

Engagement No.:

Commercial property brokerage engagement agreement[[1]](#footnote-1)

Commercial property letting

# parties

Between:

[Principal] Business reg. no. [business reg. no. of the Principal] (the“**Principal**”)

[Address of the Principal]

[Person(s) authorised to sign on behalf of the Principal Proof of identity (Yes/No)]

[E-mail address of the Principal’s contact person]

and

[Estate Agent] Business reg. no. [business reg. no. of the Estate Agent] (the“**Estate Agent**”)

[Address of the Estate Agent]

[Estate agent in charge of the Engagement]

[E-mail address of the Estate Agent’s contact person]

has on this day been concluded the following brokerage engagement agreement:

# Engagement

The Principal owns land no. [land no.], title no. [title no.], [property address], in [name of municipality] municipality, with existing buildings and facilities (the“**Property**”).

The Estate Agent has been given the exclusive engagement (the“**Engagement**”) of arranging the letting of [the Property] [the following parts of the Property: (description of floor and location) (the“**Lease Object**”)]

The Lease Object is neither in full, nor in part, suited for residential or holidaying purposes, cf. Section 1-4,
Sub-section 3, of the Estate Agency Act.

The Principal appoints [attorney-in-fact] as its attorney-in-fact. A certified copy of the power of attorney is enclosed/The Estate Agent shall receive a certified copy of the power of attorney.[[2]](#footnote-2)

# Duration

The Engagement shall continue until it is discontinued by one of the parties, although not for a period of more than [●] months from [●] (the “**Engagement Period**”).The Engagement shall be considered to have been discontinued from such time as one of the parties has sent a notice of discontinuation to the other party,
cf. Clause 11 below.

# consideration

## Calculation of consideration

The consideration payable to the Estate Agent shall be [●]% of the normal rent for the first year as stipulated in the lease (the “**Lease**”).

By normal rent is meant the rent payable during the lease period when disregarding any periods of rent exemption or rent discount.

In addition, the Estate Agent is entitled to a fee in the amount of NOK [●] for its initial work under the Engagement until the Lease Object can be made available for letting in the market. The said fee falls due for payment 7 days after signing of the Engagement.[[3]](#footnote-3)

## Consideration if no Lease is agreed[[4]](#footnote-4)

*Alt 1:*

If the Engagement expires or is discontinued by the Principal without any Lease having been agreed, the Estate Agent shall be entitled to a fixed consideration in the amount of NOK [●]. In addition, the Estate Agent shall be entitled to the fee stipulated in Clause 4.1, final paragraph.

*Alt. 2:*

If the Engagement expires or is discontinued by the Principal without any Lease having been agreed, the Estate Agent shall not be entitled to consideration, but only to the fee stipulated in Clause 4.1, final paragraph.

If the Engagement is terminated by the Estate Agent, the Estate Agent shall be entitled to reasonable consideration for any work performed, in addition to the fee stipulated in Clause 4.1, final paragraph.
The Estate Agent shall specify in writing what work has been performed.

The Estate Agent’s claim for consideration under this Clause 4.2 shall fall due for payment 14 days after the expiry or discontinuation of the Engagement.

## Consideration if the nature of the Engagement changes

At the outset, the Engagement relates to letting of the Lease Object to ensure a desired return on the Lease Object for the Principal. If the nature of the Engagement is changed, in such a way that a return on the Lease Object is achieved by other means than an ordinary lease, the Estate Agent shall earn a market-based consideration for its contribution thereto. The parties shall preferably seek to reach agreement on the consideration payable to the Estate Agent prior to the conclusion of such an agreement.

## Consideration if the Lease includes options

If the Lease grants the lessee an option on leasing a larger part of the Property, against higher consideration, the Estate Agent shall be entitled to consideration calculated in accordance with Clause 4.1 above if and when options are exercised, also if options are exercised after the Engagement has expired or been discontinued.

## Consideration if a Lease is agreed through others

The Estate Agent shall be entitled to consideration in accordance with this Clause 4 even if an agreed Lease is not attributable to the efforts of the Estate Agent.

