Volume 1 No. 1, March 2023

The Legal Certainty of Hotel Condominium...(Himawan Santoso)

# The Legal Certainty of Hotel Condominium Agreements Between PT. Banua Anugerah Sejahtera with The Owner of The Grand Banua Condotel

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Abstract. Hotel condominiums are accommodations that can be used as an alternative to support the high mobility of today's society. This has made Condotel grow rapidly in Indonesia, however, this development is not in line with the existence of clear legal regulations. The approach used in this paper is a sociological juridical approach, which is an approach by seeking information through direct interviews with informants empirically first and then proceeding with conducting research on secondary data contained in literature studies through theoretical steps. Based on the study in this paper it is known. The implementation of hotel condo agreements so far has not had a legal footing in Indonesia, this has resulted in many developers and builders often seeking large profits without heeding the principles of good ethics in buying and selling agreements and managing hotel condos. The weakness that makes the condo hotel agreement policy in Indonesia not fair is the weakness of laws and regulations in the form of non-regulation of the contents of the condo hotel agreement and the position of the condo hotel in Act No. 20 of 2011, this results in no oversight regarding the sale and purchase agreement. and management of hotel condominiums, so that many actors in the development and construction of hotel condominiums seek profit through sale and purchase agreements and management of hotel condominiums by excluding consumers or hotel condotel owners (condotel).

Keywords: Assurance; Condominium; Hotel.

#### 1. Introduction

Act No. 20 of 2011 concerning Flats basically does not further regulate the condotel management agreement. As a result of the non-stipulation of the agreement regarding the Condotel in Act No. 20 of 2011 concerning Flats, oftentimes the Condotel agreement only prioritizes the interests and profits of the developer, not the party who is the Owner and Tenant of the Flats Unit or the owner of the Condotel. This can be seen in the case of apartment building ownership in East Java which was carried out by PT. Indonesia Main Board, where the price of the apartment offered with the area offered in the agreement made

by PT. Main Board of Indonesia with the fact that the area and price of buildings are very different. In the agreement made by PT.<sup>1</sup>

This case clearly shows that the non-stipulation of the agreement and the legal consequences resulting from a breach of contract in the agreement regarding hotel condominiums in Act No. 20 of 2011 concerning Flats has opened up opportunities for fraud under the guise of hotel condominium investment. This clearly can be detrimental to the buyer of the building which includes a hotel condominium, such a situation is clearly contrary to the First, Second, and Fifth Precepts of the Pancasila and Article 28 H paragraph (1) of the 1945 Constitution of the Republic of Indonesia and Article 31 of Act No. 39 of 1999 concerning Human Rights.

Until now the making of all kinds of agreements, both special agreements (benoemd) and general agreements (onbenoemd) are still guided by the agreement of the Civil Code, Book Three, concerning Contracts. Based on the provisions of Article 1233 of the Civil Code, an agreement is one that creates a legal agreement.

Basically, legal studies distinguish consensual agreements, real agreements and formal agreements. The existence of this difference is intended to determine the legal terms of each of these agreements. The legal requirement for a consensual agreement is that there is an agreement between the parties who make it as stipulated in Article 1320 of the Civil Code. The legal requirement for a real agreement is that certain actions have been carried out, for example in the goods safekeeping agreement as stipulated in Article 1697 of the Civil Code. The legal requirement for a formal agreement is that certain formalities have been fulfilled, for example on grants as stipulated in Article 1682 of the Civil Code.<sup>2</sup>

When looking at the contents of Articles 1313 and 1314 of the Civil Code, there are two types of agreements, namely unilateral agreements and reciprocal agreements. One-sided agreement, namely an agreement in which one party provides an advantage to another party, without receiving a benefit for himself. While reciprocal agreements, namely agreements that give rise to basic obligations for both parties. For reciprocal agreements, as a juridical consequence the two parties making the agreement are as determined by Article 1338 of the Civil Code. All agreements made legally apply as laws to those who make them. These agreements cannot be withdrawn except by agreement of both parties, or for reasons deemed sufficient by law. These agreements must be executed in good faith.

