

Leasehold Properties (Acquisition by Lessees) Act (SFS 1985:658)

(with amendments up to and including SFS 2000:247)

Introductory provision

Section 1. Under this Act, a lessee is entitled to acquire the leasehold property if the agreement concerns an agricultural lease which includes housing accommodation for the lessee or a residential ground lease.

Notice of interest

Section 2. If a lessee has an interest in exercising his right of acquisition, he may give notice of this to the land registration authority for note in the land register section of the Real Property Register. In the case of a residential ground lease, notice of interest may be given only if there exists on the leasehold property a dwelling house as referred to in Chap. 10, Section 1 of the Land Code and a tax assessment value has been put on the house.

The original leasehold agreement or an authenticated copy thereof shall be appended to the notice. If the notice refers to a residential ground lease, a certificate showing that a tax assessment value has been put on the dwelling house shall also be appended to the notice.

Section 3. The landowner and the lessee shall be notified by the land registration authority of notice of interest having been noted in the land register section of the Real Property Register.

Section 4. On a note having been made, a notice of interest is valid until the next title registration day occurring after ten years from the title registration day when the note was made. If, however, an offer for purchase as referred to in this Act occurs during this time, the notice shall always apply until the next title registration day occurring after two years from the day on which the offer for purchase was made.

If a lessee dies while his notice of interest is in force, the notice shall apply for the estate of the deceased until the next title registration day occurring after six months from the day of the lessee's decease, but not longer than until the title registration day indicated in subsection one.

The provisions of subsections one and two also apply in relation to a new owner of the property unit.

New notice of interest from the lessee or his estate may be noted not earlier than the title registration day on which the validity of the previous note expired.

Offer for purchase

Section 5. A leasehold property for which notice of interest applies may not be transferred wholly or partly by purchase or exchange without the lessee who has given notice of interest or, in a case referred to in Section 4 (2), his estate has been invited to

acquire the leasehold property. An offer as aforesaid is called an offer for purchase.

Subsection one notwithstanding, in the case of a residential ground lease not referring to an entire property unit, transfer may take place without an offer for purchase if not more than half the real property transferred comprises land included in the lease.

If there is a duty to offer for purchase, the offer for purchase may also refer to other real property than the leasehold property, in the case of an agricultural lease, though not if the lessee contests this within the time applying for acceptance of an offer for purchase as provided in Section 10.

A transfer may be made without an offer for purchase,

1. if the lessee approves the transfer,
2. if the State, acting through the Swedish Board of Agriculture or a County Administrative Board, is the transferor,
3. if the State, acting through a public authority other than a State-owned utility, is the purchaser,
4. if a municipality is the purchaser,
5. if the purchaser is married to the transferor or if the purchaser or, when husband and wife acquire conjointly, one of them is a descendant of the transferor,
6. if a share in the property unit is acquired by a party owning a share in the property unit already,
7. if the acquisition is made by successful bidding at an executive auction or a public auction under the Co-ownership Act (1904:48).

Section 6. Nor is an offer of purchase needed

1. if the lessee is not entitled to prolongation of the leasehold agreement,
2. if, having regard to the relation between the transferor and a purchaser other than the lessee or the conditions for or circumstances attending such a sale, it would be oppressive for the lessee to be allowed to exercise his right of acquisition under this Act,
3. if it is obvious that the lessee would be refused an acquisition permit under the Land Acquisition Act (1979:230),
4. if it is obvious that the requisite property formation cannot come into being.

The question of whether an offer for purchase is needed pursuant to subsection one is adjudicated by the regional tenancies tribunal at the request of the landowner. If, in a case referred to in subsection one, point 4, the regional tenancies tribunal finds that the requisite property formation cannot come into being in the event of a transfer of the leasehold property only, the landowner may nevertheless not be relieved of the duty to offer for purchase if the offer for purchase ought reasonably to be able to comprise as much of the landowner's real property, including the leasehold property or the greater part thereof, as is needed for the provisions of the Real Property Formation Act (1970:988) not to entail any impediment to a valid acquisition.

