Dutch Association of Real Estate Brokers and Real Estate Experts NVM
EXPLANATORY NOTES FOR THE CLIENT ON THE NVM DEED OF PURCHASE*
relating to the model deed of purchase for an existing single family dwelling (July 2008 model)

1. Model deed of purchase with explanation

The model deed of purchase for an existing single family dwelling - often shortened to "the NVM deed of purchase" - has been established, after consultation, by the Owner-occupiers' Association (*Vereniging Eigen Huis),* the Consumer Association and the Dutch Association of Real Estate Brokers and Real Estate Experts (NVM). All three of these organisations use the same model contract. The explanatory note you are now reading has been prepared by the NVM. The explanatory notes used by the consumer organisations are slightly different in places.

The model deed of purchase proceeds on the assumption of a sort of typical situation. Because, however, no two situations are exactly alike, the deed can be adapted to specific circumstances. The real estate agents involved in a particular transaction can incorporate additional arrangements between the parties into the deed. Ultimately the parties can also depart from the standard provisions of the deed. The model purchase deed is in fact only a tool which real estate agents can customise to suit the case in hand.

2. Purchase contract

If you buy or sell a property through an estate agent's office, the arrangements will be set out in a deed of purchase. It has always been sensible to enter into a written agreement for the purchase of a house, but since 1 September 2003 it has actually become essential to do so in most cases. In contrast to earlier times, a verbal agreement for the sale or purchase of a dwelling is mostly no longer valid. Once the deed of purchase has been signed by all parties, it is sent to the notary named in the document. In most cases the purchaser will have what is called a "cooling-off period". This cooling-off period will be further explained when we get to Article 17.

3. Deed of Transfer

The notary draws up a deed of transfer based on the information in the deed of purchase; this is the legal expression of the contract which has already been concluded, necessary for bringing about the transfer of title. This deed of transfer is firstly sent out to the parties in draft form. The notary will invite you in good time to be present on the date of the transfer of title.
On that day the notary will read out the most important parts of the deed of transfer in the presence of both seller and purchaser. The deed of transfer is then signed by the purchaser, the seller (unless either of them has appointed an attorney) and the notary.
The notary then arranges for the deed of transfer to be registered in the public registers (the Land Register). The purchaser officially becomes the owner upon registration in the Land Register. Later on, the purchaser will receive a copy of this deed from the notary, forming "proof of ownership". The original deed remains in the notary's safekeeping.

4. Statement

Along with the draft deed you will receive from the notary a "statement for settlement". For the purchaser this statement (usually) includes the purchase price, the apportionment of taxes, the transfer tax, the Land Register fees, the handling fee for the mortgage and so on. The seller's statement for settlement will contain, amongst other items, the amount of the mortgage obtained or to be redeemed with the relevant costs. Normally, if the estate agent's costs have not yet been paid, these will be settled up with the notary. The estate agents' costs are paid by whoever employed him or her. For purchases where costs are payable by the seller, see below (Article 1).
The statement contains the amount that you, as purchaser, have to pay or, as seller, will receive or still have to pay.

5. Clarification of the deed of purchase

What follows is a clarification of the text of the deed of purchase.

Information about the parties and description of the real estate

On the first page of the deed at A. the information about the seller is filled in, including the number of his/her passport or travel pass (for identification). If already known, the seller's future address and telephone number are also stated; this is for the benefit of the notary and the Land Register (e.g. for sending on the deed).
the purchaser's details are filled in at letter B.
Important: if the purchaser or seller are entering into the transaction jointly with a spouse or registered partner the words 'herein referred to as "the Seller"' or 'herein referred to as "the Purchaser"' should be crossed out. If the text 'herein jointly referred to as "the Seller"' or 'herein jointly referred to as "the Purchaser"' is crossed out, then only the legal person named in the first column will be seller or purchaser.

On the second page, the information about the real estate is filled in, such as the house number, street, municipality and Land Register data. So far as and the area of the plot is concerned, this usually proceeds on the basis of the data contained in the Land Register. That information may be at variance with the actual situation, see Article 5.11. In the case of leasehold property it is also recommended that information should be provided about when the

leasehold was constituted, its duration, ground rent provisions, any applicable leasehold conditions and the amount of the ground rent.
Finally the purchase price is completed, first in numbers and then in words.

List of items
Attached to the deed there is also a list of items. If the seller and purchaser don't make clear arrangements between themselves as to what items are included in the sale, this can lead to problems. The purchaser might, for example, imagine that a fireplace is included in his purchase while the seller has quite different ideas. If the parties disagree as to exactly what is included in the sale, it's sometimes left up to the courts to cut through the tangle and decide what is fixed property and what is moveable. This sort of dispute is, however, often hard to resolve, even for lawyers. The list is drawn up to save sellers and purchasers from being trapped in a legal labyrinth. Reference to this list clarifies what is and what is not being sold. It covers items which seem, in practice, to lead to debate on whether or not they are included in the sale. It includes both real estate and moveable goods. It makes sense to go through the whole list together. At the end of the day, items can be added to it and removed from it.

Valuation of moveable items
For the list of items it doesn't matter whether the item is a piece of real estate or a moveable item, but the distinction is nonetheless an important one. For fiscal reasons it's important for purchasers as well as sellers to take some trouble over it. The reason is that the purchaser has to pay transfer tax in relation to the real estate. This does not apply to the transfer of moveable property. A counterpart to this is that interest charges in relation to the purchase of moveable property are non-deductible in the context of income tax. For the seller, the proceeds from the real estate have an influence on the maximum permitted increase of the primary residence mortgage amount for mortgage interest deductions.
It is possible to state in the deed of purchase what value has been placed on the moveable property included in the sale. The amount inserted in relation to moveable property must, at the end of the day, be a realistic one. The Revenue Service can run checks on this and ask for further explanations. If the amount bears no relationship to the actual value of the moveable items in question, then the purchaser runs the risk of having to pay a hefty fine.
As stated above, it's often not so easy to draw the distinction between real estate and moveable property. It therefore quite often happens that there is a difference of opinion between seller and purchaser as to the "moveable" nature of particular items. Because the parties reach deadlock in negotiations about whether or not an item is moveable, it doesn't make much sense for them to enter discussions on this. Whether or not an item is moveable is a point of law, irrespective of what the parties might think. So it is in fact sufficient for the calculation of transfer tax that everything to be included in the transaction is clearly mentioned on the list of items.
If moveable items are to be sold, the notary must indicate in the deed of transfer which moveable items are included, the amount being paid for them and whether that amount is included in the price of the dwelling. Because the notary usually has no clear picture of what is being sold, it's a great help to him if the seller or his estate agent indicates on the list of items which ones he/they think are moveable. The purchaser and the notary are primarily liable for payment of the transfer tax.

