Gemeente Amsterdam

Annex 1 to the presentation to the Amsterdam Municipal Executive dated 20 December 2016:

**Regulations Governing Conversions from Continuous into Perpetual Leasehold 2016**

***Embargoed until 5 January 2017***

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## Section I General

### Article 1 Conversion from continuous into perpetual leasehold

1. The municipality of Amsterdam will offer holders of continuous leasehold rights the possibility of converting their continuous leaseholds into perpetual leaseholds based on these conversion regulations, with due observance of the provisions of these regulations.
2. If the requirements for eligibility for conversion from a continuous into a perpetual leasehold are met (articles 3, 9 and 10), an offer will be made to the leaseholder subject to administrative approval (article 16). Only if this offer has been fully and unconditionally accepted by the leaseholder in writing, will the agreement be formed subject to administrative approval (article 17). The administrative approval or its refusal shall be given through a decision of the competent authorities. If an approving decision is given, the condition of administrative approval shall lapse and the agreement shall take effect. The conversion from a continuous into a perpetual leasehold shall subsequently be recorded in a notarial deed (article 18).

### Article 2 Definitions

In these Regulations the following terms shall have the following meanings:

a. **GC 2016:**
the General Conditions for Perpetual Leasehold in Amsterdam 2016;

b. **purpose:**
the purpose recorded in the leasehold deed and the permitted use of the parcel recorded in the leasehold deed;

c. **ground rent:**
the amount that is due to the municipality by the leaseholder, whether or not periodically, as compensation for the leasehold right;

d. **ground rent percentage:**
the percentage used to calculate the ground rent. This percentage shall be periodically determined and announced by the municipality;

e. **perpetual leasehold:**
leasehold for an indefinite period of time with a period of lease that is perpetual;

f. **leasehold:**
the leasehold right *in rem* described in the leasehold deed (as well as any undivided share therein);

g. **leasehold deed:**
the notarial deed in which the rights and obligations associated with the leasehold right are set out. It includes:
   - the deed of establishment (‘*akte van vestiging*’) in which the leasehold right is created;
   - all subsequent notarial deeds in which the rights and obligations associated with the leasehold right are amended, including the conversion deed in which the GC 2016 are declared applicable to an existing leasehold right;

h. **leasehold land value:**
the value of the parcel determined on the basis of the purpose recorded in the leasehold deed, the permitted use and the maximum permitted floor area of the parcel on which the ground rent calculation is based. It does not cover the value of any buildings situated on the parcel. Wherever the term 'land value' is used in conditions older than the GC 2016, it shall be understood to mean 'leasehold land value';

i. **conversion:**
the conversion of a continuous leasehold right into a perpetual leasehold right;

j. **conversion regulations:**
the current regulations, which provide which leaseholders can convert their leaseholds in which cases and on which conditions from continuous into perpetual leaseholds;

k. **shadow land value:**
the land value at the start of any period of lease to be annually indexed for the development of the value of money in accordance with an instruction adopted for that purpose by the municipal executive;

l. **floor area:**
the floor area of the building(s), calculated in accordance with standard sheet 'NEN 2580'. This shall be expressed as the usable area (UA) for residential properties and as gross floor area (GFA) for other purposes.

m. **continuous leasehold:**
a leasehold for an indefinite period of time subdivided into 50- or 75-year periods of lease. At the end of every period of lease the ground rent will be revised and the municipality may declare the latest general conditions for continuous leasehold applicable;

n. **WOZ value:**
the value of the immovable property (e.g. a residential property, an office building or commercial premises) determined by the municipality in conformity with the Dutch WOZ Act (Immovable Property Valuation Act, '*Wet Waardering Onroerende Zaken*').

