Version: 2014-2



For the estate agent:

Instruction No.: …..

Transaction No.: …..

##### SALE AND PURCHASE AGREEMENT

**For the sale and purchase of a used residential property or holiday property when a**

**reservation has been included in the sales specification to the effect that the property is sold "as is"**

The following special liability waiver shall apply to closing engagements: The purchase and sale agreement is concluded directly between the parties, and the estate agent shall only assist with the preparation of a contract based on the agreement between the parties, execute registration and perform closing in line with the agreement between the parties. The estate agent has not assessed the value of the property, and both the purchaser and the purchaser’s lenders are encouraged to check for themselves whether the agreed purchase price reflects the value of the property. The estate agent assumes no liability for damages vis-à-vis the purchaser or the purchaser’s lenders in respect of any economic loss as the result of any deviations between the agreed purchase price and the fair value of the property.

The provisions of the agreement are supplemented by Act of 3 July 1992 No. 93 relating to the Sale of Real Estate (the Sale of Real Estate Act) and other background rules of law.

Between the ”seller”

Seller ……………………………. Social security no. …………………...

Seller ……………………………. Social security no. ……………………

Address:

E-mail:

And the ”purchaser”

Purchaser …………………………… Social security no. …………………….

Purchaser …………………………… Social security no. …………………….

Address:

Valid ID ………………… …………………………………………..

E-mail:

Has on this day been concluded the following sale and purchase agreement:

**1**

# THE PROPERTY and fixtures SOLD AND PURCHASED

The seller hereby sells to the purchaser, and the purchaser hereby purchases from the seller, the property known as:

Land no. ……… title no. ……… section no. … with freehold ……. or leasehold … land, lease no. ……….

in the municipality of ………………….., hereinafter referred to as the "property".

Title to the property is held by

1) the seller(s) ……….

2) other: name ……………. social security no. or enterprise registration no. ………………

Chattels and fixtures included in the sale and purchase of the property:

* The enclosed list of chattels and fixtures shall be applied
* The enclosed list of chattels and fixtures shall be deviated from in the following respects:

……………………………………………………

……………………………………………………

* The enclosed list of chattels and fixtures shall not be applied.

See separate chattels and fixtures appendix

The property with fixtures are purchased and sold “as is” as at the time of the inspection.

**2**

## PURCHASE PRICE AND COSTS

The purchase price of the property shall be

Norwegian kroner ………….., hereinafter referred to as the "purchase price",

which shall be paid as follows:

The purchase price shall be paid in its entirety by the closing date NOK

Total purchase price NOK

 In addition to the purchase price, the purchaser shall cover the following costs:

Stamp duty

(2.5% of the purchase price plus any share of joint debt) NOK

Registration fee, title deed NOK

Registration fee, mortgage deed (each) NOK

Certification fee NOK

Ownership transfer registration fee NOK\_\_\_\_\_\_\_\_\_\_\_\_

Total costs NOK \_\_

**Total purchase price and costs NOK\_\_\_\_\_\_\_\_\_\_\_\_**

The above is subject to any changes in government taxes, duties and fees.

**3**

# closing

3.1 Property against payment

Closing between the parties shall be effected by the estate agent pursuant to the present agreement concluded between the purchaser and the seller. At *closing*, title to, and possession of, the property shall as a main rule pass from the seller to the purchaser, with title to, and possession of, the amount of the purchase price passing from the purchaser to the seller at the same time.

See nonetheless Clause 4.1 onwards on closing and agreed security in respect of the legal positions of the parties until these have been perfected.

3.2. Account and payment date. Late payment interest in the event of late payment.

The purchase price with the addition of costs shall in its entirety be credited to the estate agent’s client account no. **………………………** bythe closing date; see Clause 7.

In the event of late payment of all or part of the purchase price and costs, the seller may claim statutory late payment interest on such part of the purchase price as remains unpaid at any given time, from the agreed closing date until full payment has actually been made. This provision does not entitle the purchaser to extend the payment deadline beyond the agreed deadlines.

3.3 Payment delay on the part of the purchaser which constitutes material default

In the event of a delay in the payment of the purchase price and costs which constitutes material default, the seller may terminate the sale and purchase for breach, cf. Section 5-3, cf. Section 5-1, of the Sale of Real Estate Act.

3.4 Delayed delivery from the seller

The seller accepts eviction without legal action and judgment pursuant to Section 4-18, Section 13-2, Sub-section 2, letter e, cf. Section 13-11, of the Enforcement Act if the property has not been vacated by the agreed closing date. This applies unless otherwise agreed in writing between the parties.

3.5. Other obligations of the purchaser in relation to documentation and closing

The purchaser is obliged to obtain and sign any documents that are necessary in connection with closing of the transaction, for example to sign any concession application/concession exemption self-declaration and to sign any loan documents and mortgage deeds that are necessary for funding the purchase. If closing is delayed as the result of inadequate contributions from the purchaser in relation to such matters, this will represent a breach of contract that may trigger claims from the seller as outlined in Clause 8, second paragraph.