<sup>2</sup>Kartini Muljadi & Gunawan Widjaja, 2004, General Engagement, PT. Raja Grafindo Persada, Jakarta, p. 134-135

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<sup>&</sup>lt;sup>1</sup>https://jatim.tribunnews.com/2018/08/06/tertipu-investasi-apartteman-kondominium-hotel-the-eden-kuta-bali-para-korban-lapor-polda-jatim, Accessed May 12, 2020.

Based on the provisions of Article 1338 of the Civil Code, reciprocal agreements contain two legal principles, namely the principle of the binding force of the agreement, and the principle of freedom of contract, in addition to the principle of precedence which is called the principle of consensualism (Article 1320 of the Civil Code). The principle of the binding force of an agreement adopted by civil law countries is also called *pacta sunt servanda*, which means that with a promise, there is a will or will of the parties to achieve each other, and there is a willingness to bind themselves to each other. While the principle of freedom of contract which implies that everyone is recognized as having the freedom to make a contract with anyone and is free to determine the contents of the contract, the form of the contract and choose the applicable law.

This is in accordance with the open system adopted by the Third Book of the Civil Code, which means that contract law gives the parties the widest possible freedom to enter into any agreement, as long as the contents do not violate law, public order and decency (causa that is not prohibited). ). So it is clear that outside the Third Book of the Civil Code, various kinds of agreements have emerged, including standard agreements such as agreements in the banking sector, construction services, intellectual property rights such as licenses, agencies, etc., which sometimes contain rights clauses and unequal and unfair obligations for either party. In essence, the principle of balance is closely related to the issue of justice in an agreement, and means that it is related to issues of justice and law.

Regarding the types of special agreements and general agreements, Salim HS put forward the terms nominal contracts and innominate contracts. Nominaat contracts are contracts or agreements known in the Civil Code, such as buying and selling, swapping, leasing, civil partnerships, grants, safekeeping of goods, lending, borrowing, granting of power, suspension of debt, chancy agreements, and peace.

Innominate contracts are contracts that arise, grow, and develop in practice. The emergence of this contract is due to the freedom of contract as stated in Article 1338 paragraph (1) of the Civil Code. Apart from the Civil Code, new contracts have developed, such as production sharing contracts, joint ventures, contracts of work, construction contracts, leasing, buying leases, franchises, surrogate mothers, management contracts, technical assistance contracts, and others.

These various innominate contracts are generally standard contracts that contain unequal rights and obligations of the parties. Black's Law Dictionary, states that formal standard contracts with the principle of "take it or leave it" are offered to

<sup>&</sup>lt;sup>3</sup>R. Subekti, 2004, Agreement Law, Intermasa, Jakarta, p. 20

<sup>&</sup>lt;sup>4</sup>John Rawls, 2006, A Theory of Justice, Basic Theory of Justice in Political Philosophy to Realize Social Welfare in the Country, Student Library, Yogyakarta, p. 3-4

<sup>&</sup>lt;sup>5</sup>Salim HS, 2010, Development of Innominate Contract Law in Indonesia, Sinar Graphic, Jakarta, p.

consumers in the field of goods and services which do not provide opportunities for consumers to negotiate, where consumers are forced to agree to the form of the contract. The characteristics of this contract, the weak party does not have a bargaining position.<sup>6</sup>

According to Sutan Remy Sjahdeini, what is meant by a standard agreement is that all of its clauses have been standardized by the user and the other party basically has no opportunity to negotiate or ask for changes. There are only a few things that have not been standardized, for example regarding the type, price, quantity, color, place, time, and several other things that are specific to the object being agreed upon. In other words, it is not the form of the agreement that is standardized, but the clauses.<sup>7</sup>

Yusuf Sofie emphasized that what is standardized in the standard agreement is the model, formula, and size. The essence of a standard agreement, according to Hondius, is the contents of the agreement without being discussed with the other party, while the other party is only asked to accept or reject it. Standard agreements in practice often lead to disputes between managers and PPPSRS. The standard agreement made unilaterally by the manager was more motivated by economic benefits, while the PPPSRS was on the aggrieved party, both regarding rights and obligations, agreement clauses and profit sharing. Settlement of disputes between managers and PPPSRS is resolved either through non-litigation legal institutions (negotiations, mediation, conciliation) or through litigation legal institutions (courts). Observing the factual conditions above, it is very necessary to arrange a condotel agreement between the manager and PPPSRS,