## Article 3 Scope

These regulations shall apply to all leasehold rights created by the municipality of Amsterdam subject to the general conditions for continuous leasehold of the municipality of Amsterdam, with the exception of:

a. leasehold rights created subject to the General Conditions for Continuous Leasehold for Housing Corporations in Amsterdam 1998 ('*Algemene Bepalingen voor voortdurende erfpacht voor woningcorporaties 1998 Amsterdam*');

b. leasehold rights held by an admitted institution within the meaning of Section 19 of the Dutch Housing Act ('*Woningwet*');

c. leasehold rights created subject to the General Conditions for Continuous Main Leasehold Rights for the Amsterdam Port Area 2013 ('*Algemene Bepalingen voor voortdurend hoofdrecht van erfpacht voor het havengebied Amsterdam 2013*');

d. leasehold rights created subject to General Conditions other than those referred to under a. and c. or general provisions and situated in the Amsterdam port area,
   - which Havenbedrijf Amsterdam N.V. manages on behalf of the municipality at its own risk and account, and

- for which the parcels to which these leasehold rights relate were released to Havenbedrijf Amsterdam N.V. subject to the General Conditions for Continuous Main Leasehold Rights for the Amsterdam Port Area 2013 on the condition precedent that those rights would end.

**Article 4 Conversion from continuous into perpetual leasehold for leasehold rights intended for 'living' according to the leasehold deed**

1. A conversion shall be possible:
   a. at the leaseholder's request during the period of lease of the continuous leasehold. The conversion request shall be suspended if the leaseholder has submitted a request for early renewal (in conformity with the Council decision of 18 February 1998, Municipal Gazette no. 20) and this request is under examination;
   b. on the expiry of the period of lease of the continuous leasehold (see articles 6 and 7);
   c. as a municipal condition for the combination of leasehold rights in cases where any of the leasehold rights to be combined is subject to the GC 2016.
2. Every leaseholder shall be eligible for a conversion into a perpetual leasehold, provided:
   a. his leasehold right is eligible under article 3, and
   b. he meets the requirements of articles 9 and 10, and
   c. he accepts all the conditions attaching to the consent for conversion from a continuous into a perpetual leasehold (article 11).

**Article 5 Conversion from continuous into perpetual leasehold for leasehold rights intended for a purpose other than 'living' according to the leasehold deed**

1. A conversion shall be possible:
   a. at the leaseholder's request if the time left of the period of lease of the continuous leasehold is less than 10 years. The request shall be suspended if the leaseholder has submitted a request for early renewal (in conformity with the Council decision of 18 February 1998, Municipal Gazette no. 20) and this request is under examination;
   b. on the expiry of the period of lease of the continuous leasehold (see articles 6 and 7);
   c. as a municipal condition for the combination of leasehold rights in cases where any of the leasehold rights to be combined is subject to the GC 2016.
2. Every leaseholder shall be eligible for a conversion into a perpetual leasehold, provided:
   a. his leasehold right is eligible under article 3, and
   b. he meets the requirements of articles 9 and 10, and
   c. he accepts all the conditions attaching to the consent for conversion from a continuous into a perpetual leasehold (article 11).

**Article 6 Possibility of conversion on the expiry of the period of lease of a continuous leasehold**

1. The provisions of this article shall apply in addition to the policy on the ground rent revision on the expiry of the period of lease and shall not affect that policy.
2. The municipality will offer leaseholders the opportunity to convert their leaseholds on the expiry date of the period of lease. To enable the leaseholder to make a comparison, the municipality shall submit a proposal to the leaseholder which includes the following:
   a. an offer to continue the continuous leasehold; this offer will be made based on the general conditions that apply to the period of lease of the continuous leasehold in progress and with due observance of the general conditions that will become applicable to the new period of lease and the municipal policy applicable at that time, and

b. an offer to convert the continuous leasehold into a perpetual leasehold based on the GC 2016 with the accompanying financial and leasehold conditions applied by the municipality based on the municipal policy applicable at that time and ensuing from the possible application of articles 9 and 10 of the present Regulations.

