Mar. 17, 2005  
Partial Amendment No. 4281, Apr. 28, 2005  
Partial Amendment No. 4322, Sep. 30, 2005  
Partial Amendment No. 4330, Nov. 10, 2005  
Partial Amendment No. 4359, Jan. 01, 2006  
Partial Amendment No. 4426, Jul. 19, 2006  
Partial Amendment No. 4550, Jul. 30, 2007  
Partial Amendment No. 4601, Dec. 26, 2007  
Partial Amendment No. 4608, Mar. 12, 2008  
Partial Amendment No. 4609, Mar. 12, 2008  
Amendment of Other Laws No. 4629, May. 29, 2008  
Partial Amendment No. 4638, May. 29, 2008  
Partial Amendment No. 4657, Jul. 30, 2008  
Partial Amendment No. 4686, Sep. 30, 2008  
Partial Amendment No. 4721, Jan. 08, 2009  
Partial Amendment No. 4768, Apr. 22, 2009  
Partial Amendment No. 4824, Jul. 30, 2009  
Partial Amendment No. 4860, Sep. 29, 2009  
Partial Amendment No. 4949, Mar. 02, 2010  
Partial Amendment No. 5007, Jul. 15, 2010  
Partial Amendment No. 5080, Mar. 17, 2011  
Partial Amendment No. 5102, May. 26, 2011  
Amendment of Other Laws No. 5140, Jul. 28, 2011  
Partial Amendment No. 5237, Jan. 05, 2012  
Partial Amendment No. 5348, Jul. 30, 2012  
Partial Amendment No. 5417, Dec. 31, 2012  
Partial Amendment No. 5466, Mar. 28, 2013  
Partial Amendment No. 5563, Aug. 01, 2013  
Partial Amendment No. 5654, Jan. 09, 2014  
Partial Amendment No. 5701, May. 14, 2014  
Partial Amendment No. 5792, Jan. 02, 2015  
Partial Amendment No. 5924, May. 14, 2015  
Amendment of Other Laws No. 5930, May. 14, 2015  
Partial Amendment No. 5980, Jul. 30, 2015  
Partial Amendment No. 6038, Oct. 08, 2015  
Partial Amendment No. 6123, Jan. 07, 2016  
Partial Amendment No. 6188, Mar. 24, 2016  
Partial Amendment No. 6240, May. 19, 2016  
Partial Amendment No. 6299, Jul. 14, 2016  
Amendment of Other Laws No. 6303, Jul. 14, 2016  
Partial Amendment No. 6407, Jan. 05, 2017  
Partial Amendment No. 6408, Jan. 05, 2017  
Partial Amendment No. 6452, Mar. 23, 2017  
Partial Amendment No. 6544, Jul. 13, 2017  
Partial Amendment No. 6672, Sep. 21, 2017  
Amendment of Other Laws No. 6700, Jan. 04, 2018  
Partial Amendment No. 6775, Jan. 04, 2018  
Partial Amendment No. 6843, Mar. 22, 2018  
Whole Amendment No. 6899, Jul. 19, 2018  
Amendment of Other Laws No. 6916, Oct. 04, 2018  
Partial Amendment No. 7372, Sep. 26, 2019  
Amendment of Other Laws No. 7423, Dec. 31, 2019  
Amendment of Other Laws No. 7782, Dec. 31, 2020  
Partial Amendment No. 7862, Jan. 07, 2021  
Partial Amendment No. 8105, Jul. 20, 2021

Partial Amendment No. 8184, Sep. 30, 2021  
Amendment of Other Laws No. 8235, Dec. 30, 2021  
Partial Amendment No. 8294, Dec. 30, 2021  
Amendment of Other Laws No. 8468, Oct. 17, 2022  
Amendment of Other Laws No. 8530, Dec. 30, 2022  
Partial Amendment No. 8582, Dec. 30, 2022  
Partial Amendment No. 8675, Mar. 27, 2023  
Whole Amendment No. 8734, May. 22, 2023  
Partial Amendment No. 8849, Jul. 24, 2023  
Partial Amendment No. 8960, Oct. 04, 2023  
Amendment of Other Laws No. 8993, Dec. 29, 2023  
Partial Amendment No. 9052, Dec. 29, 2023  
Partial Amendment No. 9145, Mar. 15, 2024  
Partial Amendment No. 9245, May. 20, 2024  
Amendment of Other Laws No. 9270, May. 20, 2024  
Amendment of Other Laws No. 9289, May. 20, 2024  
Partial Amendment No. 9377, Sep. 30, 2024  
Partial Amendment No. 9455, Jan. 03, 2025  
Amendment of Other Laws No. 9487, Jan. 03, 2025

## Preamble

### CHAPTER GENERAL PROVISIONS

#### Article 1 (Purpose)

The purpose of this Ordinance is to provide for matters delegated by the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents and by the Enforcement Decree and the Enforcement Rules of the aforesaid Act and other matters necessary for the enforcement thereof. <Amended on Dec. 26, 2007; Jul. 30, 2009>

#### Article 2 (Definitions)

The terms used in this Ordinance shall have the same meanings as defined in the subparagraphs of Article 2 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents (hereinafter referred to as the "Act"), and other terms shall be defined as follows: <Amended on Dec. 26, 2007; Jul. 30, 2009>

1. "Existing unauthorized building" means a building erected without a permit, which falls under any of the following items:

<Amended on Sep. 30, 2008; Jul. 30, 2009>

(a) An unauthorized building registered on the unauthorized building register as of December 31, 1981; <Amended on Jul. 30, 2009>

(b) An unauthorized building that appears on an aerial photograph taken at the second time in 1981; <Amended on Jul. 30, 2009>

(c) An unauthorized building that is confirmed by the property tax payment register or other official record to have been erected on or before December 31, 1981; <Amended on Jul. 30, 2009>

(d) A residential building with a floor area of not more than 85 square meters, erected practically on or before April 8, 1982, or an unauthorized building that appears on an aerial photograph taken at the first time in 1982 or that is confirmed by the property tax payment register or other official record to have been erected on or before April 8, 1982; <Amended on Jul. 30, 2009>

(e) A building specified by an association's articles of association, among unauthorized buildings under Article 5 of the Addenda to the Enforcement Rule of the Act on Acquisition and Compensation of Land, etc. for Public Works and Compensation (Ordinance of the Ministry of Construction and Transportation No. 344); <Newly Inserted on Nov. 5, 2004; Jul. 30, 2008; Sep. 30, 2008; Jul. 30, 2009>

2. "New unauthorized building" means an unauthorized building that is not an existing unauthorized building under subparagraph 1; <Amended on Sep. 30, 2008; Jul. 30, 2009>

3. "Base date of the plan for management and disposal" means the day on which a period set for the application for parcelling-out sale under Article 46 (1) of the Act expires; <Amended on Sep. 30, 2008; Jul. 30, 2009>

4. "Value of rights" means the gross value of a pre-existing parcel of land or other property, calculated in accordance with Article 27 (3) as of the base date of a plan for management and disposal; <Amended on Sep. 30, 2008; Jul. 30, 2009>

5. "Density of units" means the number of units of buildings erected per hectare in a rearrangement zone, which indicates the density calculated in accordance with the following standards: <Amended on Sep. 30, 2008; Jul. 30, 2009>

(a) In cases of a collective housing building that has a structure designed for separate dwelling of each household and the ownership of which is partitioned by housing units, a unit on the floor with the greatest number of units shall be deemed one unit, and the number of units on other floors shall be excluded in the calculation; <Amended on Jul. 30, 2009; Mar. 2, 2010>

(b) New unauthorized buildings shall be excluded from the calculation of the number of units of buildings; <Amended on Jul. 30,

2009>

- (c) The calculation shall be based on an area from which the area occupied by parks that remain or are completely constructed and schools that remain in a rearranged zone are excluded; <Amended on Sep. 30, 2008; Jul. 30, 2009; Mar. 2, 2010; Jul. 15, 2010>
- (d) Where a separate house or a multi-family dwelling is converted into a multi-household house after the completion of the building, the calculation shall be based on the number of units existing before the conversion, irrespective of the registration of partitioned ownership; <Amended on Sep. 30, 2008; Jul. 30, 2009>
- (e) Where it is necessary to relocate an existing factory as part of a rearrangement project in a quasi-industrial area, the building site for the factory and buildings of the factory, out of the area in the rearrangement zone, shall be excluded from the calculation; <Amended on Sep. 30, 2008; Jul. 30, 2009>
- (f) In cases of a non-residential building, 90 square meters of the building area shall be deemed one unit, and any figure below the decimal point shall be cut off in the calculation; <Amended on Sep. 30, 2008; Jul. 30, 2009>
6. "Change of the project implementation method" means changing the implementation method of a housing redevelopment project pursuant to Article 80 (1) of the Act or Article 14 of the Addenda to the Act; <Amended on Sep. 30, 2008; Jul. 30, 2009>
7. "Head of a houseless household" means the head of a household under subparagraph 9 of Article 2 of the Rules on Housing Supply; <Amended on Sep. 30, 2008; Jul. 30, 2009>
8. "Building without approval for use" means a building practically completed with a building permit granted pursuant to relevant Acts and subordinate statutes but with no approval for use, approval of completion, or similar; <Amended on Sep. 30, 2008; Jul. 30, 2009; Jul. 30, 2009>
9. "Non-orthogonal or narrow and long parcel of land" means a parcel of land with an area of not less than 90 square meters but in an excessively non-orthogonal or narrow and elongated shape, which is determined by the Mayor as one inappropriate in fact for a building site; <Newly Inserted on Jul. 30, 2008; Sep. 30, 2008; Jul. 30, 2009; Jul. 15, 2010>
10. "House-to-Road Ratio" means an indicator for determining whether a rearranged infrastructure under subparagraph 1 (e) of Table 1 attached and related to Article 10 (1) of the Decree is insufficient, which shall be a ratio calculated by dividing the total number of buildings on a building site abutting by four meters long or more onto a road with a width of four meters or more respectively by the total number of buildings in a rearrangement zone: Provided, That in the case of a road extended by 35 meters or more to a dead end, the width shall be six meters; <Newly Inserted on Mar. 2, 2010>
11. "Base date of determination of rights" means the day on which public notice under Article 4 (5) of the Act is given, or the day specified by the Mayor separately after the establishment of a basic plan but before the designation and public notification of a rearrangement zone in order to curb speculative investments, when houses and other buildings are supplied as part of a rearrangement project pursuant to Article 50-2 of the Act. <Newly Inserted on Jul. 15, 2010>
- Article 3 (Decrepit or Substandard Buildings)
- (1) The standards for the determination of decrepit or substandard buildings under Article 2 (2) 1 of the Enforcement Decree of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents (hereinafter referred to as the "Decree") are as follows: <Amended on Dec. 26, 2007; Sep. 30, 2008; Jul. 30, 2009>
1. Reinforced, steel-framed, or steel-structure collective housing buildings: Table 1 attached hereto; <Amended on Jan. 1, 2006; Mar. 12, 2008; Sep. 30, 2008; Jul. 30, 2009>
- (a) 40 years for buildings with five or more floors, and 30 years for buildings with four or less floors, if completed on or after January 1, 1992; <Amended on Jul. 30, 2009>
- (b)  $22 + (\text{Completion year} - 1982) \times 2$  years for buildings with five or more floors, and  $21 + (\text{Completion year} - 1982)$  for buildings with four or less floors, if completed between January 1, 1982 and December 31, 1991; <Amended on Jul. 30, 2009>
- (c) 20 years for buildings completed on or before December 31, 1981; <Amended on Jul. 30, 2009>
2. Buildings where not less than two-thirds of the useful life under any of the following items, whichever is relevant, have passed, among collective housing buildings and existing unauthorized buildings that do not fall under subparagraph 1: <Amended on Mar. 12, 2008; Sep. 30, 2008; Jul. 30, 2009>
- (a) Reinforced, steel-framed, or steel-structured buildings: 60 years (excluding separate houses under subparagraph 1 of Table 1 attached to the Enforcement Decree of the Building Act); <Amended on Jan. 1, 2006; Sep. 30, 2008; Jul. 30, 2009>
- (b) Buildings other than those under item (a): 30 years. <Amended on Jul. 30, 2009>
- (2) The decrepit or substandard buildings under Article 2 (2) 3 of the Decree are as follows: <Amended on Sep. 30, 2008; Jul. 30, 2009>
1. Existing unauthorized buildings; <Amended on Jul. 30, 2009>
2. Houses that do not have a kitchen, a toilet, or a washroom; <Amended on Jul. 30, 2009>
3. Buildings in which the water supply system, drainage system, or sewerage system is decrepit and irreparable; <Amended on Jul. 30, 2009>
4. Other buildings specified by Rules. <Amended on Jul. 30, 2009>
- (3) The classification and structure of a building with no approval for use for a specific use shall conform to the details of the relevant building permit, and the year in which the property tax, water rate, or electric rate begins to be levied or billed shall be deemed the completion year. <Newly Inserted on Jul. 30, 2008; Sep. 30, 2008; Jul. 30, 2009>

## CHAPTER DESIGNATION OF REARRANGEMENT ZONES

### Article 4 (Requirements for Designation of Rearrangement Zones Requiring Establishment of Rearrangement Plan)

(1) The requirements for the designation of a zone for which a rearrangement plan shall be established pursuant to subparagraph 5 of Table 1 attached and related to Article 10 (1) of the Decree are as follows: <Amended on Jul. 30, 2008; Sep. 30, 2008; Jul. 30, 2009>

1. A residential environment improvement zone shall be any of the following areas in which the density of units is not less than 80: <Amended on Sep. 30, 2008; Jul. 30, 2009>

(a) An area in which the number of decrepit or substandard buildings amounts to not less than 60 percent of the total number of buildings therein; <Amended on Jan. 1, 2006; Jul. 30, 2009>

(b) An area in which the House-to-Road Ratio is not more than 20 percent; <Amended on Jul. 30, 2008; Sep. 30, 2008; Jul. 30, 2009; Mar. 2, 2010>

(c) An area in which the number of extremely small parcels (referring to parcels of less than 90 square meters each; the same shall apply hereinafter) and non-orthogonal or narrow and long parcels, which are not useful as building sites, amounts to not less than 50 percent. <Amended on Jul. 30, 2008; Sep. 30, 2008; Jul. 30, 2009; Jul. 15, 2010>

(d) <Deleted on Jul. 15, 2010>

2. A housing redevelopment zone shall be any of the following areas in which the number of decrepit or substandard buildings shall not be less than 60 percent of the number of buildings therein, and the area of such decrepit or substandard buildings shall not be less than 10,000 square meters (or 5,000 square meters, if the Seoul Special Metropolitan City Urban Planning Committee approves as a result of deliberation pursuant to Article 4 (4) of the Act): <Amended on Jul. 30, 2009; Jul. 15, 2010>

(a) An area in which the number of extremely small parcels (referring to parcels of less than 90 square meters each; the same shall apply hereinafter) and non-orthogonal or narrow and long parcels, not useful as building sites, amounts to not less than 50 percent; <Amended on Jul. 30, 2009; Jul. 15, 2010>

(b) An area in which the House-to-Road Ratio is not more than 40 percent (or an area in which the ratio is not more than 50 percent, if the area is a prospective housing redevelopment zone on the basic plan for the rearrangement of urban and residential environments, publicly notified pursuant to Article 3 (6) of the Act before this Ordinance enters into force); <Amended on Jul. 30, 2009>

(c) An area with a density of not less than 60 units. <Amended on Jul. 30, 2009>

(2) Notwithstanding paragraph (1), if the Seoul Special Metropolitan City Urban Planning Committee concludes as a result of deliberation under the latter part of subparagraph 5 of Table 1 attached and related to Article 10 (1) of the Decree that it is necessary in making building sites orthogonal and securing infrastructure efficiently, an area extended to not more than 110/100 of the originally contemplated rearrangement zone may be designated as a rearrangement zone. <Amended on Jul. 30, 2009; Mar. 2, 2010>

(3) "Area specified separately by City/Do Ordinance" under the proviso to subparagraph 3 (b) of Table 1 attached and related to Article 10 (1) of the Decree means an area in which a project is implemented by the unit of family (divided by a road with a width of not less than six meters) for medium- or low-storied buildings (not higher than seven floors) under the basic plan or a district unit plan established for a rearrangement project by the unit of greater region for the reconstruction of separate houses and in which the number of decrepit or substandard buildings amounts to not less than 60 percent of the number of the buildings therein or an area in which the number of decrepit or substandard buildings amounts to not less than 50 percent of the number of buildings therein and in which multi-household houses and multi-family dwelling built not less than 15 years ago amount to not less than 30 percent of the buildings therein. <Newly Inserted on Jul. 30, 2009; Mar. 2, 2010>

### Article 5 (Matters to be Surveyed for Establishment of Rearrangement Plan)

"Other matters specified by City/Do Ordinance" in Article 10 (2) 7 of the Decree means the following matters: <Amended on Jul. 30, 2009>

1. Current status of residing households and tenants; <Amended on Jul. 30, 2009>

2. Current status of the land use plan in the urban management plan; <Amended on Jul. 30, 2009>

3. Current status of land use categorized by owner and size; <Amended on Jul. 30, 2009>

4. Whether there are buildings erected with building permit and the current status of decrepit or substandard buildings; <Amended on Jul. 30, 2009>

5. Current status of buildings categorized by specific use, structure, size, and age (completion year); <Amended on Jul. 30, 2009>

6. Current status and local history of tangible or intangible cultural remains and protected trees in the rearrangement zone; <Amended on Jul. 30, 2009>

7. Current status of consent of owners of land and other property under subparagraph 9 of Article 2 of the Act (hereinafter referred to as "landowners") to the designation of the rearrangement zone (applicable only to cases promoted upon the residents' proposal); <Amended on Jul. 30, 2009; Mar. 2, 2010>

8. Current status of existing trees. <Amended on Jul. 30, 2009>

Article 6 (Residents' Proposal for Drafting Designation of Rearrangement Zone)

(1) When it is intended to propose a bill of a rearrangement plan to the head of Gu pursuant to Article 13-2 of the Decree, at least two-thirds of landowners in the area and owners of at least one-half of the land in the area shall consent to the proposal, but state-owned or public land shall be excluded from the calculation of the number of consenting persons and the consented area of land. <Amended on Jul. 30, 2009; Mar. 2, 2010>

(2) Where landowners proposes a bill, the bill shall include the following matters prescribed in each subparagraph of Article 5, and the form of the bill shall be prescribed by Rules. <Newly Inserted on Mar. 2, 2010>

(3) Article 28 of the Decree shall apply mutatis mutandis to the method and procedure for the calculation of the number of consenting persons under paragraph (1). <Amended on Jul. 30, 2009; Mar. 2, 2010>Article 7 (Minor Modification to Rearrangement Plan)

(1) "Changes in the matters specified by City/Do Ordinance" in subparagraph 12 of Article 12 of the Decree means the following cases: <Amended on Jul. 30, 2009>

1. A change in the name of a rearrangement zone; <Amended on Jul. 30, 2009>
2. A change in the decision to remove sharp street corners in a rearrangement zone pursuant to Article 14 of the Rule on the Standards for the Decision-Making, Structure, and Installation of Planned Urban Facilities; <Amended on Jul. 30, 2009>
3. A change in the plan for the improvement and amelioration of existing buildings under Article 13 (1) 3 of the Decree; <Amended on Jul. 30, 2009>
4. A change in the boundaries of rearrangement zones or districts for the adjustment of mutual borders, where rearrangement zones abut each other (including districts where a project is implemented by dividing a rearrangement zone into implementation districts); <Amended on Jul. 30, 2009>
5. A change for the correction of an area due to a simple error without a change in the boundaries of the rearrangement zone or district; <Amended on Jul. 30, 2009>
6. A change in a plan for the subdivision of a project implementation district or a building site plan with no change in the plan regarding the main use, the building-to-land ratio, the floor area ratio, or the height of a building under Article 4 (1) 5 of the Act; <Amended on Jul. 30, 2009; Mar. 2, 2010>
7. A change in rental housing or the construction ratio for each size of rental housing unit within the extent publicly notified by the Minister of Land, Transport and Maritime Affairs pursuant to Article 4-2 of the Act; <Amended on Jul. 30, 2009>
8. A change for increasing or decreasing the number of housing units to be built by not less than ten percent within the scope of the building plan prescribed in the rearrangement plan; <Amended on Jul. 30, 2009>
9. An inevitable change in the rearrangement plan due to an amendment of the Building Act or other relevant Act or subordinate statute or a change in the building plan as a result of the deliberation by the building committee organized pursuant to Article 4 of the aforesaid Act. <Amended on Jul. 30, 2009; Mar. 2, 2010>

(2) Minor modifications, of which the head of Gu may dispose with respect to a rearrangement plan are as follows: <Newly Inserted on Mar. 2, 2010>

1. A change of the area of a rearrangement zone by less than three percent pursuant to subparagraph 1 of Article 12 of the Decree;
2. A change of the size of the rearranged infrastructure by less than three percent pursuant to subparagraph 2 of Article 12 of the Decree;
3. A matter under any provision of subparagraphs 3 through 6, 8, and 11 of Article 12 of the Decree;
4. A change reducing the building-to-land ratio or the floor area ratio of a building or increasing the building-to-land ratio or the floor area ratio of a building by less than five percent pursuant to subparagraph 7 of Article 12 of the Decree;
5. A change of lowering the maximum height of a building pursuant to subparagraph 7-2 of Article 12 of the Decree;
6. A matter under any subparagraph of paragraph (1).

Article 8 (Contents of Rearrangement Plan and Detailed Standards therefor)

(1) "Other matters specified by City/Do Ordinance for the smooth implementation of rearrangement projects" in Article 13 (1) 9 of the Decree refers to contents of a rearrangement plan and detailed standards for rearrangement plans. <Amended on Jul. 30, 2009; Mar. 2, 2010>

(2) Contents of a rearrangement plan refers to the following matters: <Newly Inserted on Mar. 2, 2010>

1. A plan for households or subdivisions;
2. A plan for the construction of rental housing units (applicable only to a project for the rearrangement of urban environments, where collective housing buildings are built in a general residential area, a quasi-residential area with houses, a commercial area, or a quasi-industrial area);
3. Matters concerning the development of residents' sources of income (limited to projects for the improvement of residential environments);
4. Results of the environmental review (Article 27 (2) of the National Land Planning and Utilization Act shall apply mutatis mutandis);
5. Current status of existing trees and a plan for the utilization of such trees.

(3) "Detailed standards for rearrangement plans" refers to the following matters: <Newly Inserted on Mar. 2, 2010>

1. Common provisions:

- (a) In principle, no rearrangement zone shall include any existing park or greenbelt: Provided, That the foregoing shall not apply where it is necessary to restore the functions of a park or greenbelt, where necessary to repair a building in a park or greenbelt, or where necessary to improve the use of land;
- (b) The plan for a rearrangement zone in which collective housing buildings shall be erected shall be established in conformity with the standards for the installation of ancillary facilities, welfare facilities, etc. under the Regulation on Housing Construction Standards;
- (c) The plan for the repair and amelioration of existing buildings under Article 13 (1) 3 of the Decree shall be established separately for the maintenance, renovation, new construction after removal, removal and relocation, etc., taking into consideration of the age, specific use, structure, size, and location of buildings, whether authorized or unauthorized, and the degree of decrepit or substandard conditions;
- (d) If necessary, a rearrangement zone shall be divided into subdivisions for building sites of religious institutions, building sites of welfare facilities to be parcelled out for sale, and building sites of rental housing units to be erected in the rearrangement zone;
- (e) The scheduled period of the implementation of a rearrangement project under Article 4 (1) 7 of the Act shall be determined within four years from the date on which the designation of the rearrangement zone is publicly notified, taking into consideration the period that each project implementor needs for preparing an application for authorization for the implementation of the project;

2. The rearrangement plan for the project for the improvement of urban environments:

- (a) In principle, the building plan shall be a multi-purpose building plan for the restoration of distinct characteristics of the rearrangement zone and the functions of the city center and shall include the following matters:
- (i) A plan for the layout of buildings in accordance with the planned construction line for each district, a plan for public open spaces, a landscaping plan, a plan for the location of the main and secondary entrances of buildings in each district and the flow of pedestrians, a plan for the location of the entrances and exits of buildings for vehicles in each district and the flow of vehicles;
- (ii) A skyline plan for the rearrangement zone, taking into consideration the buildings in the neighborhood;
- (iii) A scenery plan for minimizing impacts on the scenic view of surroundings, if there is any cultural heritage or natural geographical feature;
- (iv) A aesthetic design plan, a plan for community support facilities, a plan for the installation of public facilities, and a plan for social mixing, if rental housing units for long-term lease on a deposit basis are built;
- (b) The maximum height of each building in an urban environment rearrangement zone shall be regulated by the standards prescribed in the basic plan under Article 3 of the Act;
- (c) The sizes of rental housing units that shall be built in a housing redevelopment project publicly notified by the Minister of Land, Transport and Maritime Affairs and the construction ratio of such a project shall apply mutatis mutandis to the sizes of rental housing units that shall be built when collective housing buildings for not less than 200 households are built in a general residential area and the construction ratio of such a project;
- (d) As regards the sizes of rental housing units that shall be built when collective housing buildings for not less than 200 households are built in a quasi-residential area, a quasi-industrial area, or a commercial area, each rental housing unit shall have an exclusive area of not less than 40 square meters, and the construction ratio shall not be less than the ratio calculated using the following formula: (17 percent of the number of all housing units to be built in the area or 10 percent of the gross area of the residential buildings) x (Ratio of the gross area of the residential buildings to the gross area of all buildings to be built in the area); <Amended on Jul. 15, 2010>
- (e) When collective housing buildings are built, housing units in the standard national housing size shall not be less than 60 percent of the total number of housing units and shall not be less than 50 percent of the gross area of all housing units;
- (f) If the floor area ratio is relaxed in consideration of the construction of housing units for long-term lease on a deposit basis, at least 50 percent of the relaxed floor area ratio shall be supplied for the housing units for long-term lease on a deposit basis.

