



STEPS LEADING TO EXECUTION OF THE REAL ESTATE PURCHASE AGREEMENT AND TRANSFER OF THE TITLE

STEP 1: RESERVATION AGREEMENT

Execution of the reservation agreement and payment of the reservation fee (first part of the purchase price).

- The buyer shall pay the reservation fee amounting to **CZK 100,000** to the seller's bank account **within 3 days** of the execution of the reservation agreement.
- The buyer and the seller shall execute the agreement on future purchase agreement or the purchase agreement within 20 days of the execution of the reservation agreement.

STEP 2: AGREEMENT ON FUTURE PURCHASE AGREEMENT

Execution of the agreement on future purchase agreement and payment of the second part of the purchase price.

- The purchaser shall pay the second part of the purchase price, i.e. **10% of the total purchase price** to the seller's bank account **within 5 days** of the execution of the agreement on future purchase agreement.
- The seller and the purchaser agree to enter into the purchase agreement (upon issuance of the effective occupancy permit and fulfillment of other terms and conditions set in the agreement on future purchase agreement).
- If the purchase is (co)financed by a third-party (e.g. a bank loan), the buyer shall execute a mortgage agreement with such a third party (a bank) and shall file the executed agreement into the real estate registry.
- If the purchase is financed with the buyer's own funds, the buyer shall execute an escrow agreement with an appropriate escrow agent (a notary, buyer's lawyer).

STEP 3: PURCHASE AGREEMENT

Execution of the purchase agreement and payment of the third part of the purchase price.

- Upon issuance of the effective occupancy permit for the apartment and fulfillment of the conditions precedent set in the agreement on future purchase agreement, the purchase agreement shall be executed upon request by the seller but no earlier than 30 days of the execution of the agreement on future purchase agreement.
- **Before the execution** of the purchase agreement, the purchaser shall pay the third part of the purchase price to the seller's bank account, if the transaction is (co)financed by a third party, or to the escrow account (a notary, lawyer, bank), if the purchaser uses his or her own funds.

STEP 4: TRANSFER OF THE TITLE

- The title to the real estate is recorded in the real estate registry based on the signed purchase agreement.
- Upon the registration of the self-financing buyer as a new owner and upon the provision of the Ownership Deed to the escrow agent, the third part of the purchase price shall be released to the seller.
- The apartment is handed over to the buyer upon the transfer of the title.

PAYMENT TERMS

1. **First part of the purchase price** – the reservation fee amounting to **CZK 100,000**
 - Within **3 days** of the execution of the reservation agreement.
2. **The second part of the purchase price** – together with the reservation fee amounts to **10 % of the total purchase price**
 - Within **5 days** of the execution of the agreement on future purchase agreement.
3. **The third part of the purchase price** – **90 % of the purchase price**
 - To be paid **before the execution of the purchase agreement**.