Issues related to hotel condo agreements also occurred incase of condotel management between PT. Banua Anugerah Sejahtera (PT. BAS) with the owner of the Grand Banua condotel. In this case it is clear that PT. BAS, which was handed over the right to manage the Grand Banua condotel by the owner of the Grand Banua condotel, has handed over the right to manage the Grand Banua condotel to PT. Banua Megah Sejahtera (PT. BMS), then PT. BMS with the approval of PT. BAS handed over the rights to manage the condotel to PT. Archipelagic International Indonesia, during the two transfers of management, the owner was never informed and never received the profit sharing that had been agreed with PT. BASS.<sup>9</sup>

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<sup>&</sup>lt;sup>6</sup>Johannes Ibrahim, 2004, Thoroughly Peeling Commercial and Consumer Credit (Legal and economic Perspective), Mandar Maju, Bandung, p. 35

<sup>&</sup>lt;sup>7</sup>Sutan Remy Sjahdeini, 1993, Freedom of Contract and Equal Protection for Parties to Bank Credit Agreements in Indonesia, Indonesian Bankers Institute, Jakarta, p. 66

<sup>&</sup>lt;sup>8</sup>Yusuf Sofie, 2000, Consumer Protection and Legal Instruments, PT. Citra Aditya Bakti, Bandung, p. 29

<sup>&</sup>lt;sup>9</sup>Marta Ankawijaya, PPCPR Grand Banua Secretary Personal Interview, August 12, 2020.

#### 2. Research Methods

The approach method used in this qualitative legal research is a sociological juridical approach, which is an approach by seeking information through direct interviews with informants empirically first and then proceeding with conducting research on secondary data contained in literature studies through theoretical steps.<sup>10</sup>

## 3. Result and Discussion

## 3.1. Hotel Condo Agreement

Based on observations in practice, the form of the condotel management agreement is made in writing, either in the form of an authentic deed made before a notary or in the form of a private deed made by the parties themselves. <sup>11</sup>The contents of the condotel management agreement generally consist of: <sup>12</sup>

## 1. Agreement Subject

Here as a party is the owner or occupant of the condotel represented by the PPPSRS and the Manager;

## 2. Agreement Object

Here the object is the activity of operating condotel unit rentals to third parties called guests or guests based on Rental Pooling in accordance with condotel unit management standards by collecting rent;

## 3. Rights and obligations

In the form of Rental Pooling where the PPPSRS association appoints and gives authority to Managers with exclusive rights to rent, operate and manage the rental of condotel units. Where the manager can grant constitutional rights to other people, while the manager's obligation to carry out the Rental Pooling and from Rental Pooling is a distribution of income in the form of income from unit rental rates and unit rental income, the last is set regarding the term of the agreement.

1. Implementation of Hotel Condominium Agreement Between PT. Banua Anugrah Sejahtera (BAS) with the owner of the Grand Banua Condotel in Banjar Regency

In essence, the Flats Invitation Law does not regulate the standard format of the agreement or guidelines regarding what content material is included in the contract for the management of a hotel condominium, even the relevant legal

<sup>&</sup>lt;sup>10</sup>*Ibid*, matter. 7

<sup>&</sup>lt;sup>11</sup>Gunarto and Dhona Anggun Sutrisna, "Juridical Review of the Home Ownership of Foreigners Domiciled in Indonesia", Journal of Deeds, Vol. 4 No. 2 June 2017, p. 239-241.

<sup>&</sup>lt;sup>12</sup>Gunarto, Chintya Agnisya Putr, and Farris Nur Sanjaya, "The Effectiveness of Checking Certificates in Preventing Land Disputes in the Process of Transferring Land Rights", Journal of Deeds, Vol 5 No 1 March 2018, p. 267-269.

regulations have not clearly formulated the meaning and criteria for a hotel condominium.