Article 9 (Procedure, Expenses, etc. for Safety Examinations)

- (1) "Necessary matters concerning the procedure for requesting safety examinations and processing such requests" under Article 20 (5) of the Decree are as follows: <Amended on Jul. 30, 2009; Mar. 2, 2010>
1. If necessary to control the supply and demand of housing units in the neighborhood, etc., the head of Gu may make adjustments in conducting safety examinations; <Amended on Jul. 30, 2009; Mar. 2, 2010>
2. Necessary matters concerning requests for safety examinations shall be prescribed by Rules.
- (2) A person under any of the following subparagraphs shall, when he/she requests a safety examination pursuant to Article 21 (2) of the Decree, fully bear costs and expenses incurred therefor: <Amended on Mar. 2, 2010>
1. A person who requests a safety examination pursuant to Article 12 (1) 2 or 3 of the Act;
2. A person who requests a safety examination pursuant to Article 9 of the Addenda to the partially amended Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions (Act No. 9444).
- (3) As to calculation of the costs and expenses under paragraph (2), the consideration for safety examinations and close safety examinations under Article 8 of the Enforcement Decree of the Special Act on the Safety Control of Public Structures shall apply mutatis mutandis. <Amended on Jul. 30, 2009; Mar. 2, 2010>

#### Article 10 (Sizes and Construction Ratio of Housing Units in Housing Redevelopment Projects)

Pursuant to Article 13-3 (2) of the Decree, housing units with an exclusive area of not more than 60 square meters shall not be less than 20 percent of the total number of housing units to be built: Provided, That the foregoing shall not apply to a project implemented for medium- or low-storied buildings in the unit of household under Article 4 (3). <Newly Inserted on Jul. 30, 2009; Mar. 2, 2010>

### CHAPTER IMPLEMENTATION OF REARRANGEMENT PROJECTS

#### Article 11 (Documents for Application for Authorization for Establishment of Associations)

“Other documents specified by Ordinance of the Special Metropolitan City or a Metropolitan City or Do” in Article 7 (1) 10 of the Enforcement Rule of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions (hereinafter referred to as the “Enforcement Rule”) means the following documents: <Amended on Jul. 30, 2009>

1. The location map of the rearrangement zone and photographs showing the current status; <Amended on Jul. 30, 2009>
2. The current cadastral map indicating the topographical features of the land and buildings in the rearrangement zone; <Amended on Jul. 30, 2009>
3. A list of persons subject to claims for sale and a plan for claims for sale (limited to housing reconstruction projects); <Amended on Jul. 30, 2009>

#### Article 12 (Minor Modification to Matters Authorized for Establishment of Association)

“Other matters specified by City/Do Ordinance” in subparagraph 4 of Article 27 of the Decree means the following matters: <Amended on Jul. 30, 2009>

1. Matters discovered as obvious errors; <Amended on Jul. 30, 2009>
2. Matters that require simple arrangement in accordance with an amendment of an Act, subordinate statute, or municipal ordinance; <Amended on Jul. 30, 2009>
3. Matters that shall be modified in accordance with an amendment to authorization for the implementation of a project; <Amended on Jul. 30, 2009>
4. Matters that shall be modified in accordance with an amended approval of the management and disposal plan; <Amended on Jul. 30, 2009>
5. Matters that shall be modified as a consequence of the additional admission of a person subject to claim for sale as a member to the association; <Amended on Jul. 30, 2009>
6. Other matters specified by Rules. <Amended on Jul. 30, 2009>

#### Article 13 (Matters to be Stipulated by Articles of Association)

“Other matters prescribed by City/Do Ordinance” in subparagraph 17 of Article 31 of the Decree means the following matters: <Amended on Jul. 30, 2009>

1. Matters concerning the operation of the board of directors, including the installation, convening, administrative affairs, and resolution methods of the board of directors; <Amended on Jul. 30, 2009>
2. Matters concerning the construction and disposal of rental housing units in the urban environment rearrangement project; <Amended on Jul. 30, 2009>
3. Matters concerning the qualification of owners of existing unauthorized buildings under subparagraph 1 (e) of Article 2 for the membership of the association; <Amended on Jul. 30, 2009>
4. Matters concerning the selection of representatives of shareholders in joint ownership; <Amended on Jul. 30, 2009>
5. Matters concerning the grant of a right to subscribe for parcelling-out sale to a person who acquired a separate house or a multi-family dwelling that had been converted into a multi-family dwelling after its completion; <Amended on Jul. 30, 2009>
6. Matters concerning the special supply of housing units to persons selected by the head of Gu among persons who own houses demolished as part of an urban planning project in a new town district; <Amended on Jul. 30, 2009>
7. Matters concerning landowners' consent to an application for authorization for the implementation of a project under Article 28 (5) of the Act. <Amended on Jul. 30, 2009>

#### Article 14 (Minor Modifications to Articles of Association)

“Other matters specified by City/Do Ordinance” in subparagraph 3 of Article 32 of the Decree means the matters under subparagraph 1 of Article 13, unrelated to the execution of budget or any matter that imposes a burden on association members. <Amended on Jul. 30, 2009>

#### Article 15 (Preparation of Documents, etc. for Application for Authorization for Establishment of Associations)

(1) The application and accompanying documents for authorization for the establishment of an association under Article 7 of the Enforcement Rule shall be prepared in the following manner: <Amended on Jul. 30, 2009>

1. In principle, the articles of association shall be prepared based on the standard articles of association under Article 20 (2) of the Act mutatis mutandis; <Amended on Jul. 30, 2009>
2. In principle, the association shall have its principal place of business within the boundary of the Gu in which the project zone is situated; <Amended on Jul. 30, 2009>

3. The name and area of the project zone shall be identical with those in the rearrangement plan under Article 4 (1) of the Act; <Amended on Jul. 30, 2009>
  4. The number of association members shall be counted based on the number of persons on the list of association members, attached to the application; <Amended on Jul. 30, 2009>
  5. The letter of consent of landowners shall be in the form of the letter of consent prescribed in Article 7 (3) of the Enforcement Rule; <Amended on Jul. 30, 2009>
  6. The list of association members shall describe the identification numbers of association members, the addresses, names, and details of rights of consenting persons and shall be accompanied by a summarized list of consents showing the consent rate; <Amended on Jul. 30, 2009>
  7. Landowners' letter of recommendation of representatives or minutes of the general meeting of residents shall be submitted as evidential documents regarding the election of executives; <Amended on Jul. 30, 2009>
- (2) Paragraph (1) 2 through 4, 6, and 7 shall apply mutatis mutandis to the preparation of an application for approval for the committee for the promotion of establishment of an association under Article 6 of the Enforcement Rule. In such cases, "executives" under subparagraph 7 shall be construed as "committee members". <Amended on Jul. 30, 2009>
- Article 16 (Minor Modifications to Authorization for Implementation of Project)
- "Other matters prescribed by City/Do Ordinance" in subparagraph 12 of Article 38 of the Decree means modifications to the following matters: <Amended on Jul. 30, 2009>
1. Matters under subparagraph 1, 2, or 4 of Article 12 among enforcement regulations under subparagraph 8 of Article 30 of the Act; <Amended on Jul. 30, 2009>
  2. The representative of the project implementor under Article 41 (2) 3 of the Decree; <Amended on Jul. 30, 2009>
  3. Details of each right holder of rights to a parcel of land or a building under Article 41 (2) 8 of the Decree; <Amended on Jul. 30, 2009>
  4. The following matters among provisions of the covenant under Article 41 (2) 13 of the Decree: <Amended on Jul. 30, 2009>
    - (a) Matters under subparagraph 1, 2, or 4 of Article 12 where land has no owner other than the project implementor or among matters specified by covenant as those that shall be amended by the resolution of the general meeting; <Amended on Jul. 30, 2009>
    - (b) The domicile of the principal place of business; <Amended on Jul. 30, 2009>
    - (c) Landowners; <Amended on Jul. 30, 2009>
  5. Matters specified by relevant Acts as minor modifications to authorization, permission, or similar under any other Act, which shall be deemed to have been granted as constructive authorization, permission, or similar pursuant to Article 32 of the Act. <Amended on Jul. 30, 2009>
- Article 17 (Designated Developer's Deposit of Rearrangement Project Cost, etc.)
- (1) The amount that the designated developer of an urban environment rearrangement project in accordance with Article 29 (1) of the Act shall deposit be 10/100 of the rearrangement cost on the letter of authorization for the implementation of the project. <Amended on Jul. 30, 2009>
  - (2) The competent head of Gu shall notify the designated developer of the payment of the deposit under paragraph (1). <Amended on Jul. 30, 2009>
  - (3) A designated developer shall, upon receipt of a notice of the payment of the deposit under paragraph (2), may deposit the deposit in cash in the competent autonomous Gu's treasury or submit a letter of guarantee or similar under any of the following subparagraphs as the deposit: <Amended on Jul. 30, 2009>
    1. A guarantee insurance policy issued by an insurer under the Insurance Business Act; <Amended on Jul. 30, 2009>
    2. National or local bonds issued by the State or a local government; <Amended on Jul. 30, 2009>
    3. A letter of guarantee issued by the Korea Housing Guarantee Co., Ltd. under Article 76 of the Housing Act; <Amended on Jul. 30, 2009>
    4. A letter of guarantee issued by the Construction Guarantee under the Framework Act on the Construction Industry; <Amended on Jul. 30, 2009>
- Article 18 (Matters to be Prescribed by Enforcement Regulations)
- "Other matters prescribed by City/Do Ordinance" in Article 41 (1) 11 of the Decree means necessary matters relevant to each rearrangement project among the following matters: <Amended on Jul. 30, 2009>
1. Matters concerning the demolition of buildings; <Amended on Jul. 30, 2009>
  2. Matters concerning the relocation of residents; <Amended on Jul. 30, 2009>
  3. Matters concerning the compensation for land and buildings; <Amended on Jul. 30, 2009>
  4. Matters concerning housing supply. <Amended on Jul. 30, 2009>
- Article 19 (Methods for Division and Combination of Rearrangement Zones)
- (1) If necessary in efficiently implementing rearrangement projects or protecting urban scenic views pursuant to Article 34 (2) of the Act, the competent head of Gu may divide or combine rearrangement zones, but he/she shall change a rearrangement zone in accordance with subparagraph 9 of Article 12 of the Decree, if he/she intends to divide the zone, while he/she shall change

rearrangement zones in accordance with Article 4 (1) of the Act if he/she intends to combine areas separate from one another into a rearrangement zone. <Newly Inserted on Jul. 30, 2009>

(2) A rearrangement project implemented by combining areas separate from one another into a single rearrangement zone (hereinafter referred to as "combined rearrangement zone") pursuant to Article 34 (2) of the Act (hereinafter referred to as "combined rearrangement project") shall conform to the basic direction under the following subparagraphs: <Newly Inserted on Jul. 30, 2009>

1. An underdeveloped area necessary for the protection of the urban scenic view or cultural heritage may be combined into a subway area where land can be used in a highly efficient manner in order to implement a rearrangement project; <Newly Inserted on Jul. 30, 2009>

2. "Combined rearrangement project" means a project for the development of an area in which land use is restricted for the protection of the urban scenic view or cultural heritage (hereinafter referred to as "low-density management zone") by transferring the floor area ratio of such an area to a subway area where land can be used in a highly efficient manner (hereinafter referred to as "high-density development zone"); <Newly Inserted on Jul. 30, 2009>

3. Distinct characteristics of each locality shall be taken into consideration in establishing rearrangement plans, including land use plans, plans for the density and height of buildings, and plans for rearranged infrastructure. <Newly Inserted on Jul. 30, 2009>

(3) If it is intended to implement a combined rearrangement project in an area designated as a combined rearrangement zone, the project shall be implemented in compliance with the methods and procedure for implementation, prescribed in Table 2 attached hereto. <Newly Inserted on Jul. 30, 2009>

(4) Paragraphs (1) through (3) shall also apply mutatis mutandis to renewal facilitation projects under the Special Act on the Promotion of Urban Renewal. <Newly Inserted on Jul. 30, 2009>

Article 20 (Construction Ratio and Specific Use of Rebuilt Small Housing Units)

(1) "The ratio prescribed by City/Do Ordinance" in Article 30-3 (2) of the Act means 50/100 of the floor area ratio calculated by subtracting the floor area ratio specified in the rearrangement plan from the statutory maximum floor area ratio. <Newly Inserted on Jul. 30, 2009>

(2) "The specific use prescribed by City/Do Ordinance" in Article 30-3 (6) of the Act means to use housing units as rental housing units or housing units for long-term lease on a deposit basis. <Newly Inserted on Jul. 30, 2009>

Article 21 (Plan for Construction of Rental Housing Units)

(1) Each project implementor shall include a plan for securing building sites for rental housing units and the development of the building sites in the plan for the construction of rental housing units under subparagraph 5 of Article 30 of the Act and shall file an application for authorization for the implementation of the project, along with a list of persons eligible for the supply of the rental housing units. <Amended on Jul. 30, 2009>

(2) If necessary for the implementation of an urban environment rearrangement project, measures for tenants shall be taken in compliance with the following guidelines: <Amended on Jul. 30, 2009>

1. When the competent head of Gu authorizes the implementation of the project for a rearrangement zone or district in which tenants wish to buy a commercial space or a collective housing unit in a building newly built as part of the rearrangement project, he/she may recommend to sell the reserved area under Article 31 to tenants under Article 35 (1) 1 (hereinafter referred to as "qualified tenants") preferentially, prior to third parties; <Amended on Jul. 30, 2009>

2. As to qualification requirements for tenants eligible for the preferential parcelling-out sale under subparagraph 1, Article 35 shall apply mutatis mutandis; <Amended on Jul. 30, 2009>

3. If the implementation of a project is authorized under the condition that the project implementor shall sell the reserved area under Article 31 to tenants preferentially, prior to third parties, the project implementor shall include such condition in the details of public notice regarding the application for parcelling-out sale under Article 47 (1) of the Decree. <Amended on Jul. 30, 2009>

Article 22 (Construction of Rental Housing Units, etc.)

(1) Each project implementor may build rental housing units and sell them to the Seoul Metropolitan City Mayor (hereinafter referred to as the "Mayor") or designate the SH Corporation (hereinafter referred to as the "Corporation") as an implementor to have the Corporation build rental housing units. <Amended on Jul. 30, 2009>

(2) The competent head of Gu shall consult with Corporation about the following matters with regard to the plan for the construction of rental housing units to be built by a project implementor under paragraph (1): <Amended on Jul. 30, 2009>

1. The plan for the construction of rental housing units to be built in the rearrangement zone; <Amended on Jul. 30, 2009>

2. The list of persons eligible for dwelling in the rental housing units; <Amended on Jul. 30, 2009>

3. Costs for the construction of rental housing units and a report on the parcels of land included. <Amended on Jul. 30, 2009>

(3) When the Corporation builds rental housing units pursuant to paragraph (1), it shall report to the Mayor on the following matters: <Amended on Jul. 30, 2009>

1. The scale of the construction of rental housing units in the rearrangement zone and a building plan; <Amended on Jul. 30, 2009>

2. Costs of the construction of rental housing units and a report on parcels of land included; <Amended on Jul. 30, 2009>

3. Current status of dwelling in rental housing units in the neighborhood. <Amended on Jul. 30, 2009>

Article 23 (Purchase of Rental Housing Units, etc.)

A contract for the purchase of rental housing units to be built by a project implementor pursuant to Article 22 (1) and the payment of the purchase price shall be made in accordance with the following subparagraphs: <Amended on Jul. 30, 2009>

1. A contract for the purchase (hereinafter referred to as "purchase contract") of rental housing units (including building sites and ancillary welfare facilities; the same shall apply hereinafter) shall be made between the Mayor and the project implementor; <Amended on Jul. 30, 2009>

2. A purchase contract shall be made at the time the progress of the construction of rental housing units reaches or exceeds 20 percent. In such cases, the progress of construction shall be deemed 20 percent when frameworks for not less than one-half of all stories are completed; <Amended on Jul. 30, 2009>

3. The purchase price shall be an amount determined at the time the management and disposal plan under Article 48 (1) of the Act is approved with regard to the rearrangement project; <Amended on Jul. 30, 2009>

4. The purchase price shall be paid by down payment, interim payments, and balance in the following manner: <Amended on Jul. 30, 2009>

(a) 20 percent of the total amount shall be paid as a down payment at the time the purchase contract is made; <Amended on Jul. 30, 2009>

(b) Interim payments shall be paid in four installments according to the progress of construction, but 15 percent of the total amount shall be paid at each time when the progress of construction reaches or exceeds 35 percent, 50 percent, 65 percent, and 80 percent, respectively; <Amended on Jul. 30, 2009>

(c) 15 percent of the total amount shall be paid as part of the balance after the completion approval under Article 52 of the Act, and the remainder shall be paid on or after the day on which public notice of conveyance is given pursuant to Article 54 of the Act; <Amended on Jul. 30, 2009>

5. Notwithstanding subparagraph 2, the Mayor may adjust the time to make a contract within budgetary limits, if necessary for boosting rearrangement projects; <Amended on Jul. 30, 2009>

(2) When it is intended to build rental housing units by designating the Corporation as a project implementor pursuant to Article 22 (1), the contract for the purchase of building sites for the rental housing units and the payment of the price shall be made in the following manner: <Amended on Jul. 30, 2009>

1. The purchase contract for building sites of rental housing units shall be made between the Mayor and the project implementor after the development of building sites in the rearrangement zone is completed; <Amended on Jul. 30, 2009>

2. The purchase prices shall be the price calculated in accordance with Article 29 (1); <Amended on Jul. 30, 2009>

3. The purchase price shall be paid by down payment, interim payment, and balance in the following manner: <Amended on Jul. 30, 2009>

(a) 20 percent of the total amount shall be paid as the down payment at the time the purchase contract for building sites is made; <Amended on Jul. 30, 2009>

(b) The interim payment shall be 75 percent of the total amount, which shall be paid after the project implementor completes the survey on the current status of building sites of rental housing units and transfers the results of the survey; <Amended on Jul. 30, 2009>

(c) The balance shall be paid on or after the day on which public notice of conveyance is given pursuant to Article 54 of the Act. <Amended on Jul. 30, 2009>

(3) "The use specified by City/Do Ordinance" in Article 30-3 (6) of the Act means the utilization for rental housing and long-term lease on a deposit basis. <Newly Inserted on Jul. 30, 2009>

Article 24 (Procedure for Application for Parcelling-Out Sale, etc.)

(1) "Other matters specified by City/Do Ordinance" in Article 47 (1) 11 of the Decree means the following matters: <Amended on Jul. 30, 2009>

1. Notice about the application for parcelling-out sale; <Amended on Jul. 30, 2009>

2. The date of scheduled demolition and relocation. <Amended on Jul. 30, 2009>

(2) A person who intends to file an application for parcelling-out sale in accordance with Article 46 (2) of the Act shall submit an application for parcelling-out sale under Article 47 (1) 3 of the Decree along with the following documents: <Amended on Jul. 30, 2009>

1. Details of the pre-existing ownership of land or buildings; <Amended on Jul. 30, 2009>

2. Documents proving the right to file an application for parcelling-out sale; <Amended on Jul. 30, 2009>

3. Documents proving the qualification for the application for parcelling-out sale, where the qualification is expressly prescribed by this Ordinance or articles of association or similar under subparagraph 11 of Article 2 of the Act; <Amended on Jul. 30, 2009>

4. A written opinion about the desired building site or building and its size among building sites or buildings on parcelling-out sale within the limitations set by the standards under the management and disposal plan. <Amended on Jul. 30, 2009>

Article 25 (Preparation Methods for Application for Approval of Management and Disposal Plan, etc.)

Each project implementor shall prepare an application for approval of the management and disposal plan under Article 48 (1) of the Act in accordance with the following methods: <Amended on Jul. 30, 2009>

1. Plans for parcelling-out sale under Article 48 (1) 1 of the Act shall include the following matters: <Amended on Jul. 30, 2009>

- (a) The survey report and drawings of the property subject to the management and disposal plan; <Amended on Jul. 30, 2009>
- (b) The details of building sites for rental housing units, the value and the disposition method of the building sites, the list of tenants eligible for the supply of rental housing units (limited to a rearrangement zone in which rental housing units are built); <Amended on Jul. 30, 2009>
- (c) Drawings of the land prearranged for land substitution; <Amended on Jul. 30, 2009>
- (d) Pre-existing cadastral maps of land or drawings of forest; <Amended on Jul. 30, 2009>

2. A copy of the resolution of the general meeting on the management and disposal plan under Article 24 (3) 10 of the Act and each copy of applications for parcelling-out sale (including reports on rights) under Article 46 (1) of the Act shall be attached thereto; <Amended on Jul. 30, 2009>

3. Other documents proving the details of the management and disposal plan shall be attached thereto. <Amended on Jul. 30, 2009>

Article 26 (Guidelines, etc. for Management and Disposal of Housing Redevelopment and Urban Environment Rearrangement Projects)

The management and disposal plan for a housing redevelopment project or an urban environment rearrangement project under Article 48 (1) of the Act shall be established in compliance with the following guidelines: <Amended on Jul. 30, 2009>

1. The area of a pre-existing parcel of land owned by a person shall be based on the official cadastral register for each parcel of land under subparagraph 1 of Article 2 of the Cadastral Act (or the certificate of land prearranged for land substitution where the method of project implementation is changed) as of the base date of the management and disposal plan; Provided, That if a parcel of land is jointly owned by a multiple number of persons, the area shall be based on shares in joint-ownership on the real estate register (or the certificate of land prearranged for land substitution where the project implementation method is changed); <Amended on Jul. 30, 2009>

2. The preemptive rights arising from the occupation of a parcel of state-owned or public land shall be recognized in accordance with the results of the cadastral survey conducted along the boundaries of the parcel of land, as provided for in relevant Acts, subordinate statutes, articles of association, etc.; <Amended on Jul. 30, 2009>

3. The area of a pre-existing building owned by a person shall be based on the building register for each building as of the base date of the management and disposal plan, but the area of a part built in violation of any Act or subordinate statute shall be excluded therefrom: Provided, That the area may be based on property tax imposition records or the results of survey, if articles of association, etc. prescribe expressly otherwise; <Amended on Jul. 30, 2009>

4. The ownership of a pre-existing parcel of land or other property shall be based on the real estate register (or the certificate of land prearranged for land substitution where the project implementation method is changed) as of the base date of the management and disposal plan, the date of acquisition of the ownership shall be based on the filing date on the real estate register: Provided, That the ownership of an existing unauthorized building (including a building with no approval) shall be based on the certificate of an existing unauthorized building, issued by the competent head of Gu or Dong, or other materials proving ownership; <Amended on Jul. 30, 2009>

5. A person who has a right arising from the occupation of a parcel of state-owned or public land shall be determined by the right recognized pursuant to subparagraph 2 as one arising from the occupation; <Amended on Jul. 30, 2009>

6. Where the competent head of Gu recommends an appraiser under Article 48 (5) and (6) of the Act, or where an appraiser under the Public Notice of Values and Appraisal of Real Estate Act conducts an appraisal, with respect to state-owned or public property included in the building sites under Article 2 (1) 1 of the Building Act, such appraisal shall be conducted in accordance with Articles 32, 48 (1) 4, and 66 (5) of the Act. <Amended on Jul. 30, 2009>

Article 27 (Eligibility for Parcelling-Out Sale of Housing Redevelopment Project, etc.)

(1) In order to be eligible for the parcelling-out sale of collective housing units to be built under a housing redevelopment project pursuant to Article 52 (1) 3 of the Decree, a person shall be a landowner under any of the following subparagraphs as of the base date of the management and disposal plan: <Amended on Jul. 30, 2009>

1. A person who owns a housing unit (including an existing unauthorized building used in fact for dwelling) among pre-existing buildings; <Amended on Jul. 30, 2009>

2. A parcelling-out sale applicant who owns a pre-existing parcel of land with a total area of not less than 90 square meters; <Amended on Jul. 30, 2009; Mar. 2, 2010; Jul. 15, 2010>

3. A parcelling-out sale applicant, the value of whose rights reaches or exceeds the estimated amount of one collective housing unit in the minimum size for the parcelling-out sale: Provided, That the value of rights may be calculated by aggregating the values of rights held by all members of a household, if parcelling-out sale applicants are members of one and the same household; <Amended on Jul. 30, 2009; Jul. 15, 2010>

4. A person who has a parcel of land designated as a substitute parcel of land according to the project implementation method before changed, if the project implementation method is changed. In such cases, the provisions of subparagraphs 1 through 3 need not apply; <Amended on Jul. 30, 2009>

5. A person who received compensation for a pre-existing house (including a building used in fact for dwelling) where an infrastructure facility is to be installed pursuant to a renewal facilitation plan pursuant to Article 11 (4) of the Special Act on the

Promotion of Urban Renewal. <Amended on Jul. 30, 2009>

(2) Notwithstanding paragraph (1), a multiple number of parcelling-out sale applicants shall be deemed a single parcelling-out sale applicant in any of the following cases: <Amended on Jul. 30, 2009; Jul. 15, 2010>

1. Where a separate house or a multi-family dwelling is converted into a multi-household dwelling after the base date of the determination of rights; <Amended on Jul. 30, 2009; Jul. 15, 2010>
2. Where several parcelling-out sale applicants belong to one household pursuant to Article 19 (1) 2 of the Act; <Amended on Jul. 30, 2009; Jul. 15, 2010>
3. Where one house or a parcel of land is owned by several persons: Provided, That the foregoing shall not apply to a person whose share in a parcel of land that has been jointly owned since before the base date of the determination of rights reaches or exceeds 90 square meters; <Amended on Jul. 30, 2009; Jul. 15, 2010>
4. Where one parcel of land is divided into several parcels after the base date of the determination of rights; <Amended on Jul. 30, 2009; Jul. 15, 2010>
5. Where a parcel of land and a house that were situated within the boundaries of one building site and were owned by one and the same person are separated after the completion of the building and the parcel of land and the building are separately owned: Provided, That the foregoing shall not apply to a person who has owned a parcel of not less than 90 square meters since before the base date of the determination of rights; <Amended on Jul. 30, 2009; Jul. 15, 2010>
6. Where a new building is built on a vacant lot, or a multi-household house or other collective housing units are built after demolishing an existing building, after the base date of the determination of rights and consequently the number of landowners increases. <Amended on Jul. 30, 2008; Jul. 30, 2009; Jul. 15, 2010>

(3) A parcel of land that falls under any of the following subparagraphs shall not be included in the calculation of the total area of a pre-existing parcel of land under paragraph (1) 2 and the value of a right under paragraph (1) 3: <Amended on Jul. 30, 2009>

1. A parcel of land where a part of the parcel of land or a share in the joint ownership of the parcel of land is acquired after the base date of the determination of rights, if the land within the boundaries of one building site under Article 2 (1) 1 of the Building Act consists of a multiple number of parcels; <Amended on Jul. 30, 2009; Jul. 15, 2010>
2. A parcel of land separated from a building thereon and acquired separately after the base date of the determination of rights, if the building occupies the parcel of land within the boundaries of one building site; <Amended on Jul. 30, 2009; Jul. 15, 2010>
3. A parcel of land where a part of the parcel of land or a share in the ownership of the parcel of land is acquired after the base date of the determination of rights by dividing the parcel of land into several parts. <Amended on Jul. 30, 2009; Jul. 15, 2010>

(4) Notwithstanding the provisions of paragraphs (1) through (3), all persons who have a substitute parcel of land designated may be deemed independent parcelling-out sale applicants respectively regardless of the area of the substitute parcel and whether the substitute parcel of land is jointly owned, if the project implementation method is changed. <Amended on Jul. 30, 2009>  
Article 28 (Eligibility for Parcelling-Out Sale in Projects for Reconstruction of Separate Houses, etc.)