 3.6. The operating expenses and operating income of the property. Interest in the client
account

 Distribution of the operating expenses and, if any, operating income of the property as at the closing date shall be determined by the purchaser and the seller, with the assistance of the estate agent if applicable.

 The interest on the client account shall accrue to the owner of any funds held therein. Any cost payment made pursuant to Clause 2 of the present agreement is the property of the purchaser. However, no interest shall accrue to the seller and the purchaser if such interest amounts, for each of the parties, to less than one half of the statutory court fee, cf. Section
3-10, Sub-section 3, of the Estate Agency Regulations.

**4**

 **REGISTRATION AND SECURITY**

4.1          Conditions precedent to closing and release of the purchase price

The following has been agreed to ensure secure closing of the transaction pursuant to Section 3-2 and Section 6-9 of the Estate Agency Act:

The parties have agreed the following conditions precedent to release of the purchase price:

1. An alienation clause having been registered;
2. The purchaser having paid the purchase price, inclusive of costs, in its entirety;
3. The purchaser having taken possession of the property;
4. The purchaser’s title deed to the property – without any other encumbrances than those agreed by the parties – having been registered;
5. Any lenders to the purchaser having registered any mortgages on the property with the required priority; and
6. Any encumbrances not intended to be included in the transaction having been deregistered.

Conditions nos. 5 and 6 shall not prevent the estate agent from initiating closing on the basis of a statement of outstanding debt and adequate deregistration confirmation from the seller’s creditor(s) with mortgages secured on the property.

Creditors cannot lay claim to the purchase price in the estate agent’s client account until conditions 1 to 6 for release of the purchase price pursuant to the present agreement have been met, cf. Section 3-2 of the Estate Agency Act and Section 2-2 of the Satisfaction of Claims Act.

If the seller has permitted the purchaser to take possession of the property even though part of the purchase price/costs has not been paid, the first part of the closing can nonetheless be completed irrespective of condition no. 2 above. The rest of the closing will in such case take place when the remainder of the purchase price/costs has been paid.

4.2. Custodianship and registration of the title deed and other documents to be registered

All registration of documents on the property shall be carried out by the estate agent.

The seller shall issue a title deed to the purchaser simultaneously with the signing of the present agreement. The title deed shall be in the custody of the estate agent, which shall effect registration of the title deed as soon as closing has been completed.

Any documents to be registered shall be submitted to the estate agent as soon as possible, duly signed and ready for registration.

4.3. Registration of deed of restrictive covenant

The seller has issued a deed of restrictive covenant to the estate agent in an amount corresponding to no less than the purchase price. The deed of restrictive covenant also includes an alienation clause preventing the registration of any new, voluntary encumbrances on the property without the consent of the estate agent. The deed of restrictive covenant shall be registered by the estate agent for the account of the seller. The estate agency is the registered beneficiary. The deed of restrictive covenant shall be registered as an encumbrance on the property, and shall serve to secure the rights and obligations of the parties under the sale and purchase agreement.

 The estate agent shall, free of charge, arrange for the deed of restrictive covenant to be deregistered when closing between the parties has been completed and the title deed has been registered as with the agreed contents.

4.4. The seller’s reservation with regard to the purchaser’s performance

The seller reserves the right to terminate the sale and purchase for breach even though closing and delivery of the title deed have taken place, cf. Section 5-3, Sub-section 4, of the Sale of Real Estate Act and Section 21, Sub-section 3, of the Land Registration Act.

If the agreement is terminated for breach as the result of inadequate performance on the part of the purchaser after closing, the purchaser accepts eviction pursuant to Section 13-2 of the Enforcement Act.

**5**

# encumbrances

 A certified transcript from the Register of Land Titles and Land Charges in relation to the property, dated …….., has been submitted to the purchaser. The purchaser has familiarised him- or herself therewith.

**Monetary encumbrances:**

* The property is transferred free of monetary encumbrances.
* The property is transferred free of monetary encumbrances, with the exception of the following mortgage deeds:

 ………………………………………………..

 ………………………………………………..

Any monetary encumbrances which shall not remain on the property shall be deregistered for the account of the seller. The estate agent is authorised to obtain statements of outstanding debt and deregistration confirmations from the mortgagees in respect of the mortgages to be deregistered in connection with the closing.

 The seller confirms that there exist no monetary encumbrances of any type, including liens, apart from those shown in the transcript from the Register of Land Titles and Land Charges. The seller undertakes to immediately inform the estate agent if any lien proceedings are conducted prior to registration of the title deed. The seller also undertakes to pay all taxes, duties and fees, etc., relating to the property which have fallen due or will fall due prior to closing.

 The seller hereby irrevocably authorises the estate agent to discharge any monetary encumbrances which are set out in the certified transcript from the Register of Land Titles and Land Charges/closing specification and which it has not been agreed to pass on to the purchaser.