Article 1 Costs, levies and transfer tax
1.1 Costs, levies and transfer tax arising from this contract and transfer of title, shall be paid by .....
1.2 If the Purchaser is liable to pay the transfer tax and the Purchaser can successfully lodge an appeal to have the basis of taxation lowered, the Purchaser shall/shall not* repay to the Seller the difference between, on the one hand, the amount of transfer tax which would be due without lowering of the basis of taxation and, on the other hand, the amount actually due in respect of transfer tax. If the Parties agree that the said difference should be paid to the Seller, this will take place at the same time as payment of the purchase price via the Notary.

Article 1
This Article states who will be responsible for the costs, purchaser or seller. If the seller pays them, it's called "v.o.n." [*vrij op naam* = at seller's cost]. If the purchaser pays these costs it's called "k.k." [*kosten koper* = purchaser's costs].These costs include: the notary's fees for the deed of transfer (including *BTW* [Dutch VAT]), Land Registry fees and the transfer tax.
Estate agents' costs and mortgage costs are among the costs not included! At the moment, transfer tax is 6% of the purchaser price. If the value of the real estate is higher than the purchase price, the transfer tax is calculated on the value. It is possible that *BTW* [VAT] may be payable on the purchase price. For example, if there has recently been an extension built or if an office space is included. It must then be made clear who is to pay the *BTW*. For newly built properties, *BTW* is normally included in the purchase price. Your estate agent can clarify this for you.

Paragraph 2 applies if the seller is selling and transferring the real estate within 6 months after becoming owner.

Article 2 Payment
Payment of the purchase price and levies, costs and taxes will take place via the Notary on execution of the deed of transfer.
The Seller agrees that the Notary shall retain the purchase price until it is certain that the real estate has been transferred free of mortgages, attachments and registrations thereof.

Article 2
The notary receives the purchase price from the purchaser and pays this to the seller. Because the notary has to vouch for the fact that the property is not burdened when it is registered in the Land Register, and he only finds this out officially after the date of transfer, he may - partly for insurance reasons - not pay out the price on behalf of the purchaser until he has this confirmation, usually a day or two after the date of transfer.

Article 3 Transfer of ownership
3.1 The deed of transfer shall be executed on ..... or on such earlier date as the parties might mutually agree, in the presence of ..... Notary or his deputy employed at the offices of: ..... hereafter referred to as "the Notary".
3.2 The Seller warrants his capacity to sell and transfer ownership at the date of execution of the deed of transfer.

Article 3
There are various types of transfer. the most important are the legal and actual, or de facto, transfer. Legal transfer (also known as legal delivery or transfer of title) takes place at the notary's office by means of a notarial deed and registration of that deed in the Land Register. The de facto transfer takes place when the keys are handed over and the purchaser takes possession of the property he has bought.
It is possible for there to be two different dates for the different transfers (see Article 6), but usually these occur on the same day. In Article 3, the date of legal transfer has to be completed, at Article 3.1. If the date of de facto transfer (see Article 6) precedes the legal transfer (see Article 3), and if the risk also passes to the purchaser (see Article 9), then there is, in principle, a transfer of economic ownership. This is even possible if risk does not pass at the same time. The transfer tax must be paid immediately on transfer of economic ownership.
The name of the notary who is providing the deed of transfer is also entered in this Article. The choice of notary usually rests with the purchaser except where the seller makes it known before the contract is tied up that he is retaining the right to select the notary. This happens mostly with new-build property to ensure that all of the project transfers go through the same notary. If the seller chooses the notary, the purchaser can, if he wishes, still decided to hire his own notary at his own expense.

Article 4 Bank guarantee / deposit
4.1 As security for the Purchaser's compliance with his obligations, he shall lodge a written bank guarantee issued by a banking institution registered in the Netherlands not later than ..... for a sum of ..... (in words .....). This bank guarantee must be unconditional, must extend for at least one month after the agreed date for transfer of ownership and contain a clause to the effect that the banking institution will, on first request by the Notary, pay out the amount of the guarantee to the Notary. If the guaranteed amount is paid out to the Notary, the latter shall deal with this amount in accordance with the provisions of Article 10. If the circumstances outlined in Article 10.5 sub b. arise, the bank guarantee must be extended, in the absence of which the parties oblige the Notary to uplift the bank guarantee in consequence of this contract. In such a case the Notary is obliged and, so far as necessary, hereby irrevocably authorised, to report to the banking institution that the bank guarantee may be cancelled as soon as the Purchaser complies with his obligations and legal delivery has been competed. The term "banking institution" in this Article refers to a bank or insurer within the meaning of section 1.1 of the Financial Supervision Act.
4.2 Instead of lodging this bank guarantee, the Purchaser may pay a deposit amounting to the sum specified in Article 4.1 to the Notary into his special funds account, numbered .....
The deposit must be credited to the above-mentioned account not later than date specified in Article 4.1.
This deposit shall, subject to the provisions of Article 10, be deducted from the purchase price insofar as the purchase price and any other amount due by the Purchaser are not being met from a mortgage entered into by the Purchaser. The part of the deposit not deducted shall be repaid to the Purchaser as soon as he has met his obligations under this agreement.
The Seller shall not pay interest on the deposit.
If the Notary pays interest on the deposit, this will be paid to the Purchaser.
4.3 If the Purchaser is declared bankrupt and the trustee in bankruptcy does not wish to proceed with the contract, the amount mentioned in Article 4.1 or, as the case might be, the deposit shall be paid to the Seller as a penalty in terms of Article 10.2, by operation of law.