As for the offer to continue the continuous leasehold, the following shall apply:

- In cases where the municipality has already made an offer based on the general conditions applicable at that time, that municipal offer for the continuation of the continuous leasehold shall be considered as the offer set out in paragraph 2 under a of this article. This applies to leasehold rights governed by the GC 1966 (article 3 paragraph 7), GC 1994 (article 12 paragraph 1 in combination with paragraph 4) and GC 2000 (article 11 paragraph 1, paragraph 2 in combination with paragraph 5).
- In cases where experts will be instructed to fix the ground rent under the general conditions applicable at that time, the municipal offer shall be considered as a non-mandatory offer which shall not create any obligations on the part of the leaseholder. This applies to leasehold rights governed by the GC 1915 (article 6 paragraph 2), GC 1934 (article paragraph 6), GC 1937 (article 6 paragraph 6) and GC 1955 (article 6 paragraph 6).
- If the leaseholder does not accept the offer to convert his leasehold into a perpetual leasehold, the leasehold shall continue to be continuous and the ground rent will be revised with due observance of the applicable general conditions.

3. If the leaseholder has not accepted the municipal offer for conversion into a perpetual leasehold, but does request a conversion during the procedure for a ground rent revision on the expiry of the period of lease, the municipality shall only make a new conversion offer if:
   a. the conversion can be recorded in a leasehold deed in the municipality's opinion no later than the expiry date of the period of lease of the continuous leasehold right in progress, and
   b. the experts appointed by the leaseholder and the municipality respectively have not yet appointed a third expert, and
   c. the leaseholder and the municipality jointly withdraw the instruction given to the two experts appointed by them, and
   d. the leaseholder pays for the costs incurred until then for the procedure for the ground rent revision on the expiry of the period of lease.
4. If all the requirements of paragraph 3 are met, the municipality shall base its offer on the leasehold conditions applicable at the time of the offer, the municipal policy and the conditions and principles included in articles 9, 10 and 11.
5. If not all the requirements of paragraph 3 are met, the conversion shall be possible only after the procedure for the ground rent revision on the expiry of the period of lease has been concluded.

**Article 7 Transitional period for conversion possibility if a procedure for ground rent revision on the expiry of the period of lease of the continuous leasehold is in progress when the conversion regulations take effect**

1. This article provides for the situation where the conversion regulations take effect while the procedure for the ground rent revision on the expiry of the period of lease is already in progress.
2. If a leaseholder requests a conversion into a perpetual leasehold during a procedure for a ground rent revision on the expiry of the period of lease and the requirements stated in articles 9 and 10 of these regulations are met, the following transitional arrangement shall apply:
   a. If no municipal offer for the ground rent revision on the expiry of the period of lease has been made to the leaseholder yet, but *is* required by the applicable general conditions, the municipal offer shall also include a conversion offer.

b. If a municipal offer for the ground rent revision on the expiry of the leasehold period has been made to the leaseholder ① which has not been accepted or rejected and ② for which the acceptance period has not expired yet, the municipality shall also make an offer for the conversion into a perpetual leasehold to the leaseholder. The municipality shall extend the period for accepting the municipal offer for the ground rent revision on the expiry of the period of lease with due observance of the period for accepting the offer to convert the continuous leasehold into a perpetual leasehold.
The municipality shall only extend the acceptance period, if the conversion can be recorded in a leasehold deed in the municipality's opinion no later than the expiry date of the period of lease of the continuous leasehold right in progress.

c. If agreement has already been reached on the ground rent for the new period of lease of the continuous leasehold right with the leaseholder through the (tacit) acceptance of the municipal offer, then a conversion shall only be possible during the period of lease in progress, if the conversion can be recorded in a leasehold deed in the municipality's opinion no later than the expiry date of the period of lease of the continuous leasehold in progress. In that case the municipality shall make the leaseholder an offer for a conversion into a perpetual leasehold. After the leaseholder has accepted this offer and the conversion has been recorded in a leasehold deed, the agreement already reached on the ground rent for the new period of lease of the continuous leasehold right shall lapse.

d. If the ground rent for the new period of lease of the continuous leasehold will be fixed by experts, because either ① the leaseholder has opted for this or ② the applicable general conditions required this, a conversion into a perpetual leasehold during the period of lease in progress shall only be possible if:
   - the conversion can be recorded in a leasehold deed in the municipality's opinion no later than the expiry date of the period of lease of the continuous leasehold in progress, and
   - the expert appointed by the leaseholder and the expert appointed by the municipality have not yet appointed a third-party expert, and
   - the leaseholder and the municipality jointly withdraw the instruction given to the experts appointed by them, and
   - the leaseholder pays for the costs incurred until then for the procedure for the ground rent revision on the expiry of the period of lease.