## Consideration if a Lease is concluded after the Engagement has been terminated and/or expired

The Estate Agent’s entitlement to consideration shall apply correspondingly if the Lease is agreed within
[●] months after the end of the Engagement Period with anyone with whom the Estate Agent has negotiated during the Engagement Period, or to whom the Estate Agent has provided information concerning the Lease Object during the Engagement Period. This latter alternative includes, but is not limited to, the lessee having received oral information, or having come into possession of a prospectus or other similar information relating to the Lease Property (including, for the avoidance of doubt, information received by e-mail or from the Estate Agent’s website, etc.)

## Due date

The consideration payable to the Estate Agent falls due once the Lease has been agreed.

## Value Added Tax

The consideration or fee payable to the Estate Agent is subject to Value Added Tax. The Value Added Tax applicable at any given time is additional thereto.

# Disbursements

All disbursements (“**Disbursements**”) incurred as a foreseeable result of the performance of the Engagement shall be charged to the Principal, including any travel expenses.

Any fee for external consultants, lawyers, etc., shall be paid by the Principal as Disbursements, provided that the Principal consents, prior to the relevant engagement being agreed, to the engagement of the consultants/lawyers in question.

Disbursements may be invoiced to the Principal on an ongoing basis and shall fall due for payment upon demand and/or be set off against client funds, cf. Clause 4.7.

The Estate Agent shall be entitled to the reimbursement of Disbursements irrespective of whether a lease is agreed or whether this agreement is terminated.

# Gathering and disclosure of information regarding the property

The Principal shall gather and disclose such information regarding the Property as a lessee may expect to receive, and as may be of significance to the Lease. The Principal’s disclosure obligation also includes the furnishing of an Energy Performance Certificate. The Estate Agent must in the absence of an Energy Performance Certificate disclose to any interested parties, in the prospectus, that no such certificate has been obtained.

Unless otherwise agreed by the parties, the responsibility of the Estate Agent for the gathering and assessment of information is limited to the following:

* Transcript from the Register of Land Titles and Land Charges (not underlying documents)
* Adopted zoning plan for the Property
* Cadastral information regarding the area of, and buildings on, the Property

Special information gathering responsibility agreed for the Estate Agent:

[[5]](#footnote-5)

# Scope of the Engagement – Advice from the Estate Agent to the Principal

## Lease

The Engagement includes preparation of a lease, cf. Section 6-8 of the Estate Agency Act. Yes: \_\_\_ No:\_\_\_

## Tax

Assessment/analysis of the tax implications of the letting of the Lease Object does not form part of the obligations of the Estate Agent.

## Other specifically agreed duties of the Estate Agent

The following other duties have been agreed for the Estate Agent:

|  |
| --- |
|  |

## Relationship to other advisors than the estate agent

The Principal is encouraged to seek advice from its auditor or other advisors with special expertise in tax matters. The Principal is also encouraged to seek legal advice and assistance on the lease, to the extent needed by the Principal.

# Relationship to The anti-money laundering regulations

Estate agents are subject to the anti-money laundering legislation, and the Principal is obliged, to the extent required under applicable regulations, to disclose to the Estate Agent all necessary information concerning the Principal and the beneficial owners of the Principal, as well as information in the possession of the Principal with regard to the lessee and the beneficial owners of the lessee. If the Estate Agent is unable to perform its obligations under the anti-money laundering regulations, the Estate Agent shall be entitled to terminate the Engagement with immediate effect and claim a reasonable consideration for any work performed.

# Liability and limitation of liability for the estate agent

Any claim for proportional adjustment of consideration shall be conditional upon a material breach of obligations on the part of the Estate Agent, and upon such breach of obligations having caused an economic loss on the part of the Principal.

The Estate Agent is only liable for damages in respect of any economic loss on the part of the Principal if the Estate Agent has acted with intent or gross negligence. Any liability on the part of the Estate Agent shall not include indirect economic loss, and any liability shall not exceed 200% of the consideration payable to the Estate Agent, cf. Clause 4.