Article 4
It's customary to agree that the purchaser will lodge a bank guarantee for a sum equivalent to 10% of the purchase price once the contract has been concluded. This is a statement by the bank guaranteeing that the purchaser will meet his obligations. Setting up a bank guarantee takes a little time. For this reason the period in Article 4.1 is often set at three to four weeks ahead, although shorter periods are also possible. The bank makes a charge for providing a guarantee statement.
Instead of lodging a bank guarantee, the purchaser can pay over a deposit. It's normal and sensible to pay such a deposit to a third party (for example, the notary). In Article 4.2, details of which bank or giro account should be credited are filled in, together with the amount of the deposit (in numbers and words). If the purchaser is buying as a client, the security deposit or bank guarantee may not, by law, exceed 10% of the purchase price. The purpose of Article 4 is to give the seller some certainty that the purchaser will meet his obligations. The penalty specified in Article 10 can potentially be recovered from the bank guarantee or the deposit. If the deposit is of any substantial amount or stays with the notary for any reasonable length of time, the notary shall usually pay interest to the purchaser.
If the deposit is paid from the purchaser's own funds because the purchaser is funding the whole purchase himself, it's usually beneficial from a purchaser's taxation point of view not to apply the deposit in reduction of the purchase price. The Inspector of Taxes can take the view that, to the extent that the deposit is used to reduce the price, the mortgage loan is then used partly to repay the deposit. If the deposit was paid from a purchaser's own funds, this would then be viewed as topping-up one's own resources. The interest on that part of the mortgage would then not be tax-deductible. The deed assumes that any part of the deposit paid from the purchaser's own funds will be repaid to the purchaser on payment of the price itself.

Article 5 Condition of the real estate, use

5.1 The real estate shall be transferred in ownership to the Purchaser in the condition it was in on conclusion of this contract together with all rights and claims pertaining thereto, latent and patent defects, dominant easements and qualitative rights, and free of mortgages, attachments and registrations thereof.

5.2 The Purchaser expressly accepts all servient easements, special obligations and restrictions, individual property levies, perpetual clauses and qualitative rights, apparent or arising from the last and preceding document(s) of transfer and/or grant of the rights of leasehold and/or building rights and/or individual deed(s).

The Seller has supplied the written text of all of these documents to the Purchaser.

The Purchaser confirms that he is aware of the contents of the aforementioned deeds, including any right of leasehold and/or building rights in the general and special conditions.

5.3 On transfer of title, the real estate shall possess the factual characteristics required for normal use as: .....

If actual transfer takes place earlier, the real estate shall enjoy the properties required for a normal use as at that date.

The Seller does not warrant any characteristics other than those that might be required for a normal use. Also the seller does not warrant the absence of defects which might limit such normal use and which the Purchaser is aware of at the date of conclusion of this agreement.

5.4.1. The Seller is unaware/ the Purchaser is aware* that the real estate includes any pollution which might have a detrimental effect upon the use described in sub-paragraph 3 above, or which has led or might lead to any obligation to cleanse the real estate or to take other steps.

5.4.2. Insofar as the Seller is aware, the subjects sold do/do not* contain an underground tank for the storage of (liquid) material.

Insofar as the Seller is aware of the presence of an underground tank for the storage of (liquid) material, he confirms, in relation to whether or not it is still in use and/or whether it has been disabled under the statutory provisions, as follows:

5.4.3. The Seller is not aware whether/ the Purchaser is aware* that there is asbestos is incorporated in the real estate.

5.4.4. The Seller is unaware whether decisions or orders have been made under Article 55 of the Soil Protection Act by the relevant authorities in relation to the real estate.

5.5. The Purchaser is entitled, prior to execution of this deed of transfer, to carry out internal and external inspections of the subjects being sold.

5.6. The Seller warrants that, up to the date when he signs this contract, no improvements or repairs have been prescribed or approved by government or utility companies that have not yet been carried out or carried out properly.

If, after execution of this deed but before transfer of title, an improvement or repair is approved or prescribed by government or a utility companies, the risk of the consequences of such approval or notification will rest with the Purchaser. The approval or notification will remain at the Seller's risk and expense if he is guilty of non-compliance with his obligations arising under statute or this contract.

5.7. The Seller is/is not* aware of any (current request for advice in relation to a) designation, or designation decision or entry in a register that the real estate:

a. is a protected monument within the meaning of the Listed Buildings Act, Articles 3, 4 or 6;
b. is in a protected municipal or village landscape or subject to a relevant proposal as defined in Article 35 of the Listed Buildings Act;
c. is a locally or provincially defined protected monument.

5.8. The Seller confirms that there are no outstanding obligations in favour of third parties in relation to the real estate for pre-emption rights, option rights or rights of re-purchase.

5.9. Insofar as the Seller is aware, the subjects sold are/are not* included in a (provisional) direction as defined in the Municipal Preferential Rights Act.

5.10. The Seller confirms that the sale does not include any item against which lenders may exercise statutory rights of removal.

5.11. Any discrepancy between the stated and actual area will not accord any rights to either party.

5.12. The Seller confirms that the levies for the foregoing years have been paid insofar as demands were issued and ground rents were due.

Insofar as said demands and/or ground rents have not been paid, the Seller confirms that he will pay these on first request.

5.13. Any statement to the effect that the Seller is unaware of the relevant facts or circumstances shall not imply any warranty or indemnity for the Purchaser or Seller.

Article 5

It states in Article 5 that the purchaser shall buy the real estate in the condition it was in at the time when the contract was entered into. The main rule here is that the seller does not give any warranty for the absence of latent, or hidden, defects. All risks therefore rest with the purchaser. There is an important exception to this main rule in Article 5.3. More detailed explanation of this important exception will be given in the commentary on Article 5.3.

Article 5.2 is concerned with particular burdens and restrictions. Servient easements, qualitative rights and so-called perpetual clauses are all rights which may be held by individuals other than the seller and purchaser in relation to the real estate, irrespective of who the owner is. For example, a right of way easement gives someone else the right to walk across the land in question.

Dominant easements are rights which the owner of real estate may have over someone else's real estate. With a dominant right of way easement, the seller or purchaser will be entitled to walk across his neighbour's ground.

The purchaser can inspect the terms of easements, perpetual clauses etc., in the previous title deeds. The deed of purchase assumes that the purchaser - after having obtained explanations on these points - confirms acceptance of these burdens and restrictions. Because this relates to the rights of other individuals, the seller is often unable to do anything about removing the burdens and restrictions, at least not without considerable difficulty.
If the purchaser's proposed use of the property would be hampered by easements, etc., then the purchaser is usually aware of these restrictions from the deeds handed to him by the purchaser before the contract is concluded. The purchaser will usually have accepted these restrictions. There may also be easements affecting the real estate which are not apparent from the deeds. It is important to discuss thoroughly, in advance, whether there are any such easements. It is also important that the purchaser expressly accepts these. The seller must make a frank disclosure of information. If he doesn't, he might later be faced with a stiff penalty by way of damages.
The Civil Code specifies, in this context, that the purchaser can require the seller to remove the burden or restriction affecting the property, if the burden or restriction has not been explicitly accepted by the purchaser. If that proves to be an unreasonable demand on the seller, then the purchaser can claim compensation.
Most importantly, the purchaser should not face the burden of any mortgages granted by the seller. The seller must, therefore, redeem these and ensure that their registration is removed from the Land Register. In practice this is done by the notary. If any attachment has been imposed against the real estate, then the transfer cannot proceed until the attachment is cleared.