   If all the requirements set out above are met, the municipality shall make the leaseholder an offer for a conversion into a perpetual leasehold.

3. The provisions of this article shall apply in addition to the policy on the ground rent revision on the expiry of the period of lease and shall not affect the application of that policy.

**Article 8 Leasehold rights divided into apartment rights**

For leasehold rights divided into apartment rights the following shall apply in addition to the other provisions of these regulations:

a. a conversion to the GC 2016 shall be possible for every apartment right individually by means of a conversion agreement between the municipality and the apartment right holder concerned which includes a qualitative obligation, a perpetual clause and a penalty clause;

b. if all the holders of apartment rights in respect of the leasehold right have converted their leaseholds into perpetual leaseholds in this way, they must cooperate under the conversion agreement referred to under a above in the execution of a leasehold deed that records that the continuous leasehold is changed into a perpetual leasehold.

**Article 9 Conditions for considering a request for conversion**

1. The municipality shall only consider a request for conversion into a perpetual leasehold if:
   a. the leaseholder has met all the financial obligations relating to the continuous leasehold, and
   b. the leaseholder complies with the obligations ensuing from the general and special conditions applying to the continuous leasehold right or if agreement has been reached with the leaseholder on any required adjustment of the leasehold right within the meaning of paragraphs 2 and 3 of this article.
2. If a larger floor area has been realised than the leasehold deed permits, the municipality shall only consider a request for conversion into a perpetual leasehold:
   a. if granting the consent required for the larger floor area under the applicable general conditions for continuous leaseholds ① is permitted by the applicable rules of public law and ② if there are no municipal interests that oppose the granting of that consent, or
   b. if the municipality has found that consent is deemed to have been granted under the municipal policy, to the extent that the enlargement is permitted under the rules of public law,
   c. provided agreement has been reached on the ground rent revision to be attached to that consent and on the conditions, in accordance with the policy on changes in the purpose of the leasehold and in development/construction.
3. If the leasehold right is not being used in agreement with the purpose and use recorded in the leasehold deed, the municipality shall only consider a request for conversion into a perpetual leasehold:
   a. if granting the consent required for the change in the purpose and the use under the applicable general conditions for continuous leaseholds ① is permitted by the applicable rules of public law and ② if there are no municipal interests that oppose the granting of that consent, or
   b. provided agreement has been reached on the ground rent revision to be attached to that consent and on the conditions, in accordance with the policy on changes in the purpose of the leasehold and in development/construction.
4. If the leaseholder has created a sublease in respect of the immovable property, the municipality shall only consider a request for conversion into a perpetual leasehold:
   a. if the sublease created in respect of that property with the consent or agreement of the municipality is compatible with or has been adjusted to the GC 2016;
   b. if the leaseholder releases himself from a sublease created in respect of that property without the consent or agreement of the municipality or if consent for the sublease is given to him after all and he has complied with the conditions attached to that consent by the municipality.

**Article 10 Conversion into perpetual leasehold if certain data are missing**

1. If no permitted floor surface (for the various purposes of the leasehold) was recorded in the leasehold deed, the following shall apply:
   a. for leasehold rights intended for 'living' only according to the leasehold deed, the floor surface recorded in the WOZ decision referred to in article 14 paragraph 2 shall be used as the starting point;
   b. for leasehold rights for a purpose other than 'living' only according to the leasehold deed, the floor surface shall be determined using a NEN 2580 measuring report. The costs of the NEN 2580 measuring report shall be borne by the municipality.

This floor surface shall be recorded in the leasehold deed, provided this surface is permitted under the rules of public law.