(1) In order to be eligible for the parcelling-out sale of collective housing units built by a project for the reconstruction of separate houses pursuant to the proviso to Article 52 (2) 1 of the Decree, a person shall be a landowner under any of the following subparagraphs as of the base date of the management and disposal plan: <Amended on Jul. 30, 2009>

1. A person who owns a house and the land attached to the house among pre-existing buildings; <Amended on Jul. 30, 2009>
2. A parcelling-out sale applicant, the value of whose rights reaches or exceeds the estimated amount of one collective housing unit in the minimum size for the parcelling-out sale: Provided, That the value of rights may be calculated by aggregating the values of rights held by all members of a household, if parcelling-out sale applicants are members of one and the same household; <Amended on Jul. 30, 2009; Jul. 15, 2010>

(2) Notwithstanding paragraph (1), a multiple number of parcelling-out sale applicants shall be deemed a single parcelling-out sale applicant in any of the following cases: <Amended on Jul. 30, 2009; Jul. 15, 2010>

1. Where a separate house or a multi-family dwelling is converted into a multi-household house after the base date of the determination of rights; <Amended on Jul. 30, 2009; Jul. 15, 2010>
2. Where a multiple number of parcelling-out sale applicants belong to one household pursuant to Article 19 (1) 2 of the Act; <Amended on Jul. 30, 2009; Jul. 15, 2010>
3. Where one house and the land attached to the house are owned by a multiple number of persons; <Amended on Jul. 30, 2009; Jul. 15, 2010>
4. Where a new building is built on a vacant lot, or a multi-household house or other collective housing units are built after demolishing an existing building, after the base date of the determination of rights, and consequently the number of landowners increases. <Amended on Jul. 30, 2009; Jul. 15, 2010>

Article 29 (Calculation of Estimated Value of Building Sites or Buildings to be Sold by Parcelling-Out Sale)

(1) The value of a building site or a building to be sold by parcelling-out sale as a result of a housing redevelopment project under Article 48 (5) 1 of the Act shall be estimated by calculating the arithmetic mean of the amounts appraised by two or more appraisers under the Public Notice of Values and Appraisal of Real Estate Act (hereinafter referred to as "appraisers"): Provided, That the following guidelines shall apply to collective housing units (including shares in the joint ownership of a building site; the same shall apply hereinafter): <Amended on Jul. 30, 2009>

1. Items that shall be added to the construction cost and the value of attached parcels of land under Article 54-2 (2) of the Decree with regard to the transfer price of redeveloped rental housing units shall be determined through negotiations in accordance with the Rule on the Calculation of the Parcelling-Out Sale Price of Collective Housing Units and Table 1 attached to the Enforcement Rule of the Rental Housing Act: Provided, That parcels of land attached to rental housing units that have been additionally built with the floor area ratio relaxed for the construction of housing units for long-term lease on a deposit basis shall be deemed donated to the transferee; <Amended on Jul. 30, 2009; Jul. 15, 2010>

2. The value of collective housing units that do not fall under subparagraph 1 shall be determined by calculating the arithmetic mean of the values appraised by two or more appraisers, based on the ground presented by the project implementor for the calculation of cost (referring to the price of building sites, construction cost, and other expenses incurred in the implementation of the project). In such cases, the opinions of two or more appraisers recommended by the competent head of Gu shall be taken into consideration. <Amended on Jul. 30, 2009>

(2) Notwithstanding paragraph (1) 1 and 2, the value of the building site of rental housing units shall be estimated in accordance with the following guidelines: <Amended on Jul. 30, 2009>

1. The state-owned or public land within a rearrangement zone shall be sold preferentially to persons who hold the preemptive right arising from the occupation of the land, and the costs of the development of building sites secured with the remaining area for rental housing shall be determined as the costs of the development of housing sites under paragraph (1) 1; <Amended on Jul. 30, 2009>

2. If the area secured in accordance with subparagraph 1 is insufficient for the building sites for rental housing units, the value of the area of state-owned or public land preferentially sold to persons who hold the preemptive right arising from the occupation of the land shall be the amount calculated by adding the costs of the development of housing sites under subparagraph 1 to the amount determined by applying the arithmetic mean of sale prices of the state-owned or public land within the rearrangement zone; <Amended on Jul. 30, 2009>

3. If the area secured in accordance with subparagraphs 1 and 2 is insufficient for building sites for rental housing units, the value of the remaining area shall be the amount calculated by adding the costs of the development of housing sites under subparagraph 1 to the amount obtained by applying the arithmetic mean unit price of previous land prices of privately owned parcels of land within the rearrangement zone. <Amended on Jul. 30, 2009>

(3) The estimated value of the building sites or buildings to be sold by parcelling-out sale as a result of an urban environment rearrangement project under Article 48 (5) 1 of the Act shall be calculated with the arithmetic mean of the values appraised by two or more appraisers: Provided, That as to construction plans, an efficiency index (referring to an index that indicates an efficiency rate that is taken into consideration in appraisal according to the location, direction, specific floor, and specific use of each unit of a building to be sold by parcelling-out sale) may be applied concurrently. <Amended on Jul. 30, 2009>

Article 30 (Guidelines for Housing Supply, etc.)

(1) The guidelines for the housing supply of a housing redevelopment project under Article 52 (1) 8 of the Decree are as follows: <Amended on Jul. 30, 2009>

1. The value of rights held by a person shall be equivalent to the sale price of the housing unit he/she intends to buy. In such cases, if the value of rights falls between the sale prices of two different housing units, the person eligible for the parcelling-out sale shall have an option to choose one of those housing units; <Amended on Jul. 30, 2009>

2. Notwithstanding subparagraph 1, if articles of association or similar expressly prescribe, housing units may be sold by parcelling-out sale in accordance with the following guidelines; <Amended on Jul. 30, 2009>

(a) Housing units in the standard national housing size may be sold to persons whose rights have a higher value than others' rights; <Amended on Jul. 30, 2009>

(b) In the case of housing units larger than the standard national housing size, if not more than 50 percent of the total number of housing units built are to be sold by parcelling-out sale to eligible persons, up to 50 percent of housing units in each size may be sold by parcelling-out sale to persons whose rights have higher value than others' rights, but if housing units in the standard national housing size are insufficient for parcelling out sale to the eligible persons under Article 27 and thus it is required to settle in cash, additional housing units for such shortage may be supplied to persons whose rights have the higher value than other's rights; <Amended on Jul. 30, 2009>

3. If there is competition in parcelling-out sale of housing units in an identical size, such housing units shall be sold to persons whose rights have a higher value than others' rights, but if such rights have the same value, housing units shall be sold by open lot, and the specific building, floor, and unit number of each housing unit shall be determined by open lot for each size of housing units. <Amended on Jul. 30, 2009>

(2) The commercial facilities and other ancillary welfare facilities developed as part of a housing redevelopment project or an urban environment rearrangement project shall be supplied in the following order of priority as of the base date of the management and disposal plan: <Amended on Jul. 30, 2009>

1. First priority: An owner of a pre-existing building, if the specific use of the pre-existing building is the same or similar as the specific use of a building to be sold, he/she has business registration completed (including license, permit, and reporting; the same shall apply hereafter in this paragraph), and the value of his/her rights (referring to the value excluding the sale price of a collective

housing unit, if he/she has bought a collective housing unit; the same shall apply hereafter in this paragraph) is not less than the estimated value of a building to be sold in the minimum unit size for the parcelling-out sale; <Amended on Jul. 30, 2009>

2. Second priority: An owner of a pre-existing building, if the specific use of the pre-existing building is the same as or similar to the specific use of a building to be sold and the value of his/her rights is not less than the estimated value of a building to be sold in the minimum unit size for the parcelling-out sale; <Amended on Jul. 30, 2009>

3. Third priority: An owner of a pre-existing building, if the specific use of the pre-existing building is the same as or similar to the specific use of a building to be sold, he/she has business registration completed, and the value of his/her rights is less than the estimated value of a building to be sold in the minimum unit size for the parcelling-out sale, but he/she has not bought a collective housing unit through the parcelling-out sale; <Amended on Jul. 30, 2009>

4. Fourth priority: An owner of a pre-existing building, if the specific use of the pre-existing building is the same as or similar to the specific use of a building to be sold and the value of his/her rights is less than the estimated value of a building to be sold in the minimum unit size for the parcelling-out sale, but he/she has not bought a collective housing unit through the parcelling-out sale; <Amended on Jul. 30, 2009>

5. Fifth priority: A person who has not bought a collective housing unit through the parcelling-out sale, if the value of his/her rights is not less than the estimated value of a building to be sold in the minimum unit size for the parcelling-out sale; <Amended on Jul. 30, 2009>

6. Sixth priority: A person who has bought a collective housing unit through the parcelling-out sale, if the value of his/her rights is not less than the estimated value of a building to be sold in the minimum unit size for the parcelling-out sale. <Amended on Jul. 30, 2009>

#### Article 31 (Reserved Area, etc.)

Each project implementor shall secure the reserved area under Article 48 (3) of the Act in preparation for omissions of eligible persons, errors, litigation, etc. in supplying housing units, etc. pursuant to Article 30, and the guidelines for the designation and disposition of the reserved area are as follows: <Amended on Jul. 30, 2009>

1. If persons have a right to claim preferential purchasing under Article 64 (2) of the Act, part of collective housing units not exceeding one percent of all collective housing units to be sold to landowners through parcelling-out sale pursuant to Articles 48 and 50 of the Act and part of ancillary welfare facilities, including commercial facilities, may be designated as a reserved area; <Amended on Jul. 30, 2009>

2. When a project implementor intends to designate an area as a reserved area in excess of one percent under subparagraph 1, he/she shall submit a statement of causes thereof and evidential documents therefor to the competent head of Gu for approval; <Amended on Jul. 30, 2009>

3. Each project implementor shall determine persons eligible for parcelling-out sale of the reserved area through the resolution by the general meeting, except persons who have a right to claim preferential purchasing or persons who meet the criteria for the qualification for landowners under relevant Acts, Decrees or this Ordinance; <Amended on Jul. 30, 2009>

4. Article 29 shall apply mutatis mutandis to the sale price of a reserved area; <Amended on Jul. 30, 2009>

5. If there is any remaining area left after a reserved area is disposed of pursuant to subparagraphs 1 through 4, such area shall be disposed of pursuant to Article 34. <Amended on Jul. 30, 2009>

#### Article 32 (Persons Excluded from Those Eligible for Housing Supply by Housing Environment Improvement Projects)

Persons who shall be excluded from housing supply in accordance with the proviso to subparagraph 2 of Table 2 attached in relation to Article 54 (1) of the Decree shall be landowners who own a parcel of land of less than 90 square meters. <Amended on Jul. 30, 2009; Jul. 15, 2010>

#### Article 33 (Lease Deposit and Rent for Housing Environment Improvement Projects)

As to the lease deposit and rent for the rental housing units within a residential environment improvement zone under subparagraph 1 (c) (2) of Table 3 attached in relation to Article 54 (2) of the Decree, the relevant provisions of Acts and subordinated statutes governing rental housing shall apply. <Amended on Jul. 30, 2009>

#### Article 34 (General Parcelling-Out Sale)

In establishing a management and disposal plan, housing units to be supplied to landowners pursuant to Article 50 (1) of the Act and building sites, except the reserved area subject to the disposition under Article 31, and buildings (hereinafter referred to as "facilities allotted in recompense for development outlay") shall be disposed of in accordance with the following guidelines: <Amended on Jul. 30, 2009>

1. Collective housing units, among facilities allotted in recompense for development outlay, shall be sold by parcelling-out sale to the general public, as prescribed by the Rule of Housing Supply. In such cases, the supply price may be separately determined by the project implementor, taking into consideration the price determined pursuant to Article 57 of the Decree; <Amended on Jul. 30, 2009>

2. Ancillary welfare facilities for parcelling-out sale, among facilities allotted in recompense for development outlay, shall be sold at the price determined in accordance with Article 57 of the Decree, as prescribed by the Rule of Housing Supply: Provided, That if tenants (referring to tenants who have continued their business since earlier than three months before the day on which it is publicly announced that public inspection is made available for the designation of a rearrangement zone until the day on which they

vacate due to authorization for the implementation of the project) wish to purchase a housing unit, housing units shall be sold preferentially to such tenants in the following order of priority: <Amended on Jul. 30, 2009>

(a) First priority: A tenant of a pre-existing building, if the specific use of the pre-existing building is the same as or similar to the specific use of a building to be sold and he/she has engaged in a business registration with business registration thereof completed; <Amended on Jul. 30, 2009>

(b) Second priority: A tenant of a pre-existing building, if the specific use of the pre-existing building is the same as or similar to the specific use of a building to be sold and he/she has engaged in a business therein; <Amended on Jul. 30, 2009>

3. Notwithstanding subparagraphs 1 and 2, if a person who owns a house demolished as a consequence of an urban planning project in a new town district (limited to a person who does not own any house other than the demolished house) wishes to buy a housing unit in a rearrangement zone in the neighborhood, the competent head of Gu shall supply a housing unit specially to such a person pursuant to Article 19 (2) of the Rule on Housing Supply. <Amended on Jul. 30, 2009>

Article 35 (Persons Eligible for Supply of Rental Housing Units of Housing Redevelopment Projects, etc.)

(1) "Persons specified by City/Do Ordinance" in subparagraph 2 (a) (4) of Table 3 attached and related to Article 54 (2) of the Decree refers to the persons under any of the following subparagraphs: <Amended on Jul. 30, 2009>

1. A tenant who is the head of a houseless household and has resided in the rearrangement zone continuously since earlier than three months before the day on which the availability of public inspection is publicly announced for the designation of a rearrangement zone under Article 11 of the Decree (referring to the day on which it is publicly announced that public inspection is made available for the change of the project implementation method, if the project implementation method is changed), based on the date recorded in the resident registration card for each household, until the day on which he/she moves out due to authorization for the implementation of the project (or moves out with permission from the competent head of Gu, if a building is demolished pursuant to Article 48-2 (2) of the Act): Provided, That tenants who reside in a new unauthorized building shall be excluded herefrom; <Amended on Jul. 30, 2009; Jul. 15, 2010>

2. A landowner eligible for the supply of a housing unit in the rearrangement zone but relinquishes his/her right to file an application for parcelling-out sale; <Amended on Jul. 30, 2009>

3. A tenant who resides in any housing redevelopment zone other than the rearrangement zone and is the head of a houseless household qualified for a rental housing unit under subparagraph 1; <Amended on Jul. 30, 2009>

4. The owner of a house demolished due to an urban planning project (excluding a rearrangement project under this Act) implemented in the neighborhood of the rearrangement zone or the head of a houseless household who resides in such a house, who is selected by the Mayor with recommendation by the competent head of Gu; <Amended on Jul. 30, 2009>

5. Other persons specified by Municipal Rules. <Amended on Jul. 30, 2009>

(2) The guidelines for the judgement on households eligible for the supply under paragraph (1) 1 are as follows: <Amended on Jul. 30, 2009>

1. A household comprised of husband and wife or lineal ascendants or descendants on the resident registration card for the household since earlier than three months before the day on which the availability of public inspection is publicly announced for the designation of a rearrangement zone until they move into a rental housing unit. A household where a divorced mother shares residence with her lineal ascendants or descendants shall be included in such cases; <Amended on Jul. 30, 2009>

2. A household that is designated by the competent head of Gu as a household headed by a minor with two or more family members recorded on the resident registration card for the household; <Amended on Jul. 30, 2009>

3. A household comprised of only two or more siblings recorded on the resident registration card for the household. In such cases, the head of the household shall be a person who is at least 30 years of age or whose income meets the criteria under Article 4 of the Income Tax Act; <Amended on Jul. 30, 2009>

4. If a household does not have a spouse or a lineal ascendant or descendant recorded on the resident registration card for the household since more than three months before the day on which the availability of public inspection is publicly announced (or the day on which a decision on the project plan is publicly notified with regard to a rearrangement zone designated on or before June 30, 1996 or the day on which the availability of public inspection is publicly announced for a change in the project implementation method, if there is a change in the project implementation method) until the household moves out, the head of the household shall be eligible for rental housing, only if he/she is at least 30 years of age or his/her income meets the criteria under Article 4 of the Income Tax Act: Provided, That residents who share residence with a householder but who are recorded as a separate household on the resident registration card shall not be eligible for rental housing, and only one rental housing unit shall be supplied, if there are a several households recorded on a resident registration card as residents in one and the same house. <Amended on Jul. 30, 2009; Jul. 15, 2010>

(3) The rental housing units of a housing redevelopment project under subparagraph 2 (b) of Table 3 attached and related to Article 54 (2) of the Decree shall be supplied in the following order of priority: <Amended on Jul. 30, 2009>

1. First priority: Persons under paragraph (1) 1;

2. Second priority: Persons under paragraph (1) 2;

3. Third priority: Persons under paragraph (1) 3;

4. Fourth priority: Persons under paragraph (1) 4;

5. Fifth priority: Persons under paragraph (1) 5.

Article 36 (Rental Housing and Housing Supply through Urban Environment Rearrangement Projects, etc.)

As to the rental housing and housing supply through urban environment rearrangement projects, Articles 21 (1), 22, 23, 27, 29 (1) and (2), 30, 31, and 33 through 35 shall apply mutatis mutandis: Provided, That as to the qualification for tenants of a housing unit for long-term lease on a deposit basis, Article 54 (3) of the Decree shall apply mutatis mutandis. <Amended on Jul. 30, 2009; Mar. 2, 2010>

Article 37 (Public Notice of Completion of Construction Works)

The competent head of Gu shall, upon receipt of a notice of approval that the Korea National Housing Corporation or other project implementor has given in its discretion pursuant to the proviso to Article 55 (1) of the Decree, give public notice of the matters under the subparagraphs of Article 55 (2) of the Decree through the official bulletin of the autonomous Gu. <Amended on Jul. 30, 2009>

## CHAPTER BEARING OF COSTS AND EXPENSES, ETC.

Article 38 (Subsidization for Costs and Expenses for Rearranged Infrastructure, etc.)

(1) The Mayor may grant a full or partial subsidy to the competent head of Gu for costs and expenses for the installation of rearranged infrastructure under any of the following subparagraphs pursuant to Article 60 (2) of the Act and Article 58 of the Decree: <Amended on Jul. 30, 2009>

1. Major rearranged infrastructure to be installed in a residential environment improvement zone; <Amended on Jul. 30, 2009>

2. Motor ways under Article 61 of the Road Act, main highways and auxiliary highways under Article 3 of the Rule on the Standards for the Structure and Facilities of Roads, and parks under Article 15 of the Act on Urban Parks, Greenbelts, etc. (excluding small parks and children's parks) within a housing redevelopment zone. <Amended on Jul. 30, 2009>

(2) Pursuant to Article 63 of the Act, the Mayor may grant a partial subsidy to a project implementor for costs and expenses for the installation of rearranged infrastructure installed as part of a rearrangement project in any of the following cases: <Amended on Jul. 30, 2009>

1. Rearranged infrastructure installed in a residential environment improvement zone; <Amended on Jul. 30, 2009>

2. Roads for planned urban facilities with a width of not less than eight meters, small parks, children's parks, and greenbelts, installed in a housing redevelopment zone: Provided, That roads for planned urban facilities with a width of less than eight meters shall be included, if a redevelopment project is implemented in order to develop various residential areas for medium- and low-income households consistent with the geographical features in any of the following areas approved by the Mayor: <Amended on Jul. 30, 2009; Mar. 2, 2010>

(a) A hilly district at not less than 40 meters above sea level, for which a rearrangement project is promoted; <Amended on Jul. 30, 2009>

(b) An area where the scenic view must be conserved; <Amended on Jul. 30, 2009>

(c) A low-density development area with buildings of maximum seven stories; <Amended on Jul. 30, 2009>

3. Roads for planned urban facilities with a width of not less than eight meters, small parks, children's parks, and greenbelts, which are installed in an area where a project for buildings of medium- and low-stories for the households under Article 4 (3); <Newly Inserted on Mar. 2, 2010>

4. Infrastructure rearranged through an urban environment rearrangement project implemented by the competent head of Gu due to any of the following causes: <Amended on Jul. 30, 2009>

(a) Where it is required to implement a project urgently due to a natural disaster or any similar event; <Amended on Jul. 30, 2009>

(b) Where it is required to implement a project in connection with an urban planning project implemented by the Mayor; <Amended on Jul. 30, 2009>

(c) Where the scale of construction is limited due to an urban environment rearrangement project implemented in an area near a cultural heritage asset or any similar asset in order to preserve cultural heritage; <Amended on Jul. 30, 2009>

(d) Where a project is implemented as a result of prior consultation of the competent head of Gu with the Mayor in order to boost the construction of public buildings or local economy otherwise; <Amended on Jul. 30, 2009>

(e) Where a project is implemented for the purpose of utilizing at least 30 percent of the gross area of buildings for residential use in order to secure urban residential space; <Amended on Jul. 30, 2009>

(f) An urban environment rearrangement project implemented by the restorative redevelopment method (referring to a method of redeveloping a rearrangement zone by dividing the zone into blocks and following existing roads and the system of parcels of land, contrary to the complete demolition method); <Amended on Jul. 30, 2009>

(3) The competent head of Gu may, if he/she finds that a rearranged infrastructure that a project implementor is obligated to install pursuant to Article 64 (1) of the Act is not likely to function well enough or the efficiency in the use of such an infrastructure is likely to be insufficient because the site secured for installing the rearranged infrastructure is not large enough for the infrastructure, may require the project implementor to deposit costs and expenses for the installation of the rearranged infrastructure in the Gu's treasury. <Amended on Jul. 30, 2009>

(4) The Mayor may, if the head of any Gu establishes a rearrangement plan, grant subsidies for costs and expenses necessary for the plan within the extent prescribed by Municipal Rules. <Amended on Jul. 30, 2009>

Article 39 (Limits on Loans for Project Costs)

(1) The Mayor may grant partial subsidies to a person who implements an urban environment rearrangement project for the restoration of functions of the city for costs and expenses for the rearrangement project within the following limits: <Amended on Jul. 30, 2009>

1. Not more than 80 percent of the construction costs for a project implemented by the head of Gu; <Amended on Jul. 30, 2009>

2. Not more than 40 percent of the construction cost for a project implemented by any person other than the head of Gu.

<Amended on Jul. 30, 2009>

(2) "Other matters specified by City/Do Ordinance" in Article 60 (4) 5 of the Decree means operating expenses of a committee for the promotion of the establishment of an association or an association, design expenses, and other service fees. Loans may be given in accordance with the following guidelines within the limitations prescribed by Article 60 (4) of the Decree: <Amended on Jul. 30, 2009; Sep. 29, 2009; Jul. 15, 2010>

1. The interest rate on loans shall be determined by the Mayor within the maximum of the interest rate on general loans lent by commercial banks; <Amended on Jul. 30, 2009>

2. A project implementor shall pay off loans before it files an application for approval for the completion of the rearrangement project. <Amended on Jul. 30, 2009; Sep. 29, 2009>

(3) Except as provided for in paragraphs (1) and (2), necessary matters concerning loans shall be prescribed by Municipal Rules. <Amended on Jul. 30, 2009>

Article 40 (Guidelines for Recognition of Preemptive Rights Arising from Occupation and Use of State-Owned or Public Land, etc.)

(1) The guidelines for preferential sale under Article 66 (4) of the Act to owners of a building (excluding a new unauthorized building) who occupies and uses a parcel of state-owned or public land in a rearrangement zone are as follows: <Amended on Jul. 30, 2009>

1. The area recognizable as occupied and used shall be the area actually used by a building with boundaries separately identifiable by walls: Provided, That the area shall not exceed 200 square meters; <Amended on Jul. 30, 2009>

2. If it is difficult to identify boundaries, the vertical lines from the edge of eaves shall be boundaries; <Amended on Jul. 30, 2009>

3. If a building that occupies and uses a parcel of state-owned or public land under subparagraph 1 or 2 occupies and uses both a private-owned parcel of land and the parcel of state-owned or public land, the area of the state-owned or public land, including the privately-owned land, shall not exceed 200 square meters. <Amended on Jul. 30, 2009>

(2) The area occupied and used under paragraph (1) shall be calculated in accordance with the results of the cadastral survey under the Cadastral Act. <Amended on Jul. 30, 2009>

(3) If a person who occupies and uses a parcel of state-owned or public land intends to buy the parcel preferentially in accordance with paragraph (1), he/she shall execute a purchase contract with the authorities responsible for the management of the state-owned or public land until an application for approval of the management and disposal plan is filed. <Amended on Jul. 30, 2009>

Article 41 (Management and Disposal of State-Owned or Public Land in Residential Environment Improvement Zones)

(1) As to the management and disposal of state-owned or public land in a residential environment improvement zone, which has been transferred to the project implementor pursuant to Article 68 (5) of the Act, Articles 22 and 26 (3) 3 of the Seoul Special Metropolitan City Ordinance on the Management of Public Property and Commodity and Article 80 of the Enforcement Decree of the Public Property and Commodity Management Act shall apply mutatis mutandis. <Amended on Jul. 30, 2009>

(2) The authorities responsible for the management of state-owned or public land shall, when the authorities dispose of a transferred parcel of land, register a special agreement that the contract on the disposition of the land shall be cancelled if the relevant residential environment improvement project is cancelled. <Amended on Jul. 30, 2009>

CHAPTER SUPERVISION, ETC.

