



Real Estate Purchase Contract

The legally sound way to your own home

When buying real estate in Switzerland, the purchase contract is the key document that governs the transfer of ownership from the seller to the buyer.

What is a real estate purchase contract?

A comprehensive, legally binding document, a real estate purchase contract governs all important aspects regarding the purchase and sale of a property. Its goal is to protect both the buyer and the seller.

To be binding in Switzerland, a real estate purchase contract must be put down in writing and certified by a notary. These purely formal requirements ensure that all parties involved are fully informed about their rights and responsibilities and that the contract is in line with legal requirements.

Basic coverage of buildings insurance

Essential elements of the contract include:

- **Identification of the parties:** The contract clearly specifies the identity of both buyer and seller to eliminate any confusion and to assign responsibilities unambiguously.
- **Description of the property:** This includes precise details regarding the location, size, condition, and legal status of the property, such as land registry information and any encumbrances or easements¹.
- **Purchase price and payment terms:** The contract defines the agreed purchase price, method of payment, any down payments, due dates, and conditions for the payment of the purchase price.
- **Transfer of ownership and possession:** The contract governs the timing and conditions for the transfer of the property to the buyer, including any agreements regarding the condition of the property at the time of transfer.
- **Warranties and liability for defects:** Agreements regarding liability for existing or subsequently discovered defects are established, including the duration of the warranty period and the buyer's rights in case of defects.
- **Ancillary costs:** A detailed listing of all incidental costs associated with the purchase, such as notary fees, land registry fees, property transfer taxes, and broker commissions.
- **Liability and obligations:** This section addresses liability for damages or losses before and after the transfer, as well as the obligations of both parties with respect to compliance with public legal requirements.

Things to keep in mind before signing

- Make sure you are informed in detail about the condition of the property, legal and tax-related aspects, financing, and market situation.
- Seek expert advice in case anything is unclear.
- Read the contract carefully and understand its contents. In particular, look closely at purchase price, property handover, warranty, ancillary costs, and liability regulations.

Tips for a successful real estate purchase

- Compare offers and negotiate the purchase price.
- If necessary, reserve the property for purchase with a reservation agreement.
- Examine financing options and seek the commitment of your bank.
- Ask experts to appraise the property.
- Examine land register extracts and construction approvals.
- Keep in mind tax-related ramifications such as property gains tax, income tax, and wealth tax.
- Draw up a handover protocol and notify the authorities of your purchase.

¹ Various types of rights and duties regarding a property

Conclusion

A real estate purchase agreement in Switzerland is a complex document that extends far beyond simply agreeing on a purchase price. It establishes a solid legal foundation for one of the most significant financial transactions in most people's lives and ensures clarity and protection for all parties involved. It is of utmost importance that all parties carefully review and fully understand the contract before signing it.



smzh-Tipp



Thomas Kaufmann
Chairman of the Board

Thomas Kaufmann strongly recommends seeking the expertise of a qualified professional. This ensures a thorough review of the contract, enables the targeted identification of potential risks, and allows for the development of negotiation strategies tailored to your specific needs.

Our specialists are equipped to provide you with practical support and insider knowledge for structuring and executing your purchase agreement. Take advantage of this invaluable benefit to ensure your real estate purchase is both secure and favorable.

smzh for you

- Financing advice:** We develop an optimal financing strategy, clarify viability and loan-to-value, and identify the best partner for your financing.
- Legal certainty:** Our experts examine the purchase contract and accompany you throughout the entire purchase process, from the appointment with the notary to the property transfer.
- Efficient payment settlement:** We coordinate the creation of the promise to pay and on-time provision of the means of purchase.
- All-round support:** We support you every step of the way to ensure that your real estate purchase is sound, seamless, and successful.



Call us at
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or make an appointment online.

About us

smzh ag is an independent financial services provider offering holistic, transparent, and sustainable advice in the areas of finance & investments, pension & insurance, mortgages & real estate, as well as tax & law.

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