2. If no permitted purpose was recorded in the leasehold deed, the actual use shall be recorded as the purpose in the notarial deed, provided it is permitted under the rules of public law.
3. If the leaseholder does not cooperate in the recording set out in paragraphs 1 and 2 above, the municipality shall not consider the request for conversion into a perpetual leasehold.

**Article 11 Conditions attaching to consent for conversion**

The municipality shall only take a decision on the consent for conversion if full agreement has been reached with the leaseholder on the conditions attaching to the conversion. This agreement shall be evidenced by the complete, unconditional and written acceptance of the municipal conversion offer referred to in article 16 in combination with article 17.

**Article 12 General and special conditions governing the perpetual leasehold right**

1. In the case of conversion the GC 2016 and the special conditions to be agreed shall apply as of the effective date of the conversion, to the extent that they are not derogated from below.
2. In the special conditions the following shall be stated:
   a. the applicable purpose, the permitted use and the maximum permitted floor area;
   b. any additional special conditions the municipality may have attached to its consent for conversion, which shall in any event include the following:
      - the finding that it concerns the continued use of the parcel, as a result of which the municipality does not guarantee the condition of the parcel from an environmental-hygienic, constructional or other perspective or the suitability of the purpose (conformity), in connection with which article 3 of the GC 2016 shall not apply and the condition of the soil at the time of the first release shall be the starting point for the application of articles 14 and 15 of the GC 2016;
      - the municipality's authority to effect vacation/eviction of the parcel based on the first authenticated copy ('grosse') of the deed of establishment, if the municipality has terminated the leasehold right due to payment default or serious shortcomings or for reasons of public interest;
   c. the special provisions applying to the perpetual leasehold after the conversion; the starting point in this regard will be that all the special conditions recording all the leaseholder's rights and obligations attaching to the leasehold right that continue to be relevant after the conversion will be stated in these special conditions (consolidated deed).
3. In the financial conditions the following shall be stated:
   a. the financial conditions of the continuous leasehold right which continue to apply until the expiry date of the period of lease of the continuous leasehold:
      - the leasehold land value or shadow land value applicable at the time of conversion in the case of a ground rent fixed for 25 years;
      - the ground rent of the continuous leasehold right applicable at the time of conversion;
      - any indexation of that ground rent, which shall continue to apply until the expiry date of the period of lease of the continuous leasehold, and which will be recorded based on the articles included in the table below and taken from the general conditions for the continuous leasehold:

| GC 1915 or GC 1934 or GC 1955 | GC 1966 | GC 1994 | GC 2000 per ground rent type |
|---|---|---|---|

| | | | |
|---|---|---|---|
| n.a. | 5-yearly article 3 paragraph 11 and following | 5-yearly: article 8 | indexed ground rent: annually article 7 |
| | n.a.: in the case of excluded indexation based on part III of the Modernisation Decision(1) | n.a.: in the case of excluded indexation in conformity with article 9 | 10 years fixed: 10-yearly article 8 |
| | | | 25 years fixed: after 25 years article 9 |

- the amount of the lump sum if the leaseholder elects to prepay the ground rent due until the expiry date of the period of lease of the continuous leasehold at the time of the conversion of the leasehold right;
- in addition to these provisions, the GC 2016 shall apply immediately and fully as of the time of the conversion;

a. The financial conditions for the perpetual leasehold right, including:

- the leasehold land value determined and agreed between the parties, as set out in article 13;
- the amount of the ground rent with the accompanying ground rent percentage at the time of conversion, as set out in article 13, and the date as of which this ground rent will become due (which is the date on which the period of lease of the continuous leasehold would have ended), without prejudice to the inflation adjustment referred to in article 15 paragraph 2;
- the amount of the lump sum if the leaseholder elects to prepay the ground rent at the time of the conversion into a perpetual leasehold.

