

INTRODUCTORY GUIDE TO PURCHASING AND SELLING COMMERCIAL PROPERTY IN SWEDEN

This Guide is intended as a basic guide to the legal steps in purchasing and selling commercial property in Sweden. Further detail and information can be obtained by contacting Rolf Karlsson, Delphi & Co Lawfirm, Gothenburg, Sweden the Swedish Law Europe member firm as detailed on this website.

(A) Purchasing commercial property in Sweden

1. The purchaser identifies property and carries out a commercial survey/valuation report through his Estate Agent.
2. The purchaser instructs his Lawyer to prepare a legal offer. This is then negotiated with the seller and the seller's Lawyer. Once agreed the principal offer letters are exchanged between the Lawyers.
3. The seller's Lawyer exhibits the title deeds, any leases, all searches and reports, building alterations papers and others to the purchaser's Lawyer. The purchaser's Lawyer then reviews these and reports to the purchaser on the content of same.
4. The purchaser's Lawyer raises with the seller's Lawyer all enquiries in relation to the title deeds, leases, searches and others. Once satisfied with these the Lawyers draw up a Contract of Purchase. The Contract is signed by the Parties.
5. In some cases (depending on the kind of property) acquisition permit from the local authority is required. The necessary documents for the application of such permit will be drawn up and sent to the proper authority by the purchaser's Lawyer. The purchase cannot be completed until such permit is obtained.
6. The purchaser's Lawyer prepares all loan and charge documents together with the lenders and reports to the lenders if the purchaser is borrowing money to finance the purchase.
7. The seller's Lawyer prepares and agrees the Bill of Sale (title transfer document) with the purchaser's Lawyer.
8. On the Completion Date (day of taking possession) the purchase price is paid by the purchaser. The seller's Lawyer delivers the signed Bill of Sale in favour of the purchaser, all deeds, searches and all other papers relevant to the property.
9. The purchaser's Lawyer then submits the Bill of Sale to have it registered in favour of the purchaser at the Land Registry of Sweden.
10. The Land Registry (*US: Land Office*) issues the Land Certificate (title deed) in favour of the purchaser. Simultaneously the Stamp Duty Tax will be decided (approximately 3 % of the purchase price if purchased by a company). If the

Property is in the possession of a company and the shares in that company are sold no Stamp Duty Tax will be demanded.

(B) Selling commercial property in Sweden

1. The seller markets the property normally through an Estate Agent.
2. The seller's Lawyer obtains and exhibits all title deeds, searches and reports at the seller's cost.
3. The seller's Lawyer will agree a contract with the purchaser's Lawyer once the preferred purchaser has been selected and then conclude the Contract.
4. The seller's Lawyer will then contact any lender who has a mortgage on the property in order to remove the mortgage upon the sale taking place and repay the money due to the lender.
5. If necessary the purchaser's Lawyer will apply for acquisition permit from the local authority (see A 5 above).
6. The seller's Lawyer will deal with all title enquiries from the purchaser's Lawyer and will agree the Bill of Sale (title transfer document). The seller's Lawyer will then prepare the Bill of Sale and all other necessary papers in readiness for the Completion Date.
8. At the Completion Date the seller receives the purchase price from the purchaser, signs and delivers the Bill of Sale and all other documentation in respect of the property to the purchaser's Lawyer including the discharge deed of the mortgage. At the same time the seller will repay any money due under the mortgage.
9. The seller's Lawyer will in due course update any necessary post completion searches and send them on to the purchaser's Lawyer.