This has clearly resulted in many problems in the development agreements and management of hotel condominiums today. The absence of regulation regarding hotel condominium agreements in the Housing Law, Flats Law and PUPR Regulation 11/2019 resulted in the management agreement between PPPSRS and the condotel manager only being guided by the article regarding agreements of the Civil Code, Book Three, regarding Engagement. When referring to the Civil Code, at least there are consensual agreements, real agreements, and formal agreements where this distinction is intended to determine the legal terms of each of these agreements. For example, the legal requirement for a consensual agreement is that there is an agreement between the parties who make it as stipulated in Article 1320 of the Civil Code. The legal requirement for a real agreement is that certain actions have been carried out, for example in the goods safekeeping agreement as stipulated in Article 1697 of the Civil Code. The legal requirement for a formal agreement is that certain formalities have been fulfilled, for example on grants as stipulated in Article 1682 of the Civil Code.

Then the Civil Code in articles 1313 and 1314 of the Civil Code also sparked two kinds of agreements, namely unilateral agreements, namely an agreement in which one party provides an advantage to the other party, without receiving a benefit for himself and a reciprocal agreement, namely an agreement that creates major obligations for both parties. For reciprocal agreements, as a juridical consequence the two parties making the agreement are as determined by Article 1338 of the Civil Code.<sup>13</sup>

All agreements made legally apply as laws to those who make them. These agreements cannot be withdrawn other than by agreement of both parties, or for reasons stated by law as sufficient for this. These agreements must be executed in good faith.

So that in a reciprocal agreement contains two legal principles, namely the principle of the binding force of the agreement (pacta sunt servanda), and the principle of freedom of contract, in addition to the principle of precedence which is called the principle of consensualism (Article 1320 of the Civil Code).<sup>14</sup> It has been explained earlier that civil law countries usually apply the principle of pacta sunt servanda and the principle of freedom of contract when making an

<sup>14</sup>Ratih Mega Puspa Sari, "Sidik Purnama, Gunarto, The Role of PPAT in Land Certification Due to Sale and Purchase", Journal of Deeds, Vol. 5 No. 1, 2018, p. 242-243.

<sup>&</sup>lt;sup>13</sup>Muhammad Mutohar and Amin Purnawan, "Duties and Authorities of the Camat as a Temporary PPAT in Making Deeds About Land (Studies in Boyolali Regency)", Journal of deed, Vol. 4 No. 4, 2017, pp 257-259.

agreement. This is evidenced by the open system adopted by the Third Book of the Civil Code as a consequence of Indonesia as a country that implements civil law. This open system means that contract law gives the widest possible freedom to the parties to enter into any agreement, as long as the contents do not violate the law, public order and decency (causa that is not prohibited).

Basically the formation and application of law will not be separated from the legal principles that apply in a legal system considering the position of the legal principle itself as conveyed by Paul Scholten is defined as tendencies required by law by the understanding of decency. That is, the legal principle is the basic thought contained in the legal system which then certainly influences and applies in the formation of agreements as a legal act, including in this case it should underlie the cooperation agreement between the management and PPPSRS. unfortunately, because there is no legal substance that regulates how this cooperation agreement should be made, then the form of the cooperation agreement between the manager and the PPPSRS in its implementation refers to Salim HS's terminology regarding nominate contracts and innominate contracts, then they can be categorized as innominate contracts, namely contracts that arise, grow and develop in practice due to freedom of contract as stated in Article 1338 paragraph (1) of the Civil Code. Unfortunately, these various innominate contracts are generally standard contracts that contain unequal rights and obligations of the parties. This is because formal standard contracts with the principle of "take it or leave it" are offered to consumers in the field of goods and services which do not provide opportunities for consumers to negotiate, where consumers are forced to agree to the form of the contract. The characteristics of this contract, the weak party does not have a bargaining position. then it can be categorized as an innominate contract, namely a contract that arises, grows, and develops in practice because of the freedom to contract as stated in Article 1338 paragraph (1) of the Civil Code. Unfortunately, these various innominate contracts are generally standard contracts that contain unequal rights and obligations of the parties. This is because formal standard contracts with the principle of "take it or leave it" are offered to consumers in the field of goods and services which do not provide opportunities for consumers to negotiate, where consumers are forced to agree to the form of the contract. The characteristics of this contract, the weak party does not have a bargaining position.