## Section II Ground rent for perpetual leasehold

### Article 13 Calculation of ground rent for perpetual leasehold

1. For the conversion into a perpetual leasehold the leasehold land value for the perpetual leasehold will be determined. The leasehold land value will be determined in conformity with the policy 'Land Valuation for Existing Leasehold Rights' ('*Grondwaardebepaling voor bestaande erfpachtrechten*'). The leasehold land value for leasehold rights intended for 'living' according to the leasehold deed shall be determined while allowing for the conversion premium(2).
2. The ground rent for the perpetual leasehold after the conversion shall be determined by multiplying the leasehold land value fixed in accordance with paragraph 1 by the ground rent percentage.
3. After the ground rent for the perpetual leasehold has been fixed, its level can be adjusted in the cases and manner provided in article 20 of the GC 2016.

### Article 14 Principles for calculation of ground rent

1. The reference date for the parameters to be used when calculating the leasehold land value and for the ground rent percentage to be used is the date on which a complete request for conversion has been received by the municipality and the conditions of articles 9 and 10 are met.

(1) The Modernisation Decree 1990 was adopted by Council Decision 942 of 28 November 1990.

(2) The conversion premium shall be determined by the municipal executive of Amsterdam. The conversion premium may be zero.

2. On the 1st of January of every year the WOZ reference date shall be adjusted for rights intended for 'living' according to the leasehold deed to the date of two years before. This for instance means that as of the 1st of January 2018 the WOZ value having the 1st of January 2016 as its reference date (which is the WOZ decision for tax year 2017) shall be taken as the starting point in order to determine the leasehold land value.
3. As an exception to paragraph 2 of this article, the WOZ reference date of the 1st of January 2014 shall be used (which is the WOZ decision for tax year 2015) for holders of a leasehold intended for 'living' according to the leasehold deed who apply for a conversion offer in 2017. Until the 31st of December 2017 a holder of a leasehold intended for 'living' according to the leasehold deed can apply for a conversion offer based on the WOZ value of the 1st of January 2014.

**Article 15 Transition to perpetual ground rent**

1. In the case of a conversion into a perpetual leasehold the leaseholder shall retain the financial conditions attaching to his continuous leasehold right until the expiry date of the period of lease. This has been elaborated in article 12 paragraph 3 under a. For a leasehold for which ground rent is due this means that the ground rent must continue to be paid until the expiry date of the period of lease of the continuous leasehold in conformity with the continuous leasehold regime. In the case of a leasehold for which the ground rent has been prepaid until the expiry date of the period of lease of the continuous leasehold, this means that no ground rent shall be due until that date.
2. The ground rent for the perpetual leasehold shall be determined on the effective date of the conversion in conformity with article 13. This ground rent shall be adjusted to inflation every year as of the effective date of the conversion in conformity with article 7 paragraph 4 and following of the GC 2016. As of the expiry date of the period of lease of the continuous leasehold the leaseholder shall owe the perpetual ground rent adjusted for inflation.
3. On the effective date of the conversion the leaseholder shall have the following options with regard to the prepayment (buy-off) of the perpetual ground rent:
   a. in the case of a continuous leasehold for which ground rent is being paid: the leaseholder can only prepay the ground rent for the perpetual leasehold, if the ground rent for the period of lease of the continuous leasehold in progress has also been prepaid until the expiry of the period of lease;
   b. In the case of a continuous leasehold for which the ground rent has been prepaid until the end of the period of lease: the leaseholder can immediately prepay the ground rent for the perpetual leasehold at the time of the conversion into the perpetual leasehold.

   After the payment of this lump sum (or these lump sums) the leaseholder shall no longer owe any ground rent, unless the leasehold right is amended at the request of the leaseholder in the cases and with the consequences set out in article 20 of the GC 2016.

## Section III Municipal offer, administrative decision and recording in leasehold deed

**Article 16 Offer**

1. A conversion shall be preceded by a written offer from the municipality.
2. This offer shall in any event include the following:
   a. the area of the parcel, the Land Register designation and, to the extent known, the local designation;
   b. the effective date of the conversion;
   c. the possibility to prepay the ground rent (buy-off);

d. the details of the starting points for the specific right in terms of the financial rights and obligations that continue to apply until the expiry date of the period of lease of the continuous leasehold;
e. the period within which the (financial) conditions of the offer apply; the municipality shall be authorised to amend the financial and any other conditions, if this period expires without the recording of the conversion of the continuous leasehold into a perpetual leasehold in a leasehold deed and the registration of this deed in the public registers. If the municipality is to blame for the latter, it shall not make use of this power;
f. the municipality's power to dissolve the conversion agreement if the leaseholder does not cooperate in the execution of the leasehold deed as referred to in article 18 paragraph 1;
g. the provisions of article 12;
i. the condition that administrative approval must be given. This condition shall lapse when the decision referred to in article 17 is taken.