Article 5.3 contains a far-reaching exception to the main rule that the seller will not warrant the absence of defects. It states that the real estate shall, at the date of transfer of title, enjoy the actual characteristics required for normal use. The seller warrants the absence of defects restricting normal use, unless the purchaser was aware of these defects when the contract was being concluded. The expression "was aware of " is wider than "knew about". Even defects the purchaser did not know about but would have discovered if he had made sufficient effort are ones he could have "been aware of". So the purchaser can't just simply assume that everything is in order. It is expected that the purchaser will investigate or arrange an investigation as to whether the property meets his requirements. The phrase "what you don't know won't harm you" does not apply here. Where there's any doubt, the purchaser must ask questions and/or carry out some investigation. That does not imply that the seller can always say nothing. He is subject to a duty of disclosure. He must inform the purchaser of defects which he should know might affect the purchaser and which he knows or suspects that the purchaser is unaware of.
This duty of disclosure is not restricted to defects preventing normal use. If the purchaser has indicated that he intends to use the property for a particular purpose, the seller must tell the purchaser if he (the seller) is aware that the property is unsuited to that use. The seller excludes his liability for the suitability of the property for the particular use proposed, but that does not detract from this duty of disclosure. If the seller fails in his duty of disclosure then the purchaser, if he was unaware of the defect, can successfully claim against the seller.
"What you don't know won't harm you" doesn't apply to the seller either. If, thanks to adequate investigation by the purchaser, it appears in hindsight that when the contract was concluded there was a defect that impairs normal use, then basically the seller can be hold liable. This also applies to soil pollution. If both the seller and the purchaser are completely unaware of whether there is any soil pollution, then, in principle, the risk will remain with the seller if the normal use of the real estate is brought into question. If the pollution does not affect normal use, then the risk lies with the purchaser.
The seller's obligation to transfer property possessed of the characteristics required for normal use also extends, in principle, to additional (moveable) items included in the sale. Even here the seller must inform the purchaser about defects which restrict normal use and which are not readily perceptible to the purchaser. If the purchaser himself has any reason for doubts, he must question the seller or check out the additional (moveable) items.
In principle, the purchaser must make his own enquiries as to what public law restrictions affect the real estate. This would, for example, include the provisions of any local zoning plan. The seller must, however, draw the purchaser's attention to any intimations from the government or utility companies.

In Article 5.4.1, the parties can indicate the state of their knowledge about whether the real estate is affected by pollution. A clause like this is often called a "statement of (non-) awareness". Examples of this type of clause also occur in Articles 5.4.2., 5.4.3., 5.4.4., and 5.7. This type of clause has value both as evidence and indicator. The evidentiary function lies in the avoidance of "yes it was!" - "no it wasn't!" discussions. If, for example, the purchaser declared that he was aware of the presence of an oil tank (statement of awareness) it would be difficult for him to allege at a later date that the seller had failed in his obligation to report this matter to him. On the other hand, if the seller declared that he did not whether there was an oil tank present (statement of non-awareness), he would have problems if he alleged at a later stage that he had pointed out the existence of the tank to the purchaser or that the presence of the tank was plain for the purchaser to see. It's always there in black and white that the seller did not know whether there was an underground tank or not. The indicator function is fulfilled because the attention of the parties is drawn to the subject. They are more or less compelled to put something down in writing about the matter. This encourages the seller to meet his duty of disclosure and the purchaser to meet his duty to investigate. In order to avoid any misunderstandings, Article 5.13 specifically provides that a statement of non-awareness will not operate as a guarantee or exoneration. As already mentioned, the maxim "what you don't know won't harm you" applies neither to seller nor purchaser. Whether the purchaser can make a claim against the seller is determined, in principle, by Articles 5.1 and 5.3 of the purchase contract, which imposes risk of discoverable defects on the purchaser. At the end of the day the parties can, of course, make different arrangements to the standard allocation of risk in the purchase contract, on an item-by-item basis if they wish.

Article 5.4.2 relates to underground storage tanks such as oil tanks and septic tanks. Special rules apply, in particular, for the use and decontamination of underground oil tanks. The seller can indicate whether the tanks are still in use or whether they have been disabled and, if so, when that happened and whether it was done in accordance with the statutory requirements. If an unused oil tank has not been disabled, it would be sensible for the seller and purchaser to make arrangements for the removal of the tank and associated costs. That sort of

arrangement can certainly be made within the open-ended structure of this clause. If the purchaser doesn't know whether there are still any oil tanks present, the purchaser would be wise to have a check for the presence of oil tanks carried out in advance. If there is an oil tank in a garden and this has not been decontaminated under the BOOT regulations, this must, from 1 January 1999 onwards, be removed by the owner or leaseholder of the ground. Matters are different if the tank is still in use. In such a case, the tank must be inspected every year and the owner of the dwelling must take out insurance against soil pollution. Quite apart from the risk of an adverse inspection or enforced repairs, this adds considerable costs.

The seller must indicate, in Article 5.4.3, whether or not he is aware of the incorporation of asbestos in the dwelling. This also applies where, for example, asbestos has been used in a shed or lean-to or in the surfacing of a garden path. Special procedures have to be followed for the removal of asbestos. If asbestos is found the parties may, if they wish, specify in the purchase contract whether and at whose expense it will be removed. This is another case where, if the seller cannot say whether or not there is asbestos in the house, it would be sensible for the purchaser to have the matter investigated in advance.

Article 5.4.4 concerns decisions or orders under Article 55 of the Soil Protection Act. Under this Act, the provincial or municipal authority can issue a decision or order for, for instance, the investigation or decontamination of ground. If the seller knows that such a decision or order has been issued, he must bring this to the purchaser's attention.

Article 5.5 gives the purchaser the right to inspect the property during the period between the signing of the purchase contract and the execution of the deed of transfer at the notary's office. The best time to do this is as close as possible to the date of transfer. All sorts of aspects of the property can change, after all. So here's another opportunity to check whether the property is still in the same condition. It makes sense to jot things down on paper at this stage. You can have your estate agent with you at this point.