Any claim on the part of the Principal may only be invoked against the Estate Agent if the Principal has given written notice thereof within a reasonable period of time – and no later than 6 months – after the Principal discovered, or ought to have discovered, the circumstances which gave rise to such claim.

# authorisations

The Estate Agent has not been authorised to make any arrangements or decisions on behalf of the Principal.

# Notices

Any notice in connection with this agreement shall be given by letter or e-mail, cf. Clause 1.

# Background rules of law – governing law and dispute resolution

This agreement is governed by Norwegian law. Section 4-4, Section 6-2, Section 6-4, Section 6-5, Sections 6-7 to 6-10, Chapter 7 and Section 8-8 of the Estate Agency Act, as well as Section 3-5, Section 6-2, third sentence, Section 6-3 and Section 6-4 of the Regulations relating to Estate Agency, shall not apply, unless otherwise clearly stipulated in the agreement, cf. Section 1-4, Sub-section 3, of the Estate Agency Act and Section 1-2 and Section 1-3 of the Regulations relating to Estate Agency.

Norwegian choice of law provisions shall not result in the laws of any other jurisdiction being chosen as governing law.

Any dispute that might arise in relation to this agreement shall be resolved by litigation before the ordinary courts of law, with [●] as exclusive venue.[[6]](#footnote-6) The present provision shall not limit which courts have jurisdiction under the general provisions on preliminary injunctions. Any dispute shall not be subject to extrajudicial dispute resolution as outlined in Section 8-8 of the Estate Agency Act.

# Appendices

The following are enclosed:

Certificates of Incorporation of the Estate Agent and the Principal

[Power of attorney from the Principal to the attorney-in-fact]

This contract is signed on this day in 2 - two - copies, with one copy for each of the parties.

|  |  |
| --- | --- |
| … [place], … [date] | … [place], … [date] |
| For and on behalf of [the Estate Agent] | For and on behalf of [the Principal] |
| …………………………………………………… | …………………………………………………… |
| [Representative of the Estate Agent] | [Representative of the Principal] |

1. The engagement agreement may be used for engagements that are defined as commercial property brokerage, cf. Section 1-4, Sub-section 3, of the Estate Agency Act (property which is neither in full, nor in part, suited for residential or holidaying purposes), and that are letting engagements. [↑](#footnote-ref-1)
2. Paragraph to be deleted if no attorney-in-fact is appointed. [↑](#footnote-ref-2)
3. This paragraph may be deleted if desirable. [↑](#footnote-ref-3)
4. Delete any inapplicable wording. [↑](#footnote-ref-4)
5. If an «estate agent disclosure bundle» is to be obtained from the municipality, the following wording may be inserted: *««Estate agent disclosure bundle» from the municipality in which the Property is located, with such contents as are provided by said municipality at any given time.»* [↑](#footnote-ref-5)
6. The following wording may be used if arbitration is desirable:

*«Any dispute that might arise in relation to this agreement shall be resolved by* *arbitration pursuant to Act of
14 May 2004 relating to Arbitration. The arbitral tribunal shall comprise three arbitrators, of whom the parties shall appoint one arbitrator each. These shall appoint the third arbitrator, who shall be the chief arbitrator. The chief arbitrator shall be a Norwegian lawyer. In the absence of agreement with regard to the third arbitrator, such arbitrator shall be appointed by the Chief Judge of the Oslo District Court.*

*The arbitral proceedings shall be conducted in [●], and the language of arbitration shall be Norwegian.*

*The arbitral proceedings shall be deemed to have commenced when one party sends its request to the other party for the dispute to be resolved by arbitration. The arbitral proceedings and the arbitral award shall be subject to a duty of confidentiality, and the parties shall be obliged to conclude a separate agreement confirming this immediately after the arbitral proceedings have commenced.*

*The present provision shall not limit which courts have jurisdiction under the general provisions on preliminary injunctions.»* [↑](#footnote-ref-6)