The point is, if contracts are generally made through a negotiation process between the two parties who want to agree and have content material in the form of the agreed results of negotiations, then in this innominate contract in general the agreement of all the clauses has been standardized by the user and the other party at the time essentially had no opportunity to negotiate or request changes. There are only a few things that have not been standardized, for example regarding the type, price, quantity, color, place, time, and several other things that

are specific to the object being agreed upon. In other words, it is not the form of the agreement that is standardized, but the clauses. <sup>15</sup>As Hondius said, the contents of the agreement were not discussed with the other party, while the other party was only asked to accept or reject it, the standard agreement was made unilaterally by the manager more motivated by economic gain, while PPPSRS was on the disadvantaged side, both regarding rights and obligations, agreement clauses and profit sharing.

Jessel MR in the case of "Printing and Numerical Registering Co. vs. Samson" argues that the principle of freedom of contract is intended: 16

...men of full age understanding shall have the utmost liberty of contracting, and that contracts which are freely and voluntarily entered into shall be held and onforce by courts..... you are not lightly to interfere with this freedom of contract

Then by borrowing Lawrence M. Friedmann's sub-system theory of law which describes law as a system, and to be able to understand it, it is necessary to use a systems approach. Various understandings of law as a system, among others put forward by Lawrence M. Friedman, that law consists of components of structure, substance and culture. The structural component is intended as an institution created by the legal system with various functions in order to support the operation of the system. This component makes it possible to see how the legal system provides services for the regular processing of legal materials. Then the substantive component, namely as the output of the legal system, in the form of regulations, decisions that are used both by those who regulate and those who are regulated. As well as the cultural component, which consists of values, attitudes, perceptions, custom, ways of doing, ways of thinking, opinions that affect the operation of law by Lawrence M. Friedman referred to as legal culture. Friedman's theory actually wants to show the importance of legal substance to regulate comprehensively, especially in this case regarding condotel management agreements. This is of course to realize the existence of certainty in the application of the law in society. With the existence of legal regulations, this is actually an effort to prevent deviations that have the potential to harm certain parties. In fact, the absence of regulation regarding the making of a cooperation agreement between managers and PPPSRS has had a negative impact as evidenced by several cases of disputes between managers and condotel owners.<sup>17</sup>

<sup>&</sup>lt;sup>15</sup>Sutan Remy Sjahdeini, 1993, Freedom of Contract and Equal Protection for Parties to Bank Credit Agreements in Indonesia, Indonesian Banker Institute, Jakarta, p.66

<sup>&</sup>lt;sup>16</sup>Yusuf Sofie, 2000, Consumer Protection and Legal Instruments, PT. Citra Aditya Bakti, Bandung, p. 29

<sup>&</sup>lt;sup>17</sup>NGN Renti Maharaini Kerti, "Implementation of Law number 20 of 2011 concerning Flats in the Perspective of Consumer Protection Law", Journal of Indonesian Legislation, Vol 15 No.2, July 2018, p. 41-54.

- a. Discrepancy between what has been promised by the developer with the reality of the apartments received by consumers
- b. Clear and transparent information is not obtained from the developer, especially regarding matters related to the non-conformity of the conditions of the promised supporting facilities and infrastructure with the reality, the status of the land, the condition of the physical end result of the house and others.
- c. Consumers cannot freely choose banks that provide mortgage loans (KPR) or apartment ownership loans (KPA).
- d. The system for selling flats (apartments) is by pre-sale or selling pictures which apparently do not have a development permit yet, while the consumer's installment money has gone to the developer.
- e. Certificates that developers do not immediately hand over to consumers.
- f. Consumers are often tempted by low prices and continue to pay installments, but there is no bond between the consumer and the developer in the form of a binding sale and purchase agreement (PPJB).