**Article 17 Administrative decision**

The municipality shall not take the administrative decision on the consent for conversion until after the leaseholder has fully and unconditionally accepted the offer referred to in article 16 in writing.

**Article 18 Leasehold deed**

1. The fact that there has been a conversion into a perpetual leasehold and that the GC 2016 and the special conditions have become applicable shall be recorded in a leasehold deed to be entered in the public registers.
2. The leasehold deed shall in any event contain the following:
   a. the area of the parcel, the Land Register designation and, to the extent known, the local designation;
   b. a reference to the GC 2016 as they become applicable at the time of conversion;
   c. the special conditions applying to the leasehold, including:
      - the acceptance of the parcel constituting the finding that the leaseholder is already using the parcel under a continuous leasehold and that this use is being continued, that article 3 of the GC 2016 does not apply and that the condition of the soil at the time of first release shall be the starting point for the application of articles 14 and 15 of the GC 2016;
      - the applicable purpose, the permitted use and the maximum permitted floor surface;
      - the municipality's power as stated in article 31 of the GC 2016 to effect vacation/eviction of the parcel under the first authenticated copy of the leasehold deed;
   d. the financial conditions of the continuous leasehold that continue to apply until the expiry date of the period of lease:
      - the shadow land value applicable at the time of conversion;
      - the then applicable ground rent for the continuous leasehold and the manner in which the ground rent will be adjusted (indexed) in conformity with the general conditions that applied to the continuous leasehold;
      - the financial conditions in the general conditions governing the continuous leasehold, to the extent that they continue to apply until the expiry date of the period of lease of the continuous leasehold as referred to in article 12 paragraph 3 under a;
      - the amount of the lump sum if the leaseholder elects to prepay the ground rent due until the expiry date of the period of lease of the continuous leasehold at the time of conversion;

- the due dates of the ground rent;

e. the financial conditions of the perpetual leasehold, including:
   - the leasehold land value agreed between the parties;
   - the ground rent amount with the accompanying ground rent percentage at the time of conversion and the date as of which this ground rent will become due (which is the date on which the period of lease of the continuous leasehold would have ended), without prejudice to its adjustment in accordance with the provisions of article 7 paragraphs 4 and following of the GC 2016;
   - the amount of the lump sum if the leaseholder elects to prepay the ground rent at the time of the conversion of the leasehold right;

f. the effective date of the conversion;

g. the dates on which the ground rent must have been paid;

h. the election of domicile at the office of a notary established in Amsterdam, if the leaseholder has no actual or elected domicile within the Netherlands.

**Article 19 Non-execution of the leasehold deed**

The municipality may dissolve the conversion agreement if the leaseholder fails to cooperate in the execution of the leasehold deed as referred to in article 18 paragraph 1.

**Article 20 Notarial fees and charges**

1. The costs of preparing the leasehold deed and the costs of registering that deed in the public registers shall be for the leaseholder's account. These costs shall also include the taxes and any other charges due.
2. The costs of adjusting the legal situation as referred to in article 9 paragraphs 2 and 3 shall be paid by the leaseholder in conformity with the policy on changes in the purpose of the leasehold and in development/construction.
3. The costs of adjusting the legal situation by recording missing data within the meaning of article 10 shall be for the account of the municipality.
4. The leasehold deed shall be executed before a notary established in the municipality of Amsterdam.

**Articl3 21 Official title**

These Regulations may be cited as the 'Regulations Governing Conversions from Continuous into Perpetual Leasehold 2016'.