



City of
Amsterdam

Switching to perpetual ground lease



Perpetual ground lease

If you have a ground lease property in Amsterdam that is currently subject to continuous ground lease, you can choose to switch to perpetual ground lease.

How does this work?

If you are not certain whether you have continuous ground lease, you can either visit mijnerfpacht.amsterdam.nl or consult your ground lease deed to find out.

What is switching?

Amsterdam has had a new form of ground lease for some time now, known as perpetual ground lease. With respect to this, as a municipality we determine your ground rent (the fee for the use of the ground) once more before you switch to a perpetual ground lease. After that, the ground rent will remain fixed forever. However, once the ground rent is fixed, every year it will be adjusted in line with the applicable inflation.

You need to sign a notary document (Transfer deed), in order to switch to perpetual ground lease. Switching is voluntary. However, if you decide not to switch to perpetual ground lease, you will have to pay a yearly lease rent (canon) forever. Your canon will increase over the years as a result of the rising ground price.

Payment options when switching

Switching is not mandatory

You can decide for yourself whether or not to switch. A financial advisor can help you with this. The municipality can provide you with information about switching, but you need to decide yourself whether it is a good option for you.

Request an offer/quote online

Useful tips

Your current situation (continuous ground lease)

The amount of ground rent (canon) is agreed for a fixed time period.

This time period is usually 50 years.

You can pay the ground rent in two ways:

- On a half-yearly basis.
- In advance as a redemption fee (buying off).

If you are making half-yearly payments, you can also opt for buying off in the interim.

At the end of the time period, the City of Amsterdam will determine the new ground rent (canon), partly in reference to its ground price policy at that time. The property valuation (WOZ value) is the basic principle for this.

Situation following the switch (perpetual ground lease)

When the switch takes place, the ground rent (canon) is calculated once more before it will be fixed forever.

There will no longer be any lease periods.

You can pay the ground rent in two ways:

- Annually (perpetual canon).
- In advance as a redemption fee (buying off).

If you are making annual payments, you can also opt for buying off at a later stage. The redemption fee will then be recalculated.

The perpetual lease rent (canon) is no longer dependent on real estate market developments. However, every year the fixed canon will be adjusted in line with the inflation.

If you change your ground lease contract, for example by changing the legal destination of your property, you also run the risk of incurring an increase in your ground rent.

What will
change for
me?

Option 1:

Switch and pay ground rent annually

- When you switch, you fix the perpetual ground lease forever.
- Following the switch, however, the fixed yearly ground rent (canon) will be adjusted annually in line with the inflation.
- The fixed yearly ground rent (canon) will apply after your current period. You will need to pay the perpetual yearly canon, which will be adjusted annually in line with the inflation, when your current lease period has ended.
- You or your legal successors can still decide to buy off the ground lease in the future. The redemption fee will then be recalculated.

Nothing will change regarding your existing ground lease arrangements until the end of your current lease period.

Option 2:

Switching and buying off (paying in advance)

- When you switch, you fix the perpetual ground lease forever, by paying a redemption fee.
- You need to pay the redemption fee for the perpetual ground lease in advance to the notary, when the switch takes place.
- Once your current lease period has ended, you will no longer have to pay any lease rent (canon), unless you change something about the legal destination or construction of your property.

Option 3:

- If you are currently paying annual ground rent (canon), you can also decide to buy off everything at once when you switch. This includes the current ground lease and the perpetual ground lease. This is voluntary.

How do I
switch?

If you would like to know how the switch to perpetual ground lease will affect you, you can visit the switch portal at erfpacht.amsterdam.nl

You can log in with DigiD or eHerkenning. Once logged into the switch portal, you can:

- view your payment options.
- download your Personal Information Package.
- request your offer/quote.

You are not committed to anything until you have accepted the offer/quote.

For residential purposes only

You can switch to perpetual ground lease if your home is subject to continuous ground lease. This also applies for any garage and/or shed that is part of your property. There are also other conditions which you must satisfy. These conditions are described in the switching scheme and the offer/quote.

Home Owners' Association approval not necessary when switching

The approval of the Home Owners' Association (VvE) is not necessary if you want to switch to perpetual ground lease with your own apartment. You enter into your own agreement with the municipality.

Vicary rights and temporary rights

Ground leaseholders with a vicary right (vicarierecht) or a temporary ground lease contract can also apply for a switch to perpetual ground lease. However, a separate policy applies, and this can not be arranged via the switch portal. For more information, please contact the municipality by sending an email to overstaperfpacht@amsterdam.nl.