Article 42 (Reporting on Results of Implementation of Rearrangement Projects)

(1) Pursuant to Article 75 (1) of the Act, each head of Gu shall report to the Mayor on the results of the implementation of the following matters within ten days from the date on which a relevant disposition is made: <Amended on Jul. 30, 2009>

1. Designation and public notification of a project implementor under Article 7 or 8 of the Act: <Amended on Jul. 30, 2009>

2. Designation and public notification of a project agent under Article 9 of the Act; <Amended on Jul. 30, 2009>

3. Authorization for (or amended authorization for or acceptance of a report on) the establishment of an association under Article 16 of the Act; <Amended on Jul. 30, 2009>

4. Authorization for (or amended authorization for, approval for suspension or discontinuance of, or acceptance of a report on) the implementation of a project under Article 28 of the Act; <Amended on Jul. 30, 2009>

5. Approval of (or acceptance of a report on) and public notification of a management and disposal plan (or a revision thereto) under Article 48 or 49 of the Act; <Amended on Jul. 30, 2009>

6. Approval for the invitation of prospective buyers for general parcelling-out sale under Article 48 (3) of the Act and Article 8 of the

Rule on Housing Supply; <Amended on Jul. 30, 2009>

7. Completion approval (including the permission for use before completion approval) and public notification of project completion under Article 52 of the Act; <Amended on Jul. 30, 2009>

8. Designation and public notification of an amended rearrangement zone under subparagraph 3 of Article 45. <Amended on Jul. 30, 2009>

(2) Pursuant to Article 75 (1) of the Act, each head of Gu shall report to the Mayor on the following matters by not later than the seventh day of the month immediately following the end of each quarter: <Amended on Jul. 30, 2009>

1. Details of an order to submit data, or details of an investigation into business performance, under Article 75 (2) of the Act:

<Amended on Jul. 30, 2009>

2. Results of an accounting audit reported by a project implementor in accordance with Article 76 of the Act; <Amended on Jul. 30, 2009>

3. Current status of dispositions made in connection with the supervision under Article 77 (1) and (2) of the Act. <Amended on Jul. 30, 2009>

Article 42-2 (Qualification for Members of Committee for Mediation of Disputes on Urban Affairs)

“Other persons specified by City/Do Ordinance as those who have expertise in rearrangement projects” in Article 77-2 (2) 4 of the Act means persons under any of the following subparagraphs: <Newly Inserted on Mar. 2, 2010>

1. Members of the autonomous Gu Council at issue;

2. Members of the urban planning committee or the building committee of the autonomous Gu Council at issue.

Article 42-3 (Composition and Operation of Committee for Mediation of Disputes on Urban Affairs)

(1) The term of office for public officials under Article 77-2 (2) 1 of the Act and the committee chairperson, among members of the committee for the mediation of disputes on urban affairs (hereinafter referred to as the “mediation committee”), shall be equal to the term of service of each of them as a public official, while the term of office for commissioned committee members shall be two years, and the terms may be renewed consecutively. <Newly Inserted on Mar. 2, 2010>

(2) The mediation committee shall have the following sectional committees: <Newly Inserted on Mar. 2, 2010>

1. Sectional committee I: Mediation of disputes between an association or a promotion committee and an association member or a landowner;

2. Sectional committee II: Mediation of other disputes that are not under the jurisdiction of the sectional committee I.

(3) The committee chairperson shall convene meetings of the mediation committee, preside over the meetings, and perform the following duties: Provided, That if the committee chairperson is unable to perform his/her duties due to extenuating circumstances, a committee member elected by and from among committee members shall act on behalf of the committee chairperson: <Newly Inserted on Mar. 2, 2010>

1. The committee chairperson shall, when he/she intends to convene a meeting of the mediation committee, notify each committee member of the date, time, place of the meeting, disputes brought up for mediation, and other matters by not later than five days before holding the meeting;

2. The committee chairperson may authorize the competent sectional committee to conduct preliminary examination prior to the examination by the mediation committee;

3. If the committee chairperson considers it necessary for efficient examination and mediation, he/she may conduct a field investigation or summon parties to the mediation, appropriate experts, and competent public officials to attend a meeting and make statements of their opinions.

(4) A meeting of the mediation committee shall be duly formed with the attendance of the majority of incumbent committee members, and a resolution shall be adopted by a concurrent vote of the majority of committee members present at the meeting: Provided, That each sectional committee shall adopt a resolution by a concurrent vote of all members. <Newly Inserted on Mar. 2, 2010>

(5) The mediation committee shall have one senior secretary and one secretary in order to have them handle administrative affairs, and the Grade VI public official responsible for the management of administrative affairs of the mediation committee shall serve as the senior secretary, while the public official in charge of such administrative affairs shall serve as the secretary. <Newly Inserted on Mar. 2, 2010>

(6) A member of the mediation committee shall be excluded from the course of the examination and resolution on a dispute brought up for mediation in any of the following cases: <Newly Inserted on Mar. 2, 2010>

1. Where a committee member was or is involved in services, appraisal, expropriation, or research in connection with the dispute brought up for mediation;

2. Where a committee member was or is a relative by blood of a party to the dispute brought up for mediation;

3. Where a committee member has a direct interest in the dispute filed for mediation.

(7) Either party to a dispute may file a challenge against a committee member, if he/she has any ground to believe that it is difficult for him/her to expect the fairness in the examination and resolution. In such cases, the chairperson of the mediation committee shall make a decision on such a challenge without raising the challenge to the mediation committee for resolution. <Newly Inserted on Mar. 2, 2010>

(8) If a committee member has a ground to be challenged, he/she may voluntarily exclude him/herself from the examination and resolution of the dispute brought up for mediation. <Newly Inserted on Mar. 2, 2010>

(9) Members of the mediation committee shall be reimbursed for allowances, travel expenses, and other expenses within budgetary limits, and actual expenses incurred in trips for investigations and field inspections may also be reimbursed. <Newly Inserted on Mar. 2, 2010>

Article 42-4 (Petitioning and Procedure for Mediation by Mediation Committee and Procedure)

(1) A mediation petitioner shall submit two sets of written mediation petitions, and the mediation committee shall deliver one set of the mediation petition to the opposite party to the mediation. <Newly Inserted on Mar. 2, 2010>

(2) A person on receipt of a mediation petition shall submit a written answer within 20 days: Provided, That if the person gives a notice to the mediation committee in writing that he/she will make an appearance before the committee to make oral statements, he/she may choose not to submit a written answer. <Newly Inserted on Mar. 2, 2010>

(3) Other matters necessary for the operation of the mediation committee shall be prescribed by Municipal Rules. <Newly Inserted on Mar. 2, 2010>

## CHAPTER PUBLIC ADMINISTRATION OF REARRANGEMENT PROJECTS

Article 43 (Definitions)

The terms used in this Chapter shall be defined as follows: <Newly Inserted on Jul. 15, 2010>

1. "Public administrator" refers to the head of Gu who carries out the affairs under the subparagraphs of Article 77-4 (2) of the Act; <Newly Inserted on Jul, 15, 2010>

2. "Entrusted administrator" refers a person to whom public administration is entrusted pursuant to Article 77-4 (2) of the Act; <Newly Inserted on Jul, 15, 2010>

3. "Drawing documents" refers to documents necessary for bidding, including drawings, the bill of quantity, and other documents regarding the subject matter; <Newly Inserted on Jul, 15, 2010>

4. "Clean-up system" means an integrated web-site for disclosure of information, established by the Mayor for assisting promotion committees or associations in the disclosure of information under Article 81 (1) of the Act via the Internet and the management of such disclosure of information. <Newly Inserted on Jul, 15, 2010>

Article 44 (Projects subject to Public Administration)

"Projects specified by City/Do Ordinance" in Article 77-4 (1) of the Act means rearrangement projects implemented by each association under Article 8 of the Act: Provided, That the following rearrangement projects shall be excluded herefrom: <Newly Inserted on Jul, 15, 2010>

1. A housing redevelopment project in any zone other than rearrangement zones under Article 6 of the Decree; <Newly Inserted on Jul, 15, 2010>

2. An urban environment rearrangement project where the number of landowners as of the day on which a rearrangement zone is designated and publicly notified pursuant to Article 4 (5) of the Act is less than 100 persons and the construction ratio of residential buildings is less than 50 percent. <Newly Inserted on Jul, 15, 2010>

Article 45 (Scope of Application of Public Administration, Bearing of Expenses, etc.)

(1) The competent head of Gu shall carry out public administration from the day on which the Mayor designates and publicly notifies a rearrangement zone pursuant to Article 4 (5) of the Act to the day on which the contractor is selected at the general meeting of the association and shall bear the following expenses therefor: <Newly Inserted on Jul, 15, 2010>

1. Expenses incurred in the services for the organization of the promotion committee and in entrustment to the competent Election Commission; <Newly Inserted on Jul, 15, 2010>

2. Fees for entrusted administration. <Newly Inserted on Jul, 15, 2010>

(2) An association may, if it intends to receive assistance in affairs other than those under the subparagraphs of Article 77-4 (2) of the Act after the contractor is selected, file an application with the competent head of Gu, subject to prior resolution of its general meeting. <Newly Inserted on Jul, 15, 2010>

(3) The head of Gu shall, upon receipt of an application from an association pursuant to paragraph (2), designate an institution under the latter part of Article 77-4 (1) of the Act and notify the association of his/her designation, and the association shall execute a contract with the institution on the scope of assistance, fees, and other matters and shall bear expenses incurred therefor. <Newly Inserted on Jul, 15, 2010>

Article 46 (Scope of Duties of Public Administrators)

"Other matters specified by City/Do Ordinance" in Article 77-4 (2) 4 of the Act means the following duties: <Newly Inserted on Jul, 15, 2010>

1. Entrustment of the competent Election Commission with the election of committee members for the organization of a promotion committee; <Newly Inserted on Jul, 15, 2010>

2. Assistance in other work regarding the method of selecting service providers; <Newly Inserted on Jul, 15, 2010>

3. Assistance in preparation for the establishment of an association; <Newly Inserted on Jul, 15, 2010>

4. Assistance in the operation of a promotion committee or an association and the disclosure of information. <Newly Inserted on Jul, 15, 2010>

Article 47 (Election Management Methods, etc.)

The Mayor may establish guidelines for election management, including the following matters, with regard to the election of members of a promotion committee or an association: <Newly Inserted on Jul, 15, 2010>

1. Matters concerning the entrustment of work to the competent Election Commission; <Newly Inserted on Jul, 15, 2010>
2. Matters concerning the holding of explanatory events for residents; <Newly Inserted on Jul, 15, 2010>
3. Matters concerning public notice of registration and the registration of candidates; <Newly Inserted on Jul, 15, 2010>
4. Matters concerning the holding of joint speeches; <Newly Inserted on Jul, 15, 2010>
5. Matters concerning the conduct of residents' elections; <Newly Inserted on Jul, 15, 2010>
6. Other matters necessary for election management. <Newly Inserted on Jul, 15, 2010>

Article 48 (Guidelines for Selection of Contractors, etc.)

(1) Each association shall select a contractor at the general meeting by competitive bidding. <Newly Inserted on Jul, 15, 2010>

(2) An association shall, when it selects a contractor pursuant to paragraph (1), prepare drawing documents that reflect the project implementation plan approved pursuant to Article 28 of the Act and shall call for bids. <Newly Inserted on Jul, 15, 2010>

(3) A promotion committee or an association shall select a person who reported his/her business in accordance with Article 23 of the Certified Architects Act as a design architect at the general meeting by competitive bidding. <Newly Inserted on Jul, 15, 2010>

(4) The Mayor may establish guidelines for the methods for the selection of business entities specializing in administration of rearrangement projects, design architects, and contracts, including the following matters: <Newly Inserted on Jul, 15, 2010>

1. Detailed procedure for the selection of business entities; <Newly Inserted on Jul, 15, 2010>
2. Functions and roles of public administrators, etc. for each stage of the selection of business entities; <Newly Inserted on Jul, 15, 2010>
3. Matters necessary for the method for the selection of other business entities and assistance therein. <Newly Inserted on Jul, 15, 2010>

(5) The Mayor may establish guidelines for the selection of service providers under subparagraph 2 of Article 46 by applying the provisions of paragraph (3) mutatis mutandis. <Newly Inserted on Jul, 15, 2010>

Article 49 (Designation, etc. of Entrusted Administrators)

(1) A public administrator who intends to entrust a person with public administration pursuant to Article 77-4 (1) of the Act shall designate a person as the entrusted administrator by applying the Regulation on the Delegation or Entrustment of Administrative Authorities mutatis mutandis. <Newly Inserted on Jul, 15, 2010>

(2) The Mayor may prepare and distribute a standard agreement form including the following matters: <Newly Inserted on Jul, 15, 2010>

1. Purposes of entrustment;
2. Rights and obligations of parties;
3. Location and area of the zone;
4. Scope of entrusted works;
5. Period of Entrustment;
6. Methods for the execution of contract and the payment of fees;
7. Matters concerning supervision;
8. Matters necessary for the termination of the agreement and entrusted administration.

Article 50 (Assistance in Establishment of Associations, etc.)

(1) The Mayor may provide a promotion committee or an association with programs with which project cost and other expenses can be roughly calculated. <Newly Inserted on Jul, 15, 2010>

(2) The head of a promotion committee or an executive of an association shall enter necessary matters, including the rearrangement plan, in the program under paragraph (1) through the web-site designated by the Mayor from the time the promotion committee or the association receives consents to the time the management and disposal plan is adopted at the general meeting of the association. <Newly Inserted on Jul, 15, 2010>

Article 51 (Subsidization for Expenses, etc.)

Pursuant to Article 77-4 (4) of the Act, the Mayor may grant subsidies to the head of each Gu within the maximum of 70 percent of expenses incurred in the following works pursuant to Article 9 of the Seoul Special Metropolitan City Ordinance on the Management of Subsidies, taking into consideration each autonomous Gu's financial strength: <Newly Inserted on Jul, 15, 2010>

1. Expenses incurred in the organization of a promotion committee under Article 77-4 (2) 1 of the Act; <Newly Inserted on Jul, 15, 2010>
2. Fees from entrustment of public administration under Article 77-4 (1) of the Act. <Newly Inserted on Jul, 15, 2010>

Article 52 (Disclosure of Information about Public Administration)

Each public administrator and each entrusted administrator shall disclose related data under the following subparagraphs concurrently via the Internet and by other means: <Newly Inserted on Jul, 15, 2010>

1. Matters concerning the designation of and contracting with an entrusted administrator under Article 77-4 (1) of the Act; <Newly Inserted on Jul, 15, 2010>
2. Matters concerning the selection of and contracting with a business entity not specializing in projects under Article 77-4 (2) 2 of the Act; <Newly Inserted on Jul, 15, 2010>
3. Matters concerning the management of elections of members of a promotion committee and executives of an association. <Newly Inserted on Jul, 15, 2010>

#### Article 53 (Submission of Data)

The chairperson of a promotion committee or the head of an association shall submit the following data to the public administrator (including an entrusted administrator) so that the competent head of Gu can carry out public administration efficiently: <Newly Inserted on Jul, 15, 2010>

1. Matters concerning the holding of general meetings of a promotion committee, residents' general meetings, general meetings of an association, and directors' meetings and representatives' meetings of an association; <Newly Inserted on Jul, 15, 2010>
2. Matters concerning planning for the selection of contractors, design architects, and business entities specializing in rearrangement projects and the contracting with such contractors, design architects, and business entities specializing in rearrangement projects; <Newly Inserted on Jul, 15, 2010>
3. Other matters specified by Municipal Rules. <Newly Inserted on Jul, 15, 2010>

#### Article 54 (Methods for Disclosure of Data, etc.)

(1) "Matters specified by City/Do Ordinance as those subject to disclosure" in Article 22 (1) of the Enforcement Rule refers to the following data, and the further specific method for the disclosure of data shall be prescribed by Municipal Rules: <Newly Inserted on Jul, 15, 2010>

1. The project implementation plan; <Newly Inserted on Jul, 15, 2010>
2. The management and disposal plan; <Newly Inserted on Jul, 15, 2010>
3. Other matters specified by Municipal Rules as data in an excessive volume or personal information that shall be protected. <Newly Inserted on Jul, 15, 2010>

(2) The chairperson of each promotion committee or executives of each association shall disclose the data under the subparagraphs of Article 81 (1) of the Act to the public through the clean-up system. <Newly Inserted on Jul, 15, 2010>

## CHAPTER SUPPLEMENTARY PROVISIONS

#### Article 55 (Transfer of Related Data)

Pursuant to Article 81 (4) of the Act, a project implementor, other than the Korea National Housing Corporation, shall transfer the following documents to the competent head of Gu within three months from the date on which public notice of conveyance is given pursuant to Article 54 of the Act or within two months from the day on which the rearrangement project is discontinued: Provided, That if the head of Gu finds that there is an extenuating circumstance, he/she may defer the deadline for the transfer upon the request of the project implementor: <Amended on Jul, 30, 2009>

1. Documents regarding public notice of conveyance; <Amended on Jul, 30, 2009>
2. Documents regarding final survey; <Amended on Jul, 30, 2009>
3. Documents regarding liquidation; <Amended on Jul, 30, 2009>
4. Documents regarding the registration application; <Amended on Jul, 30, 2009>
5. Documents regarding appraisal; <Amended on Jul, 30, 2009>
6. Documents regarding compensation for losses and expropriation; <Amended on Jul, 30, 2009>
7. Documents regarding the installation of joint zones and the apportionment of costs and expenses; <Amended on Jul, 30, 2009>
8. Documents regarding accounting and contracts; <Amended on Jul, 30, 2009>
9. Documents regarding accounting audits; <Amended on Jul, 30, 2009>
10. Documents regarding general meetings, representatives' meetings, directors' meetings, and the auditor's audits; <Amended on Jul, 30, 2009>
11. Documents regarding the disposition of reserved areas and facilities allotted in recompense for development outlay and the parcelling-out sale to persons who hold an option to preferential purchase. <Amended on Jul, 30, 2009>

#### Article 56 (Operation, Rates, etc. of Fund for Rearrangement of Urban and Residential Environments)

(1) The fund for the rearrangement of urban and residential environments under Article 82 (1) and (4) of the Act (hereinafter referred to as the "rearrangement fund") shall be included in the special account for housing projects of the Seoul Special Metropolitan City for operation and management. <Amended on Jul, 30, 2009>

(2) The rate of the rearrangement fund that shall be set aside out of the urban planning tax pursuant to Article 71 (1) of the Decree shall be 10/100 of the total amount collected. <Amended on Jul, 30, 2009>

(3) The rate of the rearrangement fund that shall be transferred from the sale price of public land in a rearrangement zone pursuant to Article 82 (2) 3 of the Act shall be 30/100 of the sale price. <Amended on Jul, 30, 2009>

(4) The rate of the rearrangement fund that shall be set aside out of the development charge pursuant to Article 82 (4) of the Act

shall be 50/100 of the portion that shall be vested in each local government. <Amended on Jul, 30, 2009>

(5) "Matters specified by City/Do Ordinance" in Article 82 (3) 1 (d) of the Act means operating expenses of each association, design fees and other service fees, expenses incurred in taking measures in relation to tenants, and moving expenses for association members. <Newly Inserted on Jul, 30, 2009>

Article 57 (Delegation of Authority)

The Mayor shall delegate his/her authority for the following matters to the head of each Gu: <Amended on Jul, 30, 2009>

1. Matters concerning the execution of sale contracts for rental housing units of each rearrangement project and the payment of sale prices in installments (down payment, interim payments, and balance); <Amended on Jul, 30, 2009>
2. The establishment of a rearrangement plan for a rearrangement zone designated as a residential environment improvement district pursuant to the former Act on Temporary Measures for the Improvement of Dwelling and Other Living Conditions for Low-Income Urban Residents before the Act entered into force. <Amended on Jul, 30, 2009>

Article 58 (Procedure for Collection of Fines for Negligence)

The procedure for the collection of fines for negligence shall be governed by the Act on the Regulation of Violations of Public Order. <Amended on Jul, 30, 2009>

## CHAPTER GENERAL PROVISIONS

### Article 1 (Purpose)

CHAPTER GENERAL PROVISIONS The purpose of this Ordinance is to provide for matters delegated by the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents and by the Enforcement Decree and the Enforcement Rules of the aforesaid Act and other matters necessary for the enforcement thereof. <Amended on Dec. 26, 2007; Jul. 30, 2009>

### Article 2 (Definitions)

The terms used in this Ordinance shall have the same meanings as defined in the subparagraphs of Article 2 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents (hereinafter referred to as the "Act"), and other terms shall be defined as follows: <Amended on Dec. 26, 2007; Jul. 30, 2009>

1. "Existing unauthorized building" means a building erected without a permit, which falls under any of the following items:

<Amended on Sep. 30, 2008; Jul. 30, 2009>

- (a) An unauthorized building registered on the unauthorized building register as of December 31, 1981; <Amended on Jul. 30, 2009>
  - (b) An unauthorized building that appears on an aerial photograph taken at the second time in 1981; <Amended on Jul. 30, 2009>
  - (c) An unauthorized building that is confirmed by the property tax payment register or other official record to have been erected on or before December 31, 1981; <Amended on Jul. 30, 2009>
  - (d) A residential building with a floor area of not more than 85 square meters, erected practically on or before April 8, 1982, or an unauthorized building that appears on an aerial photograph taken at the first time in 1982 or that is confirmed by the property tax payment register or other official record to have been erected on or before April 8, 1982; <Amended on Jul. 30, 2009>
  - (e) A building specified by an association's articles of association, among unauthorized buildings under Article 5 of the Addenda to the Enforcement Rule of the Act on Acquisition and Compensation of Land, etc. for Public Works and Compensation (Ordinance of the Ministry of Construction and Transportation No. 344); <Newly Inserted on Nov. 5, 2004; Jul. 30, 2008; Sep. 30, 2008; Jul. 30, 2009>
2. "New unauthorized building" means an unauthorized building that is not an existing unauthorized building under subparagraph 1; <Amended on Sep. 30, 2008; Jul. 30, 2009>
3. "Base date of the plan for management and disposal" means the day on which a period set for the application for parcelling-out sale under Article 46 (1) of the Act expires; <Amended on Sep. 30, 2008; Jul. 30, 2009>
4. "Value of rights" means the gross value of a pre-existing parcel of land or other property, calculated in accordance with Article 27 (3) as of the base date of a plan for management and disposal; <Amended on Sep. 30, 2008; Jul. 30, 2009>
5. "Density of units" means the number of units of buildings erected per hectare in a rearrangement zone, which indicates the density calculated in accordance with the following standards: <Amended on Sep. 30, 2008; Jul. 30, 2009>
- (a) In cases of a collective housing building that has a structure designed for separate dwelling of each household and the ownership of which is partitioned by housing units, a unit on the floor with the greatest number of units shall be deemed one unit, and the number of units on other floors shall be excluded in the calculation; <Amended on Jul. 30, 2009; Mar. 2, 2010>
  - (b) New unauthorized buildings shall be excluded from the calculation of the number of units of buildings; <Amended on Jul. 30, 2009>
  - (c) The calculation shall be based on an area from which the area occupied by parks that remain or are completely constructed and schools that remain in a rearranged zone are excluded; <Amended on Sep. 30, 2008; Jul. 30, 2009; Mar. 2, 2010; Jul. 15, 2010>

- (d) Where a separate house or a multi-family dwelling is converted into a multi-household house after the completion of the building, the calculation shall be based on the number of units existing before the conversion, irrespective of the registration of partitioned ownership; <Amended on Sep. 30, 2008; Jul. 30, 2009>
- (e) Where it is necessary to relocate an existing factory as part of a rearrangement project in a quasi-industrial area, the building site for the factory and buildings of the factory, out of the area in the rearrangement zone, shall be excluded from the calculation; <Amended on Sep. 30, 2008; Jul. 30, 2009>
- (f) In cases of a non-residential building, 90 square meters of the building area shall be deemed one unit, and any figure below the decimal point shall be cut off in the calculation; <Amended on Sep. 30, 2008; Jul. 30, 2009>
6. "Change of the project implementation method" means changing the implementation method of a housing redevelopment project pursuant to Article 80 (1) of the Act or Article 14 of the Addenda to the Act; <Amended on Sep. 30, 2008; Jul. 30, 2009>
7. "Head of a houseless household" means the head of a household under subparagraph 9 of Article 2 of the Rules on Housing Supply; <Amended on Sep. 30, 2008; Jul. 30, 2009>
8. "Building without approval for use" means a building practically completed with a building permit granted pursuant to relevant Acts and subordinate statutes but with no approval for use, approval of completion, or similar; <Amended on Sep. 30, 2008; Jul. 30, 2009; Jul. 30, 2009>
9. "Non-orthogonal or narrow and long parcel of land" means a parcel of land with an area of not less than 90 square meters but in an excessively non-orthogonal or narrow and elongated shape, which is determined by the Mayor as one inappropriate in fact for a building site; <Newly Inserted on Jul. 30, 2008; Sep. 30, 2008; Jul. 30, 2009; Jul. 15, 2010>
10. "House-to-Road Ratio" means an indicator for determining whether a rearranged infrastructure under subparagraph 1 (e) of Table 1 attached and related to Article 10 (1) of the Decree is insufficient, which shall be a ratio calculated by dividing the total number of buildings on a building site abutting by four meters long or more onto a road with a width of four meters or more respectively by the total number of buildings in a rearrangement zone: Provided, That in the case of a road extended by 35 meters or more to a dead end, the width shall be six meters; <Newly Inserted on Mar. 2, 2010>
11. "Base date of determination of rights" means the day on which public notice under Article 4 (5) of the Act is given, or the day specified by the Mayor separately after the establishment of a basic plan but before the designation and public notification of a rearrangement zone in order to curb speculative investments, when houses and other buildings are supplied as part of a rearrangement project pursuant to Article 50-2 of the Act. <Newly Inserted on Jul. 15, 2010>

### **Article 3 (Decrepit or Substandard Buildings)**

- (1) The standards for the determination of decrepit or substandard buildings under Article 2 (2) 1 of the Enforcement Decree of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents (hereinafter referred to as the "Decree") are as follows: <Amended on Dec. 26, 2007; Sep. 30, 2008; Jul. 30, 2009>
1. Reinforced, steel-framed, or steel-structure collective housing buildings: Table 1 attached hereto; <Amended on Jan. 1, 2006; Mar. 12, 2008; Sep. 30, 2008; Jul. 30, 2009>
- (a) 40 years for buildings with five or more floors, and 30 years for buildings with four or less floors, if completed on or after January 1, 1992; <Amended on Jul. 30, 2009>
- (b)  $22 + (\text{Completion year} - 1982) \times 2$  years for buildings with five or more floors, and  $21 + (\text{Completion year} - 1982)$  for buildings with four or less floors, if completed between January 1, 1982 and December 31, 1991; <Amended on Jul. 30, 2009>
- (c) 20 years for buildings completed on or before December 31, 1981; <Amended on Jul. 30, 2009>
2. Buildings where not less than two-thirds of the useful life under any of the following items, whichever is relevant, have passed, among collective housing buildings and existing unauthorized buildings that do not fall under subparagraph 1: <Amended on Mar. 12, 2008; Sep. 30, 2008; Jul. 30, 2009>
- (a) Reinforced, steel-framed, or steel-structured buildings: 60 years (excluding separate houses under subparagraph 1 of Table 1 attached to the Enforcement Decree of the Building Act); <Amended on Jan. 1, 2006; Sep. 30, 2008; Jul. 30, 2009>
- (b) Buildings other than those under item (a): 30 years. <Amended on Jul. 30, 2009>
- (2) The decrepit or substandard buildings under Article 2 (2) 3 of the Decree are as follows: <Amended on Sep. 30, 2008; Jul. 30, 2009>
1. Existing unauthorized buildings; <Amended on Jul. 30, 2009>
2. Houses that do not have a kitchen, a toilet, or a washroom; <Amended on Jul. 30, 2009>
3. Buildings in which the water supply system, drainage system, or sewerage system is decrepit and irreparable; <Amended on Jul. 30, 2009>
4. Other buildings specified by Rules. <Amended on Jul. 30, 2009>
- (3) The classification and structure of a building with no approval for use for a specific use shall conform to the details of the relevant building permit, and the year in which the property tax, water rate, or electric rate begins to be levied or billed shall be deemed the completion year. <Newly Inserted on Jul. 30, 2008; Sep. 30, 2008; Jul. 30, 2009>