From these complaints, in general the problems that occur in the field in the flat sector can be grouped into three categories, namely:<sup>18</sup>

- a. During the buying and selling process where problems arose at the time of binding the sale and purchase (signing of the PPJB). Both the exact time as promised and the contents of the PPJB are generally quite burdensome for consumers.
- b. When making installment payments where there is often a unilateral sale and purchase cancellation by the developer and there are clauses that regulate payment installments that are burdensome or detrimental to consumers.
- c. When you have become the owner, namely regarding the occupant management, unilateral increase in electricity rates without the occupants knowing, building quality that is not in accordance with what was agreed at the beginning of the PPJB binding, problems with public facilities and social facilities (Fasum and social facilities) that are not in accordance with what was promised by the developer, environmental problems and others.

As happened between Faisal (the plaintiff) against PT. ANEMAS VILLAS & HOTELS (defendant 1) and PT. ANEMA MANAGEMENT (defendant 2) in the Mataram District Court decision number 78//Pdt.G/2020/PN Mtr. This case began with a condotel sale and purchase transaction carried out by the plaintiff by filling out and signing the Condotel Unit Order Confirmation Form at the Anemalou Villa & Condotel Project provided by Defendant 1 as a Developer or Developer company, and then managing hotel management between the plaintiff and Defendant 2 who

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<sup>&</sup>lt;sup>18</sup>NGN Renti Maharaini Kerti, "Implementation of Law number 20 of 2011 concerning Flats in the Perspective of Consumer Protection Law", Journal of Indonesian Legislation, Vol 15 No.2, July 2018, p. 41-54.

set forth in the Condotel Management Agreement (PPK) which was signed on February 4, 2016.

...events and things that occurred beyond the limits of the PARTIES' ability to handle them and were not events or things caused by the intention and/or negligence of THE PARTIES such as natural disasters, riots, fires, floods, explosions, wars, sabotage, community uprisings, epidemics, mass strikes, embargoes, changes in laws and regulations, changes in government policies, and other events that can directly disrupt or result in the non-performance of this Agreement.

However, regarding responsibility if the Force Majeure is not conveyed or fails to be conveyed from the party experiencing it to the other party so that the party who neglects to convey it must be responsible for the Force Majeure because the Force Majeure is deemed not to exist. This agreement only stipulates that all losses suffered by parties experiencing Force Majeure cannot be sued against other parties including deliberations to seek consensus on these losses. However, as a result of the ambiguity in this arrangement in the agreement, the defendants actually asked the plaintiff to bear or finance all damages caused by the earthquake with details of IDR 706649109, - (seven hundred six million six hundred forty nine thousand one hundred and nine rupiah) deducted from the money which is the right of the plaintiff which he must receive in the first year of management of the condotel by the defendant which is termed Return Of Investments (ROI) so that the plaintiff is asked to refinance all damages in the amount of IDR 637,529,109 (six hundred thirty million five hundred twenty nine thousand one hundred nine rupiah) within a period of 3 (three) payments or 3 (three) months from November 5 2018 to January 5 2018. In the end the panel of judges also agreed that Defendant 2's actions as the manager especially when Defendant 2 asked the Plaintiff to refinance the damages was a mistake. From this case we can conclude that the management agreement in the form of a standard agreement can in fact cause injustice to condotel owners and has the potential to be detrimental. In fact, this imbalance in position and the principle of take or leave it closes the access of one of the parties to fight for what is his right.

The next problem regarding this management occurs because this management arrangement is left by the law of discretion in regulating it to the local government. Meanwhile, it turns out that not all regional governments have issued this regulation, both in regional regulations, governor regulations and regent/mayor regulations. This means that in this case the management conditions, especially regarding management agreements, are still experiencing a legal vacuum, so it is not surprising that in practice they often cause problems, especially losses experienced by the owner/PPPSRS, in this case his position is as a consumer.