Article 5.6 is concerned with so-called intimations. The government can impose an obligation on owners of real estate in a particular condition to improve it or replace it. It is important for the purchaser to know whether that has happened. Compliance with such an obligation always costs money and moreover it will always have to be done within a particular time. The provision is designed to avoid any unpleasant surprises for a purchaser. An intimation does not usually arrive unexpectedly in the sense that mostly it has been clear for some time that something needs to be done. If the purchaser and seller have met their respective obligations of investigation and intimation, the purchaser will already be aware of the defects. The costs in this connection will, in principle, be payable by the purchaser if the government intimates a replacement or improvement obligation after the purchase contract has been signed but before the transfer of title takes place. Intimations in connection with building work either without or in contravention of a permit are, in principle, the seller's expense.

The seller should confirm whether or not he is aware of any public law restrictions under the Listed Buildings Act and the Municipal Preferential Rights Act in terms of Articles 5.7 and 5.9.

Article 5.10. The law provides that a tenant may "remove and take away with him all work he has carried out in respect of the property, at his expense, provided such is effected without damage to the property". This means that, if the property being purchased had been let out, there should be no tenant's possessions included in the purchase.

Article 5.11. Normally it is agreed that there is no adjustment in price if there proves to be a difference between the indicated and actual surface area of the ground.
Normally it doesn't matter too much if the indicated area is different from the actual area, because the parties will have seen the situation on site and accordingly be aware of the actual area. Moreover the value is, as a rule, not much influenced by the precise measurements.

Article 5.13. It has to be emphasised again that the seller's declaration that he is not aware of, for example, soil pollution, does not influence who will have to accept the risk from soil pollution. A purchaser may not assume from a statement of non-awareness that there is no question of soil pollution. He therefore gets no guarantee. There is also no question of exoneration. The seller cannot therefore offload the risk on to the purchaser by means of a statement of non-awareness, see the explanation to Articles 5.3 and 5.4 1. Allocation of risk is a matter of mutual agreement. A statement of non-awareness is a matter of actual knowledge rather than an arrangement. It's just not possible for you to negotiate over the question of whether you know something or not. On the other hand, you can, if you wish, agree that all matters within the knowledge of the parties will fall to the risk of the purchaser or of the seller but then you have to amend the standard text of the model purchase contract.

Article 6 De facto transfer, transfer of claims

6.1. De facto transfer and acceptance shall take place on ……., free of rental, lease or hire-purchase agreements excepting the following agreements concluded by the Seller:

6.2. Subject to the consequences of the foregoing paragraph, the Seller warrants that the subjects sold shall, at the date of de facto transfer, be free of all claims for use, free of all local authority claims and, subject to any moveable items included in the sale, empty and cleared.

6.3. If the Purchaser accepts the real estate either partially or wholly subject to maintaining any existing rental, lease or hire-purchase agreements:

- the Seller warrants that, on de facto transfer, there shall not have been any disposal of instalments not yet received, nor any attachments affecting them;
- the Seller warrants that, from the conclusion of this contract onwards, there shall be no alteration to existing rental, lease or hire-purchase agreements; the real estate shall not be let out in whole or in part, disposed of on hire-purchase or its use given away in any other manner, unless the Purchaser agrees to this in writing;
- the Purchaser warrants that he is familiar with the contents of the rental,lease or hire-purchase agreements to be assigned.

6.4. So far as possible, this contract incorporates the assignment of all claims in relation to the real estate which the Seller can or might aver against third parties, including builder(s), (sub)contractors, installer(s), architect(s) and supplier(s), which arise from damages caused by work carried out on the real estate, without any obligation of indemnity on the Seller's part. This assignment takes effect on transfer of title to the real estate, unless de facto transfer takes place earlier, in which case the assignment of the above-mentioned claims will take effect at that earlier stage.

The Seller undertakes to supply the Purchaser with the information in his possession and hereby authorises the Purchaser, so far as necessary, to have this assignment of claims intimated in accordance with the statutory provisions, at the Purchaser's expense.

Article 6

De facto transfer takes place when the keys are handed over and the purchaser takes possession of the property. This Article indicates when the transfer will take place and how (free of rental, lease or hire purchase agreements with the exception of any agreements detailed in the Article or subject to the purchaser taking over any existing rental, lease and/or hire-purchase agreements). This relates not only to whether the real estate is let out in whole or in part, but also whether the seller has rented or leased certain items such as the central heating boiler or the kitchen. If the dwelling is transferred free of leases etc, Articles 5.10 and 6.3 will not apply.

It is usually arranged that de facto transfer takes place on the same day as the transfer of title. If there is a different arrangement, the parties would normally want to complete supplementary arrangements, for example covering the time at which risk in and insurance of a property will be transferred (see Article 9).

The listing contained in Article 6.4 is not exhaustive.

If a so-called GIW guarantee applies to the dwelling being purchased, this can be transferred to the new owner. If the guarantee and deposit scheme E.1999 (A.1999 for apartments) applies, the purchaser must notify the organisation which has issued the guarantee that he has become the new owner within a period of six months. In other cases, it may be that the relevant period is three months or that the guarantee is transferred automatically (such as under guarantee and deposit scheme E.2003). Information on these periods and the procedure to be followed can be found in the relevant deposit regulations and obtained from the *Garantie Instituut Woningbouw* GIW (Postbus 1857, 3000 BW Rotterdam).

Article 7 Income, costs and ground rent

All income, costs and ground rent shall accrue to or be borne by the Purchaser with effect from ……..

The current income, costs and ground rent, shall be apportioned between the parties on a day-by-day basis. This apportionment shall be effected at the same time as payment of the purchase price.

Article 7

This indicates when the income (for example rental) and the burdens (for example real estate tax) are transferred to the purchaser. The usual agreement is that this will happen from the date of transfer of title; see Article 3.

Article 8 Several liability

If more than one individual is involved in this contract as Seller or Purchaser, then the Seller and Purchaser may only exercise their rights or comply with their obligations stemming from this contract jointly. The Seller(s) and Purchaser(s) hereby respectively grant irrevocable authority to any one of their number to exercise their rights or comply with their obligations stemming from this contract.

The Seller(s) and Purchaser(s) are jointly liable for performance of obligations arising from this contract.

Article 8

In practical terms, the result of this Article is that, when more than one individual is involved on either side of the transaction as seller or purchaser (for example married couples) it will be sufficient to keep in contact with one of them; this then implies that the other one has also been informed. A letter sent to any one of three purchasers will thus be deemed to be sufficient to notify all three. Because sellers and purchasers can authorise each other to exercise rights arising under the agreement, this makes it clear to the other party that if any one of the sellers or purchasers offers or accepts something, this will also be binding on the others. Multiple sellers or purchasers can therefore be regarded by the other party as if they were only one individual.