## CHAPTER DESIGNATION OF REARRANGEMENT ZONES

### Article 4 (Requirements for Designation of Rearrangement Zones Requiring Establishment of Rearrangement Plan)

CHAPTER DESIGNATION OF REARRANGEMENT ZONES(1) The requirements for the designation of a zone for which a rearrangement plan shall be established pursuant to subparagraph 5 of Table 1 attached and related to Article 10 (1) of the Decree are as follows: <Amended on Jul. 30, 2008; Sep. 30, 2008; Jul. 30, 2009>

1. A residential environment improvement zone shall be any of the following areas in which the density of units is not less than 80: <Amended on Sep. 30, 2008; Jul. 30, 2009>
  - (a) An area in which the number of decrepit or substandard buildings amounts to not less than 60 percent of the total number of buildings therein; <Amended on Jan. 1, 2006; Jul. 30, 2009>
  - (b) An area in which the House-to-Road Ratio is not more than 20 percent; <Amended on Jul. 30, 2008; Sep. 30, 2008; Jul. 30, 2009; Mar. 2, 2010>
  - (c) An area in which the number of extremely small parcels (referring to parcels of less than 90 square meters each; the same shall apply hereinafter) and non-orthogonal or narrow and long parcels, which are not useful as building sites, amounts to not less than 50 percent. <Amended on Jul. 30, 2008; Sep. 30, 2008; Jul. 30, 2009; Jul. 15, 2010>
  - (d) <Deleted on Jul. 15, 2010>
2. A housing redevelopment zone shall be any of the following areas in which the number of decrepit or substandard buildings shall not be less than 60 percent of the number of buildings therein, and the area of such decrepit or substandard buildings shall not be less than 10,000 square meters (or 5,000 square meters, if the Seoul Special Metropolitan City Urban Planning Committee approves as a result of deliberation pursuant to Article 4 (4) of the Act): <Amended on Jul. 30, 2009; Jul. 15, 2010>
  - (a) An area in which the number of extremely small parcels (referring to parcels of less than 90 square meters each; the same shall apply hereinafter) and non-orthogonal or narrow and long parcels, not useful as building sites, amounts to not less than 50 percent; <Amended on Jul. 30, 2009; Jul. 15, 2010>
  - (b) An area in which the House-to-Road Ratio is not more than 40 percent (or an area in which the ratio is not more than 50 percent, if the area is a prospective housing redevelopment zone on the basic plan for the rearrangement of urban and residential environments, publicly notified pursuant to Article 3 (6) of the Act before this Ordinance enters into force); <Amended on Jul. 30, 2009>
  - (c) An area with a density of not less than 60 units. <Amended on Jul. 30, 2009>
- (2) Notwithstanding paragraph (1), if the Seoul Special Metropolitan City Urban Planning Committee concludes as a result of deliberation under the latter part of subparagraph 5 of Table 1 attached and related to Article 10 (1) of the Decree that it is necessary in making building sites orthogonal and securing infrastructure efficiently, an area extended to not more than 110/100 of the originally contemplated rearrangement zone may be designated as a rearrangement zone. <Amended on Jul. 30, 2009; Mar. 2, 2010>
- (3) "Area specified separately by City/Do Ordinance" under the proviso to subparagraph 3 (b) of Table 1 attached and related to Article 10 (1) of the Decree means an area in which a project is implemented by the unit of family (divided by a road with a width of not less than six meters) for medium- or low-storied buildings (not higher than seven floors) under the basic plan or a district unit plan established for a rearrangement project by the unit of greater region for the reconstruction of separate houses and in which the number of decrepit or substandard buildings amounts to not less than 60 percent of the number of the buildings therein or an area in which the number of decrepit or substandard buildings amounts to not less than 50 percent of the number of buildings therein and in which multi-household houses and multi-family dwelling built not less than 15 years ago amount to not less than 30 percent of the buildings therein. <Newly Inserted on Jul. 30, 2009; Mar. 2, 2010>

### Article 5 (Matters to be Surveyed for Establishment of Rearrangement Plan)

"Other matters specified by City/Do Ordinance" in Article 10 (2) 7 of the Decree means the following matters: <Amended on Jul. 30, 2009>

1. Current status of residing households and tenants; <Amended on Jul. 30, 2009>
2. Current status of the land use plan in the urban management plan; <Amended on Jul. 30, 2009>
3. Current status of land use categorized by owner and size; <Amended on Jul. 30, 2009>
4. Whether there are buildings erected with building permit and the current status of decrepit or substandard buildings; <Amended on Jul. 30, 2009>
5. Current status of buildings categorized by specific use, structure, size, and age (completion year); <Amended on Jul. 30, 2009>
6. Current status and local history of tangible or intangible cultural remains and protected trees in the rearrangement zone; <Amended on Jul. 30, 2009>
7. Current status of consent of owners of land and other property under subparagraph 9 of Article 2 of the Act (hereinafter referred to as "landowners") to the designation of the rearrangement zone (applicable only to cases promoted upon the residents' proposal); <Amended on Jul. 30, 2009; Mar. 2, 2010>
8. Current status of existing trees. <Amended on Jul. 30, 2009>

## **Article 6 (Residents' Proposal for Drafting Designation of Rearrangement Zone)**

(1) When it is intended to propose a bill of a rearrangement plan to the head of Gu pursuant to Article 13-2 of the Decree, at least two-thirds of landowners in the area and owners of at least one-half of the land in the area shall consent to the proposal, but state-owned or public land shall be excluded from the calculation of the number of consenting persons and the consented area of land. <Amended on Jul. 30, 2009; Mar. 2, 2010>

(2) Where landowners proposes a bill, the bill shall include the following matters prescribed in each subparagraph of Article 5, and the form of the bill shall be prescribed by Rules. <Newly Inserted on Mar. 2, 2010>

(3) Article 28 of the Decree shall apply mutatis mutandis to the method and procedure for the calculation of the number of consenting persons under paragraph (1). <Amended on Jul. 30, 2009; Mar. 2, 2010>Article 7 (Minor Modification to Rearrangement Plan)

(1) "Changes in the matters specified by City/Do Ordinance" in subparagraph 12 of Article 12 of the Decree means the following cases: <Amended on Jul. 30, 2009>

1. A change in the name of a rearrangement zone; <Amended on Jul. 30, 2009>
2. A change in the decision to remove sharp street corners in a rearrangement zone pursuant to Article 14 of the Rule on the Standards for the Decision-Making, Structure, and Installation of Planned Urban Facilities; <Amended on Jul. 30, 2009>
3. A change in the plan for the improvement and amelioration of existing buildings under Article 13 (1) 3 of the Decree; <Amended on Jul. 30, 2009>
4. A change in the boundaries of rearrangement zones or districts for the adjustment of mutual borders, where rearrangement zones abut each other (including districts where a project is implemented by dividing a rearrangement zone into implementation districts); <Amended on Jul. 30, 2009>
5. A change for the correction of an area due to a simple error without a change in the boundaries of the rearrangement zone or district; <Amended on Jul. 30, 2009>
6. A change in a plan for the subdivision of a project implementation district or a building site plan with no change in the plan regarding the main use, the building-to-land ratio, the floor area ratio, or the height of a building under Article 4 (1) 5 of the Act; <Amended on Jul. 30, 2009; Mar. 2, 2010>
7. A change in rental housing or the construction ratio for each size of rental housing unit within the extent publicly notified by the Minister of Land, Transport and Maritime Affairs pursuant to Article 4-2 of the Act; <Amended on Jul. 30, 2009>
8. A change for increasing or decreasing the number of housing units to be built by not less than ten percent within the scope of the building plan prescribed in the rearrangement plan; <Amended on Jul. 30, 2009>
9. An inevitable change in the rearrangement plan due to an amendment of the Building Act or other relevant Act or subordinate statute or a change in the building plan as a result of the deliberation by the building committee organized pursuant to Article 4 of the aforesaid Act. <Amended on Jul. 30, 2009; Mar. 2, 2010>

(2) Minor modifications, of which the head of Gu may dispose with respect to a rearrangement plan are as follows: <Newly Inserted on Mar. 2, 2010>

1. A change of the area of a rearrangement zone by less than three percent pursuant to subparagraph 1 of Article 12 of the Decree;
2. A change of the size of the rearranged infrastructure by less than three percent pursuant to subparagraph 2 of Article 12 of the Decree;
3. A matter under any provision of subparagraphs 3 through 6, 8, and 11 of Article 12 of the Decree;
4. A change reducing the building-to-land ratio or the floor area ratio of a building or increasing the building-to-land ratio or the floor area ratio of a building by less than five percent pursuant to subparagraph 7 of Article 12 of the Decree;
5. A change of lowering the maximum height of a building pursuant to subparagraph 7-2 of Article 12 of the Decree;
6. A matter under any subparagraph of paragraph (1).

## **Article 8 (Contents of Rearrangement Plan and Detailed Standards therefor)**

(1) "Other matters specified by City/Do Ordinance for the smooth implementation of rearrangement projects" in Article 13 (1) 9 of the Decree refers to contents of a rearrangement plan and detailed standards for rearrangement plans. <Amended on Jul. 30, 2009; Mar. 2, 2010>

(2) Contents of a rearrangement plan refers to the following matters: <Newly Inserted on Mar. 2, 2010>

1. A plan for households or subdivisions;
2. A plan for the construction of rental housing units (applicable only to a project for the rearrangement of urban environments, where collective housing buildings are built in a general residential area, a quasi-residential area with houses, a commercial area, or a quasi-industrial area);
3. Matters concerning the development of residents' sources of income (limited to projects for the improvement of residential environments);
4. Results of the environmental review (Article 27 (2) of the National Land Planning and Utilization Act shall apply mutatis mutandis);
5. Current status of existing trees and a plan for the utilization of such trees.

(3) "Detailed standards for rearrangement plans" refers to the following matters: <Newly Inserted on Mar. 2, 2010>

1. Common provisions:

- (a) In principle, no rearrangement zone shall include any existing park or greenbelt: Provided, That the foregoing shall not apply where it is necessary to restore the functions of a park or greenbelt, where necessary to repair a building in a park or greenbelt, or where necessary to improve the use of land;
- (b) The plan for a rearrangement zone in which collective housing buildings shall be erected shall be established in conformity with the standards for the installation of ancillary facilities, welfare facilities, etc. under the Regulation on Housing Construction Standards;
- (c) The plan for the repair and amelioration of existing buildings under Article 13 (1) 3 of the Decree shall be established separately for the maintenance, renovation, new construction after removal, removal and relocation, etc., taking into consideration of the age, specific use, structure, size, and location of buildings, whether authorized or unauthorized, and the degree of decrepit or substandard conditions;
- (d) If necessary, a rearrangement zone shall be divided into subdivisions for building sites of religious institutions, building sites of welfare facilities to be parcelled out for sale, and building sites of rental housing units to be erected in the rearrangement zone;
- (e) The scheduled period of the implementation of a rearrangement project under Article 4 (1) 7 of the Act shall be determined within four years from the date on which the designation of the rearrangement zone is publicly notified, taking into consideration the period that each project implementor needs for preparing an application for authorization for the implementation of the project;

2. The rearrangement plan for the project for the improvement of urban environments:

- (a) In principle, the building plan shall be a multi-purpose building plan for the restoration of distinct characteristics of the rearrangement zone and the functions of the city center and shall include the following matters:
  - (i) A plan for the layout of buildings in accordance with the planned construction line for each district, a plan for public open spaces, a landscaping plan, a plan for the location of the main and secondary entrances of buildings in each district and the flow of pedestrians, a plan for the location of the entrances and exits of buildings for vehicles in each district and the flow of vehicles;
  - (ii) A skyline plan for the rearrangement zone, taking into consideration the buildings in the neighborhood;
  - (iii) A scenery plan for minimizing impacts on the scenic view of surroundings, if there is any cultural heritage or natural geographical feature;
  - (iv) A aesthetic design plan, a plan for community support facilities, a plan for the installation of public facilities, and a plan for social mixing, if rental housing units for long-term lease on a deposit basis are built;
- (b) The maximum height of each building in an urban environment rearrangement zone shall be regulated by the standards prescribed in the basic plan under Article 3 of the Act;
- (c) The sizes of rental housing units that shall be built in a housing redevelopment project publicly notified by the Minister of Land, Transport and Maritime Affairs and the construction ratio of such a project shall apply mutatis mutandis to the sizes of rental housing units that shall be built when collective housing buildings for not less than 200 households are built in a general residential area and the construction ratio of such a project;
- (d) As regards the sizes of rental housing units that shall be built when collective housing buildings for not less than 200 households are built in a quasi-residential area, a quasi-industrial area, or a commercial area, each rental housing unit shall have an exclusive area of not less than 40 square meters, and the construction ratio shall not be less than the ratio calculated using the following formula: (17 percent of the number of all housing units to be built in the area or 10 percent of the gross area of the residential buildings) x (Ratio of the gross area of the residential buildings to the gross area of all buildings to be built in the area); <Amended on Jul. 15, 2010>
- (e) When collective housing buildings are built, housing units in the standard national housing size shall not be less than 60 percent of the total number of housing units and shall not be less than 50 percent of the gross area of all housing units;
- (f) If the floor area ratio is relaxed in consideration of the construction of housing units for long-term lease on a deposit basis, at least 50 percent of the relaxed floor area ratio shall be supplied for the housing units for long-term lease on a deposit basis.

#### **Article 9 (Procedure, Expenses, etc. for Safety Examinations)**

(1) "Necessary matters concerning the procedure for requesting safety examinations and processing such requests" under Article 20 (5) of the Decree are as follows: <Amended on Jul. 30, 2009; Mar. 2, 2010>

1. If necessary to control the supply and demand of housing units in the neighborhood, etc., the head of Gu may make adjustments in conducting safety examinations; <Amended on Jul. 30, 2009; Mar. 2, 2010>

2. Necessary matters concerning requests for safety examinations shall be prescribed by Rules.

(2) A person under any of the following subparagraphs shall, when he/she requests a safety examination pursuant to Article 21 (2) of the Decree, fully bear costs and expenses incurred therefor: <Amended on Mar. 2, 2010>

1. A person who requests a safety examination pursuant to Article 12 (1) 2 or 3 of the Act;

2. A person who requests a safety examination pursuant to Article 9 of the Addenda to the partially amended Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions (Act No. 9444).

(3) As to calculation of the costs and expenses under paragraph (2), the consideration for safety examinations and close safety

examinations under Article 8 of the Enforcement Decree of the Special Act on the Safety Control of Public Structures shall apply mutatis mutandis. <Amended on Jul. 30, 2009; Mar. 2, 2010>

#### **Article 10 (Sizes and Construction Ratio of Housing Units in Housing Redevelopment Projects)**

Pursuant to Article 13-3 (2) of the Decree, housing units with an exclusive area of not more than 60 square meters shall not be less than 20 percent of the total number of housing units to be built: Provided, That the foregoing shall not apply to a project implemented for medium- or low-storied buildings in the unit of household under Article 4 (3). <Newly Inserted on Jul. 30, 2009; Mar. 2, 2010>

### **CHAPTER IMPLEMENTATION OF REARRANGEMENT PROJECTS**

#### **Article 11 (Documents for Application for Authorization for Establishment of Associations)**

CHAPTER IMPLEMENTATION OF REARRANGEMENT PROJECTS“Other documents specified by Ordinance of the Special Metropolitan City or a Metropolitan City or Do” in Article 7 (1) 10 of the Enforcement Rule of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions (hereinafter referred to as the “Enforcement Rule”) means the following documents: <Amended on Jul. 30, 2009>

1. The location map of the rearrangement zone and photographs showing the current status; <Amended on Jul. 30, 2009>
2. The current cadastral map indicating the topographical features of the land and buildings in the rearrangement zone; <Amended on Jul. 30, 2009>
3. A list of persons subject to claims for sale and a plan for claims for sale (limited to housing reconstruction projects); <Amended on Jul. 30, 2009>

#### **Article 12 (Minor Modification to Matters Authorized for Establishment of Association)**

“Other matters specified by City/Do Ordinance” in subparagraph 4 of Article 27 of the Decree means the following matters: <Amended on Jul. 30, 2009>

1. Matters discovered as obvious errors; <Amended on Jul. 30, 2009>
2. Matters that require simple arrangement in accordance with an amendment of an Act, subordinate statute, or municipal ordinance; <Amended on Jul. 30, 2009>
3. Matters that shall be modified in accordance with an amendment to authorization for the implementation of a project; <Amended on Jul. 30, 2009>
4. Matters that shall be modified in accordance with an amended approval of the management and disposal plan; <Amended on Jul. 30, 2009>
5. Matters that shall be modified as a consequence of the additional admission of a person subject to claim for sale as a member to the association; <Amended on Jul. 30, 2009>
6. Other matters specified by Rules. <Amended on Jul. 30, 2009>

#### **Article 13 (Matters to be Stipulated by Articles of Association)**

“Other matters prescribed by City/Do Ordinance” in subparagraph 17 of Article 31 of the Decree means the following matters: <Amended on Jul. 30, 2009>

1. Matters concerning the operation of the board of directors, including the installation, convening, administrative affairs, and resolution methods of the board of directors; <Amended on Jul. 30, 2009>
2. Matters concerning the construction and disposal of rental housing units in the urban environment rearrangement project; <Amended on Jul. 30, 2009>
3. Matters concerning the qualification of owners of existing unauthorized buildings under subparagraph 1 (e) of Article 2 for the membership of the association; <Amended on Jul. 30, 2009>
4. Matters concerning the selection of representatives of shareholders in joint ownership; <Amended on Jul. 30, 2009>
5. Matters concerning the grant of a right to subscribe for parcelling-out sale to a person who acquired a separate house or a multi-family dwelling that had been converted into a multi-family dwelling after its completion; <Amended on Jul. 30, 2009>
6. Matters concerning the special supply of housing units to persons selected by the head of Gu among persons who own houses demolished as part of an urban planning project in a new town district; <Amended on Jul. 30, 2009>
7. Matters concerning landowners' consent to an application for authorization for the implementation of a project under Article 28 (5) of the Act. <Amended on Jul. 30, 2009>

#### **Article 14 (Minor Modifications to Articles of Association)**

“Other matters specified by City/Do Ordinance” in subparagraph 3 of Article 32 of the Decree means the matters under subparagraph 1 of Article 13, unrelated to the execution of budget or any matter that imposes a burden on association members. <Amended on Jul. 30, 2009>

#### **Article 15 (Preparation of Documents, etc. for Application for Authorization for Establishment of Associations)**

(1) The application and accompanying documents for authorization for the establishment of an association under Article 7 of the Enforcement Rule shall be prepared in the following manner: <Amended on Jul. 30, 2009>

1. In principle, the articles of association shall be prepared based on the standard articles of association under Article 20 (2) of the Act mutatis mutandis; <Amended on Jul. 30, 2009>

2. In principle, the association shall have its principal place of business within the boundary of the Gu in which the project zone is situated; <Amended on Jul. 30, 2009>

3. The name and area of the project zone shall be identical with those in the rearrangement plan under Article 4 (1) of the Act; <Amended on Jul. 30, 2009>

4. The number of association members shall be counted based on the number of persons on the list of association members, attached to the application; <Amended on Jul. 30, 2009>

5. The letter of consent of landowners shall be in the form of the letter of consent prescribed in Article 7 (3) of the Enforcement Rule; <Amended on Jul. 30, 2009>

6. The list of association members shall describe the identification numbers of association members, the addresses, names, and details of rights of consenting persons and shall be accompanied by a summarized list of consents showing the consent rate; <Amended on Jul. 30, 2009>

7. Landowners' letter of recommendation of representatives or minutes of the general meeting of residents shall be submitted as evidential documents regarding the election of executives; <Amended on Jul. 30, 2009>

(2) Paragraph (1) 2 through 4, 6, and 7 shall apply mutatis mutandis to the preparation of an application for approval for the committee for the promotion of establishment of an association under Article 6 of the Enforcement Rule. In such cases, "executives" under subparagraph 7 shall be construed as "committee members". <Amended on Jul. 30, 2009>

#### **Article 16 (Minor Modifications to Authorization for Implementation of Project)**

"Other matters prescribed by City/Do Ordinance" in subparagraph 12 of Article 38 of the Decree means modifications to the following matters: <Amended on Jul. 30, 2009>

1. Matters under subparagraph 1, 2, or 4 of Article 12 among enforcement regulations under subparagraph 8 of Article 30 of the Act; <Amended on Jul. 30, 2009>

2. The representative of the project implementor under Article 41 (2) 3 of the Decree; <Amended on Jul. 30, 2009>

3. Details of each right holder of rights to a parcel of land or a building under Article 41 (2) 8 of the Decree; <Amended on Jul. 30, 2009>

4. The following matters among provisions of the covenant under Article 41 (2) 13 of the Decree: <Amended on Jul. 30, 2009>

(a) Matters under subparagraph 1, 2, or 4 of Article 12 where land has no owner other than the project implementor or among matters specified by covenant as those that shall be amended by the resolution of the general meeting; <Amended on Jul. 30, 2009>

(b) The domicile of the principal place of business; <Amended on Jul. 30, 2009>

(c) Landowners; <Amended on Jul. 30, 2009>

5. Matters specified by relevant Acts as minor modifications to authorization, permission, or similar under any other Act, which shall be deemed to have been granted as constructive authorization, permission, or similar pursuant to Article 32 of the Act. <Amended on Jul. 30, 2009>

#### **Article 17 (Designated Developer's Deposit of Rearrangement Project Cost, etc.)**

(1) The amount that the designated developer of an urban environment rearrangement project in accordance with Article 29 (1) of the Act shall deposit be 10/100 of the rearrangement cost on the letter of authorization for the implementation of the project. <Amended on Jul. 30, 2009>

(2) The competent head of Gu shall notify the designated developer of the payment of the deposit under paragraph (1). <Amended on Jul. 30, 2009>

(3) A designated developer shall, upon receipt of a notice of the payment of the deposit under paragraph (2), may deposit the deposit in cash in the competent autonomous Gu's treasury or submit a letter of guarantee or similar under any of the following subparagraphs as the deposit: <Amended on Jul. 30, 2009>

1. A guarantee insurance policy issued by an insurer under the Insurance Business Act; <Amended on Jul. 30, 2009>

2. National or local bonds issued by the State or a local government; <Amended on Jul. 30, 2009>

3. A letter of guarantee issued by the Korea Housing Guarantee Co., Ltd. under Article 76 of the Housing Act; <Amended on Jul. 30, 2009>

4. A letter of guarantee issued by the Construction Guarantee under the Framework Act on the Construction Industry; <Amended on Jul. 30, 2009>

#### **Article 18 (Matters to be Prescribed by Enforcement Regulations)**

"Other matters prescribed by City/Do Ordinance" in Article 41 (1) 11 of the Decree means necessary matters relevant to each rearrangement project among the following matters: <Amended on Jul. 30, 2009>

1. Matters concerning the demolition of buildings; <Amended on Jul. 30, 2009>
2. Matters concerning the relocation of residents; <Amended on Jul. 30, 2009>
3. Matters concerning the compensation for land and buildings; <Amended on Jul. 30, 2009>
4. Matters concerning housing supply. <Amended on Jul. 30, 2009>

#### **Article 19 (Methods for Division and Combination of Rearrangement Zones)**

(1) If necessary in efficiently implementing rearrangement projects or protecting urban scenic views pursuant to Article 34 (2) of the Act, the competent head of Gu may divide or combine rearrangement zones, but he/she shall change a rearrangement zone in accordance with subparagraph 9 of Article 12 of the Decree, if he/she intends to divide the zone, while he/she shall change rearrangement zones in accordance with Article 4 (1) of the Act if he/she intends to combine areas separate from one another into a rearrangement zone. <Newly Inserted on Jul. 30, 2009>

(2) A rearrangement project implemented by combining areas separate from one another into a single rearrangement zone (hereinafter referred to as "combined rearrangement zone") pursuant to Article 34 (2) of the Act (hereinafter referred to as "combined rearrangement project") shall conform to the basic direction under the following subparagraphs: <Newly Inserted on Jul. 30, 2009>

1. An underdeveloped area necessary for the protection of the urban scenic view or cultural heritage may be combined into a subway area where land can be used in a highly efficient manner in order to implement a rearrangement project; <Newly Inserted on Jul. 30, 2009>
  2. "Combined rearrangement project" means a project for the development of an area in which land use is restricted for the protection of the urban scenic view or cultural heritage (hereinafter referred to as "low-density management zone") by transferring the floor area ratio of such an area to a subway area where land can be used in a highly efficient manner (hereinafter referred to as "high-density development zone"); <Newly Inserted on Jul. 30, 2009>
  3. Distinct characteristics of each locality shall be taken into consideration in establishing rearrangement plans, including land use plans, plans for the density and height of buildings, and plans for rearranged infrastructure. <Newly Inserted on Jul. 30, 2009>
- (3) If it is intended to implement a combined rearrangement project in an area designated as a combined rearrangement zone, the project shall be implemented in compliance with the methods and procedure for implementation, prescribed in Table 2 attached hereto. <Newly Inserted on Jul. 30, 2009>
- (4) Paragraphs (1) through (3) shall also apply mutatis mutandis to renewal facilitation projects under the Special Act on the Promotion of Urban Renewal. <Newly Inserted on Jul. 30, 2009>