Section 7. If an acquisition has been invalidated in consequence of a property formation requested not having been possible, a duty to offer for purchase still lies if an offer for purchase ought reasonably to be able to comprise as much of the landowner's real property, including the leasehold property or the greater part thereof, as is needed for the provisions of the Real Property Formation Act (1970:988) no longer to entail any impediment to a valid acquisition.

Questions concerning duty to offer for purchase under subsection one are adjudicated by the regional tenancies tribunal. Pending such adjudication, the prohibition of transfer in Section 5 (1) shall apply.

Section 8. An offer for purchase is made to the regional tenancies tribunal by written notice from the landowner. In this connection a landowner shall submit a written draft contract of sale, signed by himself, which shall contain particulars of the purchase price of the property offered for purchase and other conditions for the acquisition. If a transfer requires the consent of a spouse under the Marriage Code, the spouse's consent shall be given to the draft agreement.

If an offer for purchase does not satisfy the provisions of the foregoing, the regional tenancies tribunal shall order the landowner to remedy the deficiency within a certain time. If the landowner complies with the injunction, an offer for purchase shall be deemed to have taken place on the day when the deficiency was remedied. If the landowner does not comply with the injunction, the offer for purchase may be rejected.

Section 9. The lessee shall be served with the draft contract of sale through the agency of the regional tenancies tribunal. The offer for purchase or the consent to the draft contract may not be withdrawn or the draft amended after service has been effected.

The regional tenancies tribunal shall, for the purpose of a note being made in the land register section of the Real Property Register, notify the land registration authority of the offer for purchase and of the day on which the offer took place. Such notice shall also be given if an offer for purchase is rejected on grounds of contestation as referred to in Section 5 (3).

Acceptance of an offer for purchase

Section 10. An offer for purchase is accepted by the lessee, within three months of the day on which the offer for purchase was made, notifying the regional tenancies tribunal in writing that he has resolved to acquire the property offered for purchase on the conditions indicated in the contract of sale drafted by the landowner. On receipt of the notice, the tribunal adjudicates whether the offer for purchase has been rightfully accepted.

The offer for purchase ceases to apply if it is not accepted within the prescribed time and in the prescribed manner or when the lessee has notified the regional tenancies tribunal in writing of his non-acceptance of the offer for purchase.

Section 11. If the offer for purchase has been accepted, the landowner and the lessee shall be deemed to have concluded a contract for the sale of the property offered for purchase on the conditions indicated in the draft contract of sale. The contract of sale shall be deemed to prescribe that a deed of purchase is to be drawn up.

Section 12. Even if an offer for purchase has ceased to apply, transfer by purchase or exchange to a party other than the lessee may not take place while the lessee's notice of interest applies, if the conditions of the transfer, taken together, are considerably less favourable to the landowner than was indicated in the offer for purchase. If, after one offer for purchase has ceased to apply, the landowner has made a new offer for

purchase, the conditions of which are less favourable to the landowner, and if that offer for purchase also ceases to apply, the first sentence shall be applied to the new offer for purchase.

Subsection one shall apply, *mutatis mutandis*, if the transfer concerns part of the real property to which the notice of interest applies.

Concerning the prohibition in subsection one, Section 5 (2) and (4) and Section 6 shall apply. If no exception exists as there referred to, the regional tenancies tribunal, at the instance of the transferor, will adjudicate whether there is an impediment to the transfer.

Invalidity

Section 13. Transfers contrary to Sections 5-7 or 12 are invalid.

If registration of ownership has been granted contrary to Chap. 20, Section 6, paragraph 5 or Section 7, paragraph 13 of the Land Code, subsection one shall not apply.

Special provisions

Section 14. Provisions concerning the procedure before the regional tenancies tribunal and appeals against decisions by the tribunal in matters coming under this Act are contained in the Regional Tenancies Tribunals and Regional Rent Tribunals Act (1973:188).

Each party shall bear his own legal costs as occasioned by appeal against a decision by the tribunal, unless otherwise indicated by Chap. 18, Section 6 of the Code of Judicial Procedure.