Article 9 Transfer of risk, damage caused by *force majeure*

9.1. Risk in the real estate passes to the Purchaser with effect from the date of signature of the deed of transfer, unless de facto transfer takes place earlier, in which case risk will pass to the Purchaser with effect from that date.

9.2. If the real estate is damaged or destroyed in whole or in part prior to the date of passing of risk, the Seller shall be obliged to notify the Purchaser of the calamity within 48 hours after the Seller becomes aware of it.

9.3. If the real estate is damaged or destroyed in whole or in part as a result of *force majeure* prior to the date of passing of risk, this contract shall be terminated by operation of law, unless within four weeks after the calamity but in any event before the agreed date for transfer of title:

a. the Purchaser demands performance of this contract, in which case the Seller - without any special consideration apart from the established purchase price - shall hand over the real estate to the Purchaser on the agreed date for transfer of title in its then condition, together with all of the Seller's rights against third parties in relation to the calamity - whether arising under insurance or otherwise; or

b. the Seller confirms he will repair the damage at his own expense prior to the agreed date for transfer of title or within four weeks after the calamity if later. In the latter case, an earlier agreed date for transfer of title will be changed to the day after the day on which the four weeks expire. If repairs are not carried out to the Purchaser's satisfaction, then this contract will still be dissolved unless the Purchaser confirms, within fourteen days after the repairs should have been completed on the basis of this Article, that he still wishes to avail himself of the right accorded under sub-paragraph a., in which case the transfer of title shall take place on the agreed date or not more than six weeks after the calamity, if later.

Article 9

Under Article 5 of the purchase contract, the property being sold must be transferred in the condition in which it was when the agreement was concluded. Between that time and the time of transfer of title all sorts of things can happen to change its condition. From the moment that the notary completes the transfer of title, the dwelling stands at the purchaser's risk. Because the signing of the transfer document is such a decisive event, it makes sense for the seller not to cancel his building insurance before that time. The reason is that risk will not automatically pass to the purchaser if the transfer is postponed by the purchaser's actions or omissions. If de facto transfer takes place earlier than transfer of title, risk will pass to the purchaser from the stage of de facto transfer.

Article 9 regulates what must happen in the case of *force majeure* (for example lightning strike or arson) which neither the seller nor the purchaser can do anything about. If, for example, the building is wholly or partly devastated by fire before transfer of title, both parties will then be freed from the purchase contract. If the purchaser still wants to take on the dwelling, the purchaser must transfer any rights, for example, under buildings insurance, to him. In such a case, normal policy conditions would not give the purchaser any right to payment for reinstatement value because that requires that the insured (the seller) should proceed with the restoration himself. The purchaser's only claim would be for the so-called "sale value". That is the value of the dwelling after deduction of the value of the site. In practice, this value is much lower than the reinstatement value. The seller can also make arrangements so that ownership of the dwelling will be transferred in conformity with the purchase contract.

He must then notify the purchaser that he will reinstate the dwelling before the agreed date for transfer of title (or if later, four weeks after that date) at his own expense.

If the situation contemplated in this Article arises, it makes sense for the parties to discuss the situation first. At the end of the day, the parties can, if they don't reach any acceptable solution, elect to dissolve the contract. It would be sensible to record such an arrangement in writing.

Article 10 Notice of default, dissolution

10.1 If one of the parties, having been served with a notice of default, continues in his failure to comply with one or more of his obligations arising from this contract for eight days, the other party may dissolve this contract without process of law by means of a written notice to the defaulting party.

10.2. Dissolution on the basis of default shall only be permissible after a notice of default has been issued. On dissolution of the contract because of an attributable failure, the defaulting party shall become liable to the other party for an immediately payable penalty of ……., without process of law, without prejudice to the right to supplementary damages and compensation for the costs of recovery.

10.3. If the other party does not avail himself of his right to dissolve the contract and demands compliance, the defaulting party shall become liable for an immediately payable penalty, after the expiry of the eight day period mentioned in Article 10.1, amounting to 0.3% of the purchase price for each day elapsing thereafter up to the date of compliance, without prejudice to the right to supplementary damages and compensation for the costs of recovery. If the other party finally decides to dissolve the contract, this penalty shall be due for each day after the expiry of the eight-day period mentioned in 10.1 up to and including the day on which the contract is dissolved.

10.4. If, however, the defaulting party, having been served with a notice of default, meets his obligations within the said period of eight days, that party shall nonetheless be due to pay to the other party his losses resulting from the failure to comply punctually.

10.5. The Notary is hereby obliged and, so far as necessary, irrevocably authorised by the parties:

a. if the purchaser is due a penalty, to pay that sum to the Seller from the amount of the guarantee paid out to the Notary or else from the deposit lodged with the Notary;

b. if the Seller is due a penalty, to return the guarantee lodged with the Notary to the banking institution or to return the deposit paid by the Purchaser to the Purchaser;

c. in the event that Article 4.3 applies, to pay the deposit to the Seller as a penalty;

d. if both parties fail to meet their obligations or if the Notary cannot adequately decide which of the parties is in default, to retain the bank guarantee or deposit until he has the authority of a final and binding judgment or provisionally enforceable court order deciding to whom the money should be paid.

Article 10

If one of the parties fails to comply with his obligations (either in the contract or under law) this it is an attributable shortcoming (default). It is assumed in this Article that the default must always be clearly established before the other party can take any action relying on the default.

Establishing the default is done by issuing a notice of default to the other party, which is to say, informing him in an official notice that he has not complied with his obligations. This must be accompanied by a formal request to him to meet his obligations within a further eight days. This is by way of giving the other party, as it were, a last chance. The first part of Article 10 says that the contract can be dissolved by means of a written statement addressed to the defaulting party if nothing has happened once this "last-chance" period of eight days, following on from the notice of default, has expired.

But this means that neither the seller nor the purchaser have achieved what they originally wanted. The "innocent" party is therefore afforded the opportunity, after the expiry of the 8-day period, to demand compliance with the contract instead of dissolving it. Naturally, he will be entitled to compensation for any damages sustained.

To add strength to this claim, the purchaser can, with effect from the 9th day after the notice of default, claim a daily penalty of 0.3% of the purchase price of the property until the contract terms are met or else the contract is dissolved.