#### **Article 20 (Construction Ratio and Specific Use of Rebuilt Small Housing Units)**

(1) "The ratio prescribed by City/Do Ordinance" in Article 30-3 (2) of the Act means 50/100 of the floor area ratio calculated by subtracting the floor area ratio specified in the rearrangement plan from the statutory maximum floor area ratio. <Newly Inserted on Jul. 30, 2009>

(2) "The specific use prescribed by City/Do Ordinance" in Article 30-3 (6) of the Act means to use housing units as rental housing units or housing units for long-term lease on a deposit basis. <Newly Inserted on Jul. 30, 2009>

#### **Article 21 (Plan for Construction of Rental Housing Units)**

(1) Each project implementor shall include a plan for securing building sites for rental housing units and the development of the building sites in the plan for the construction of rental housing units under subparagraph 5 of Article 30 of the Act and shall file an application for authorization for the implementation of the project, along with a list of persons eligible for the supply of the rental housing units. <Amended on Jul. 30, 2009>

(2) If necessary for the implementation of an urban environment rearrangement project, measures for tenants shall be taken in compliance with the following guidelines: <Amended on Jul. 30, 2009>

1. When the competent head of Gu authorizes the implementation of the project for a rearrangement zone or district in which tenants wish to buy a commercial space or a collective housing unit in a building newly built as part of the rearrangement project, he/she may recommend to sell the reserved area under Article 31 to tenants under Article 35 (1) 1 (hereinafter referred to as "qualified tenants") preferentially, prior to third parties; <Amended on Jul. 30, 2009>
2. As to qualification requirements for tenants eligible for the preferential parcelling-out sale under subparagraph 1, Article 35 shall apply mutatis mutandis; <Amended on Jul. 30, 2009>
3. If the implementation of a project is authorized under the condition that the project implementor shall sell the reserved area under Article 31 to tenants preferentially, prior to third parties, the project implementor shall include such condition in the details of public notice regarding the application for parcelling-out sale under Article 47 (1) of the Decree. <Amended on Jul. 30, 2009>

#### **Article 22 (Construction of Rental Housing Units, etc.)**

(1) Each project implementor may build rental housing units and sell them to the Seoul Metropolitan City Mayor (hereinafter referred to as the "Mayor") or designate the SH Corporation (hereinafter referred to as the "Corporation") as an implementor to have the Corporation build rental housing units. <Amended on Jul. 30, 2009>

(2) The competent head of Gu shall consult with Corporation about the following matters with regard to the plan for the construction

of rental housing units to be built by a project implementor under paragraph (1): <Amended on Jul. 30, 2009>

1. The plan for the construction of rental housing units to be built in the rearrangement zone; <Amended on Jul. 30, 2009>

2. The list of persons eligible for dwelling in the rental housing units; <Amended on Jul. 30, 2009>

3. Costs for the construction of rental housing units and a report on the parcels of land included. <Amended on Jul. 30, 2009>

(3) When the Corporation builds rental housing units pursuant to paragraph (1), it shall report to the Mayor on the following matters: <Amended on Jul. 30, 2009>

1. The scale of the construction of rental housing units in the rearrangement zone and a building plan; <Amended on Jul. 30, 2009>

2. Costs of the construction of rental housing units and a report on parcels of land included; <Amended on Jul. 30, 2009>

3. Current status of dwelling in rental housing units in the neighborhood. <Amended on Jul. 30, 2009>

### **Article 23 (Purchase of Rental Housing Units, etc.)**

A contract for the purchase of rental housing units to be built by a project implementor pursuant to Article 22 (1) and the payment of the purchase price shall be made in accordance with the following subparagraphs: <Amended on Jul. 30, 2009>

1. A contract for the purchase (hereinafter referred to as "purchase contract") of rental housing units (including building sites and ancillary welfare facilities; the same shall apply hereinafter) shall be made between the Mayor and the project implementor; <Amended on Jul. 30, 2009>

2. A purchase contract shall be made at the time the progress of the construction of rental housing units reaches or exceeds 20 percent. In such cases, the progress of construction shall be deemed 20 percent when frameworks for not less than one-half of all stories are completed; <Amended on Jul. 30, 2009>

3. The purchase price shall be an amount determined at the time the management and disposal plan under Article 48 (1) of the Act is approved with regard to the rearrangement project; <Amended on Jul. 30, 2009>

4. The purchase price shall be paid by down payment, interim payments, and balance in the following manner: <Amended on Jul. 30, 2009>

(a) 20 percent of the total amount shall be paid as a down payment at the time the purchase contract is made; <Amended on Jul. 30, 2009>

(b) Interim payments shall be paid in four installments according to the progress of construction, but 15 percent of the total amount shall be paid at each time when the progress of construction reaches or exceeds 35 percent, 50 percent, 65 percent, and 80 percent, respectively; <Amended on Jul. 30, 2009>

(c) 15 percent of the total amount shall be paid as part of the balance after the completion approval under Article 52 of the Act, and the remainder shall be paid on or after the day on which public notice of conveyance is given pursuant to Article 54 of the Act; <Amended on Jul. 30, 2009>

5. Notwithstanding subparagraph 2, the Mayor may adjust the time to make a contract within budgetary limits, if necessary for boosting rearrangement projects; <Amended on Jul. 30, 2009>

(2) When it is intended to build rental housing units by designating the Corporation as a project implementor pursuant to Article 22 (1), the contract for the purchase of building sites for the rental housing units and the payment of the price shall be made in the following manner: <Amended on Jul. 30, 2009>

1. The purchase contract for building sites of rental housing units shall be made between the Mayor and the project implementor after the development of building sites in the rearrangement zone is completed; <Amended on Jul. 30, 2009>

2. The purchase prices shall be the price calculated in accordance with Article 29 (1); <Amended on Jul. 30, 2009>

3. The purchase price shall be paid by down payment, interim payment, and balance in the following manner: <Amended on Jul. 30, 2009>

(a) 20 percent of the total amount shall be paid as the down payment at the time the purchase contract for building sites is made; <Amended on Jul. 30, 2009>

(b) The interim payment shall be 75 percent of the total amount, which shall be paid after the project implementor completes the survey on the current status of building sites of rental housing units and transfers the results of the survey; <Amended on Jul. 30, 2009>

(c) The balance shall be paid on or after the day on which public notice of conveyance is given pursuant to Article 54 of the Act. <Amended on Jul. 30, 2009>

(3) "The use specified by City/Do Ordinance" in Article 30-3 (6) of the Act means the utilization for rental housing and long-term lease on a deposit basis. <Newly Inserted on Jul. 30, 2009>

### **Article 24 (Procedure for Application for Parcelling-Out Sale, etc.)**

(1) "Other matters specified by City/Do Ordinance" in Article 47 (1) 11 of the Decree means the following matters: <Amended on Jul. 30, 2009>

1. Notice about the application for parcelling-out sale; <Amended on Jul. 30, 2009>

2. The date of scheduled demolition and relocation. <Amended on Jul. 30, 2009>

(2) A person who intends to file an application for parcelling-out sale in accordance with Article 46 (2) of the Act shall submit an application for parcelling-out sale under Article 47 (1) 3 of the Decree along with the following documents: <Amended on Jul. 30,

2009>

1. Details of the pre-existing ownership of land or buildings; <Amended on Jul. 30, 2009>
2. Documents proving the right to file an application for parcelling-out sale; <Amended on Jul. 30, 2009>
3. Documents proving the qualification for the application for parcelling-out sale, where the qualification is expressly prescribed by this Ordinance or articles of association or similar under subparagraph 11 of Article 2 of the Act; <Amended on Jul. 30, 2009>
4. A written opinion about the desired building site or building and its size among building sites or buildings on parcelling-out sale within the limitations set by the standards under the management and disposal plan. <Amended on Jul. 30, 2009>

#### **Article 25 (Preparation Methods for Application for Approval of Management and Disposal Plan, etc.)**

Each project implementor shall prepare an application for approval of the management and disposal plan under Article 48 (1) of the Act in accordance with the following methods: <Amended on Jul. 30, 2009>

1. Plans for parcelling-out sale under Article 48 (1) 1 of the Act shall include the following matters: <Amended on Jul. 30, 2009>
  - (a) The survey report and drawings of the property subject to the management and disposal plan; <Amended on Jul. 30, 2009>
  - (b) The details of building sites for rental housing units, the value and the disposition method of the building sites, the list of tenants eligible for the supply of rental housing units (limited to a rearrangement zone in which rental housing units are built); <Amended on Jul. 30, 2009>
  - (c) Drawings of the land prearranged for land substitution; <Amended on Jul. 30, 2009>
  - (d) Pre-existing cadastral maps of land or drawings of forest; <Amended on Jul. 30, 2009>
2. A copy of the resolution of the general meeting on the management and disposal plan under Article 24 (3) 10 of the Act and each copy of applications for parcelling-out sale (including reports on rights) under Article 46 (1) of the Act shall be attached thereto; <Amended on Jul. 30, 2009>
3. Other documents proving the details of the management and disposal plan shall be attached thereto. <Amended on Jul. 30, 2009>

#### **Article 26 (Guidelines, etc. for Management and Disposal of Housing Redevelopment and Urban Environment Rearrangement Projects)**

The management and disposal plan for a housing redevelopment project or an urban environment rearrangement project under Article 48 (1) of the Act shall be established in compliance with the following guidelines: <Amended on Jul. 30, 2009>

1. The area of a pre-existing parcel of land owned by a person shall be based on the official cadastral register for each parcel of land under subparagraph 1 of Article 2 of the Cadastral Act (or the certificate of land prearranged for land substitution where the method of project implementation is changed) as of the base date of the management and disposal plan; Provided, That if a parcel of land is jointly owned by a multiple number of persons, the area shall be based on shares in joint-ownership on the real estate register (or the certificate of land prearranged for land substitution where the project implementation method is changed); <Amended on Jul. 30, 2009>
2. The preemptive rights arising from the occupation of a parcel of state-owned or public land shall be recognized in accordance with the results of the cadastral survey conducted along the boundaries of the parcel of land, as provided for in relevant Acts, subordinate statutes, articles of association, etc.; <Amended on Jul. 30, 2009>
3. The area of a pre-existing building owned by a person shall be based on the building register for each building as of the base date of the management and disposal plan, but the area of a part built in violation of any Act or subordinate statute shall be excluded therefrom: Provided, That the area may be based on property tax imposition records or the results of survey, if articles of association, etc. prescribe expressly otherwise; <Amended on Jul. 30, 2009>
4. The ownership of a pre-existing parcel of land or other property shall be based on the real estate register (or the certificate of land prearranged for land substitution where the project implementation method is changed) as of the base date of the management and disposal plan, the date of acquisition of the ownership shall be based on the filing date on the real estate register: Provided, That the ownership of an existing unauthorized building (including a building with no approval) shall be based on the certificate of an existing unauthorized building, issued by the competent head of Gu or Dong, or other materials proving ownership; <Amended on Jul. 30, 2009>
5. A person who has a right arising from the occupation of a parcel of state-owned or public land shall be determined by the right recognized pursuant to subparagraph 2 as one arising from the occupation; <Amended on Jul. 30, 2009>
6. Where the competent head of Gu recommends an appraiser under Article 48 (5) and (6) of the Act, or where an appraiser under the Public Notice of Values and Appraisal of Real Estate Act conducts an appraisal, with respect to state-owned or public property included in the building sites under Article 2 (1) 1 of the Building Act, such appraisal shall be conducted in accordance with Articles 32, 48 (1) 4, and 66 (5) of the Act. <Amended on Jul. 30, 2009>

#### **Article 27 (Eligibility for Parcelling-Out Sale of Housing Redevelopment Project, etc.)**

(1) In order to be eligible for the parcelling-out sale of collective housing units to be built under a housing redevelopment project pursuant to Article 52 (1) 3 of the Decree, a person shall be a landowner under any of the following subparagraphs as of the base date of the management and disposal plan: <Amended on Jul. 30, 2009>

1. A person who owns a housing unit (including an existing unauthorized building used in fact for dwelling) among pre-existing buildings; <Amended on Jul. 30, 2009>
  2. A parcelling-out sale applicant who owns a pre-existing parcel of land with a total area of not less than 90 square meters; <Amended on Jul. 30, 2009; Mar. 2, 2010; Jul. 15, 2010>
  3. A parcelling-out sale applicant, the value of whose rights reaches or exceeds the estimated amount of one collective housing unit in the minimum size for the parcelling-out sale: Provided, That the value of rights may be calculated by aggregating the values of rights held by all members of a household, if parcelling-out sale applicants are members of one and the same household; <Amended on Jul. 30, 2009; Jul. 15, 2010>
  4. A person who has a parcel of land designated as a substitute parcel of land according to the project implementation method before changed, if the project implementation method is changed. In such cases, the provisions of subparagraphs 1 through 3 need not apply; <Amended on Jul. 30, 2009>
  5. A person who received compensation for a pre-existing house (including a building used in fact for dwelling) where an infrastructure facility is to be installed pursuant to a renewal facilitation plan pursuant to Article 11 (4) of the Special Act on the Promotion of Urban Renewal. <Amended on Jul. 30, 2009>
- (2) Notwithstanding paragraph (1), a multiple number of parcelling-out sale applicants shall be deemed a single parcelling-out sale applicant in any of the following cases: <Amended on Jul. 30, 2009; Jul. 15, 2010>
1. Where a separate house or a multi-family dwelling is converted into a multi-household dwelling after the base date of the determination of rights; <Amended on Jul. 30, 2009; Jul. 15, 2010>
  2. Where several parcelling-out sale applicants belong to one household pursuant to Article 19 (1) 2 of the Act; <Amended on Jul. 30, 2009; Jul. 15, 2010>
  3. Where one house or a parcel of land is owned by several persons: Provided, That the foregoing shall not apply to a person whose share in a parcel of land that has been jointly owned since before the base date of the determination of rights reaches or exceeds 90 square meters; <Amended on Jul. 30, 2009; Jul. 15, 2010>
  4. Where one parcel of land is divided into several parcels after the base date of the determination of rights; <Amended on Jul. 30, 2009; Jul. 15, 2010>
  5. Where a parcel of land and a house that were situated within the boundaries of one building site and were owned by one and the same person are separated after the completion of the building and the parcel of land and the building are separately owned: Provided, That the foregoing shall not apply to a person who has owned a parcel of not less than 90 square meters since before the base date of the determination of rights; <Amended on Jul. 30, 2009; Jul. 15, 2010>
  6. Where a new building is built on a vacant lot, or a multi-household house or other collective housing units are built after demolishing an existing building, after the base date of the determination of rights and consequently the number of landowners increases. <Amended on Jul. 30, 2008; Jul. 30, 2009; Jul. 15, 2010>
- (3) A parcel of land that falls under any of the following subparagraphs shall not be included in the calculation of the total area of a pre-existing parcel of land under paragraph (1) 2 and the value of a right under paragraph (1) 3: <Amended on Jul. 30, 2009>
1. A parcel of land where a part of the parcel of land or a share in the joint ownership of the parcel of land is acquired after the base date of the determination of rights, if the land within the boundaries of one building site under Article 2 (1) 1 of the Building Act consists of a multiple number of parcels; <Amended on Jul. 30, 2009; Jul. 15, 2010>
  2. A parcel of land separated from a building thereon and acquired separately after the base date of the determination of rights, if the building occupies the parcel of land within the boundaries of one building site; <Amended on Jul. 30, 2009; Jul. 15, 2010>
  3. A parcel of land where a part of the parcel of land or a share in the ownership of the parcel of land is acquired after the base date of the determination of rights by dividing the parcel of land into several parts. <Amended on Jul. 30, 2009; Jul. 15, 2010>
- (4) Notwithstanding the provisions of paragraphs (1) through (3), all persons who have a substitute parcel of land designated may be deemed independent parcelling-out sale applicants respectively regardless of the area of the substitute parcel and whether the substitute parcel of land is jointly owned, if the project implementation method is changed. <Amended on Jul. 30, 2009>

#### **Article 28 (Eligibility for Parcelling-Out Sale in Projects for Reconstruction of Separate Houses, etc.)**

- (1) In order to be eligible for the parcelling-out sale of collective housing units built by a project for the reconstruction of separate houses pursuant to the proviso to Article 52 (2) 1 of the Decree, a person shall be a landowner under any of the following subparagraphs as of the base date of the management and disposal plan: <Amended on Jul. 30, 2009>
1. A person who owns a house and the land attached to the house among pre-existing buildings; <Amended on Jul. 30, 2009>
  2. A parcelling-out sale applicant, the value of whose rights reaches or exceeds the estimated amount of one collective housing unit in the minimum size for the parcelling-out sale: Provided, That the value of rights may be calculated by aggregating the values of rights held by all members of a household, if parcelling-out sale applicants are members of one and the same household; <Amended on Jul. 30, 2009; Jul. 15, 2010>
- (2) Notwithstanding paragraph (1), a multiple number of parcelling-out sale applicants shall be deemed a single parcelling-out sale applicant in any of the following cases: <Amended on Jul. 30, 2009; Jul. 15, 2010>
1. Where a separate house or a multi-family dwelling is converted into a multi-household house after the base date of the

determination of rights; <Amended on Jul. 30, 2009; Jul. 15, 2010>

2. Where a multiple number of parcelling-out sale applicants belong to one household pursuant to Article 19 (1) 2 of the Act; <Amended on Jul. 30, 2009; Jul. 15, 2010>

3. Where one house and the land attached to the house are owned by a multiple number of persons; <Amended on Jul. 30, 2009; Jul. 15, 2010>

4. Where a new building is built on a vacant lot, or a multi-household house or other collective housing units are built after demolishing an existing building, after the base date of the determination of rights, and consequently the number of landowners increases. <Amended on Jul. 30, 2009; Jul. 15, 2010>

### **Article 29 (Calculation of Estimated Value of Building Sites or Buildings to be Sold by Parcelling-Out Sale)**

(1) The value of a building site or a building to be sold by parcelling-out sale as a result of a housing redevelopment project under Article 48 (5) 1 of the Act shall be estimated by calculating the arithmetic mean of the amounts appraised by two or more appraisers under the Public Notice of Values and Appraisal of Real Estate Act (hereinafter referred to as "appraisers"): Provided, That the following guidelines shall apply to collective housing units (including shares in the joint ownership of a building site; the same shall apply hereinafter): <Amended on Jul. 30, 2009>

1. Items that shall be added to the construction cost and the value of attached parcels of land under Article 54-2 (2) of the Decree with regard to the transfer price of redeveloped rental housing units shall be determined through negotiations in accordance with the Rule on the Calculation of the Parcelling-Out Sale Price of Collective Housing Units and Table 1 attached to the Enforcement Rule of the Rental Housing Act: Provided, That parcels of land attached to rental housing units that have been additionally built with the floor area ratio relaxed for the construction of housing units for long-term lease on a deposit basis shall be deemed donated to the transferee; <Amended on Jul. 30, 2009; Jul. 15, 2010>

2. The value of collective housing units that do not fall under subparagraph 1 shall be determined by calculating the arithmetic mean of the values appraised by two or more appraisers, based on the ground presented by the project implementor for the calculation of cost (referring to the price of building sites, construction cost, and other expenses incurred in the implementation of the project). In such cases, the opinions of two or more appraisers recommended by the competent head of Gu shall be taken into consideration. <Amended on Jul. 30, 2009>

(2) Notwithstanding paragraph (1) 1 and 2, the value of the building site of rental housing units shall be estimated in accordance with the following guidelines: <Amended on Jul. 30, 2009>

1. The state-owned or public land within a rearrangement zone shall be sold preferentially to persons who hold the preemptive right arising from the occupation of the land, and the costs of the development of building sites secured with the remaining area for rental housing shall be determined as the costs of the development of housing sites under paragraph (1) 1; <Amended on Jul. 30, 2009>

2. If the area secured in accordance with subparagraph 1 is insufficient for the building sites for rental housing units, the value of the area of state-owned or public land preferentially sold to persons who hold the preemptive right arising from the occupation of the land shall be the amount calculated by adding the costs of the development of housing sites under subparagraph 1 to the amount determined by applying the arithmetic mean of sale prices of the state-owned or public land within the rearrangement zone; <Amended on Jul. 30, 2009>

3. If the area secured in accordance with subparagraphs 1 and 2 is insufficient for building sites for rental housing units, the value of the remaining area shall be the amount calculated by adding the costs of the development of housing sites under subparagraph 1 to the amount obtained by applying the arithmetic mean unit price of previous land prices of privately owned parcels of land within the rearrangement zone. <Amended on Jul. 30, 2009>

(3) The estimated value of the building sites or buildings to be sold by parcelling-out sale as a result of an urban environment rearrangement project under Article 48 (5) 1 of the Act shall be calculated with the arithmetic mean of the values appraised by two or more appraisers: Provided, That as to construction plans, an efficiency index (referring to an index that indicates an efficiency rate that is taken into consideration in appraisal according to the location, direction, specific floor, and specific use of each unit of a building to be sold by parcelling-out sale) may be applied concurrently. <Amended on Jul. 30, 2009>

### **Article 30 (Guidelines for Housing Supply, etc.)**

(1) The guidelines for the housing supply of a housing redevelopment project under Article 52 (1) 8 of the Decree are as follows: <Amended on Jul. 30, 2009>

1. The value of rights held by a person shall be equivalent to the sale price of the housing unit he/she intends to buy. In such cases, if the value of rights falls between the sale prices of two different housing units, the person eligible for the parcelling-out sale shall have an option to choose one of those housing units; <Amended on Jul. 30, 2009>

2. Notwithstanding subparagraph 1, if articles of association or similar expressly prescribe, housing units may be sold by parcelling-out sale in accordance with the following guidelines; <Amended on Jul. 30, 2009>

(a) Housing units in the standard national housing size may be sold to persons whose rights have a higher value than others' rights; <Amended on Jul. 30, 2009>

(b) In the case of housing units larger than the standard national housing size, if not more than 50 percent of the total number of

housing units built are to be sold by parcelling-out sale to eligible persons, up to 50 percent of housing units in each size may be sold by parcelling-out sale to persons whose rights have higher value than others' rights, but if housing units in the standard national housing size are insufficient for parcelling out sale to the eligible persons under Article 27 and thus it is required to settle in cash, additional housing units for such shortage may be supplied to persons whose rights have the higher value than other's rights; <Amended on Jul. 30, 2009>

3. If there is competition in parcelling-out sale of housing units in an identical size, such housing units shall be sold to persons whose rights have a higher value than others' rights, but if such rights have the same value, housing units shall be sold by open lot, and the specific building, floor, and unit number of each housing unit shall be determined by open lot for each size of housing units. <Amended on Jul. 30, 2009>

(2) The commercial facilities and other ancillary welfare facilities developed as part of a housing redevelopment project or an urban environment rearrangement project shall be supplied in the following order of priority as of the base date of the management and disposal plan: <Amended on Jul. 30, 2009>

1. First priority: An owner of a pre-existing building, if the specific use of the pre-existing building is the same or similar as the specific use of a building to be sold, he/she has business registration completed (including license, permit, and reporting; the same shall apply hereafter in this paragraph), and the value of his/her rights (referring to the value excluding the sale price of a collective housing unit, if he/she has bought a collective housing unit; the same shall apply hereafter in this paragraph) is not less than the estimated value of a building to be sold in the minimum unit size for the parcelling-out sale; <Amended on Jul. 30, 2009>

2. Second priority: An owner of a pre-existing building, if the specific use of the pre-existing building is the same as or similar to the specific use of a building to be sold and the value of his/her rights is not less than the estimated value of a building to be sold in the minimum unit size for the parcelling-out sale; <Amended on Jul. 30, 2009>

3. Third priority: An owner of a pre-existing building, if the specific use of the pre-existing building is the same as or similar to the specific use of a building to be sold, he/she has business registration completed, and the value of his/her rights is less than the estimated value of a building to be sold in the minimum unit size for the parcelling-out sale, but he/she has not bought a collective housing unit through the parcelling-out sale; <Amended on Jul. 30, 2009>

4. Fourth priority: An owner of a pre-existing building, if the specific use of the pre-existing building is the same as or similar to the specific use of a building to be sold and the value of his/her rights is less than the estimated value of a building to be sold in the minimum unit size for the parcelling-out sale, but he/she has not bought a collective housing unit through the parcelling-out sale; <Amended on Jul. 30, 2009>

5. Fifth priority: A person who has not bought a collective housing unit through the parcelling-out sale, if the value of his/her rights is not less than the estimated value of a building to be sold in the minimum unit size for the parcelling-out sale; <Amended on Jul. 30, 2009>

6. Sixth priority: A person who has bought a collective housing unit through the parcelling-out sale, if the value of his/her rights is not less than the estimated value of a building to be sold in the minimum unit size for the parcelling-out sale. <Amended on Jul. 30, 2009>

### **Article 31 (Reserved Area, etc.)**

Each project implementor shall secure the reserved area under Article 48 (3) of the Act in preparation for omissions of eligible persons, errors, litigation, etc. in supplying housing units, etc. pursuant to Article 30, and the guidelines for the designation and disposition of the reserved area are as follows: <Amended on Jul. 30, 2009>

1. If persons have a right to claim preferential purchasing under Article 64 (2) of the Act, part of collective housing units not exceeding one percent of all collective housing units to be sold to landowners through parcelling-out sale pursuant to Articles 48 and 50 of the Act and part of ancillary welfare facilities, including commercial facilities, may be designated as a reserved area; <Amended on Jul. 30, 2009>

2. When a project implementor intends to designate an area as a reserved area in excess of one percent under subparagraph 1, he/she shall submit a statement of causes thereof and evidential documents therefor to the competent head of Gu for approval; <Amended on Jul. 30, 2009>

3. Each project implementor shall determine persons eligible for parcelling-out sale of the reserved area through the resolution by the general meeting, except persons who have a right to claim preferential purchasing or persons who meet the criteria for the qualification for landowners under relevant Acts, Decrees or this Ordinance; <Amended on Jul. 30, 2009>

4. Article 29 shall apply mutatis mutandis to the sale price of a reserved area; <Amended on Jul. 30, 2009>

5. If there is any remaining area left after a reserved area is disposed of pursuant to subparagraphs 1 through 4, such area shall be disposed of pursuant to Article 34. <Amended on Jul. 30, 2009>

### **Article 32 (Persons Excluded from Those Eligible for Housing Supply by Housing Environment Improvement Projects)**

Persons who shall be excluded from housing supply in accordance with the proviso to subparagraph 2 of Table 2 attached in relation to Article 54 (1) of the Decree shall be landowners who own a parcel of land of less than 90 square meters. <Amended on Jul. 30, 2009; Jul. 15, 2010>