In addition to the cases above, the lack of clarity in terms of consumer supervision and protection as well as the form of hotel condo agreements in Indonesia is also

experienced by buyers of the Banua condo hotel/apartment built by PT. BASS. This problem started with the sale and purchase of the Banua hotel/apartment condominium which was built by PT. The existing PPJB, although with a different date, essentially states that after the settlement of the sale and purchase of the Banua apartment, a certificate of building use rights will be handed over to the apartment owner. In its development, PT. BAS stated that it was in the middle of turning over the name of the building use right certificate for the Banua apartment it was building. In fact it turns out that PT. BAS already has SHGB with Number 00452 with Measurement Letter Number 00550/Gambut Barat/2013 with an area of 1,547M2 on behalf of PT. BASS, as for the Building Use Rights certificate owned by PT. BAS turned out to be the object of collateral for mortgage rights to Bank CIMB Niaga, Tbk, to guarantee the credit of PT. BAS of IDR 42,400,000,000.00. This is evidenced by the deed of granting mortgage rights made by Notary and PPAT Neddy Farmanto with deed number 1521/2013, as well as mortgage certificates with number 01592/2013. So it is clear that at the time of signing PPJB Condominium Hotel Banua, SHGB with Number 00452 with Measurement Letter Number 00550/Gambut Barat/2013 with an area of 1,547M2 on behalf of PT. BAS has the status of mortgage objects, so that PT. BAS has the status as the mortgagee to Bank CIMB Niaga, Tbk. who is the beneficiary of the mortgage. For his actions, PT. BAS has been reported to the local police on suspicion of a criminal act that fulfills the elements of Article 266 of the Criminal Code, Article 62 point (1) Jo. Article 8 letter f of the Criminal Code, Article 62 number (1) Article 13 number (1) of the Criminal Code.<sup>19</sup>

It is clear that the various cases above have resulted in legal issues that undermine the principles of justice, balance and good ethics in civil contract law. This issue also contradicts Act No. 8 of 1999 concerning Consumer Protection (Consumer Protection Law), which states that consumer rights are:

- a. The right to comfort, security and safety in consuming goods and/or services;
- b. The right to choose goods and/or services and obtain said goods and/or services in accordance with the exchange rate and the conditions and guarantees promised;
- c. The right to correct, clear and honest information regarding the conditions and warranties of goods and/or services;
- d. The right to have their opinions and complaints heard about the goods and/or services used;
- e. The right to obtain proper advocacy, protection and efforts to resolve consumer protection disputes;
- f. The right to obtain consumer guidance and education

<sup>19</sup>Masdari Tasmin, interview with lawyer and legal assistant from the Banua Apartment Owners Association, conducted on August 14, 2020.

- g. The right to be treated or served correctly and honestly and not discriminatory;
- h. The right to receive compensation, compensation and/or reimbursement, if the goods and/or services received are not in accordance with the agreement or not as they should be;
- i. The rights regulated in the provisions of other laws and regulations.

So that it can be said that currently the condotel management agreement process does not yet reflect what is desired by the Consumer Protection Act, specifically consumer rights to comfort, security and safety in consuming goods and/or services as well as the right to correct, clear and honest information regarding conditions and guarantee of goods and/or services that should be clearly stated in a condotel management agreement. On the other hand, this also shows that there is no effort in the legislation to force entrepreneurs to carry out their obligations to prioritize good faith in carrying out their business activities and to always provide correct, clear and honest information regarding the conditions and guarantees of goods and/or services and provide explanations use, repair and maintenance.

#### 4. Conclusion

The implementation of hotel condominium agreements so far has not had a legal footing in Indonesia, this has resulted in many developers and builders often seeking large profits without heeding the principles of good ethics in buying and selling agreements and managing hotel condominiums. The weaknesses that make the condo hotel agreement policy in Indonesia not fair are the weaknesses in the laws and regulations in the form of non-regulation of the contents of the condo hotel agreement and the position of the condo hotel in Act No. 20 of 2011, the weakness in law enforcement in the form of the lack of oversight regarding the sale agreement purchase and management of hotel condos, and the habit factor of hotel condominium development and construction actors who mostly seek profit through sale and purchase agreements and management of hotel condominiums by setting aside consumers or hotel condo owners. The solution that can be done is to make specific legal regulations related to hotel condos, considering that hotel condos are different from condos in general.

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