The second paragraph of Article 10 states that the "guilty" party must pay a penalty of a fixed amount (often 10 - 20% of the purchase price) on dissolution of the contract. The amount should be completed both in numbers and words. The parties should be aware that in any legal proceedings the Court can mitigate the penalty, which is to say it might be set at a lower figure. The penalty is a minimum compensation figure. If the actual damages are higher than the penalty, supplementary compensation can be claimed. The guilty party is not always exonerated merely by payment of the compensation. So-called costs of recovery, for example collection costs, may also be claimed.

Article 11 Seller and spouse/partner

The Seller confirms, so far as necessary, that he/she* is acting in this matter with the consent of his/her* spouse/partner*, who co-signs this contract as evidence thereof.

Article 12 Purchaser and spouse/partner

The Purchaser confirms, so far as necessary, that he/she* is acting in this matter with the consent of his/her* spouse/partner*, who hereby grants consent and irrevocable authority to burden the real estate and refrains from any actions which might operate against the Purchaser in obtaining permissions and/or finance and/or National Mortgage Guarantee and/or consent(s) and/or other items and who co-signs this deed as evidence of all of this.

Articles 11 & 12

It states in that the Civil Code, article 1:88, paragraph 1 (a), *inter alia*:

"A spouse requires the permission of the other spouse for the following legally binding transactions:

Contracts relating to the disposal, burdening or the granting use of and actions to terminate the use of a dwelling lived in by the spouses jointly or by the other spouse alone or of property belonging to such a dwelling or the contents thereof. The term "contents" here includes the whole moveable property making up the household contents and fittings and furnishings, with the exception of book collections and collections of works of art or of a scientific or historical nature."

If the other spouse is absent or not in a position to confirm his wishes, and accordingly to give his consent, that decision may be taken by the sub-District Judge.

The same rules apply to registered partners as to spouses.

To carry out the provisions of this Article, the spouse or registered partner must sometimes co-sign this contract. This does not mean that the spouse or registered partner will then be a joint owner. The identity of the purchaser and seller is contained on the front page. If the spouse or registered partner is also involved in the purchase, this will be apparent from the information on the front page.

Non-married and non-registered cohabitants do not required to give each other consent for the sale of the dwelling which they jointly inhabit but it can be the case that there is an agreement to the contrary in a cohabitation contract. If cohabitees are joint owners, then they obviously need each other's co-operation for the sale of the dwelling.

Article 13 Domicile

This deed shall remain, and the parties elect domicile for the purposes of this deed, at the Notary's offices.

Article 13

To choose your domicile means to elect a statutory residence for the prosecution of a legal action. Any letter received at the domicile address is deemed to have been received by each of the parties. The choice of domicile is primarily designed as a fallback. If, for example, one of the parties is difficult to contact, then the other party can always make official contact with him/her. It can also be important to be able to prove that a particular letter was sent. In this context it's often handy to send the letter both to the actual residential address and to the domiciliary address.

Article 14 Registration of the Document of Sale

The parties hereby instruct/do not instruct* the Notary to have this deed registered in the public registers, but not earlier than .....

The costs associated with this registration shall be paid by the Purchaser/Seller*.

Article 14
Arranging for registration of a contract in the public registers (often called “het kadaster”) has, as a consequence, that later bankruptcies, transfers, attachments and any subsequently vesting preferential right in favour of the local authority may not be invoked against the purchaser. As such, the registration has a double basis: registration by virtue of the Netherlands Civil Code (as protection against subsequent bankruptcies, transfers and attachments) and registration by virtue of the Netherlands Municipalities Preferential Rights Act (as protection against a subsequently established preferential right). If the deed of transfer of title (see article 3) is scheduled to be executed after six months following the purchase, it is recommended to obtain further advice as to the best registration date. Even if instructions are not given immediately to the Notary to have the contract recorded, the Purchaser retains the right to have this done later at his/her own expense. This also applies to recording at an earlier date than the one stipulated in the Deed.

Article 15 Identification of the parties
The Seller and the Purchaser agree that if one of the parties so requests, the other party shall identify himself to the requesting party by producing valid evidence of identity.

Article 15
Both seller and purchaser have an interest in ensuring that the purchase contract is duly fulfilled. It can also therefore be important to know which party you are dealing with. For this reason both seller and purchaser can require identification from each other. Valid "proof of identification" includes: a valid passport, a valid Dutch municipal identity card, a valid Dutch driving licence, a valid document from the Dutch Immigration Agency (residence permit).

Article 16 Resolutive conditions
16.1. This contract may be dissolved by the Purchaser if, not later than:
a. ……., no permission has been given by or on behalf of the municipal authority for the Purchaser to move into the real estate with his family unless a binding indication to do so has been issued by the competent authority;
b. ……., the Purchaser has not received the mortgage finance or an offer of mortgage finance for the real estate of ……., (in words) ……., from a recognised money-lending institution, for an annual payment of not more than ……., (in words) ……., or an interest rate not above ….., for the following type of mortgage:
c. ……., the Purchaser has not received a National Mortgage Guarantee corresponding to the mortgage loan applied for
16.2. This contract may be dissolved by either of the parties if the Seller is not in a position, because of the Municipal Preferential Rights Act, to transfer the title to the real estate on the agreed date. The Seller is obliged to inform the Purchaser in writing as soon as it is clear to him (the Seller) that he will not be able to comply, or comply punctually, with his obligation to transfer because of the said Act.
16.3. The parties further undertake to do everything possible to obtain the above-mentioned permission and/or finance and/or National Mortgage Guarantee and/or consent(s) and/or other items.
The party who initiates dissolution shall require to ensure that the intimation of such dissolution is received by the other party or his real estate broker not later than ……. working days after the relevant date in the appropriate resolutive condition.
Such intimation must be well documented and sent by “recorded delivery letter with proof of signature” or “telefax communication with confirmation of sending”. From that point, both parties will be released from this contract. Any payments already made by the Purchaser shall subsequently be repaid.
Whoever holds such payments is hereby obliged, and so far as necessary, irrevocably authorised to effect the repayment.