**6**

# RESERVATIONS CONCERNING THE STATE OF the property

**LIABILITY OF THE SELLER FOR DEFECTS**

The property is sold “as is” as at the time of the purchaser’s inspection, cf. Section 3-9 of the Sale of Real Estate Act. This implies that the provisions of the Sale of Real Estate Act pertaining to defects in the property are derogated from to the detriment of the purchaser.

The property shall nonetheless be held to suffer a defect in the following circumstances:

* If the seller fails to perform his or her specific obligations under the present agreement.
* If the purchaser has not received information concerning matters relating to the property, of which the seller was aware or ought to have been aware, and which the purchaser had reason to expect that he or she would receive. However, this shall only apply if it can be assumed that the failure to disclose such information has affected the agreement, cf. Section 3-7 of the Sale of Real Estate Act.
1. If the seller has provided incorrect information concerning the property. The same shall apply if the property is not in conformity with information provided in any advertisement, sales prospectus or other marketing on behalf of the seller. However, this shall only apply if it can be assumed that the failure to disclose such information has affected the agreement, and it has not been corrected in a clear and timely manner, cf. Section 3-8 of the Sale of Real Estate Act.
2. If the state of the property is materially inferior to what the purchaser had reason to expect in view of the purchase price and other circumstances, cf. Section 3-9, second sentence, of the Sale of Real Estate Act.
3. If the area of the building and/or the land is materially smaller than is stated by the seller, cf. Section 3-3 of the Sale of Real Estate Act.

The purchaser cannot invoke as a defect anything of which he or she was aware or should have been aware through the inspection. The same applies to any other matters of which the purchaser was aware or ought to have been aware upon conclusion of the agreement,
cf. Section 3-10 of the Sale of Real Estate Act.

**7**

# CLOSING

The purchaser shall take possession of the property on \_\_\_\_\_\_ at \_\_\_\_\_\_\_\_ hours, inclusive of all rights and obligations then accruing to the seller, provided that the purchaser has performed its obligations.

The purchase price shall be paid in its entirety before closing can take place.

All expenses and, if any, income associated with the property shall be for the account of the purchaser as from closing.

The seller shall deliver the property to the purchaser in a tidy and clean state, without any leases whatsoever.

The risk associated with the property shall pass to the purchaser when he or she has taken *possession* of the property. If the purchaser does not take possession at the stipulated time, and the reason lies with him or her, the risk shall pass to the purchaser at the time when he or she could have taken possession.

When the risk associated with the property has passed to the purchaser, the purchaser’s obligation to pay the purchase price shall not lapse if the property is destroyed or damaged as the result of an event which is not attributable to the seller.

**8**

**IMPLICATIONS OF BREACH OF CONTRACT – NOTICE OF BREACH**

 If the property suffers a defect or the seller fails to deliver the property at the agreed time, the purchaser may, subject to the conditions set out in the Sale of Real Estate Act, file a claim for due performance, rectification, price reduction or damages, reject the property, terminate the contract for breach and/or withhold a proportional part of the purchase price.

 If the purchaser fails to pay the purchase price or to perform other obligations under the agreement, the seller may, subject to the conditions set out in chapter 5 of the Sale of Real Estate Act, file a claim for due performance, termination for breach, damages, interest and/or refuse to deliver the title deed or grant the purchaser possession of the property.

 If one of the parties believes that there is a defect or delay in the other party’s performance of obligations under the agreement, he or she shall give notice to the opposite party that he or she is invoking such breach of contract, specifying the nature of such breach, within a reasonable period of time after he or she discovered or ought to have discovered said breach of contract, cf. Sections 4-19 and 5-7 of the Sale of Real Estate Act.

**9**

# INSURANCE

Full value insurance of the property is established with … … …

The seller is obliged to maintain full value insurance of the property until and including the closing date. The purchaser shall establish its own insurance as from closing.

 If the property suffers damage, prior to closing, from fire or other circumstances covered by the insurance, the purchaser shall be entitled to accede to the insurance agreement.

The purchaser shall establish its own insurance for furnishings and chattels.

**10**

# APPENDICES

The following documentation has been submitted to the purchaser:

1. Sales specification
2. Certified transcript from the Register of Land Titles and Land Charges for the property
3. Certified transcript of registered declarations, journal entry no.………..
4. Appraisal/residential property sales report dated…………
5. Zoning plan with zoning provisions
6. Information from the municipal administration
7. Measurement certificate/area certification
8. Certificate of completion/provisional certificate of completion
9. The seller’s self-declaration concerning the property
10. Bidding record
11. List of chattels and fixtures
12. Energy certificate
13. Other:

…………………………………………….

…………………………………………….

The present agreement is issued in three identical copies, of which the parties shall receive one copy each and one copy shall be kept on file by the estate agent.

Place:…………………………… Date:……………………………..

…………………………………. ……………………………………

………………………………… ……………………………………

 Seller(s) Purchaser(s)