### **Article 33 (Lease Deposit and Rent for Housing Environment Improvement Projects)**

As to the lease deposit and rent for the rental housing units within a residential environment improvement zone under subparagraph 1 (c) (2) of Table 3 attached in relation to Article 54 (2) of the Decree, the relevant provisions of Acts and subordinated statutes governing rental housing shall apply. <Amended on Jul. 30, 2009>

### **Article 34 (General Parcelling-Out Sale)**

In establishing a management and disposal plan, housing units to be supplied to landowners pursuant to Article 50 (1) of the Act and building sites, except the reserved area subject to the disposition under Article 31, and buildings (hereinafter referred to as "facilities allotted in recompense for development outlay") shall be disposed of in accordance with the following guidelines:

<Amended on Jul. 30, 2009>

1. Collective housing units, among facilities allotted in recompense for development outlay, shall be sold by parcelling-out sale to the general public, as prescribed by the Rule of Housing Supply. In such cases, the supply price may be separately determined by the project implementor, taking into consideration the price determined pursuant to Article 57 of the Decree; <Amended on Jul. 30, 2009>

2. Ancillary welfare facilities for parcelling-out sale, among facilities allotted in recompense for development outlay, shall be sold at the price determined in accordance with Article 57 of the Decree, as prescribed by the Rule of Housing Supply: Provided, That if tenants (referring to tenants who have continued their business since earlier than three months before the day on which it is publicly announced that public inspection is made available for the designation of a rearrangement zone until the day on which they vacate due to authorization for the implementation of the project) wish to purchase a housing unit, housing units shall be sold preferentially to such tenants in the following order of priority: <Amended on Jul. 30, 2009>

(a) First priority: A tenant of a pre-existing building, if the specific use of the pre-existing building is the same as or similar to the specific use of a building to be sold and he/she has engaged in a business registration with business registration thereof completed; <Amended on Jul. 30, 2009>

(b) Second priority: A tenant of a pre-existing building, if the specific use of the pre-existing building is the same as or similar to the specific use of a building to be sold and he/she has engaged in a business therein; <Amended on Jul. 30, 2009>

3. Notwithstanding subparagraphs 1 and 2, if a person who owns a house demolished as a consequence of an urban planning project in a new town district (limited to a person who does not own any house other than the demolished house) wishes to buy a housing unit in a rearrangement zone in the neighborhood, the competent head of Gu shall supply a housing unit specially to such a person pursuant to Article 19 (2) of the Rule on Housing Supply. <Amended on Jul. 30, 2009>

### **Article 35 (Persons Eligible for Supply of Rental Housing Units of Housing Redevelopment Projects, etc.)**

(1) "Persons specified by City/Do Ordinance" in subparagraph 2 (a) (4) of Table 3 attached and related to Article 54 (2) of the Decree refers to the persons under any of the following subparagraphs: <Amended on Jul. 30, 2009>

1. A tenant who is the head of a houseless household and has resided in the rearrangement zone continuously since earlier than three months before the day on which the availability of public inspection is publicly announced for the designation of a rearrangement zone under Article 11 of the Decree (referring to the day on which it is publicly announced that public inspection is made available for the change of the project implementation method, if the project implementation method is changed), based on the date recorded in the resident registration card for each household, until the day on which he/she moves out due to authorization for the implementation of the project (or moves out with permission from the competent head of Gu, if a building is demolished pursuant to Article 48-2 (2) of the Act): Provided, That tenants who reside in a new unauthorized building shall be excluded herefrom; <Amended on Jul. 30, 2009; Jul. 15, 2010>

2. A landowner eligible for the supply of a housing unit in the rearrangement zone but relinquishes his/her right to file an application for parcelling-out sale; <Amended on Jul. 30, 2009>

3. A tenant who resides in any housing redevelopment zone other than the rearrangement zone and is the head of a houseless household qualified for a rental housing unit under subparagraph 1; <Amended on Jul. 30, 2009>

4. The owner of a house demolished due to an urban planning project (excluding a rearrangement project under this Act) implemented in the neighborhood of the rearrangement zone or the head of a houseless household who resides in such a house, who is selected by the Mayor with recommendation by the competent head of Gu; <Amended on Jul. 30, 2009>

5. Other persons specified by Municipal Rules. <Amended on Jul. 30, 2009>

(2) The guidelines for the judgement on households eligible for the supply under paragraph (1) 1 are as follows: <Amended on Jul. 30, 2009>

1. A household comprised of husband and wife or lineal ascendants or descendants on the resident registration card for the household since earlier than three months before the day on which the availability of public inspection is publicly announced for the designation of a rearrangement zone until they move into a rental housing unit. A household where a divorced mother shares residence with her lineal ascendants or descendants shall be included in such cases; <Amended on Jul. 30, 2009>

2. A household that is designated by the competent head of Gu as a household headed by a minor with two or more family members recorded on the resident registration card for the household; <Amended on Jul. 30, 2009>

3. A household comprised of only two or more siblings recorded on the resident registration card for the household. In such cases, the head of the household shall be a person who is at least 30 years of age or whose income meets the criteria under Article 4 of the Income Tax Act; <Amended on Jul. 30, 2009>

4. If a household does not have a spouse or a lineal ascendant or descendant recorded on the resident registration card for the household since more than three months before the day on which the availability of public inspection is publicly announced (or the day on which a decision on the project plan is publicly notified with regard to a rearrangement zone designated on or before June 30, 1996 or the day on which the availability of public inspection is publicly announced for a change in the project implementation method, if there is a change in the project implementation method) until the household moves out, the head of the household shall be eligible for rental housing, only if he/she is at least 30 years of age or his/her income meets the criteria under Article 4 of the Income Tax Act: Provided, That residents who share residence with a householder but who are recorded as a separate household on the resident registration card shall not be eligible for rental housing, and only one rental housing unit shall be supplied, if there are several households recorded on a resident registration card as residents in one and the same house. <Amended on Jul. 30, 2009; Jul. 15, 2010>

(3) The rental housing units of a housing redevelopment project under subparagraph 2 (b) of Table 3 attached and related to Article 54 (2) of the Decree shall be supplied in the following order of priority: <Amended on Jul. 30, 2009>

1. First priority: Persons under paragraph (1) 1;
2. Second priority: Persons under paragraph (1) 2;
3. Third priority: Persons under paragraph (1) 3;
4. Fourth priority: Persons under paragraph (1) 4;
5. Fifth priority: Persons under paragraph (1) 5.

#### **Article 36 (Rental Housing and Housing Supply through Urban Environment Rearrangement Projects, etc.)**

As to the rental housing and housing supply through urban environment rearrangement projects, Articles 21 (1), 22, 23, 27, 29 (1) and (2), 30, 31, and 33 through 35 shall apply mutatis mutandis: Provided, That as to the qualification for tenants of a housing unit for long-term lease on a deposit basis, Article 54 (3) of the Decree shall apply mutatis mutandis. <Amended on Jul. 30, 2009; Mar. 2, 2010>

#### **Article 37 (Public Notice of Completion of Construction Works)**

The competent head of Gu shall, upon receipt of a notice of approval that the Korea National Housing Corporation or other project implementor has given in its discretion pursuant to the proviso to Article 55 (1) of the Decree, give public notice of the matters under the subparagraphs of Article 55 (2) of the Decree through the official bulletin of the autonomous Gu. <Amended on Jul. 30, 2009>

## **CHAPTER BEARING OF COSTS AND EXPENSES, ETC.**

#### **Article 38 (Subsidization for Costs and Expenses for Rearranged Infrastructure, etc.)**

CHAPTER BEARING OF COSTS AND EXPENSES, ETC.(1) The Mayor may grant a full or partial subsidy to the competent head of Gu for costs and expenses for the installation of rearranged infrastructure under any of the following subparagraphs pursuant to Article 60 (2) of the Act and Article 58 of the Decree: <Amended on Jul. 30, 2009>

1. Major rearranged infrastructure to be installed in a residential environment improvement zone; <Amended on Jul. 30, 2009>
2. Motor ways under Article 61 of the Road Act, main highways and auxiliary highways under Article 3 of the Rule on the Standards for the Structure and Facilities of Roads, and parks under Article 15 of the Act on Urban Parks, Greenbelts, etc. (excluding small parks and children's parks) within a housing redevelopment zone. <Amended on Jul. 30, 2009>

(2) Pursuant to Article 63 of the Act, the Mayor may grant a partial subsidy to a project implementor for costs and expenses for the installation of rearranged infrastructure installed as part of a rearrangement project in any of the following cases: <Amended on Jul. 30, 2009>

1. Rearranged infrastructure installed in a residential environment improvement zone; <Amended on Jul. 30, 2009>
2. Roads for planned urban facilities with a width of not less than eight meters, small parks, children's parks, and greenbelts, installed in a housing redevelopment zone: Provided, That roads for planned urban facilities with a width of less than eight meters shall be included, if a redevelopment project is implemented in order to develop various residential areas for medium- and low-income households consistent with the geographical features in any of the following areas approved by the Mayor: <Amended on Jul. 30, 2009; Mar. 2, 2010>
  - (a) A hilly district at not less than 40 meters above sea level, for which a rearrangement project is promoted; <Amended on Jul. 30, 2009>
  - (b) An area where the scenic view must be conserved; <Amended on Jul. 30, 2009>
  - (c) A low-density development area with buildings of maximum seven stories; <Amended on Jul. 30, 2009>
3. Roads for planned urban facilities with a width of not less than eight meters, small parks, children's parks, and greenbelts, which

are installed in an area where a project for buildings of medium- and low-stories for the households under Article 4 (3); <Newly Inserted on Mar. 2, 2010>

4. Infrastructure rearranged through an urban environment rearrangement project implemented by the competent head of Gu due to any of the following causes: <Amended on Jul. 30, 2009>

(a) Where it is required to implement a project urgently due to a natural disaster or any similar event; <Amended on Jul. 30, 2009>

(b) Where it is required to implement a project in connection with an urban planning project implemented by the Mayor; <Amended on Jul. 30, 2009>

(c) Where the scale of construction is limited due to an urban environment rearrangement project implemented in an area near a cultural heritage asset or any similar asset in order to preserve cultural heritage; <Amended on Jul. 30, 2009>

(d) Where a project is implemented as a result of prior consultation of the competent head of Gu with the Mayor in order to boost the construction of public buildings or local economy otherwise; <Amended on Jul. 30, 2009>

(e) Where a project is implemented for the purpose of utilizing at least 30 percent of the gross area of buildings for residential use in order to secure urban residential space; <Amended on Jul. 30, 2009>

(f) An urban environment rearrangement project implemented by the restorative redevelopment method (referring to a method of redeveloping a rearrangement zone by dividing the zone into blocks and following existing roads and the system of parcels of land, contrary to the complete demolition method); <Amended on Jul. 30, 2009>

(3) The competent head of Gu may, if he/she finds that a rearranged infrastructure that a project implementor is obligated to install pursuant to Article 64 (1) of the Act is not likely to function well enough or the efficiency in the use of such an infrastructure is likely to be insufficient because the site secured for installing the rearranged infrastructure is not large enough for the infrastructure, may require the project implementor to deposit costs and expenses for the installation of the rearranged infrastructure in the Gu's treasury. <Amended on Jul. 30, 2009>

(4) The Mayor may, if the head of any Gu establishes a rearrangement plan, grant subsidies for costs and expenses necessary for the plan within the extent prescribed by Municipal Rules. <Amended on Jul. 30, 2009>

#### **Article 39 (Limits on Loans for Project Costs)**

(1) The Mayor may grant partial subsidies to a person who implements an urban environment rearrangement project for the restoration of functions of the city for costs and expenses for the rearrangement project within the following limits: <Amended on Jul. 30, 2009>

1. Not more than 80 percent of the construction costs for a project implemented by the head of Gu; <Amended on Jul. 30, 2009>

2. Not more than 40 percent of the construction cost for a project implemented by any person other than the head of Gu. <Amended on Jul. 30, 2009>

(2) "Other matters specified by City/Do Ordinance" in Article 60 (4) 5 of the Decree means operating expenses of a committee for the promotion of the establishment of an association or an association, design expenses, and other service fees. Loans may be given in accordance with the following guidelines within the limitations prescribed by Article 60 (4) of the Decree: <Amended on Jul. 30, 2009; Sep. 29, 2009; Jul. 15, 2010>

1. The interest rate on loans shall be determined by the Mayor within the maximum of the interest rate on general loans lent by commercial banks; <Amended on Jul. 30, 2009>

2. A project implementor shall pay off loans before it files an application for approval for the completion of the rearrangement project. <Amended on Jul. 30, 2009; Sep. 29, 2009>

(3) Except as provided for in paragraphs (1) and (2), necessary matters concerning loans shall be prescribed by Municipal Rules. <Amended on Jul. 30, 2009>

#### **Article 40 (Guidelines for Recognition of Preemptive Rights Arising from Occupation and Use of State-Owned or Public Land, etc.)**

(1) The guidelines for preferential sale under Article 66 (4) of the Act to owners of a building (excluding a new unauthorized building) who occupies and uses a parcel of state-owned or public land in a rearrangement zone are as follows: <Amended on Jul. 30, 2009>

1. The area recognizable as occupied and used shall be the area actually used by a building with boundaries separately identifiable by walls: Provided, That the area shall not exceed 200 square meters; <Amended on Jul. 30, 2009>

2. If it is difficult to identify boundaries, the vertical lines from the edge of eaves shall be boundaries; <Amended on Jul. 30, 2009>

3. If a building that occupies and uses a parcel of state-owned or public land under subparagraph 1 or 2 occupies and uses both a private-owned parcel of land and the parcel of state-owned or public land, the area of the state-owned or public land, including the privately-owned land, shall not exceed 200 square meters. <Amended on Jul. 30, 2009>

(2) The area occupied and used under paragraph (1) shall be calculated in accordance with the results of the cadastral survey under the Cadastral Act. <Amended on Jul. 30, 2009>

(3) If a person who occupies and uses a parcel of state-owned or public land intends to buy the parcel preferentially in accordance with paragraph (1), he/she shall execute a purchase contract with the authorities responsible for the management of the state-

owned or public land until an application for approval of the management and disposal plan is filed. <Amended on Jul. 30, 2009>

#### **Article 41 (Management and Disposal of State-Owned or Public Land in Residential Environment Improvement Zones)**

(1) As to the management and disposal of state-owned or public land in a residential environment improvement zone, which has been transferred to the project implementor pursuant to Article 68 (5) of the Act, Articles 22 and 26 (3) 3 of the Seoul Special Metropolitan City Ordinance on the Management of Public Property and Commodity and Article 80 of the Enforcement Decree of the Public Property and Commodity Management Act shall apply mutatis mutandis. <Amended on Jul. 30, 2009>

(2) The authorities responsible for the management of state-owned or public land shall, when the authorities dispose of a transferred parcel of land, register a special agreement that the contract on the disposition of the land shall be cancelled if the relevant residential environment improvement project is cancelled. <Amended on Jul. 30, 2009>

### **CHAPTER SUPERVISION, ETC.**

#### **Article 42 (Reporting on Results of Implementation of Rearrangement Projects)**

CHAPTER SUPERVISION, ETC.(1) Pursuant to Article 75 (1) of the Act, each head of Gu shall report to the Mayor on the results of the implementation of the following matters within ten days from the date on which a relevant disposition is made: <Amended on Jul. 30, 2009>

1. Designation and public notification of a project implementor under Article 7 or 8 of the Act: <Amended on Jul. 30, 2009>
2. Designation and public notification of a project agent under Article 9 of the Act; <Amended on Jul. 30, 2009>
3. Authorization for (or amended authorization for or acceptance of a report on) the establishment of an association under Article 16 of the Act; <Amended on Jul. 30, 2009>
4. Authorization for (or amended authorization for, approval for suspension or discontinuance of, or acceptance of a report on) the implementation of a project under Article 28 of the Act; <Amended on Jul. 30, 2009>
5. Approval of (or acceptance of a report on) and public notification of a management and disposal plan (or a revision thereto) under Article 48 or 49 of the Act; <Amended on Jul. 30, 2009>
6. Approval for the invitation of prospective buyers for general parcelling-out sale under Article 48 (3) of the Act and Article 8 of the Rule on Housing Supply; <Amended on Jul. 30, 2009>
7. Completion approval (including the permission for use before completion approval) and public notification of project completion under Article 52 of the Act; <Amended on Jul. 30, 2009>
8. Designation and public notification of an amended rearrangement zone under subparagraph 3 of Article 45. <Amended on Jul. 30, 2009>

(2) Pursuant to Article 75 (1) of the Act, each head of Gu shall report to the Mayor on the following matters by not later than the seventh day of the month immediately following the end of each quarter: <Amended on Jul. 30, 2009>

1. Details of an order to submit data, or details of an investigation into business performance, under Article 75 (2) of the Act: <Amended on Jul. 30, 2009>
2. Results of an accounting audit reported by a project implementor in accordance with Article 76 of the Act; <Amended on Jul. 30, 2009>
3. Current status of dispositions made in connection with the supervision under Article 77 (1) and (2) of the Act. <Amended on Jul. 30, 2009>

#### **Article 42-2 (Qualification for Members of Committee for Mediation of Disputes on Urban Affairs)**

“Other persons specified by City/Do Ordinance as those who have expertise in rearrangement projects” in Article 77-2 (2) 4 of the Act means persons under any of the following subparagraphs: <Newly Inserted on Mar. 2, 2010>

1. Members of the autonomous Gu Council at issue;
2. Members of the urban planning committee or the building committee of the autonomous Gu Council at issue.

#### **Article 42-3 (Composition and Operation of Committee for Mediation of Disputes on Urban Affairs)**

(1) The term of office for public officials under Article 77-2 (2) 1 of the Act and the committee chairperson, among members of the committee for the mediation of disputes on urban affairs (hereinafter referred to as the “mediation committee”), shall be equal to the term of service of each of them as a public official, while the term of office for commissioned committee members shall be two years, and the terms may be renewed consecutively. <Newly Inserted on Mar. 2, 2010>

(2) The mediation committee shall have the following sectional committees: <Newly Inserted on Mar. 2, 2010>

1. Sectional committee I: Mediation of disputes between an association or a promotion committee and an association member or a landowner;
2. Sectional committee II: Mediation of other disputes that are not under the jurisdiction of the sectional committee I.

(3) The committee chairperson shall convene meetings of the mediation committee, preside over the meetings, and perform the following duties: Provided, That if the committee chairperson is unable to perform his/her duties due to extenuating circumstances, a committee member elected by and from among committee members shall act on behalf of the committee chairperson: <Newly

Inserted on Mar. 2, 2010>

1. The committee chairperson shall, when he/she intends to convene a meeting of the mediation committee, notify each committee member of the date, time, place of the meeting, disputes brought up for mediation, and other matters by not later than five days before holding the meeting;
2. The committee chairperson may authorize the competent sectional committee to conduct preliminary examination prior to the examination by the mediation committee;
3. If the committee chairperson considers it necessary for efficient examination and mediation, he/she may conduct a field investigation or summon parties to the mediation, appropriate experts, and competent public officials to attend a meeting and make statements of their opinions.
- (4) A meeting of the mediation committee shall be duly formed with the attendance of the majority of incumbent committee members, and a resolution shall be adopted by an concurrent vote of the majority of committee members present at the meeting: Provided, That each sectional committee shall adopt a resolution by a concurrent vote of all members. <Newly Inserted on Mar. 2, 2010>
- (5) The mediation committee shall have one senior secretary and one secretary in order to have them handle administrative affairs, and the Grade VI public official responsible for the management of administrative affairs of the mediation committee shall serve as the senior secretary, while the public official in charge of such administrative affairs shall serve as the secretary. <Newly Inserted on Mar. 2, 2010>
- (6) A member of the mediation committee shall be excluded from the course of the examination and resolution on a dispute brought up for mediation in any of the following cases: <Newly Inserted on Mar. 2, 2010>
  1. Where a committee member was or is involved in services, appraisal, expropriation, or research in connection with the dispute brought up for mediation;
  2. Where a committee member was or is a relative by blood of a party to the dispute brought up for mediation;
  3. Where a committee member has a direct interest in the dispute filed for mediation.
- (7) Either party to a dispute may file a challenge against a committee member, if he/she has any ground to believe that it is difficult for him/her to expect the fairness in the examination and resolution. In such cases, the chairperson of the mediation committee shall make a decision on such a challenge without raising the challenge to the mediation committee for resolution. <Newly Inserted on Mar. 2, 2010>
- (8) If a committee member has a ground to be challenged, he/she may voluntarily exclude him/herself from the examination and resolution of the dispute brought up for mediation. <Newly Inserted on Mar. 2, 2010>
- (9) Members of the mediation committee shall be reimbursed for allowances, travel expenses, and other expenses within budgetary limits, and actual expenses incurred in trips for investigations and field inspections may also be reimbursed. <Newly Inserted on Mar. 2, 2010>

#### **Article 42-4 (Petitioning and Procedure for Mediation by Mediation Committee and Procedure)**

- (1) A mediation petitioner shall submit two sets of written mediation petitions, and the mediation committee shall deliver one set of the mediation petition to the opposite party to the mediation. <Newly Inserted on Mar. 2, 2010>
- (2) A person on receipt of a mediation petition shall submit a written answer within 20 days: Provided, That if the person gives a notice to the mediation committee in writing that he/she will make an appearance before the committee to make oral statements, he/she may choose not to submit a written answer. <Newly Inserted on Mar. 2, 2010>
- (3) Other matters necessary for the operation of the mediation committee shall be prescribed by Municipal Rules. <Newly Inserted on Mar. 2, 2010>

## **CHAPTER PUBLIC ADMINISTRATION OF REARRANGEMENT PROJECTS**

### **Article 43 (Definitions)**

CHAPTER PUBLIC ADMINISTRATION OF REARRANGEMENT PROJECTS The terms used in this Chapter shall be defined as follows: <Newly Inserted on Jul. 15, 2010>

1. "Public administrator" refers to the head of Gu who carries out the affairs under the subparagraphs of Article 77-4 (2) of the Act; <Newly Inserted on Jul, 15, 2010>
2. "Entrusted administrator" refers a person to whom public administration is entrusted pursuant to Article 77-4 (2) of the Act; <Newly Inserted on Jul, 15, 2010>
3. "Drawing documents" refers to documents necessary for bidding, including drawings, the bill of quantity, and other documents regarding the subject matter; <Newly Inserted on Jul, 15, 2010>
4. "Clean-up system" means an integrated web-site for disclosure of information, established by the Mayor for assisting promotion committees or associations in the disclosure of information under Article 81 (1) of the Act via the Internet and the management of such disclosure of information. <Newly Inserted on Jul, 15, 2010>

#### **Article 44 (Projects subject to Public Administration)**

“Projects specified by City/Do Ordinance” in Article 77-4 (1) of the Act means rearrangement projects implemented by each association under Article 8 of the Act: Provided, That the following rearrangement projects shall be excluded herefrom: <Newly Inserted on Jul, 15, 2010>

1. A housing redevelopment project in any zone other than rearrangement zones under Article 6 of the Decree; <Newly Inserted on Jul, 15, 2010>
2. An urban environment rearrangement project where the number of landowners as of the day on which a rearrangement zone is designated and publicly notified pursuant to Article 4 (5) of the Act is less than 100 persons and the construction ratio of residential buildings is less than 50 percent. <Newly Inserted on Jul, 15, 2010>

#### **Article 45 (Scope of Application of Public Administration, Bearing of Expenses, etc.)**

(1) The competent head of Gu shall carry out public administration from the day on which the Mayor designates and publicly notifies a rearrangement zone pursuant to Article 4 (5) of the Act to the day on which the contractor is selected at the general meeting of the association and shall bear the following expenses therefor: <Newly Inserted on Jul, 15, 2010>

1. Expenses incurred in the services for the organization of the promotion committee and in entrustment to the competent Election Commission; <Newly Inserted on Jul, 15, 2010>
2. Fees for entrusted administration. <Newly Inserted on Jul, 15, 2010>

(2) An association may, if it intends to receive assistance in affairs other than those under the subparagraphs of Article 77-4 (2) of the Act after the contractor is selected, file an application with the competent head of Gu, subject to prior resolution of its general meeting. <Newly Inserted on Jul, 15, 2010>

(3) The head of Gu shall, upon receipt of an application from an association pursuant to paragraph (2), designate an institution under the latter part of Article 77-4 (1) of the Act and notify the association of his/her designation, and the association shall execute a contract with the institution on the scope of assistance, fees, and other matters and shall bear expenses incurred therefor. <Newly Inserted on Jul, 15, 2010>

#### **Article 46 (Scope of Duties of Public Administrators)**

“Other matters specified by City/Do Ordinance” in Article 77-4 (2) 4 of the Act means the following duties: <Newly Inserted on Jul, 15, 2010>

1. Entrustment of the competent Election Commission with the election of committee members for the organization of a promotion committee; <Newly Inserted on Jul, 15, 2010>
2. Assistance in other work regarding the method of selecting service providers; <Newly Inserted on Jul, 15, 2010>
3. Assistance in preparation for the establishment of an association; <Newly Inserted on Jul, 15, 2010>
4. Assistance in the operation of a promotion committee or an association and the disclosure of information. <Newly Inserted on Jul, 15, 2010>

#### **Article 47 (Election Management Methods, etc.)**

The Mayor may establish guidelines for election management, including the following matters, with regard to the election of members of a promotion committee or an association: <Newly Inserted on Jul, 15, 2010>

1. Matters concerning the entrustment of work to the competent Election Commission; <Newly Inserted on Jul, 15, 2010>
2. Matters concerning the holding of explanatory events for residents; <Newly Inserted on Jul, 15, 2010>
3. Matters concerning public notice of registration and the registration of candidates; <Newly Inserted on Jul, 15, 2010>
4. Matters concerning the holding of joint speeches; <Newly Inserted on Jul, 15, 2010>
5. Matters concerning the conduct of residents' elections; <Newly Inserted on Jul, 15, 2010>
6. Other matters necessary for election management. <Newly Inserted on Jul, 15, 2010>

#### **Article 48 (Guidelines for Selection of Contractors, etc.)**

(1) Each association shall select a contractor at the general meeting by competitive bidding. <Newly Inserted on Jul, 15, 2010>

(2) An association shall, when it selects a contractor pursuant to paragraph (1), prepare drawing documents that reflect the project implementation plan approved pursuant to Article 28 of the Act and shall call for bids. <Newly Inserted on Jul, 15, 2010>

(3) A promotion committee or an association shall select a person who reported his/her business in accordance with Article 23 of the Certified Architects Act as a design architect at the general meeting by competitive bidding. <Newly Inserted on Jul, 15, 2010>

(4) The Mayor may establish guidelines for the methods for the selection of business entities specializing in administration of rearrangement projects, design architects, and contracts, including the following matters: <Newly Inserted on Jul, 15, 2010>

1. Detailed procedure for the selection of business entities; <Newly Inserted on Jul, 15, 2010>
2. Functions and roles of public administrators, etc. for each stage of the selection of business entities; <Newly Inserted on Jul, 15, 2010>
3. Matters necessary for the method for the selection of other business entities and assistance therein. <Newly Inserted on Jul, 15, 2010>

(5) The Mayor may establish guidelines for the selection of service providers under subparagraph 2 of Article 46 by applying the

provisions of paragraph (3) mutatis mutandis. <Newly Inserted on Jul, 15, 2010>

#### **Article 49 (Designation, etc. of Entrusted Administrators)**

(1) A public administrator who intends to entrust a person with public administration pursuant to Article 77-4 (1) of the Act shall designate a person as the entrusted administrator by applying the Regulation on the Delegation or Entrustment of Administrative Authorities mutatis mutandis. <Newly Inserted on Jul, 15, 2010>

(2) The Mayor may prepare and distribute a standard agreement form including the following matters: <Newly Inserted on Jul, 15, 2010>

1. Purposes of entrustment;
2. Rights and obligations of parties;
3. Location and area of the zone;
4. Scope of entrusted works;
5. Period of Entrustment;
6. Methods for the execution of contract and the payment of fees;
7. Matters concerning supervision;
8. Matters necessary for the termination of the agreement and entrusted administration.

#### **Article 50 (Assistance in Establishment of Associations, etc.)**

(1) The Mayor may provide a promotion committee or an association with programs with which project cost and other expenses can be roughly calculated. <Newly Inserted on Jul, 15, 2010>

(2) The head of a promotion committee or an executive of an association shall enter necessary matters, including the rearrangement plan, in the program under paragraph (1) through the web-site designated by the Mayor from the time the promotion committee or the association receives consents to the time the management and disposal plan is adopted at the general meeting of the association. <Newly Inserted on Jul, 15, 2010>

#### **Article 51 (Subsidization for Expenses, etc.)**

Pursuant to Article 77-4 (4) of the Act, the Mayor may grant subsidies to the head of each Gu within the maximum of 70 percent of expenses incurred in the following works pursuant to Article 9 of the Seoul Special Metropolitan City Ordinance on the Management of Subsidies, taking into consideration each autonomous Gu's financial strength: <Newly Inserted on Jul, 15, 2010>

1. Expenses incurred in the organization of a promotion committee under Article 77-4 (2) 1 of the Act; <Newly Inserted on Jul, 15, 2010>
2. Fees from entrustment of public administration under Article 77-4 (1) of the Act. <Newly Inserted on Jul, 15, 2010>

#### **Article 52 (Disclosure of Information about Public Administration)**

Each public administrator and each entrusted administrator shall disclose related data under the following subparagraphs concurrently via the Internet and by other means: <Newly Inserted on Jul, 15, 2010>

1. Matters concerning the designation of and contracting with an entrusted administrator under Article 77-4 (1) of the Act; <Newly Inserted on Jul, 15, 2010>
2. Matters concerning the selection of and contracting with a business entity not specializing in projects under Article 77-4 (2) 2 of the Act; <Newly Inserted on Jul, 15, 2010>
3. Matters concerning the management of elections of members of a promotion committee and executives of an association. <Newly Inserted on Jul, 15, 2010>

#### **Article 53 (Submission of Data)**

The chairperson of a promotion committee or the head of an association shall submit the following data to the public administrator (including an entrusted administrator) so that the competent head of Gu can carry out public administration efficiently: <Newly Inserted on Jul, 15, 2010>

1. Matters concerning the holding of general meetings of a promotion committee, residents' general meetings, general meetings of an association, and directors' meetings and representatives' meetings of an association; <Newly Inserted on Jul, 15, 2010>
2. Matters concerning planning for the selection of contractors, design architects, and business entities specializing in rearrangement projects and the contracting with such contractors, design architects, and business entities specializing in rearrangement projects; <Newly Inserted on Jul, 15, 2010>
3. Other matters specified by Municipal Rules. <Newly Inserted on Jul, 15, 2010>

#### **Article 54 (Methods for Disclosure of Data, etc.)**

(1) "Matters specified by City/Do Ordinance as those subject to disclosure" in Article 22 (1) of the Enforcement Rule refers to the following data, and the further specific method for the disclosure of data shall be prescribed by Municipal Rules: <Newly Inserted on Jul, 15, 2010>

1. The project implementation plan; <Newly Inserted on Jul, 15, 2010>
2. The management and disposal plan; <Newly Inserted on Jul, 15, 2010>

3. Other matters specified by Municipal Rules as data in an excessive volume or personal information that shall be protected.

<Newly Inserted on Jul, 15, 2010>

(2) The chairperson of each promotion committee or executives of each association shall disclose the data under the subparagraphs of Article 81 (1) of the Act to the public through the clean-up system. <Newly Inserted on Jul, 15, 2010>

## **CHAPTER SUPPLEMENTARY PROVISIONS**

### **Article 55 (Transfer of Related Data)**

CHAPTER SUPPLEMENTARY PROVISIONS Pursuant to Article 81 (4) of the Act, a project implementor, other than the Korea National Housing Corporation, shall transfer the following documents to the competent head of Gu within three months from the date on which public notice of conveyance is given pursuant to Article 54 of the Act or within two months from the day on which the rearrangement project is discontinued: Provided, That if the head of Gu finds that there is an extenuating circumstance, he/she may defer the deadline for the transfer upon the request of the project implementor: <Amended on Jul, 30, 2009>

1. Documents regarding public notice of conveyance; <Amended on Jul, 30, 2009>
2. Documents regarding final survey; <Amended on Jul, 30, 2009>
3. Documents regarding liquidation; <Amended on Jul, 30, 2009>
4. Documents regarding the registration application; <Amended on Jul, 30, 2009>
5. Documents regarding appraisal; <Amended on Jul, 30, 2009>
6. Documents regarding compensation for losses and expropriation; <Amended on Jul, 30, 2009>
7. Documents regarding the installation of joint zones and the apportionment of costs and expenses; <Amended on Jul, 30, 2009>
8. Documents regarding accounting and contracts; <Amended on Jul, 30, 2009>
9. Documents regarding accounting audits; <Amended on Jul, 30, 2009>
10. Documents regarding general meetings, representatives' meetings, directors' meetings, and the auditor's audits; <Amended on Jul, 30, 2009>
11. Documents regarding the disposition of reserved areas and facilities allotted in recompense for development outlay and the parcelling-out sale to persons who hold an option to preferential purchase. <Amended on Jul, 30, 2009>

### **Article 56 (Operation, Rates, etc. of Fund for Rearrangement of Urban and Residential Environments)**

(1) The fund for the rearrangement of urban and residential environments under Article 82 (1) and (4) of the Act (hereinafter referred to as the "rearrangement fund") shall be included in the special account for housing projects of the Seoul Special Metropolitan City for operation and management. <Amended on Jul, 30, 2009>

(2) The rate of the rearrangement fund that shall be set aside out of the urban planning tax pursuant to Article 71 (1) of the Decree shall be 10/100 of the total amount collected. <Amended on Jul, 30, 2009>

(3) The rate of the rearrangement fund that shall be transferred from the sale price of public land in a rearrangement zone pursuant to Article 82 (2) 3 of the Act shall be 30/100 of the sale price. <Amended on Jul, 30, 2009>

(4) The rate of the rearrangement fund that shall be set aside out of the development charge pursuant to Article 82 (4) of the Act shall be 50/100 of the portion that shall be vested in each local government. <Amended on Jul, 30, 2009>

(5) "Matters specified by City/Do Ordinance" in Article 82 (3) 1 (d) of the Act means operating expenses of each association, design fees and other service fees, expenses incurred in taking measures in relation to tenants, and moving expenses for association members. <Newly Inserted on Jul, 30, 2009>

### **Article 57 (Delegation of Authority)**

The Mayor shall delegate his/her authority for the following matters to the head of each Gu: <Amended on Jul, 30, 2009>

1. Matters concerning the execution of sale contracts for rental housing units of each rearrangement project and the payment of sale prices in installments (down payment, interim payments, and balance); <Amended on Jul, 30, 2009>
2. The establishment of a rearrangement plan for a rearrangement zone designated as a residential environment improvement district pursuant to the former Act on Temporary Measures for the Improvement of Dwelling and Other Living Conditions for Low-Income Urban Residents before the Act entered into force. <Amended on Jul, 30, 2009>

### **Article 58 (Procedure for Collection of Fines for Negligence)**

The procedure for the collection of fines for negligence shall be governed by the Act on the Regulation of Violations of Public Order. <Amended on Jul, 30, 2009>

## **ADDENDA <Ordinance No. 4860, Sep. 29, 2009>**

Article 1 (Enforcement Date)

This Ordinance shall enter into force on the date of its promulgation.

Article 2 (Repeal of other Ordinances)

The Seoul Special Metropolitan City Ordinance on Urban Redevelopment Projects, the Seoul Special Metropolitan City Ordinance on City-Center Redevelopment Projects, and the Seoul Special Metropolitan City Ordinance on the Implementation of Residential Environment Improvement Projects shall be hereby repealed respectively.

#### Article 3 (General Transitional Measure)

Dispositions, proceedings, and other acts done pursuant to each Ordinance under Article 2 of the Addenda at the time this Ordinance enters into force shall be deemed to have been done pursuant to provisions of this Ordinance.

#### Article 3-2 (Transitional Measure concerning Requirements for Designation of Residential Environment Improvement Zones)

With regard to an area for which an application has been filed for the designation of a district on the ground that the area met the requirements for the designation of a zone under the previous provisions at the time this Ordinance enters into force, the provisions shall not apply to the density of units to the requirements for the designation of a rearrangement zone, notwithstanding subparagraph 1 of Article 4 of this Ordinance.

[This Article Newly Inserted on Apr. 28, 2005]

#### Article 4 (Applicability to Guidelines for Construction of Rental Housing Units)

Subparagraph 3 of Article 9 regarding the guidelines for the construction of rental housing units shall apply to the rearrangement zones regarding which the public announcement of the availability of public inspection is first made for drafting a bill for the designation of a rearrangement zone after this Ordinance enters into force.

#### Article 5 (Transitional Measure for Guidelines for Eligibility for Parcelling-Out Sale)

Notwithstanding Article 24 (2) 1, a housing unit with an exclusive area of not more than 60 square meters or a rental housing unit in a rearrangement zone may be supplied in compensation for a separate house or a multi-family dwelling, which has been converted into a multi-household house with the separate registration of partition completed for the housing unit, while the previous relevant ordinances shall apply if total exclusive area for dwelling in a multi-household house exceeds 60 square meters: Provided, That if a housing unit is owned in the form of shares in joint ownership of a house converted into a multi-household house, such a housing unit shall not be included in the total exclusive area for dwelling, and if there are remaining units left over after distributing housing units with an exclusive area of not more than 85 square meters to association members who filed an application for parcelling-out sale and if the association members who have housing units with an exclusive area of not more than 60 square meters distributed request to upgrade the size of units, larger units may be additionally distributed to association members whose rights have a greater value than other members' rights.

#### Article 6 (Transitional Measure concerning Approved Promotion Committees)

Notwithstanding Article 3 (1) 1, in the case of a complex for which a promotion committee was established with approval pursuant to Article 9 of the Addenda to the Act at the time this Ordinance enters into force, the standard age of a decrepit or substandard building shall be 22 years, if it is not lower than five stories, or 21 years, if it is not higher than four stories.

#### Article 7 (Transitional Measure concerning Guidelines for Parcelling-Out Sale for Multi-Family Dwelling)

Notwithstanding Article 24 (2) 3, in cases of a multi-family dwelling, the shares in or the partitioned ownership of which was registered for each family unit on or before January 15, 1997 (including a de facto multi-family dwelling, the shares in or stratum ownership of which was registered after it had been built as a separate house with a building permit before the multi-family dwelling system was introduced on April 21, 1990), one person of each family shall be deemed eligible for parcelling-out sale only within the extent of the number of families under the building permit for the multi-family dwelling. <Amended on Nov. 10, 2005>

#### Article 8 (Transitional Measure concerning Guidelines for Eligibility for Parcelling-Out Sale in Housing Redevelopment Projects)

Notwithstanding Article 24, in cases of a rearrangement zone (excluding a rearrangement zone for which a plan for the rearrangement zone is not yet formulated) designated as a redevelopment zone pursuant to Article 4 of the former Urban Redevelopment Act before this Ordinance enters into force, the date on which public notice of the designation of the zone is given shall be deemed the enforcement date of this Ordinance, and "30 square meters" in the proviso to Article 24 (1) 2 shall be construed as "20 square meters".

#### Article 9 (Transitional Measure concerning Guidelines for Eligibility for Supply of Rental Housing Units)

Notwithstanding Article 32 (1) 1, the guidelines for the eligibility for the supply of rental housing units in a rearrangement zone designated as a redevelopment zone pursuant to Article 4 of the former Urban Redevelopment Act at the time this Ordinance enters into force shall be governed by the previous provisions of relevant ordinances. In such cases, the day on which public notice of the designation of the zone shall be deemed the day on which the public announcement of the availability of public inspection is made for the designation of a rearrangement zone under Article 11 of the Decree.

Article 10 Omitted.

**ADDENDA <Ordinance No. 4174, Mar. 5, 2004>**

Article 1 (Enforcement Date)

This Ordinance shall enter into force on the date of its promulgation.

Article 2 (Transitional Measures)

(1) The title of the Seoul Special Metropolitan City Urban Development Corporation recorded on registers and other official records as at the time this Ordinance enters into force shall be deemed the title of the SH Corporation.

(2) The Seoul Special Metropolitan City Urban Development Corporation shall be deemed the SH Corporation in regard to acts done by the Seoul Special Metropolitan City Urban Development Corporation and its legal relationships as at the time this Ordinance enters into force.

Article 3 Omitted.

**ADDENDUM <Nov. 5, 2004>**

This Ordinance shall enter into force on the date of its promulgation.

**ADDENDA <Mar. 17, 2005>**

(1) (Enforcement Date)

This Ordinance shall enter into force on the date of its promulgation.

(2) (Applicability to Applications for Drafting Bill for Designation of Rearrangement Zone)

The amended provisions of the latter part of Article 6 (1) shall apply to applications filed for drafting a bill for the designation of a rearrangement zone on or after this Ordinance enters into force.

(3) (Transitional Measure concerning Delegation of Authority for Amended Designation of Rearrangement Zone)

The amended designation of a rearrangement zone for which an application was filed with the Mayor by the competent head of Gu as at the time this Ordinance enters into force shall be governed by the previous provisions.

**ADDENDUM <Apr. 28, 2005>**

This Ordinance shall enter into force on the date of its promulgation.

**ADDENDA <Sep. 30, 2005>**

(1) (Enforcement Date)

This Ordinance shall enter into force on the date of its promulgation.

(2) (Transitional Measure concerning Requirements for Designation of Rearrangement Zones subject to Establishment of Rearrangement Plan)

Notwithstanding the standard density of units specified in Article 4 of the Ordinance, the relevant provisions shall not apply to the density of units, subject to prior deliberation by the urban planning committee at the time a housing redevelopment zone is designated, as to a prospective rearrangement zone in a natural greenbelt area selected as a prospective rearrangement zone on the basic housing redevelopment plan of the Seoul Special Metropolitan City in 1998 and reflected in the basic plan of the Seoul Special Metropolitan City for the rearrangement of urban and residential environments in 2010.

**ADDENDUM <Nov. 10, 2005>**

This Ordinance shall enter into force on the date of its promulgation.

**ADDENDA <Jan. 1, 2006>**

(1) (Enforcement Date)

This Ordinance shall enter into force on the date of its promulgation.

(2) (Applicability to Guidelines for Construction of Rental Housing Units)

The amended provisions of subparagraph 5 of Article 9 shall apply to rearrangement zones designated on or after this Ordinance enters into force.

(3) (Applicability to Articles of Association)

The amended provisions of subparagraph 7 of Article 12 shall apply to the associations, an application for authorization for the establishment of which is filed on or after this Ordinance enters into force.

(4) (Applicability to Partial Subsidization for Costs and Expenses for Installation of Rearranged Infrastructure)

The amended provisions of Article 35 (2) 2 shall apply to roads installed on or after this Ordinance enters into force.

**ADDENDUM <Jul. 19, 2006>**

This Ordinance shall enter into force on the date of its promulgation.

**ADDENDUM <Jul. 30, 2007>**

(1) (Enforcement Date)

This Ordinance shall enter into force on the date of its promulgation.

**ADDENDA <Dec. 26, 2007>**

(1) (Enforcement Date)

This Ordinance shall enter into force on February 1, 2008.

(2) (Transitional Measure concerning Residents' Proposals for Drafting Bill for Designation of Rearrangement Zone)

Notwithstanding the amended provisions of Article 6, a promotion committee approved for the establishment of an association before this Ordinance enters into force may propose a bill for the designation of a rearrangement zone in accordance with the previous provisions within one year from the date this Ordinance enters into force.

(3) (Transitional Measure concerning Methods and Guidelines for Management and Disposal of Housing Redevelopment Projects)

The amended provisions of Article 28 shall apply to the management and disposal plans of which an application for approval is filed on or after the date this Ordinance enters into force.

**ADDENDUM <Mar. 12, 2008>**

(1) (Enforcement Date)

This Ordinance shall enter into force on the date of its promulgation.

**ADDENDA <Mar. 12, 2008>**

(1) (Enforcement Date)

This Ordinance shall enter into force on the date of its promulgation.

(2) (Applicability to Guidelines for Housing Supply)

The amended provisions shall apply to rearrangement zones of which a written authorization for the management and disposal is filed as at the time the current Ordinance enters into force and thereafter.

**ADDENDUM <Ordinance No. 4629, May 29, 2008>**

Article 1 (Enforcement Date)

This Ordinance shall enter into force on the date of its promulgation.

**ADDENDA <May 29, 2008>**

(1) (Enforcement Date)

This Ordinance shall enter into force on the date of its promulgation.

(2) (Applicability to Guidelines for Housing Supply)

The amended provisions of Article 26 (1) 1 shall apply to rearrangement zones of which a written authorization for the management and disposal is filed at the time this Ordinance enters into force and thereafter.

**ADDENDA <Jul. 30, 2008>**

Article 1 (Enforcement Date)

This Ordinance shall enter into force on the date of its promulgation.

Article 2 (Transitional Measure concerning Buildings Actually in Use for Residential Purpose)

In cases of "buildings actually in use for residential purpose" in the previous provisions of Article 24 (1) 1 in force before the amendment of this Ordinance, applicants for parcelling-out sale in an area in which the rearrangement plan under Article 4 (1) of the Act was made available to residents for public inspection before this Ordinance enters into force and applicants for parcelling-out sale in any area other than the aforesaid area, all members of whose household do not own a housing unit from the day on which public notice of the designation of the rearrangement zone under Article 4 (3) of the Act is given to the end of the period set for filing an application for parcelling-out sale pursuant to Article 46 (1) of the Act shall be governed by the previous provisions.

Article 3 (Transitional Measure concerning Eligibility for Parcelling-Out Sale)

The amended provisions of Article 24 (2) 6 shall apply to applications filed for a building permit on or after this Ordinance enters into force.

**ADDENDUM <Sep. 30, 2008>**

This Ordinance shall enter into force on the date of its promulgation: Provided, That the amended provisions of Article 41 (2) shall enter into force on January 1, 2009.

**ADDENDUM <Jan. 8, 2009>**

This Ordinance shall enter into force on the date of its promulgation.

**ADDENDA <Apr. 22, 2009>**

Article 1 (Enforcement Date)

This Ordinance shall enter into force on the date of its promulgation.

Article 2 (Applicability to Eligibility for Parcelling-Out Sale in Projects for Reconstruction of Separate Houses, etc.)

(1) The amended provisions of Article 24-2 (2) 1 shall apply to the houses converted into multi-household houses after this Ordinance enters into force.

(2) The criteria for households under Article 24-2 (2) 2 shall apply to cases for which the establishment of an association is authorized on or after August 7, 2009.

(3) The amended provisions of Article 24-2 (2) 4 shall apply to applications filed for a building permit on or after this Ordinance enters into force.

Article 3 (Transitional Measures concerning Guidelines for Parcelling-Out Sale of Cooperative Houses, etc.)

(1) Notwithstanding Articles 24 (2) 3 and 24-2 (2) 3, in the case of a household who completed the registration before May 7, 1988 of a share in, or partitioned ownership of, a cooperative house built pursuant to Article 4 (2) of the former Seoul Special Metropolitan City Ordinance on the Implementation of Housing Improvement and Redevelopment Projects, one person of each household shall be eligible for parcelling-out sale only within the extent of the number of housing units actually partitioned.

(2) The amended provisions of paragraph (1) shall apply to applications filed for authorization for the establishment of an association on or after this Ordinance enters into force.

Article 4 (Transitional Measures concerning Guidelines for Parcelling-Out Sale for Multi-Family Dwelling, etc.)

(1) Notwithstanding Article 24 (2) 3, in the case of a multi-family dwelling, the shares in, or the partitioned ownership of, which was registered for each family unit on or before January 15, 1997 (including a de facto multi-family dwelling, the shares in, or partitioned ownership of, which was registered after it had been built as a separate house with a building permit before the multi-family dwelling system was introduced on April 21, 1990), one person of each family shall be deemed eligible for parcelling-out sale only within the extent of the number of families under the building permit for the multi-family dwelling.

(2) The amended provisions of paragraph (1) shall apply to the cases for which an application for authorization for the implementation of a project is filed on or after this Ordinance enters into force, and an association that has been authorized to implement a project shall, if it intends to have the authorization amended under paragraph (1), obtain consent from all landowners involved.

**ADDENDA <Jul. 30, 2009>**

Article 1 (Enforcement Date)

This Ordinance shall enter into force on the date of its promulgation.

Article 2 (Applicability to Guidelines for Construction of Collective Housing Units)

The amended provisions of subparagraph 2 of Article 9 shall apply to rearrangement zones designated on or after this Ordinance enters into force: Provided, That cases where public inspection has been made available for residents pursuant to Article 11 of the Decree in order to establish a rearrangement plan in accordance with the previous provisions shall be governed by the previous provisions.

Article 3 (Transitional Measures concerning Guidelines for Parcelling-Out Sale for Houses Converted into Multi-Household Houses)

(1) Notwithstanding Articles 27 (2) 1 and 28 (2) 1, if a multi-family dwelling, the shares in, or the partitioned ownership of, which was registered for each family before January 15, 1997, was converted into a multi-household house without an increase in the number of families on the relevant building permit, one person of each family shall be eligible for parcelling-out sale.

(2) The amended provisions of paragraph (1) shall apply to the cases for which an application for authorization for the implementation of a project is filed on or after the date this Ordinance enters into force.

Article 4 (Transitional Measures concerning Change in Criteria for Households)

(1) The criteria for households amended under Article 27 (1) and (2) shall apply to cases for which an application for authorization for the implementation of a project is filed on or after August 7, 2009.

(2) Notwithstanding the amended provisions of Article 27 (1) and (2), cases for which an application for authorization for the implementation of a project has been filed before this Ordinance enters into force shall be governed by the previous provisions.

Article 5 (Applicability to Rights to Claim Preferential Parcelling-Out Sale of Tenants in Commercial Facilities)

The proviso to subparagraph 2 of Article 34 shall apply to rearrangement zones designated on or after this Ordinance enters into force.

Article 6 (Transitional Measure concerning Disposition of State-Owned or Public Land in Residential Environment Improvement Districts)

Contracts already executed before this Ordinance enters into force shall be governed by the previous provisions or terms and conditions of the contracts.

Article 7 Omitted.

#### **ADDENDUM <Sep. 29, 2009>**

This Ordinance shall enter into force on the date of its promulgation.

#### **ADDENDUM <Ordinance No. 4949, Mar. 2, 2010>**

This Ordinance shall enter into force on the date of its promulgation.

#### **ADDENDA <Ordinance No. 5007, Jul. 15, 2010>**

Article 1 (Enforcement Date)

This Ordinance shall enter into force on July 16, 2010: Provided, That the amended provisions of Article 48 (2) shall enter into force on October 1, 2010.

Article 2 (Transitional Measures concerning Designation of Zones and Decrepit or Substandard Buildings)

(1) The amended provisions of Article 4 (1) shall apply to cases for which public inspection is made available for residents pursuant to Article 11 (1) of the Decree on or after this Ordinance enters into force.

(2) Notwithstanding the amended provisions of Article 2 (1) of the Decree (Presidential Decree No. 21679), the zones, for which public inspection has been made available for residents pursuant to Article 11 (1) of the Decree at the time this Ordinance enters into force by determining decrepit or substandard buildings pursuant to the previous provisions in force as at the time the Decree was amended, shall be governed by the previous provisions.

Article 3 (Applicability to Base Date of Determination of Rights and Transitional Measures therefor)

(1) The amended provisions of Articles 27 and 28 shall apply to cases for which a basic plan is established (including areas newly included in a prospective rearrangement zone) on or after this Ordinance enters into force.

(2) The areas for which a basic plan has been established and the areas for which a district unit plan has been decided and publicly notified before this Ordinance enters into force shall be governed by the previous provisions (Articles 27 and 28).

Article 4 (Transitional Measures concerning Public Administration)

(1) Dispositions, proceedings, and other acts done pursuant to the previous provisions before this Ordinance enters into force shall

be deemed to have been done pursuant to this Ordinance.

(2) Notwithstanding Article 45 (1), the scope of application of the public administration to a rearrangement project for which a contractor has been selected pursuant to Article 7 (2) of the Addenda to the Act (Act No. 6852, Dec. 30, 2002) at the time this Ordinance enters into force shall be a period from the date this Ordinance enters into force to the time when the competent head of Gu authorizes the implementation of the project.

(3) Notwithstanding Article 45 (1), the scope of application of the public administration to a rearrangement project for which the establishment of a promotion committee has been approved prior to the designation of a rearrangement zone before this Ordinance enters into force shall be a period from the date this Ordinance enters into force to the time when a contractor is selected at the general meeting of the association.

(4) Notwithstanding the amended provisions of Article 77-4 (2) 1 of the Act, rearrangement projects for which an application for approval for the organization of a promotion committee has been filed with the competent head of Gu pursuant to Article 13 (2) of the Act before this Ordinance enters into force shall be governed by the previous provisions.

#### Article 5 (Applicability to Public Administration)

The amended provisions of Chapter VI shall apply to rearrangement projects for which a contractor or a design architect has not been selected at the general meeting under Article 24 of the Act at the time this Ordinance enters into force.