Article 16
A resolutive condition offers one or more of the parties the opportunity to dissolve the purchase contract in particular circumstances. For example if the purchaser does not receive permission from the local authority to take up residence (a), or the purchaser cannot sort out his finance (b) or he cannot obtain a National Mortgage Guarantee (c). It makes sense to establish the time limits realistically, depending on the normal transaction period for the local authority turning round the permission or National Mortgage Guarantee. Your estate agent can give you further advice on this.
The gross annual payment is understood to include the full amount involved in the mortgage finance and so it includes risk and savings premiums in the case of an endowment mortgage, together with potential extra repayment costs in connection with any National Mortgage Guarantee that has been issued.
In the third sub paragraph, everyone undertakes to do everything possible to ensure compliance with the conditions. One or more dates may be entered at Article 16.1. On the specified dates it will be clear whether the contract can be dissolved on not. The dissolution does not happen automatically but must be notified by the party seeking to dissolve the contract to the other party. The parties should agree how many working days will be allowed, after the day the resolutive conditions have lapsed, within which notice of dissolution has to be received by the other party or his estate agent. Saturdays, Sundays and generally acknowledged public holidays are not counted. At the end of the period stated in 16.1, it should be established whether it is competent to invoke a resolutive condition. At the end of the period stated in 16.3 it should be established whether, in actual fact, a resolutive condition has been invoked. Invoking dissolution must be "well documented". Exactly what this means depends on the content of the resolutive condition. What is required is that the other party can see that the resolutive condition was invoked properly. If the purchaser invokes dissolution because he has not obtained appropriate finance, then he should in every case send

copies of the refusal with the notice of dissolution. Whether he can substantiate the dissolution will also depend on the contents of the refusal.
In the blank space below Article 16 it is possible to insert supplementary provisions regarding matters agreed between the parties but which have not been incorporated into the pre-printed text of the deed.
It is particularly important to formulate and describe these supplementary provisions carefully.

Article 17 Cooling-off period
A Purchaser who is a natural person and is not acting in a business or professional capacity has a cooling-of period within which to dissolve this contract. The cooling-off period lasts for three days and begins at 00.00 hours on the day following the day on which the (copy) deed signed by the parties is handed to the Purchaser.
If the cooling-off period ends on a Saturday, Sunday or publicly recognised holiday, it will be extended to the first subsequent day not being a Saturday, Sunday or publicly recognised holiday.
The cooling-off period shall be extended, if necessary, to the extent that it includes at least two days that are not a Saturday, Sunday or publicly recognised holiday.

Article 17
If a client purchases a dwelling or apartment, the purchaser has three days of "cooling-off period" within which to decide whether he wants to go ahead with the purchase. This cooling-off period is a statutory creation in nearly all cases. The statutory cooling-off period may not be shortened. The parties can indeed agree that the purchaser will have a longer cooling-off period.
The law does not allow any cooling-off period for the seller. The parties can also however agree that the seller will have a cooling-off period.

The cooling-off period starts at the beginning of the day after the date when the purchaser receives a copy of the contract signed by both parties. Normally the seller (or his estate agent) will hand a copy of the document to the purchaser immediately after both parties have signed it. The seller (or his estate agent) will ask for a proof of receipt from the purchaser. The receipt must be dated so that it is clear when the purchaser received the copy deed. It is not actually necessary that the purchaser should always receive the copy deed in person before the start of the cooling-off period. Although handing over the deed is preferable, the copy Deed can also be sent out, for example by registered post with signature on receipt. If the copy Deed is sent rather than handed over, it is advisable to send it to both the actual residential address and to the domiciliary address (see Article 13).

If the Purchaser renounces the purchase within the cooling-off period, he must arrange that the notification of cancellation reaches the Seller before the end of the cooling-off period. There are no statutory requirements for the format of intimation by the Purchaser to the Seller that the Purchaser is renouncing the purchase. But dissolution of the purchase in such a way as can be proved, for example by fax with a transmission record or by registered post with signature on receipt, is always advisable. To allow the Purchaser to make best use of the cooling-off period, it is very important for the Purchaser that the Seller also elects domicile at the Notary's office (Article 13). If the Purchaser wants to dissolve the contract at the last moment, but the Seller is not at home or doesn't pick up the phone, then he can leave a message on the notary's voicemail, email him or send him a fax (this can also usually be done outside office hours). Because of the election of domicile, those messages will be deemed to have reached the Seller. This is particularly important in the context of proving the situation. This also applies to written dissolution of the contract. If the Seller has not chosen domicile with the Notary, the Purchaser - if he wants to secure proof - would be well advised to invoke the cooling-off period by a registered letter with proof of receipt. This means that he has to make his final decision well before the end of the cooling-off period. Since the Purchaser chooses the Notary, he can opt for one in his own neighbourhood. A letter from the Purchaser will get there quickly. At the end of the day the Purchaser should also be in a position to get the letter to the Seller, but the latter often does not live in the same area. Furthermore, it's often hard to prove that the letter was actually received.

Article 18 Written confirmation
18.1. Obligations only arise under this contract if both parties have signed this Deed.
18.2. The first party to sign this contract does it with the restriction that he not later than .... working days after he has signed the Deed, he has received (a copy of) the Deed signed by both parties. If the first subscriber has not received a copy of the deed signed by both parties on time, he will have the right to rely on the reservation and will not (no longer) be bound. This right shall lapse if, not later than the second working day after (a copy of) the Deed signed by both parties, that Deed is not put to use.

Article 18
In many cases, it is a matter of law that both parties have to sign the Deed of Purchase. Often the parties will do this immediately after each other. It can, however, be the case that some time elapses between the time when one party signs the Deed and the time when the other party signs it. Particularly if one party sends the Deed he has already signed to the other party for signature, he just has wait and see if and when the other party will sign the Deed. Article 18.2 prevents the parties from keeping each other in suspense for an unnecessarily long time. If the first party to sign does not receive the Deed back, signed by the other party, within the agreed period, the first party to sign will then have a certain length of time in which to dissolve the contract. At the end of the day he doesn't have to do this, but he has the choice. If the first party to sign doesn't know whether or not the other party has signed (or is about to sign), he can, if he wishes, indicate that he is dissolving the contract, both where the Deed has already been signed and where it still has to be signed. There are no requirements for the format to be used by the first

signing party for dissolving the contract. Of course it would be advisable to do this in such a way as could be proved after the event.

The Seller and Purchaser confirm that, prior to signing this deed, they have made themselves aware of the provisions as set forth in greater detail in the explanatory guide pertaining to this deed and that they have received such information and that the contents and consequences of this contract are sufficiently clear to them.

The Seller (and spouse/partner)	The Purchaser (and spouse/partner)
Seen by NVM member acting for Seller	Seen by NVM member acting for Purchaser

*The text set out in shaded boxes is the text incorporated into the purchase contract. It is not necessary to complete any details on this.

Witnessed::

Purchaser:	Seller:
Place and date:	Place and date:

Supplied by the following Estate Agent's Office: