

# YOUR GUIDE



# TO PURCHASING PROPERTY IN FRANCE



BY PIERRE GUILLERY

2025  
EDITION



Learn from an experienced  
buyer's agent

COMPLEMENTARY COPY

## YOUR GUIDE TO PURCHASING PROPERTY IN FRANCE

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# 1

# ABOUT THIS GUIDE

**W**ELCOME TO FRANCE!

The first edition of this guide was written in 2012 to provide people looking to buy a house in Uzège (30 km around Uzès in the south of France) with basic information about our region and its real estate market - in English. The 2018 edition was an updated and augmented "Uzès edition".

This 2024 is no longer focused on Uzès and can be useful to you anywhere in France.

# I know how you feel

I have written this guide with buyers in mind. As an experienced buyer's agent, I know the type of questions you ask (about the area, about local properties, about the buying process). I also know that you may have a hard time understanding the French real estate system. So my objective here is to provide you with as many answers as possible – in plain English.

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## The buying process

For those of you looking to buy a property in France, this is a “rough guide” on what you need to know about French real estate: getting ready to buy, house search, valuation information, legal and money matters, negotiating advice, renovation tips – and more. Obviously, this content applies to real estate purchases anywhere in France, too.

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## About the author

I have been working on behalf of property buyers in the Uzège area since 2010, and I got my licence in 2011. My customers are mainly foreigners. I am a specialist of the Uzège area: from Avignon to the Cévennes, and Nîmes. However, depending on what you are looking for, I can assist you anywhere in the South of France, from Béziers near Sapin to Nice near Italy. Look for more info on: **[www.uzespropertyfinder.com](http://www.uzespropertyfinder.com)**

I have a French/American education (life sciences baccalauréat, insurance MBA 1988), and I have worked as a private banker, trader, telecom consultant – in London, Manchester, Dublin and Paris. I live in the countryside, minutes from Uzès. To learn more about my background, find me on **LinkedIn**<sup>1</sup> or **Viadeo**<sup>2</sup>.



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<sup>2</sup> <http://fr.viadeo.com/fr/profile/pierre.guillery>





# 2

## READY, AIM...

**I** F YOU ARE READING THIS, you have probably decided to buy a house in France. Wherever you're coming from, it's important that you take the time to prepare and do your homework.

I spend a lot of time on Facebook groups and forum to help people interested in French real estate. Often, a new member asks for advice about how to “pick the spot he will want to call home in France.” Immediately, he's bombarded with dozens of suggestions about all sort of areas, towns or villages. Everybody wants to share their own experiences. But I believe that it's not helping the new member. At all. Why? Because it's premature. To choose the right area for you, you need to start by asking yourselves the right questions. That's what I call the first step.

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## Decide the “why”

In my experience (and I have been doing this for 15 years) you should start with deciding what type of lifestyle you will want in France. Most of the time, that lifestyle is a function of your situation (if you’re still working, you’re retired, or if you have children) or your hobbies and social life. What are you looking for in France, really? How different is going to be from your current home country? The answer (or answers rather) to this question should lead you to your list of criteria,

You have the must-have criteria, the nice-to-haves and the absolutely-nots. Amenities, types of areas, transportations, everything that makes your daily life. Treat this as a brainstorming exercise! Make a list, talk it through with your spouse or partner and don’t forget your children as they are probably moving with you. That’s a fundamental first part of the exercise. This list will actually be instrumental in selecting the “right location” for you.

## Make a list of your criteria

The list could relate to criteria like minimizing travel time to the property, minimum price, preferred location, number of bedrooms, structural condition, etc. Following a list of criteria is a good way of remaining objective about your purchase. You could use an evaluation matrix to compare properties.

To help you define your search criteria, here are 10 questions. The process of answering each one will help you define what you are looking for and, just as importantly, what you do *not* want.

- 1. Region/area:** Which areas are you most interested in? Do you want to be in/near a specific village or town?
- 2. Location, location, location:** Do you want to be isolated, have neighbours, live in a village, be near a school, close to an airport?
- 3. Condition of the property:** Are you ready to renovate? Do you want to move into a turnkey property? Or something in-between?
- 4. Size:** Do you have a "sq.m of habitable space" in mind (minimum number of beds...)? Should all the rooms be ensuite? How much land do you require?
- 5. Other facilities:** Proximity to a stream or river? Do you also want a pool? Tennis court? Stables? Guest house? Lake? Views?
- 6. Style:** Are you looking for an apartment? A villa? A farmhouse (we call it "mas" in the south of France)? A chateau? A maison de maître? Something new and contemporary? Something in stone?
- 7. No no's:** Knowing your deal breakers is important. Near neighbours? Road noise? Views? You don't want to waste your time - or the agent's time;
- 8. What is your time scale for purchase?** Are you keen to buy a property this year? Or when are you planning on making a purchase?
- 9. Cash or finance:** Are you paying cash? If you want a French mortgage, ask your agent about the right broker. Getting an in-principle decision earlier rather than later will help you define your budget
- 10. Budget:** What is your ideal budget? Are you happy to consider lower, for example if it needs some work? Would

you stretch the budget for something very special?

Because of course a village house with a courtyard doesn't cost the same as a mas in the countryside with an acre of land and a large swimming pool. By checking online, you will get a rough idea of whether what you are looking for is indeed within your reach. Your answers will help you focus your search on the right property in the right place at the right price. Do not hesitate to give your detailed search criteria to the agents you contact.

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## Pick the right area for you

### Which environment?

Then discuss whether you want to live in a large city, an average size city (in French terms), a small town, or a rural village; and decide if you want to leave near the sea or near the mountains.

### About your budget

An important "sub criteria" is your budget. Hear me out. For example, in Normandy or Brittany, the coastal zone is much more expensive than further in land. The same 150 m<sup>2</sup> "longère" (typical converted farmhouse) in move-in conditions in Brittany can cost 200,000€ in central Brittany and 650,000€ with a sea view. So if you can't spend more than say 350,000€ I guess it's not really worth your time to explore famous coastal towns like Deauville or Honfleur.

## Desk exploration first

Once you have your lists, “test” the different areas or regions or cities that you had in mind when you started your search process. How does each one fit your criteria? This should help you zoom in a 3 or 4 French départements – out of 90 in continental France. Why département? Because most of the time they are large enough that you can have a variety of urban contexts and also landscapes in a single department.

Administrative regions are too large: 5 in Brittany, 12 in Nouvelle Aquitaine or 13 in Occitanie. Focusing on départements is much productive because it forces you to learn about them in the first place! As well as access considerations, motorways, airports, train stations. And weather patterns too.

Then head on to Google Maps, and define your exploration zones, in each département. Then do a quick search of the cities, larger villages (or small towns): in general in France a large village is around 1,500 inhabitants, and a small town starts around 6/8,000. Wikipedia will help. Try and locate the pertinent tourism offices’ websites and let your mouse do the searching. Look up pictures online to “illustrate” the villages and towns and countryside.

## Organise your exploration

Once you have pre-selected some “areas”, your next step is to prepare an exploratory visit – or two or three, depending on your context. Using your criteria, you should prioritize and organise your “tour”. During which your objective should be to visit as many places as possible – to get the feel, to sit down at café’s terrace and ask yourselves “Would we live here?” And you have to do it the most efficiently because your time budget is also

limited. Obviously it's not the same if you're staying a week or 4.

That's when you get on to the "incoming travel agent" stuff: the planning. In my experience you will need half a day to explore properly each village/town. Plan accordingly. That takes into account the drive times between areas (and you getting lost possibly!). Or else you can just "drive through" – that's less efficient but is a function of the time you have. And sometimes even if you have the time, you won't feel like stopping at all! Then book accommodations. I suggest hotels, because you're not really on holiday here; you don't really have the time to look up the nearest restaurant or bar – you need to focus on getting a feel for the area. You want to be able to check in, get back in the car, eat in the hotel's restaurant, and do it again – no time wasted.

If you have the flexibility and the time, you could also decide to rent a property before you buy – to get a true feeling about what it means to live in your chosen area. Thanks to Airbnb this can be arranged with a few clicks.

## Don't rush to visit properties too quickly

However, don't spend too much time looking at "French property porn" on the web. There are indeed some fabulous properties to see, there are some total ruins (not many of those in the south-east of France any longer) - and there's a lot in between. Most of the ones that appeal will probably need some updating. After all, why buy a house that looks wonderful on the outside but has been over-renovated on the inside? The web is an entry point, the start of your search.

In truth, you don't need an estate agent at this stage. Because agents will (naturally) try and show you properties (that's the "micro" level) whereas you currently are looking to choose a

community (that's the "macro" level).

Or, possibly, you could find an agent who would listen to you (on the phone), help you fine-tune your tour with relevant advice – and also show you 2 or 3 or 4 properties you really like online. This would help you gauge the delta between listing are reality – and help you determine what you can get for your money.

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## Search for the right property

### Contact local agents

If you are going to handle your search on your own, try & decide which listing estate agents you would like to work with. Or choose a property finder (as agents work primarily for property sellers, not for the buyers). Call them and start interacting, so you feel comfortable. Make sure you give them as much detail as possible. Many things can be "lost in translation" (unless you find a bilingual agent) so you need to make it as clear as possible not only the type of property you want to see but also those things that are unacceptable. You need to be flexible, of course, but you don't want to be running around looking at places which are clearly not what you want. Be as specific as you can and be firm about it.

### Plan your viewing trip

Contact agents well in advance of your discovery trip to get in their diaries. If you just stroll into the estate agent's offices, it is likely that they won't be able to show you anything because their

appointment books are already full. However, make sure you're not going to spend all your time seeing the same property with different agents.

Bear in mind that some of the houses you have pre-selected on the Internet may have become unavailable by the time you show up (because they have been sold) so keep your choice open – but don't overbook yourself either. The listing agent should be a good guide as to how far apart the properties are and how many you can see in a day. Don't overdo it, you will just end up tired and muddled.

## Be ready to come back

Not everybody is ready to make a purchase decision after the first viewing trip. In our experience, only 30% to 50% of house hunters find the perfect home during their first visit. They tend to be those who have done the best homework. Most will need more time. And 10% decide that Uzège is not for them after all.

## Practice your French

If you're thinking of spending a lot of time in France, or relocating, be aware that learning French doesn't just happen by osmosis – unless you are under 10 years old.

Don't underestimate the importance of being able to communicate accurately as French life is riddled with bureaucracy. Plan on taking some proper lessons from a qualified teacher if you want to master the intricacies of la langue française. Being able to speak the language properly will pay enormous dividends.



## Buying or renting?

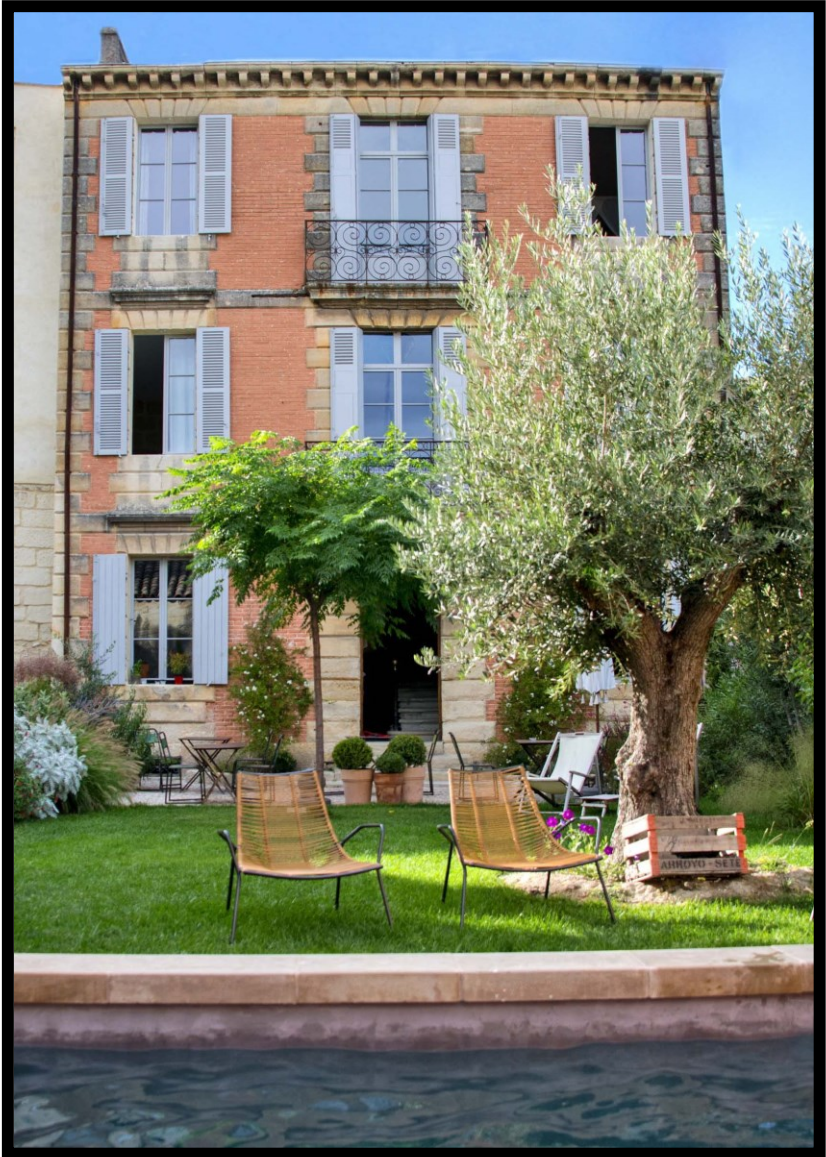
If you are reading this guide, you are indeed looking to buy a house in France. But renting may be an option too – especially if you decide you want to “try” an area before making a commitment.

Deciding whether to buy or rent a place in France depends on your lifestyle objectives and financial situation. For long-term stays, buying a house can be a good option if you can afford it. However, if you haven't lived in France outside of holidays, it might be wise to rent first. Renting in various areas can help you decide where to buy.

Buying a house means having full control over your home, but it's typically a lifestyle choice rather than an investment. Monthly payments will be necessary whether you buy or rent. Renting involves a down payment and one month's rent upfront, while buying requires budgeting 110-120% of the listed price to cover additional fees such as stamp duty and agent fees. Both options require insurance. Owners must pay annual property taxes, while renters are exempt.

While owning property offers more perceived safety, French tenants are well-protected against eviction. The French property buying system is highly regulated, making purchases safer but potentially more expensive.

You need to know that renting can be difficult without the usual documents required by French landlords. Traditional long-term leases (3 to 9 years) may be challenging to secure, but renting a furnished place with a short-term, one-year renewable lease requires fewer documents. Another option is negotiating with Airbnb hosts for longer stays during off-seasons.



# 3

## THE FRENCH CONTEXT

**I** F YOU ARE READING THIS, you have probably decided to buy a house in France. Wherever you're coming from, it's important that you take the time to prepare and do your homework.

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### Administrative France

As prospective homeowners, you probably need to know a bit about the French administrative structure:

- **The commune is the township** (village or ville). A rural commune can be made up of hamlets (in Uzège there are a

few villages made of up to 10 hamlets, like Aigaliers or Sabran). Under 5,000 inhabitants, communes are villages. Above and up to 25,000 inhabitants, they are “petites villes”. In the Uzège area the cities are: Nîmes (pop. 142,000), Avignon (pop. 91,000), Bagnols-sur-Cèze (19,000). With close to 10,000 inhabitants, Uzès is “petite ville” ;

- **Communes** are increasingly organized in communautés de communes. In Uzège, 31 communes (roughly 35,000 inhabitants in total) make up the Communauté de communes du Pays d’Uzès;
- **Communes and communautés de communes** are organized in 101 départements, organized in 13 regions. Uzège is located in the center of the Gard département, which is north-east of the Occitanie region (formerly known as Languedoc-Roussillon).

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## The French legal system

The legal system in France is a civil law system, also known as a continental or Roman law system. It is based on written laws and statutes, and its roots can be traced back to Roman law and the Napoleonic Code. Here are key features of the French legal system:

The Napoleonic Code aka Code civil, mentioned earlier, enacted in 1804, is a foundational legal code that has heavily influenced the legal systems of many countries. It establishes fundamental principles of private law, including contracts, property, family law, and obligations.

The French legal system follows a hierarchy of norms. The Constitution is the highest legal authority, followed by laws passed by the Parliament. Decrees and regulations issued by the

government and administrative authorities are also part of this hierarchy.

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## French urban planning<sup>3</sup>

### Both centralized and local

Modern French urban planning is characterized by a centralized framework with significant local implementation. The state sets broad policies through national and regional guidelines emphasizing sustainability, climate adaptation, and regional cohesion.

At the local level, municipalities develop detailed Local Urban Plans (PLU), which dictate land use, zoning, and urban design. These plans must align with national objectives while addressing local needs. Public participation is a legal requirement, with citizens and stakeholders engaging in consultations and public inquiries.

Key components of modern French urban planning include promoting sustainable development, enhancing public transportation, and integrating mixed-use development to create vibrant, multifunctional urban areas. Environmental considerations are central, with a strong focus on reducing carbon emissions, preserving green spaces, and encouraging energy-efficient buildings.

Historic preservation remains important, often integrated

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<sup>3</sup> Adapted from *Marianne*, Frédéric Denhez, august 2024

into new developments, particularly in cities with rich architectural legacies like Paris and Lyon. The Grand Paris project and urban renewal in Lyon's Confluence district exemplify current trends, balancing historical preservation with modern infrastructure and sustainable urban living. The emphasis is on creating resilient, smart, and livable cities.

## In constant evolution

"Everyone is complaining about it! Everyone has their own anecdote about the town bureaucrat who came to complain because the right paint was not applied to the shutters."

In reality, the life of houses and towns is governed by an acronym so ubiquitous that it is often misunderstood: the PLU for "Plan Local d'Urbanisme" (local urban plan), in each commune. Since a 2000 law called SRU, the PLU regulates construction in the municipalities, determines the aesthetic rules, the height of the buildings, the shape of the roofs, the number of openings, etc.

Urban planning has always been regulated to avoid anarchy in construction. The law that concerns it is reformed almost every year. The SRU law has introduced the principle of "urban renewal," that is to say, to rebuild the city on top of the city – to stop constantly expanding it.

It is also this law that imposes a social housing rate of 25% in municipalities with more than 3,500 inhabitants. But in terms of the fight against urban sprawl, it has not been very effective. That law has come up against the reflexes of local elected officials: it is easier for them to open up new areas to urbanization than to renovate the built environment." Easier, more visible to voters, and often cheaper.

In 2014, the SRU law has been reinforced by the law for

access to housing and renovated urban planning (“loi ALUR”). This abolished the option for the PLU to make the buildability of a plot of land subject to a minimum surface area of the plot, a rule which constituted a real incentive to spread out. It also put an end to the land use coefficient (coefficient d’occupation des sols, or COS), which prevented the densification of plots. However habits are hard to change, and there is still a lot to be done about fighting against the vacancy of housing, changing the habit of building on agricultural land rather than on industrial and commercial wasteland or in the ‘hollow teeth’, the empty spaces between two urbanized areas.

## Towards territorial solidarity

Things are different in the mountains, except obviously in the ski resorts: the Mountain Law (Loi Montagne) of 1985 had a very important influence, because it prohibits discontinuous construction, so as not to cause sprawl. And it always enables prefects (state representatives) to refer matters of infringements or illegal construction to the administrative judge to have the building permits purely and simply cancelled. That law has also strengthened the protection of agricultural areas to prevent them from being artificialized by tourist developments.

“Zero net artificialization”: ZAN is now a famous acronym standing for a law that would prevent any development of municipalities whose main resources come from property taxes. This was a strong political ambition, enshrined in the 2021 Climate and Resilience Law. Because it imposes an obligation of result: by 2031, we must halve the artificialization of land compared to the decade 2011-2021, and, by 2050, no hectare can be developed without having been compensated by renaturation. From 2025, the regions will manage a global envelope of

"openings to urbanization". which will be distributed among the inter-municipalities.

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## Taxes and utilities

Taxes are levied at the local level. Utilities are either public (EDF) or private (e.g. Engie), and increasingly rely on an online commercial presence - meaning there are no walk-in local offices, and everythinG is done by phone (wih most providers offering an English-speaking customer line).

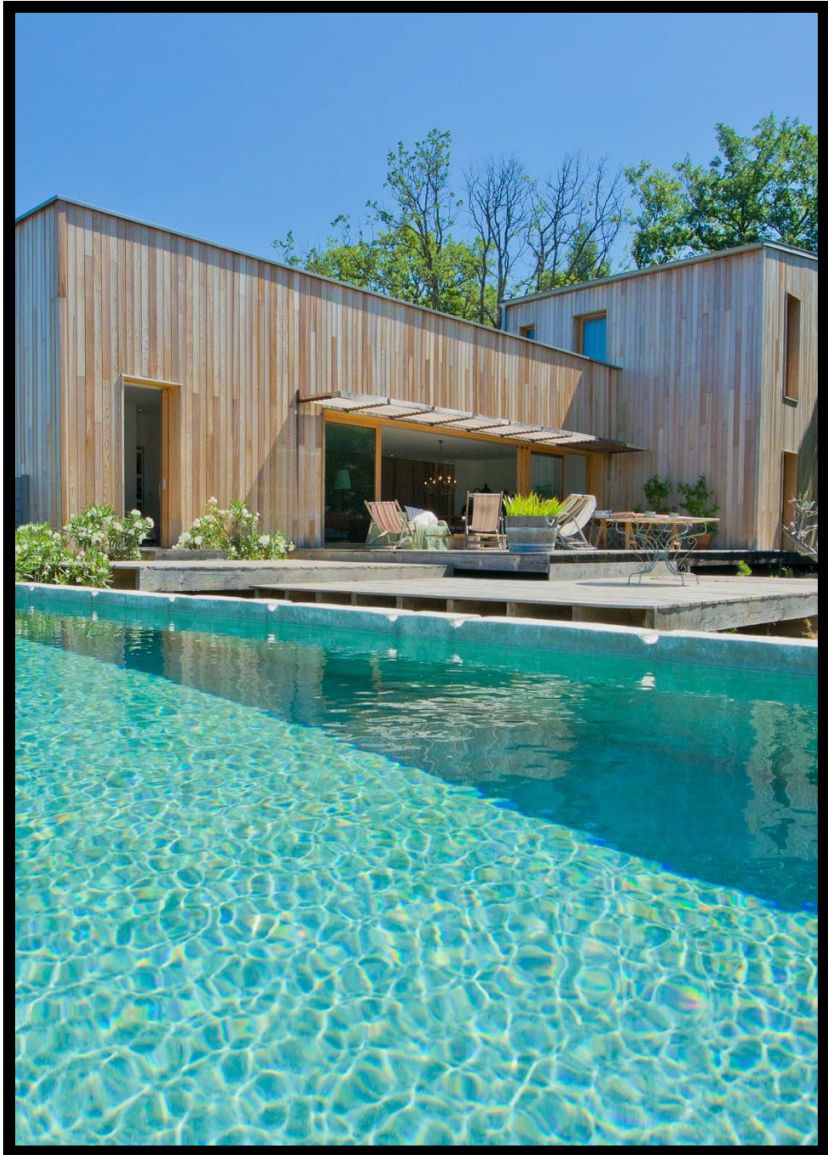
Water and sewage are either public or private depending on the choice made by the local authorities (communes or communautés de communes) with a central the implementation body called SPANC (...) and organized loosely around communautés de communes).

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## Foreign ownership

There are no restrictions on foreign ownership in France. Most property is likely to be freehold. EU-passport holders can stay in France (and enjoy their properties) for as long as they want – whereas out-of-EU residents must abide by specific rules. Check with the French consulate nearest you.





# 4

# REAL ESTATE AGENTS

**I**F YOU ARE LOOKING TO BUY A PROPERTY in France, it is useful to have a good understanding of the French real estate system and all the different services on offer.

Whether you intend to find your dream home in France on your own or with the help of a search agent, never assume that the French system functions as it does in your home country.

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## Carte professionnelle

Property professionals are strictly regulated in France. Individuals or companies who are involved in the sale and purchase of real estate must hold a license called a “carte professionnelle” – as set out in the 1970 law (“loi Hoguet”) which

was enacted to protect the public from uninsured and unqualified professionals. To obtain the carte, the agent must meet specific education requirements (such as a degree in law, economics or business), have relevant experience and take out professional liability insurance.

Very few estate agents in France are on a salary. Hence when you walk into a typical estate agency in France, most of the time you will meet a "négociateur", who is an agent commercial working on commission only. That's because licensed agents can mandate others under an agent commercial (agency) agreement.

This has also enabled the creation of nationwide networks of "mandataires" (such as Optimhome, I@D or CAPI) where a single carte holder is contracted to thousands of agents commerciaux across France.

Within that context, a growing concern has been the low education, training or supervision requirements for agents commerciaux. Carte holders don't have real incentives to spend money training agents commerciaux who are not their employees. A recent law (Alur, 2014) is set to change that. However, buyers should be aware of the very wide spectrum of expertise and knowledge in the industry.

Also, French real estate professionals are much like agents the world over. Some good, some bad; some professional, some less; some honest and some not so. Be wary.

## Listing agents and property finders

Property buyers should be aware that by law French estate agents are intermediaries ("commerçants") who bring together two parties to accomplish a sale, but who have no fiduciary obligations to either party – nor do they have to negotiate the

best price on either party's behalf.

When they walk into a French estate agency as prospective buyer, most people expect the estate agent to advise them regarding fairness of the asking price and whether there's anything wrong with the property. However, they should think more of this agent as representing the vendor, lining up prospective buyers and getting the best possible price for the property.

Although some agents might honestly think that they can represent both parties' interests at the same time, it is highly unrealistic – in the same way that a lawyer cannot represent both parties in a contract negotiation without a conflict of interest. At the end of the day, although they are both licensed real estate professionals, listing agents and property finders are two very distinct professions. Because the tasks required to help a seller find a buyer are very different from those required to help a buyer find his dream home.

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## What's different in France?

### No MLS

There is no completely unified MLS (multiple listing service) in France. There are some small groups of agencies who work together and call themselves « MLS »; however, the amount of properties that are marketed by these mini-MLS systems is less than 10 percent of all the properties on the market.

## 30% FSBO

About 30% of the sales and purchases of property in France takes place directly between buyers and sellers with the aid of a French notary. There are no agents or agency fees involved. Real estate agents are only responsible for about 50% of property sales. Notaires are responsible for a further 10% to 15%. The rest are sold “entre particuliers” meaning between buyer and seller without the help of a third party or at auction.

## Mandat exclusif or simple?

The French word for a listing agreement is a “mandat de vente.” A “mandat exclusif de vente” is when one agency has the exclusive right to market the property. Approximately 10% of properties for sale with an agency in France use the “mandat exclusif de vente” type of listing agreement. The remaining approximately 90% of listings with agencies are called a “mandat de vente sans exclusivité” or a “mandat simple.”

A mandate simple is a listing agreement where the owner has signed a listing agreement with multiple agencies at the same time, and the owner also retains the right to market and sell the property directly to buyers. Because so many properties with agencies are “mandat simple” you might find the same property is, in fact, listed with several agencies at different prices.

## A steep transfer tax

When you buy a property in France, you need to have a French notaire manage the transaction. The notaire charges the buyer a fee, which in essence a stamp duty, and a large portion of which is the property transfer tax that goes to the French local

government called “département”. Currently, the total cost of « notaire fees » is approximately 8 percent of the purchase price, regardless of the value of the property. 1 million-euro purchase equals 80,000€ in notary fees. The only exception to this rule is that the notary fees for brand-new property purchases are reduced.

## Language & terminology

Most of real estate offered for sale, whether it is privately offered or offered by an agent, is advertised in the French language — so you need to understand the French real estate advertising terminology. How Google and other translation services help a lot these days.

## Don't expect the address

It is very rare for a French listing agent to give a client (or another agent) the address of a property before they see the property with said client or agent. French agents typically set up a meeting place close to the property, and then take the clients to the property. Therefore, you will rarely find a French property address indicated on a French real estate website.

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## Traditional agents

Whether carte holders or agents commerciaux, and however they define their roles, « immobiliers » are hired by the vendor to market their property and sell it at the highest possible price. They have no obligation to point out to prospective buyers the negative sides of a property or its surroundings, and in the end their loyalties clearly lie with vendors. They only will get new

sale mandates locally if their reputation is good, and they obtain high prices for vendors. Their time is spent taking on new homes on their books and showing their own portfolio to potential buyers.

They can show you properties in the portfolio of some of their colleagues – but they won't know much about them. Some agents share properties and commissions with other agents (they call it “interagence”) - but most don't. Prospective buyers therefore have to contact countless agencies to access all of the listings. Of course this is only possible if you speak French, as most agents don't speak enough English.

Also, because owners are not obligated to sell only via the estate agencies they list with, the property details provided by listing agents remain vague to ensure that house hunters cannot find the property without the agent. This makes it very hard to obtain more details without viewing a property.

## 5 things you should check

1. **Language:** Test the agent's proficiency with the English language. Some French agents speak English but most don't - although most of the ones you are likely to want to deal with will. Cultural differences are perhaps more difficult to bridge;
2. **Registration:** Check that the agent is properly registered (both as a business and as an estate agent) and runs an ethical operation. He has to hold a 'Carte Professionnelle' and (usually) belong to a professional association, such as FNAIM, SNPI or UNPI. If you find an agency online, make sure you ask for their registration number, and if they are a member of one of these associations;
3. **Customer orientation:** Make sure that the agent is proactive,

responsive & on your wavelength. Many French agents are not as responsive as you might hope, so it is important to test each agent you consider working with. If you ask a question, you want an answer without having to ask twice. It is important to find an agent who is both proactive, responsive and on your wavelength, especially if you are contacting him from several time zones away;

4. **Experience:** How long has the agency been in business? You really need an agent who has been around for a while and has experience working with foreign buyers. You want an agent who knows his local area, understands the market, and knows whose tail to twist to get things done. An immobilier typically focuses on a small area, so make sure you deal with the best one in your search;
5. **After sales:** Check that the agent will stay with you until the end... and beyond. A good agent does not up and leave the minute the final contract is signed (and his fee is booked). He offers to help you further in terms of opening a bank account, finding a builder, doctor, schools – whatever you need.

## Tips about using a listing agent

- **Remember that by law the listing agent's fees are included in the offered price** - first confirm this, and the percentage involved (which is unregulated). There is always some room for negotiation in this area;
- Build in extra time to your schedule to **give the agents a chance to get to grips with what you're really looking for**. Because only by showing you a few properties will an agent get to fully understand your needs;
- **Be focused in your search** - going to loads of agents is not



the best approach. Work with those you feel comfortable with and can best meet your needs;

- Remember that no two houses are alike so **be prepared to be flexible**: thinking about what you are prepared to compromise on in advance will be helpful;
- Don't expect to turn up on an agent's doorstep and have them take you to 10 houses. **Call or visit each agent first to arrange appointments**;
- **Don't let listing agents bully you into visiting properties that are clearly off-brief**. They will all have a few properties that they're having difficulty selling - and may be keen to show you those first.

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## Using a property finder

Buyers often think that listing agents are their only option in France and that each agent has access to the entire market. But not any longer.

Buyer's agents (or property finders) worldwide are property experts who can help to save prospective buyers time, stress and money. In recent years property finders have become increasingly popular in France too, especially for people who don't have time to visit the country looking for a property. Because if you live abroad and don't speak the language, the advantages of the service are even clearer. Especially in France :

- Where estate agents do not display a lot of information on their websites making property details vague, at best, for potential buyers, and;
- Which arguably has more micro-markets than anywhere else. Hence buyers can benefit from having a local expert on their

side to recommend the best areas, and which to avoid.

## Qualifications and contract

Like all real estate agents, property finders are required to hold a carte professionnelle. But where they differ from traditional (listing) agents is that they work purely on behalf of the buyer. They do not take on any property listings. Contractually, property finders work via a search mandate agreement (mandat de recherche) under loi Hoguet, and never share in the listing agent's fee.

## What they do

A good property finder is your real estate consultant and will assist you from the start of the search to well after your purchase. He is on « your » side; he has total liberty to search out property from any source and will take a totally independent view of all the properties available. As you are paying him, he is in your corner as your personal consultant. He will also offer access to properties marketed only informally - even approaching homeowners directly, encouraging them to sell :

- **Selection:** Property finders should have access to close to 100% of the market; including private sales and off-the books listings, and they have relationships with listing agents – so they are well positioned to select properties that meet your criteria;
- **Viewing trip:** A property finder will pre-visit properties on your behalf and send you detailed reports with photographs and pre-discuss each property with you – usually on the phone. He will prepare detailed documents to help on your viewing trip or even organize all the information online for a

better client experience;

- **Due diligence:** A property finder will do the due diligence that will allow the buyer to know all the facts before putting in an offer. He will list how much comparable properties have fetched, and look more broadly at the area, researching information such as flooding risks, changes to local planning legislation and future developments. This will help you to be sure you want to buy and to decide how much to bid;
- **Negotiations:** A good buyer's agent will also haggle over the price for you. He will be thinking more with his head, whereas the client will follow his heart. In the negotiations, the property finder will always try to reduce the listing agency fee;
- **Legals:** A property agent will assist you during the legal process: he will help you understand the contracts (more in Chapter 5 here), make sure that they contain the appropriate clauses, be with you during the meetings with the notaire – ensuring that all t's are crossed and i's dotted – in French;
- **After-sales:** To help you with any need that may arise after the purchase, a good property finder maintains a network of high-end service providers such as architects; house sitting services, home managers, interior designers and property lawyers.

## The cost of using a property finder

Property finders charge a consultancy fee to their customers, often negotiated in advance as a flat fee. The fee can be up to 3.5% of the total budget – depending on the complexity of the search. Some customers are more comfortable with a percentage fee of the price of property. Under all scenario, the property

finder's fee should easily be offset by the savings he will be able to generate on behalf of his customers.

## Interviewing a property finder

When hiring a search agent the following points might be useful to consider:

1. **Language:** check whether they are based in France and speak fluent French;
2. **Licence:** check that are in possession of (or work under) a carte professionnelle;
3. Ask for English-speaking **references**;
4. **Process:** Make sure the agent visits properties on your behalf, and will send you detailed reports with photos and analysis;
5. Ask if they can help you obtain financing, recommend reliable lawyers, financial experts or structural surveyors;
6. Ask how long after the purchase they will be available to assist you.

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## No free lunch

### Real estate portals

Some online-only agencies call themselves “home finders” or “house hunters.” Primarily aimed at foreign buyers, they advertise their services as free. In reality, they are a marketing tool for listing agents, and they receive a cut of the vendor agency's fee when a client they bring in buys a property. The fact

that they share in the commission probably means that the vendor fee is inflated accordingly, and the buyer ends up funding the spread. More importantly, because they hardly know the properties they advertise, sales reps for those portals usually can't give proper advice to buyers and cannot represent them throughout the purchase.

## “Free” search agents

Some estate agents market themselves as « buyer's agents », saying that they can do a “free search” for buyers because they share the commission of the listing agent. What they will do is review their portfolio of listed properties, and check with their contacts to see if they have anything suitable. But no more. Obviously, this restricts the number of properties that the property finder can show you, and also diminishes their independence when negotiating on your behalf. House hunters can be lulled into the idea that in such cases the agent is working exclusively for them. This is not the case.

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## FAQ about estate agents

### What about private sales?

It is said that some 50% of property transactions are made in France via private sales, although foreign buyers tend to prefer the security blanket that using an agent or property finder offers. While buying privately avoids the need to pay agency fees, I would only recommend this route if you have good French language skills and a thorough understanding of the process, or

alternatively the assistance of a solicitor or additional advisor to help you through the various stages of the transaction - in French.

## Should I use an estate agent?

French estate agents have a duty to provide professional assistance and guidance throughout the buying/selling process, including liaison with notaires. Using a registered estate agent is your guaranty in France that you will have legal recourse in case something goes wrong. Most overseas buyers in France buy via estate agents, as they are more likely to encounter someone who speaks English. Obviously, only if your French is good enough should you attempt to handle your property search on your own. But remember that listing agents work primarily for house sellers—not buyers like you.

## Can I choose my agent?

Absolutely. Remember that the same property is usually handled by lots of different listing agents. If you like one agent better than another (whatever the reason maybe) you are free (by law) to choose which one you wish to work with. You should know that you are not bound to stick with the listing agent who has shown you a specific property first. Also, some listing agents will ask you to sign a « bon de visite »: this is for their own protection against indelicate buyers who may try to get in touch directly with property owners (or the other way around).

## Who pays the commission?

French law states that the commission is deducted from the sale's price by the notaire at the time of the final agreement. That's why some people say that the buyer pays the agent's fee.

But in truth, it is the seller who hires the listing agent – and who pays for his professional services out of the sales proceeds. Obviously, if you choose to hire a buyer’s agent, you will have to pay their fee.

When you’re the seller, the fee the buyer pays your agent isn’t your main concern. You’re more interested in knowing the net amount you’ll get from the sale.

As a buyer, you should focus on how much you are willing to pay the house – and not worry about how the agent gets. Buyers should decide how much they are willing to pay for a specific property, regardless of the seller’s intended use of the funds (which could be as varied as retirement savings, helping their children, compensating the photographer, or paying the real estate agent).

## Should I use a property finder?

The reason you may should choose a property finder over working with traditional listing agents is that you need real hard advice to help you conduct your purchase—and you should never forget that traditional (listing) agents don’t work for you.

With dozens of estate agents in Uzège (and thousand in France), buyers don’t need help accessing properties - but whittling the numbers down takes time. A property finder might go and see 10 houses then tell the buyer that 8 are rubbish, and only two are worth viewing.

## Are property finders only for people with large budgets?

Many people assume that the paid buyer's agent service is only for clients with higher budgets, but professional property finders will take on clients with all budgets as long as their wish list seems realistic – which is established during a no-commitment first meeting or phone conversation.

## Can I get help to complete a private sale?

Most good property finders (when they are consultants as well as registered real estate agents) will be happy to discuss with you a consultancy assignment by which they would help with some of the things you cannot do alone to close a private sale. Ask!





# 5

# VALUATION

**R**EAL ESTATE VALUATION for private homes is a difficult exercise in France because of the lack of statistics. You can get help or do your own valuation. Don't negotiate without a valuation at hand - but be ready to be flexible.

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## Difficult exercise

### No statistics, unrealistic prices

It is very difficult to value properties in France. The main reason is that there simply isn't the huge array of statistics and comparable evidence that is available in the United-Kingdom, in the United-States or elsewhere – where most people know the value of their home to within 5%.

So, to decide the value of their property home owners in France must rely on what they read in the press, or hear from their friends. This often leads to unrealistic prices. And it is only after a few months (or a few years...) that home owners understand that if they really want to sell, they should lower their expectations. This is why you may see the same property on the market for years.

## Online resources

French notaires have a website<sup>4</sup> presenting pricing data and market tendencies. It used to be so “macro” level that it was not useful to the average prospective buyer. Recently things have changed, and the granularity has improved.

You can find some online assistance about real estate prices. But you should only use this information as a guideline, mainly because (again) it is usually compiled from regional data and only “estimated” down to the micro-level you require – not using past transactions. In notable contrast, PAP<sup>5</sup> (the oldest French for-sale-by-owner service) is providing useful (albeit limited in scope) information about the past transactions its members have conducted – possibly 10-15% of total transactions in each market.

The French government has opened its database of past transactions online. But unfortunately some of the information will not benefit foreign prospective buyers, as to be able to access the service you have to be a registered French tax payer. And, because of the way the database is organized, the information is

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<sup>4</sup> <https://www.immobilier.notaires.fr/fr/prix-immobilier>

<sup>5</sup> <https://www.pap.fr/evaluation/prix-m2>

provided street by street (not aggregated at neighborhood level) and only if it exists (no recent transaction, no information).

But there is now some transaction information available online: <https://explore.data.gouv.fr/fr/immobilier> and here: <https://immobilier.pappers.fr/>

## Get an expert

Although unlike estate agents, they are not regulated, there are professional appraisers in France who mostly work for courts in legal disputes. If all else fails, you could hire one at your own cost – between €800 and €4,000 depending on the size of the property and the depth of the assessment required. Or you can embark on your own valuation.

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## My valuation method

Here is the analytical approach that I take:

1. **Surfaces:** Ask the seller for sketch/floor plans (with room dimensions), or draw them yourself if they are not available;
2. **Base value per sq.m** (m<sup>2</sup>): Obtain a rough estimate of the value in the area depending on the type of property (stone, recent built, architect house, good-location, etc.). Ideally, you would use price information from the recent sale of a comparable property;
3. **Gross value:** Compute a room-by-room value: multiply the surface of each room by the base value per sq.m, and multiply by a weight ratio for each type of surface: 100% for habitable rooms, 50% for verandas and outbuilding that can be converted, 30% for garages and sheds, 15% for dilapidated buildings. Add to obtain gross value;

4. **Adjustments:** Adjust for: location (distance from Uzès – as the first-ring villages tend to be more in demand –, views, etc.), neighborhood (roads, traffic noise, tranquility, etc.), features in the house (French ceilings, old fireplace, etc.). Each adjustment reduces or increases the gross value;
5. **Cash flow value:** Calculate the rental income the property could generate if offered as a vacation rental, deduct services charges and taxes, and divide by your expected rate of return to obtain the cash flow value;
6. **Comparables:** Compare with “comparable properties” in the appropriate area (which could be the village itself or the whole of Uzège depending on the type of property). Better if you have recent-transaction information, but prices of listed properties are useful too.

In the end, you will always add your “non-objective” bit – some call it “coup de coeur”. But it is important to start from an analytical basis.

The valuation exercise is also a very useful tool in the negotiation process – as sellers will usually not have the resources to dispute it. Although having a documented valuation won’t prevent them from arguing about the price, it will put you in a stronger position.

## Example

The property is advertised as a 170 sq.m stone village “mas” (meaning: an old farmhouse located in a village), a 1-car garage built 20 years ago, a 60 sq.m barn that could be converted, and an impeccably maintained walled half-an-acre (2,000 sq.m) garden with a vegetable garden, but no swimming pool. The mas is in a village 3 km from the local town center, with a local road in front of the garden – and a walking path into the town in the back. Here

is the valuation exercise :

- **Surfaces:** as is mostly the case for older properties, there is no floor plan available. But you can always decide to use rough measurements, room by room;
- **Base value per sq.m:** 3 km away from the town, stone mas, a bit of work required – the spread is 2,000€ to 2,700€. So you use 2,000€ to be safe (and as the mas will require a bit of refreshing);
- **Gross value:** On the ground floor: kitchen and living room (30 sq.m each), 20 sq.m-utility room and 8 sq.m full bathroom, and 30 sq.m garage. On the first floor: a 10 sq.m full bathroom and 4 nice-sized (17 sq.m) bedrooms. And the 60 sq.m barn: just wall and a roof – but very nice. Hence:  $[(30 + 30 + 20 + 8 + 10 + (17 \times 4)) \times 2,000 \times 100\%] + (30 \times 2,000 \times 30\%) + (60 \times 2,000 \times 50\%) = (166 \times 2,000\text{€}) + (30 \times 600\text{€}) + (60 \times 1,000\text{€}) = 332,000\text{€} + 18,000\text{€} + 60,000\text{€} = 410,000\text{€};$
- **Adjustments:** distance from Uzès +3%, lack of features (as the interior is bit blend): -1%, road noise (the local road is also the bus-to-school road): - 1%, and 25-mn walk to Uzès: +2%: Hence:  $410,000\text{€} \times (1 + [3\% - 1\% - 1\% + 2\%]) = 422,300\text{€}.$

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## How solid is that house?

### “Diagnostics” as a starting point

At the time of the sale, as required by law, the lead, asbestos, termites, gas, electricity and energy reports are grouped together in a single report known as the Technical Diagnostic File

("dossier de Diagnostic Technique"). Although sellers (or their agent) should have that document available for inspection by prospective buyers, it is not always the case. And anyway this report will give only a limited amount of information. But you should use it as a starting point.

## Get an inspection done

Surveys are not usually undertaken in France, because the profession of surveyor does not exist as such. If you are concerned about certain aspects of the structure of the property you could contact one of the growing number of English-speaking surveyors working in France, or you could arrange to visit the property with a local builder to get opinions and costings.

If you intend to do this, it is better to act before you agree a price and sign any contract – especially if you anticipate doing a lot of renovation. If you need a survey, but do not have time to carry it out before you sign a contract, you should ask the notaire to include a "clause suspensive" in the compromis de vente to ensure that your purchase is subject to a satisfactory survey.

## Protection against "hidden" defects

Vices cachés are hidden or "latent" defects of which the buyer was unaware when he agreed to buy, and which affect the anticipated use of the building to such a degree that he would not have acquired it (or would have paid a lower price) to take account of this.

Contracts state that the property is sold "as seen". However, French law provides statutory protection for a buyer against a seller who may not have disclosed important information about the condition of the property being purchased. The decisions

regarding which defects are latent or apparent are made by the courts. Depending on the problem uncovered, a buyer could opt to make a claim for repayment of the sale price plus damages, or to retain the property and claim an appropriate sum in reduction of the sale price. Experts are appointed to evaluate such sum.

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## FAQ about valuation

### Is there a “best time in the year” to search for a house?

Not really. It is true that some unclear reasons some sellers will take their properties off the market during the winter season – but a good agent will know about them. It could be said that the market is little quieter during the off season (from November to March) but that varies widely from one year to the next. Also, it tends to be more complicated to view some houses during the holiday seasons because they are rented out as vacation rentals – and the owners (or their agent) don’t want to disturb the tenants.

As far as the buyers are concerned, based on experience, people start their search in earnest when they are ready – whatever the season. So should you.

### Same property, different prices?

Home owners in France usually ask local agents for appraisals. But in the end, they often decide on their own what price they want for their house—. Appointed agents then receive



a written mandate from the owner which describes the house, the “prix net vendeur” and specifies the agency fees, which is usually 4%-7% of the property’s price. This explains how you can find the same house offered at two different prices. If the owner wants €400,000, then one agent charging 4% may have it in his window for €419,000 (€400,000 + €16,000 + 20% VAT on the fee = €419,200), while another agent next door will offer it for €429,000 because he charges 6%.

## Can I get a proper inspection before buying?

Yes, you can appoint a property surveyor to cast a professional eye over the place before committing yourself. Though you may be told surveys are not carried out in France, there are many surveyors available – even British ones who have moved to France.



# 6

# LEGALS

**O**NCE YOU HAVE FOUND A PROPERTY and agreed a price, you should sign a letter of intent. From then on, the actual contract process is handled by a notaire – under the careful watch of your agent. Because as not all notaires are equally diligent, it pays to read all the fine prints before the day of the signing.

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## Notaires

The institution of notaire dates back hundreds of years and notaires in France are present in most of the important moments in life. They act on behalf of the State and is appointed by the Minister of Justice, and the fact that an instrument is drawn up by a notaire is a guarantee of its legality and authenticity.

A notaire is first and foremost a quasi governmental official ("officier ministériel") responsible for collecting government

taxes, land registration fees, etc. The state confers him (or her) monopoly powers to legalise property purchase transactions. The notaire provides security to the contracts he supervises and is liable for his work. The notaire is required by law to act impartially, and acts for both buyer and seller.

Again, the notaire does not act for the vendor or the buyer. He is highly qualified in the French legal system, and can advise about property, family and succession, and corporate laws. He carries indemnity insurance, which provides a financial guarantee to the client. You should address him as 'Maître'.

## Difference between a notaire and a lawyer

Both avocats and notaires are “lawyers” in France but while both have significant training in French law and can offer legal advice, their roles are different. And you can't avoid using a notaire in a real estate transaction.

A notaire is an officer of the law in France, workign for the State more than for the people employing him. The concept of “notaire” is unique to France. They are lawyers appointed by the French government and as such act on behalf of the State, rather than on behalf of a client. That's important to keep in mind. In contrast, avocats are, well, lawyers.

You can't avoid using a notaire. At all. The official role of a notaire is to “prepare contracts in their authentic form on behalf of the client.” As matter of fact, notaires are the only to make official matters related to inheritance, marriage and succession (like preparing a will) or officially registering the sale of a property. Their fees are regulated (by the government); for example, standard fees to draw up a Will with a notaire range from €113 to €136.

A property sale in France cannot be legally completed without the involvement of a notaire - as only they have the power to register the change of ownership on the Land registry.

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## Contracts

The notaire usually receives “letter of intent” signed by both parties and starts collecting all the information required to draft the contracts. He will check each party’s rights to buy or sell the property, conduct a search in the land registry to see whether there are any third parties with a claim on the property and ensure that there are no pre-emptive rights on the property.

Prior to the signing of the contracts, the notaire will read out the terms of the contract aloud to all parties and explain what is not clear. After completion, he will give a copy of the contract to both buyer and seller but keep the original deed, along with the mortgage registry. They will oversee the transferring of funds and ensure that all the taxes and fees are paid in full.

There are two key documents you will need to sign to buy a property in France: the **compromis de vente** (provisional sales agreement) and the **acte authentique** (full contract).

### Letter of intent

Once you have struck a verbal deal, you should confirm your offer in writing with a letter of intent (written in French). The letter should :

- Specify all details of both sellers and buyers: names (individual or SCI), DOB, registered addresses, etc.;
- Describe precisely the property, (with the plot number as indicated in the land registry),

- Detail the agreed price and timeframe for completion,
- Include any conditions that you wish to include in the compromis, and any details agreed with the vendor.

When that letter is counter-signed by the seller, you have the essence of the deal. That signed letter should be presented to the notaire, who will make it happen.

## “Compromis de vente”

The compromis de vente is an important document as it sets out the main terms of the agreement between buyer and seller. Normally the buyer pays a deposit on signing the agreement, which is held by the notaire. The agreement must be signed by both parties and is a legally binding agreement – the only “get out” is if one of the obligations in the conditional clauses (“conditions suspensives”) is not met.

The compromis includes a date when the acte authentique is expected to be signed. (Note that this is not legally binding and is really used as a target date which both parties aim for). For the notaire to draw up the agreement, you need to provide your passport, marriage papers and divorce papers. If you are getting a mortgage, you also need paperwork with details of the loan.

## Deposit

It is customary (but not compulsory) for the buyer to pay a deposit at the time of signing the compromis. Although the amount of this deposit can be negotiated between the parties, it is usually 5% of the agreed purchase price, and often 10% for lower purchase prices (under 250,000€). The deposit is paid to the notaire (who keeps it in escrow) within 10 days of the compromis signing - meaning you can actually sign the

compromis without having paid the deposit.

Following a recent change in the law, the notaire can charge the parties (the buyer ends up paying this) for the cost of drawing the compromis - usually 400€. And finally, if the parties want the agreement to be fully notarized (as opposed to private "sous seing privé"), a 125€ filing fee applies.

## “Conditions suspensives”

A condition suspensive is one which, if not fulfilled, allows the buyer to withdraw from the contract.

For example if you wanted to have a survey carried out on the property, you could have a “condition suspensive” written into the contract so that if anything untoward was revealed by the survey, you could withdraw from the contract. Some conditions suspensives are essential. For example if the purchase of your French property is dependent on the sale of another property, then you must have a condition which allows you to withdraw if you are unable to sell the first property. Another situation is where a loan or mortgage is necessary for the purchase: you can stipulate the amount, duration and interest rate of the loan you require (that’s the law). If you are unable to obtain the loan, with the appropriate condition suspensive, you may then withdraw from the contract.

In theory there is no limit to the number of “conditions suspensives” that could be inserted in a contract provided if the parties agree. However, notaires will make sure that they are carefully drafted, and to be valid they must concern something that is beyond the will of the parties.

## Compulsory technical surveys

All required by law, the lead, asbestos, termites (although there are no termites in Uzège...), gas, electricity and energy reports are grouped together in a single report known as the Technical Diagnostic File (“dossier de Diagnostic Technique”). It is the obligation of the seller to commission and pay for up-to-date (less than a year old) reports, to be attached to the compromis de vente. The notaire ensures that the law is complied with. Property vendors with swimming pools are obliged to commission a report on the safety features of the pool.

## Cooling-off period

Once the compromis is signed, you (the buyer) have a 10-day cooling-off period. During this time, you can withdraw from the sale without having to provide any explanation, nor incurring a penalty. Once the cooling-off period is over (and the deposit amount has been received by the notaire), the contract becomes binding on both parties.

## Searches

After the compromis is signed and becomes binding, the notaire begins the legal process which includes the searches on the property: land registry rights to ownership, boundaries and rights of way.

To ensure that you have undisputed ownership of the property, the notaire will obtain a 30-year origin of title. It is important to know that in France the searches do not include looking at any private planning permissions that may exist near your house. To ensure your future neighbor is not about to build



a new house next to your boundary, you should visit the local townhall (mairie) and ask to see the “plan local d’urbanisme (PLU)” (planning and zoning regulations) as well as about any recent planning application – or ask the agent to obtain this information for you.

Local authorities have the right by law to preempt the purchase of a property - but has no legal means of doing so before the occurrence of a private sale. For all properties, la mairie is notified of an upcoming sale, and tells the notaire about its lack of intent to purchase. For farming land, a special-purpose (very French) entity exists, called SAFER, which can preempt the sale of farming land, to resell it to farmers. But, whereas mairies usually react quite quickly, SAFER always takes its time. So you can speed the process up down to a few days, by paying a “service charge” of about 200€.

## “ Décompte ”

The notaire will also prepare a detailed account of the monies you should wire to him to enable the purchase, called the « décompte. » Study it carefully.

## “ Acte authentique ”

Five to nine weeks after the signature of the compromis, the notaire will advise you of the proposed date to sign the full contract – called the “acte authentique” or “acte de vente”. Try to attend the signing of the completion document, or arrange a power of attorney. Make sure to view the property on the day of the signing. The final contract has a clause saying, “Sold as seen on signing date”, so you need to know that the property is exactly as you expect it to be, and not with floors, walls or windows missing!

You will receive the actual deed to the property only six months after the purchase – for administrative reasons. But you will get an « attestation » from the notaire the day of the signing, so you have a proof of your ownership.

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## Logistics

### Ownership and tax structure

Once you have decided to buy, you must decide which ownership structure is suitable for you. This can be decided on between contract and completion (acte authentique) but you will need a suitable clause in the contract in case the names that eventually go on the final conveyance deed are different to those on the contract.

Aside from the purchase contracts, you may have concerns about your situation with regards to inheritance law, residency issues, income and capital gains tax or other legal and tax issues – in which case you need to consult an English-speaking legal adviser who specializes in French property law.

### What about translation?

All the documents you will be asked to sign will be in French, and often contain legal terms that you may be unfamiliar with. You may find a notaire who speaks some English, and some agents offer translations of the compromis de vente. If you are uncertain about any aspects of the contract, you can obtain a professional translation either within France or in your home country. Ask the agent if they can recommend an independent translator (and remember to add the translation fees on top).

## FAQ about legals

### What are the specificities of French law?

The French legal system is based on civil law – meaning that it is codified, and it originates from Roman law. In contrast, the English legal system of “common law” is in general terms, based on jurisprudence or case law.

The main feature of the common law system is that everything is permitted that is not expressly prohibited by law. When making a decision in the “common law” system, court judges are largely bound by the rules and other doctrines developed by earlier courts. The legal system of England is also in force in approximately 80 countries formerly part of, or influenced by, the former British Empire, from Australia to Brunei.

On the other hand, a civil law system (largely based on Roman law) is more prescriptive. In terms of a contract, for example, even if the clause is not expressly written down but is contained in the pertinent contract law code, it will apply. Therefore there is less of an emphasis on setting out all the clauses to the contract since the restrictions covered by law will apply even if they are not expressly mentioned.

### When am I truly committed?

Preliminary negotiations may create binding obligations as from the point at which an agreement on the price has been reached. An abrupt termination of negotiations may give rise to a claim for damages – especially if you have made your offer in

writing.

However, technically you are only fully committed after you have received from the notaire, by registered mail, a copy of the signed *compromis de vente* (provisional sales agreement) and ten business days have elapsed. Until the end of the 10-day period, French consumer protection law allows you to back out without any explanation or financial penalty (you have to do so by registered mail to the notaire).

## Can I get my own notaire?

This may seem strange to foreign buyers, but most of transactions in France are handled by a single notaire. The estate agent usually recommends a local notaire.

If you feel unsure about this, you are entitled to appoint your own notaire. This will not cost you any more money, as the two notaires (yours and the seller's) will split the fee between them. Additionally, you can choose to get independent legal advice to help you with the purchase (e.g. from a non-French solicitor) – but you will be liable for their fees in addition to the notaire's fees.

## Can I get an English-speaking notaire?

Yes. Some French notaires speak English – but not necessarily well enough to be able to explain a legal contract. So you may think of hiring a British national qualified as a notaire. Ask your agent.

## How long does it take?

The whole process should take no more than three or four months from making the offer to signing the final contract ("acte authentique").

## Do I need to be there to sign the contracts?

Not necessarily. You can organise powers of attorney. This is better done when you are in France, directly with the notaire. But it can also be done after you have left, via local notaires (in Roman law countries like Switzerland, or Belgium) or via French consulate in other territories. A fee usually applies, between 200€ and 1,000€.

## What is an SCI?

An SCI (Société civile immobilière) is a property company. Although it can be used to minimise succession tax by gifting shares to your children during your lifetime, they are usually used by a group of unrelated people to purchase a property as co-owners. An SCI is meant to be non-trading; therefore it is not the right solution if you are planning to run gîtes or chambres d'hôtes as a business (for more than a 18 weeks a year).

From a UK or US tax perspective, being a director of an SCI (and therefore having free use of a property in France for holidays) can mean you could become liable for income tax on the assessed benefits in kind. Taking professional advice is essential.

## What about inheritance issues?

The best way of making sure your foreign assets end up in the hands of your chosen beneficiaries is to ensure you have a properly drafted will which is (critically) the product of notaire opinion and professional cross-border advice.

In France, there are laws which govern how you must leave your property when you die, colloquially known as 'forced heirship'. For example, under French law you cannot simply leave all your assets (including the family home) to your spouse when you die, a set proportion must be inherited by your children.

However since 2015, European law allows forced heirship rules to be bypassed in certain circumstances. In essence you can now elect for the laws of your nationality to apply to how you leave your assets. This means if you are British, you simply need to have a will in which you formally 'elect' the laws of the UK region with which you are most closely connected – be it England and Wales, Scotland or Northern Ireland.

But you are not able to opt out of French succession tax and be warned – there can be substantial indirect tax consequences of making an election – so make sure you take qualified cross-border advice before making an election.

## Owning a property in France after Brexit

Britain leaving the EU will not stop British people buying homes in France – either for a permanent move to France or for holidays. Plenty of non-EU citizens (Russians and Americans, for example) own property in France.

Local taxes are the same for EU and non-EU nationals so will remain unchanged. The previous disparity in capital gains tax for EU and non-EU homeowners was abolished in 2015.

However, some different property rules apply to non-EU members. While the property-owning rights of Brits who already have homes in France will not be challenged, it is possible – but highly unlikely – that future buyers would need permission from the Banque de France to buy in France and/or obtain a French mortgage, as they did before Britain joined Europe. Non-EU nationals seeking a French mortgage are not allowed to borrow as much as EU nationals – French residents can borrow up to 100% of the property value, European residents up to 80%, and non-EU residents up to 60-65%. It may also become more difficult for British buyers to set up an SCI (Société Civile Immobilière) in order to use a company to buy a property.

Brexit will make absolutely no difference in terms of the devolution of the assets (who gets what when you die) of British nationals because the United-Kingdom opted out of EU succession regulation. This means that the United-Kingdom is already treated as a state outside the EU for succession purposes.





# 7

# MONEY MATTERS

**O**NE OF THE BIGGEST BARRIERS to buying in France is the worry that there will be all sorts of sneaky additional fees and taxes on top of the purchase price. So you need to plan in advance.

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## Work out your “true” budget

From your set budget, you need to work out your realistic budget: your TPM (“true purchase maximum”). You need to consider all the things that traditional agents assume you know – but you usually don’t (at least the first time around). Such as:

- **Stamp duty:** purchase fees and taxes are an important item: budget 8% of the price paid to the seller – excluding any agents' fees or the cost of furniture you could be buying from the seller;
- **Refurbishing:** Even in the perfect house, you will want to make a few adjustments: redo the kitchen, get a paint job in the living room or modernize the upstairs bathroom. Depending on the size of the house, you should set aside 20,000€ to 50,000€;
- **Swimming pool or garden:** If the house you like doesn't have a swimming pool, you should set aside 30,000€ to allow you to put one in – or just 5,000€ to modernize the one that might be there;
- **Agents:** If you choose to use a property finder, their fee will come on top of the price paid at the notaire. Try and negotiate a flat fee so you know exactly what you should budget for (without having to get a calculator every time). Remember that the seller's agent fee is included in the price paid at the notaire.

So, if your budget is 500,000€, here is how you should allocate it: **house improvements:** 30,000€, **exteriors:** 10,000€, **property finder:** 17,000€. Which leaves:  $500,000€ - (30,000€ + 10,000€ + 17,000€) = 443,000€$ . Divide by 1.08 to account for the stamp duty (8%) and calculate your "true purchase maximum" (TPM):  $443,000€ / 1,08 = 410,000€$ .

## ... and then adjust

Obviously, you will need to adjust this computation with your own "search & comfort" factors. For example, you may decide that you are happy to buy a property in need of renovation (see below). In this case you will need to increase the

home improvement budget drastically. If you are ready to tackle a (pretty serious) 1-year project without structural work, you might budget 180,000€ for 180 sq.m (1,000€/sq.m). Under this scenario, your true purchase maximum becomes:  $[500,000€ - (180,000€ + 10,000€ + 17,000€)] / 1.08 = 271,000€$ .

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## Viewing & negotiations

### Price ranges & listed prices

Your TPM (“true purchase maximum”) will help you decide which properties to visit. Say your TPM is 410,000€. You can safely assume that no property sells for the asking price – so you can factor in a negotiation margin. But how much? Generally, the answer depends on the type of property:

- **When the property is close to what everybody is looking for** (say: stone, 160 sq.m house with a garden and a pool, minutes from the shops, walk-in condition), don’t expect to be able to knock much off the asking price. 2% is probably the most you can hope for. But properties like that are few and far between;
- **When the property requires a lot of work** – for an old house which has not been lived in for 20 years (since the grandparents passed away, for exemple), solid but in which everything needs updating and/or replacing; or when the property has been on the market for a long time (a year) – it is usually possible to aim for substantial discount form the asking price.

## What is the maximum you are willing to pay?

It is important to keep in mind that given the French context, listed prices are only wishes expressed by the sellers. As such, they are starting points in the exploration process – but they don't reflect market value.

In theory you should put the listing price aside while you visit the property. You should think about the opportunity hard, do your own valuation, come back and see the house after hours – and only when you have taken everything into account, decide how much you would be willing to pay.

This exercise will help you walk away from a house that “looks & feel really good” but doesn't really meet all the criteria – unless you can get it the “good” price. And no more. Because everything has a price...

## Making an offer

Your initial offer is the start the discussion – not the end point. So your initial offer should not be the maximum you would be willing to pay. Because if you do, there will not be any negotiation: it will be a take-it-or-leave-it proposition for the seller.

Your objective should be to make an offer as low as can be reasonably tolerated by the seller. The difficulty is that to gauge how low the seller could “entertain”, you would need to know him and his circumstances (which you won't). So you have to take chances (up to a point) and (more importantly), you need to be able to explain and document your offer.

Just like at home, you can use comparables (“the house across the street has sold last month for 25% less than your

asking price”) or the conditions of the property (“the roof will need replacing and the cost is 40,000€” or “the septic tank needs replacing at a cost of 20,000€”). The important thing is that you stick to “analytical” points to justify your price – not psychological – and that the seller accepts to make a counteroffer.

Once your initial offer has been taken in (received and digested) by the seller, in essence you have “set the spread.” If the listed price is 510,000€, and your initial offer is 410,000€ (20% down because the house needs work), it is quite possible that the seller could settle somewhere in the middle of the spread and feel relieved that he didn’t “let go” at the bottom<sup>6</sup>. It’s all psychological – but important.

You should not hesitate to make cheeky offers. For a house which is offered at 650,000€, but has been on the market for 2 years, and requires a lot of work (to the tune of say an estimated 200,000€), you should not hesitate to offer 420,000€ for it. What have you got to lose? The seller can only turn you down. If you get the house at your low price – you will be even happier. If not, you will move on to the next one.

## Negotiating with a listing agent

Buyers should remember that it is not a good idea to disclose any information to the listing agent that could be used to their disadvantage during the negotiations.

Be aware that when you are negotiating to buy, you are negotiating with both the seller and the listing agent (who will

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<sup>6</sup> Typically French sellers will say « Je ne veux pas brader ma maison ! ». Which means that they refuse to sell at clearance prices...

always reduce their commission to get the sale). You need to beat the price down very hard indeed, as the seller will have an idea of the minimum they will accept, and the estate agent will have a minimum commission they will take. Agencies may not admit to this, but that is in fact how it works.

Because agents commerciaux get a bonus if they are both selling and listing, be wary if they are trying to persuade you one property is better than another. Because it may be true, or it may be a double commission for them.

Remember that very often listing agents feel highly uncomfortable with very aggressive offers. Here is why: even if they have told the seller that their house was overpriced, it is long forgotten. That was 18 months ago when they signed the mandat de vente. In the end, they accepted to take the property on at too high a price. And now, you are asking them to present and defend an offer way lower than anything that had been discussed in the past. Complicated... So you need to be ready to nudge the agent – including make sure he has indeed presented the offer to his client<sup>7</sup>.

## Can you lose your house to overbidding?

You may have heard about people having their dream property snatched away by a competitor with a higher bid, just before exchange of contracts – after they already had invested time and money to prepare their purchase. Gazumping is common in Australia or in the UK (in 2017 it happened for 3.6% of offers), where it is called gazumping (from a Yiddish term

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<sup>7</sup> I have heard agents refusing to present an offer – saying that they would rather sell the house to somebody else, later...

meaning “overcharging”). It is only possible in countries where there’s no binding sales agreement until actual exchange of contracts.

Strictly speaking gazumping is not possible in France. French law is protective of buyers: once the *compromis de vente* has been signed by the parties, the seller can only pull out of the sale if they pay a 10% penalty (and risk being taken to court if they bulge).

However, the period after a verbal price agreement and before the initial sales contract could be dangerous because sellers’ agents have a strong incentive (their fee) to find a buyer who can make a higher offer before the *compromis de vente* is signed. To reduce this risk drastically, and protect you during that period, it is really a good idea to sign an official offer (“*offre d’achat*”) or letter of intent.

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## Purchase costs

### Agents’ fees

- **The traditional agent’s commission:** By law, offered prices must include the listing agent’s fee: the offered price should be followed by the letters FAI (« *frais d’agence inclus* »), and the ad should mention the full monetary cost of the commission. For example, an offered price of “590,000€ including a commission of 33,000€ TTC (inclusive of VAT)” means that, should 590,000€ be the price paid at the notaire, the seller will get 557,000€, the agent will get 27,500€ (5%) and the French Treasury will get 5,500€. Agents’ fees (“*commissions d’agence*”) are not dictated by law. They are freely negotiated between the estate agent and the seller, and

may go as high as 7% (subject to VAT) of the “prix net vendeur” (net price to the vendor). They are usually between 3% (online agents and mandataires) to 6% (full service, luxury agents). As a buyer, you need to remember that you should incorporate the agent’s fee in the negotiation process, and that agents are often ready to reduce their fee to facilitate a sale;

- **The property finder’s fee:** The fee of a property finder is freely negotiated with the buyer — usually up to 3.5% (ex VAT) of the price of the property sought.

## Purchase tax

Also known as the “notaire’s fee” is a global term used to describe the legal costs of the purchase, which include taxes to be paid on the purchase (stamp duty), the notaire’s expenses and the notaire’s own remuneration. Unlike the agent’s commission, those fees are paid by the buyer and are fixed by the State— about 8% of the purchase price for an existing property. Exact rates vary in each “département”. You can get a specific estimate of the costs online<sup>8</sup>. In addition, the buyer also pays the costs of the Land Registry searches carried out by the notaire, to the tune of a few hundreds of euros.

The purchase tax is levied on the purchase price itself – but excluding any furniture and excluding estate agent’s commission. If you (the buyer) take a mortgage out (which will be secured on the property in France) to finance the purchase, the notaire also receives a fee for the formalities involved in registering the mortgage as a charge on the property.

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<sup>8</sup> <https://www.immobilier.notaires.fr/fr/frais-de-notaire>



## Is it possible to get a mortgage?

There are very few brokers who are proficient in this type of financing. To increase their chances of success, the client must find someone who will do the work "tailor-made" every time. And what always, the client must absolutely, really cooperate with his broker so as not to waste time. Not easy, but possible!

### For whom?

All nationalities – except people who come from blacklisted countries (like Russia right now). Including non-French residents (expatriates and others).

### Which banks?

They are few in number, but they do exist. Caisse d'Epargne, CIC for example. Or also, if necessary, banks in neighbouring countries – because they have mastered the "lending to another nationality" dimension. It all depends a lot on the personality and experience of the interlocutors in each financial institution, the one who will handle the file; Some don't even know that their employer has this type of loan – they need to be educated. But after that, everything goes faster.

### What are the conditions?

The first constraint is that you have to provide at least 30% of the funding. In the form of collateral with the lending

institution. In other words, the bank says to the borrower: "You invest 300 with us in an interest-bearing account, for example, so that we check that the money exists, and we lend you 1000." That's a 30% contribution.

The second constraint is that even if the loans look like mortgages, under French law they are treated like conventional loans – therefore subject to the constraint of a maximum debt ratio of 35% of income.

And then you have to get loan insurance. This is not easy when some insurers want the borrower to be no more than 75 years old at the end of the loan.

## The Process

And finally, you have to deal with the whole documentary process, which is almost by definition always in "bilingual" mode: you have to be precise, organized, disciplined.

The overall process takes at least, when everything goes well, 2 months: loan application and document meetings, pre-approval, compliance verification, borrower insurance, confirmation from the bank, opening of accounts, receipt of pre-funds, issuance of offers, legal deadline.

## The cost

The cost of obtaining this type of credit is no higher than when you use a broker in any other way, i.e. 1 to 2% of the amount of the loan – completely negotiable.

# Getting your money across

## Transfer of funds

At the time of the *compromis de vente*, you need to arrange transfer of funds to pay the deposit of (usually) 10% of the net purchase price.

Plan ahead of the *acte authentique* to transfer the balance of your payment (in Euros) to the notaire's account in time for the signing date. The house will not become yours until all the funds required (including mortgage funds) for the house purchase and all associated fees have been sent to the notaire's bank account.

## Exchange rate risks

If your funds originate from come from a non-euro country, beware that exchange rates can put your purchase in real danger. We strongly advise you to buy insurance against this risk from specialized currencies dealers. Use a foreign exchange company to transfer the funds for your purchase. This will normally give you a much better deal than using a high street bank.

**Here's an example.** A few months back, each dollar bought 0.85€. So to buy 10,000€, you needed \$11,800. Within two months, the rate had dropped to 0.80€ - so suddenly, the cost of buying the same 10,000€ had jumped to \$12,500. That's a \$700 hike. Apply that to the purchase of a 400,000€ home: that's a \$28,000 price change (7%).

**To get protection**, you should buy a forward contract. You buy an option allowing you to buy the euros you will later need at

the time of completion (hence “forward”) at the exchange rate of the day you buy the option. By doing so, you “lock in” the exchange rate – and make the risk described above disappear. The cost of this protection is built-in the exchange rate offered by service providers.

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## Taxes

### Taxe d’habitation

It is a residence tax, which you must pay if you own a property and live in it yourself or have it available for your use or rent it out on short-term lets (where properties are rented out long-term, the tenant pays). Taxe d’habitation is determined by local and county councils and is spent on community services by your local municipality. It is owed by the household living in the property on 1st January each year, whether it is an owner or tenant, or by the owner if vacant.

The tax is based on a notional rental value for the property multiplied by the tax rate fixed in the locality. The rental value is assessed by the land registry (cadastre) to which you must send notification of any improvements or changes to the property within 90 days. You may have heard that in October 2017, the French government has enacted a law to reduce drastically the taxe d’habitation – but this only applies to primary residences.

### Taxe foncière

It is a land tax, due by the owner of the property irrespective of who occupies it. The tax is divided into two parts: tax on buildings (taxe foncière sur les propriétés bâties) and tax on land

(taxe foncière sur les propriétés non bâties). The latter is no longer levied locally and is levied nationally instead. The tax on buildings is paid on any property that is habitable, whether or not it is occupied. If you sell a property part-way through the year the tax is apportioned by the notary dealing with the sale.

Both taxes apply to non-residents as well as residents. Demands are sent annually (from September each year). The amount must be paid by a specified date, usually in October (taxe foncière) and November (taxe d'habitation) but varies from place to place. Failure to pay on time incurs a 10% penalty.

## Wealth tax

In 2017 (for 2018 budget), the wealth tax as we know it ("ISF": impôt de solidarité sur la fortune) has been repealed and replaced by a tax on real estate ("IFI": impôt sur la fortune immobilière). Paradoxically, it is good news for foreign buyers of French luxury properties.

From January 2018, if you are not fiscally resident in France, IFI will be based on all the properties your household owns in France – not worldwide. If your total holding is valued at less than €1,300,000 you are exempt. But if your property portfolio is over this limit, you will pay wealth tax at rates of 0.5% to 1.5% (first 800,000€ is exempt).

So the good news is that from 2018, securities like stocks and shares, including those held in assurance-vie policies, are no longer liable for impôt de solidarité sur la fortune (ISF) – the current wealth tax. Hence whether your investment portfolio is 100,000€, 1m€ or 10m€, it will no longer be liable for any form of wealth tax in France.

## Capital gains tax

When you come to sell your property, the capital gain is taxed at the current flat rate of 19% (with a linear reduction of 6% from year 6), and subject to social levies at the rate of 17.2% (with a taper relief from the 6th year). For profit exceeding 50,000€, an additional fee of 2 to 6% (depending on the amount of profit after application of a deduction) applies. The amount of tax will be deducted by the notaire at the time of the signing of the sale of your property and paid directly to the French Treasury.

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## Running costs

If your reason for buying a house in France is to move there permanently, you may wish to compare the costs of services, utilities and taxes in the country you are leaving for those in France. If you are buying the property as a holiday home, whether to rent out for part of the time or not, then these expenses need to be considered as part of the extra ongoing costs of owning a property in France.

The main expenses (including taxes) are:

- **Taxe d'habitation:** See above. Depending on the "commune" (they are not managed in the same way...). Estimated cost: 5/8€ per sq.m/year;
- **Taxe foncière:** See above. Depending on the commune, and on whether or not the property has a swimming pool. Estimated cost: 6/10€ per sq.m/year;
- **Home insurance:** It is not only sensible to have your French property insured, but it is also mandatory. You have to have house insurance in place as soon as the property passes into

your name. As with most countries, the actual cost of insurance will vary according to factors such as the size, number of habitable rooms, condition of the building, etc. Estimated cost: depending on insured 2/5€ per sq.m/year;

- **TV license** covers all the TVs in the house and the demand comes as part of the same document as the tax d'habitation. Even if you don't watch French TV and use your TV for watching films on DVD for instance, if your property has a TV screen (aerial or online) you will be liable to pay the tax. 2017 cost: 138€/year;
- **Electricity:** If the property is connected to mains electricity, it will be on a metered supply and payable quarterly, or through a monthly direct debit. Estimated cost: depending on house equipment, and whether or not the house has air conditioning: 8/12€ per sq.m/year;
- **Gas:** If the property is connected to mains gas, it will be on a metered supply and payable quarterly, or through a monthly direct debit. Estimated cost: depending on house equipment: 7/11€ per sq.m/year;
- **Sewage:** If your French property is isolated, and not connected to mains drainage, you will need to factor in to your ongoing expenses the cost of having your "fosse septique" emptied, usually about once every four years. Estimated cost: 200€;
- **Water:** Paid to the commune twice yearly, this is the equivalent of the water rates elsewhere. Water is metered, so part of that element of the charge is variable. Estimated cost: 2/4€ per sq.m/year

All in all: 350€ + 30/50€ per sq.m. One might also want to pay a caretaker who would overlook the property on behalf of foreign owners (monthly fee: from 150€ to 400€) and a gardening service to look after the exteriors (monthly fee: from

50€ to 150€).

Running (yearly) costs usually average around **2 to 3% of the cost of a property** – depending on the range of services required. For a 180 sq.m worth 400,000€, the total on the low end of the spectrum comes to  $350€ + (180 \times 40€) = 7,550€$ , or 630€ per month.

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## Renting your house

An increasing number of foreign buyers come to realise that the cost of maintaining their French house is not unsubstantive, and that the property could actually pay for itself – through vacation rentals. It is quite possible that Airbnb is responsible for this new awareness. You could decide that this option makes sense for you too.

### How much can we rent it for?

The revenue potential of your property will depend on many factors. They are usually the same that apply to the purchase of a home (location, size, garden, etc.), and include more specific elements:

- **Multifamily potential:** if the property can be rented to two families at the same time, it will rent for more and the marketing will be easy (as these properties are hard to find);
- **Safety issues:** if the swimming pool is clearly separated from the house, people will feel more at ease – even if the fence you have to put up is not so nice looking;
- **Is the property photogenic?** Vacationers make their



decisions primarily based on pictures. If the house is better looking than the next, it will rent for more and more often. Of course, you can make your house pretty – and you should use a professional to take the pictures.

As an example: in the Uzège area in 2024:

- A nice looking 4-bedroom mas (c. 200 sq.m) with pool, enclosed garden less than 15 minutes from Uzès could rent for up to 2,500€ per week in July and August (less during the spring and autumn);
- A 1-bedroom flat in the old city with a balcony could rent for up to 800€/1,000€ per week – but could be rented out during the winter too, when older visitors (not interested in swimming pools...) come and want to stay for a few months rather than a few weeks.

The above price points are just estimates, and you would need to talk with specialists to assess the exact potential of your property. However, suffice it to say that on average you could be able to recoup the running costs of your property by renting it out a few weeks – should you decide to do it.

## How can I rent when I am not around?

Obviously, you will need to hire dedicated professionals to organize the rental logistics on your behalf. Those professionals are increasingly available in Uzège (and in the south of France in general). Very often they are foreigners who have settled down in France and therefore know your language (they all speak English), and have put together a team of all the people required to maintain your house too.

The cost of those professionals can go up to 25% of rental

revenues. You can also enter into a year-long contract – so your “house sitters” would look after both your house and guests (paying or not).

## Is it legal?

Please note that unless you intend to rent your house all-year round, you will not require any authorization to do so and the tax impact will be minimal or even null. The best will be to hire an account with the appropriate expertise.

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## FAQ about money matters

### Should I negotiate on my own?

Negotiation is not for the faint hearted. Especially when it is done in a foreign language, via a third party (the agent) whom you barely know and may have a different agenda. So no, it doesn't make sense for the average person to negotiate the purchase of the French home on their own. That's probably also true in your home country. That's why you should consider hiring a professional to work with you - either a property finder or a lawyer. Don't expect the notaire to have anything to do with negotiations.

## When do I pay money to the notaire?

You pay a deposit of up to 10% of the value of the property at the time of the signing of the *compromis de vente*. The pay the balance just before the closing – as the sale can only be completed after you have paid the full amount to the notaire’s account.

## How do I contact the tax authorities?

Don’t worry, they will find you! All tax authorities and some utilities are kept informed automatically about your purchase – thanks to automation of administrative processes and Big data. You will receive your “avis d’imposition” in the mail – and you can set up an online account to pay taxes in the future – which is very often useful when you live abroad.

## What are the maintenance costs?

You should budget 2/4% of the value of the property - inclusive of local taxes and utilities. Obviously, the final tally depends on the services you require and on the chores you will choose to do yourself.

## Can I rent my property?

Yes – thanks to Airbnb this will be easy. You will need to hire dedicated professionals to help manage the process of the estate when you are no around. But in the end, renting (even a few

weeks) could very well help make the house pay for itself.

## How do I open a bank account?

Opening a French bank account is required after of just before you complete the purchase. For example: without one, you will not be able to open accounts with most utilities. Most banks will require that you have a property in France – and an address – to open a bank account. You will need to provide proofs and documents of all sorts – the first one being a letter of good standing from your bank at home. The process is a bit tedious, but very doable – especially if you ask your agent to assist.

## Can I lose a property to overbidding?

Technically, gazumping is not possible in France. Once the seller has signed the *compromis de vente*, he can't change his mind, or it will cost him 10% of the agreed price (pretty good deterrent). To be on the safe side before the *compromis* is signed, you should formalize your offer in writing, make sure it contains all the pertinent contractual information, and get it countersigned by the seller – making it a pre-provisional sales agreement.



# 8

# RENOVATING A HOUSE

**O**NE OF THE BIGGEST BARRIERS to buying in France is the worry that there will be all sorts of sneaky additional fees and taxes on top of the purchase price. So you need to plan in advance.

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## Renovations

After having visited dozens of properties, you may come to the conclusion that your “dream house” doesn’t exist. So you could consider buying for less than you had in mind and undertaking a little renovation.

Like you, most buyers (including French buyers) are afraid

of renovation jobs. Everybody wants a house where they can « move in » and start enjoying the pool. However, given the increasingly limited supply of quality properties, we find that a good number of buyers choose to review their options.

For example, where they had initially allocated 600,000€ for their purchase without renovation costs some buyers are now “reorganizing” their budget: 400,000-500,000€ going towards the purchase of the property, and 100,000-200,000€ going towards renovation costs. Typical projects include creating new bathrooms, reorganizing kitchens, combining existing rooms, landscaping and swimming pools.

Such a choice may make a lot of financial sense – as properties obviously gain value in the renovation process. Mind you, few renovation projects are real money makers – but most ensure that buyers don’t lose money at the time of resale.

## Which type of renovation?

Full blow renovation projects are still possible to find around Uzès, but you should be careful about which project you choose if you ever want to make a profit or generate rental revenues. The usual advice applies – choose your location carefully if you hope to sell it on, be realistic about your budget, and don’t expect large capital growth.

Renovating houses to supply the rental market may be a good option in Uzès, as thanks to the area’s excellent tourism credentials, there is a strong short-term holiday rental market – which would definitely go some way towards paying for second mortgages should you choose to rent your property out.

## Avoid DIY projects

DIY renovation is not for the faint hearted or anyone with a day job (unless you're in the construction industry, of course). Be realistic about what you're prepared to put up with in terms of discomfort - and financial strain - while the work is being done. Do you really want to live on a building site for a year or two?

## Find qualified help

Paying someone else to do the dirty work is an easier albeit more expensive option but remember to "count your pennies" carefully to avoid going over budget. Err on the side of caution. When choosing builders, plumbers or electricians, personal recommendation goes a long way; use bona fide French workers to ensure up-to-date knowledge of, and strict adherence to, French regulations - including the 10-year protection that comes with typical builders' insurance.

An ability to speak fluent French is helpful, and appointing someone to manage the project in your absence is wise. Look before you leap. Get a reputable builder's opinion before you buy and ask for all estimates and plans in writing before work starts.

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## FAQ about renovations

### How can I find qualified help?

Just like at home, you will need a network to source the help you need. Word of mouth is useful, so you could ask member of the expatriate community locally who have houses and are using



such professionals. Or you could ask the seller's agent, or your buyer's agent if you have one – as this is an important part of their job.

## Should I buy a house and renovate?

Yes. But it is not for everybody. Renovating a house is the best possible way to achieve your goal of the French dream house. But unless you have some renovation expertise, you should keep the work to a minimum. You will need to get a solid team in place to handle the work when you are not on site. And obviously, you need to factor in the “renovation” bit in your negotiation process.



# 9

# PSYCHOLOGY

**U**NDERSTANDING THE PSYCHOLOGY of buying a home, as well as cultural differences, can not only help you feel more confident about your purchase - but it can also help you get a better deal. The content of this chapter applies to the handling of both sellers and agents.

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## Cultural differences

Despite many similarities, there are significant cultural differences between France and the anglophone countries. This list covers the differences most important to remember:

- **Uncertainty:** Uncertainty and ambiguity aren't well tolerated in French society, and many French try to minimize risks and uncertainty by controlling details;
- **Politeness:** Courtesy and politeness are extremely important in French culture. You can gain the trust of the French by

following expected standards of politeness;

- **Formality and hierarchy:** French society is more hierarchical than Anglophone societies, and this should be respected and reflected in your communications, by using formal language;
- **Heritage and the English language:** the French are proud of their culture, heritage and language. Begin your communications in French using the « right » phrases before asking the homeowners if he speaks English;
- **Context:** The French assume they hold common knowledge, understanding and norms with others. Therefore the responsibility to learn and follow cultural « rules » falls to you...;
- **Directness:** While still being polite, the French don't hesitate to be direct when something isn't to their liking. This directness can often be interpreted as rudeness. It is not.

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## Emotions

### Psychology is everywhere

Property buying comes with far more emotional weight than any other investment we make. But while you can find “technical” advice, considerations about what is going on in both the buyer’s and the seller’s head are routinely ignored.

### Two sides of the brain

People make purchase decisions rooted as much in emotional impulses as logical facts. The brain has two sides, and

we often describe ourselves as left-brained (logical and analytical) or right-brained (intuitive, subjective). The truth isn't so black and white: even if you might lean one way or the other, both sides of your brain matter in your thought processes, and certainly in your buying decisions. We're not robots, so we will never make purchase decisions based solely on logical factors, such as economics (cost-benefit ROI analysis) or politics. So you need to be ready to embrace this side of yourself!

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## Do's & dont's

### About yourself

- **Primacy effect:** All studies are conclusive about the power of the primacy effect, the psychological phenomenon that increases the power and influence of the things you see or sense first. In practical terms, this means that how you “step into” a house is crucially important. So you need to be aware of this strong, seemingly natural, urge to judge a property on what may in fact be the wrong criteria;
- **Impressions:** Research shows that staging a home to sell works. So you need to be aware that properties that are well presented will make a better impression on you. But that this doesn't mean they will be meeting your criteria. That scenario may not happen often in France. But on the contrary, houses full of junk, “dans leur jus” (as some listing agents still say – meaning in their original state) or presented without enough light, or empty, may make a poor impression. But you shouldn't discount them too quickly;
- **Perceived value:** To a prospective buyer, a newly painted wall can be perceived as added value – even if that new paint

job may have only cost 100€ and a few hours of the seller's time. Superficial things like a room painted in an ugly colour can make people less likely to buy a house — even though fixing such a problem is as cheap as a couple cans of paint. As a buyer, you need to keep that in mind.

## Traps you need to avoid

- **Don't overlook big expenses.** Most buyers tend to compartmentalize their expenses and do not add up the total cost of everything needed to fix up and furnish the house. That can lead to making poor choices about how much to pay for a home. When you're getting a house, think about furnishing it. In other words: always keep your TPM ("true purchase maximum") in mind!
- **Don't fall in love.** At no point in the house buying process should you only have one option. It puts you in a vulnerable bargaining position and is rarely an objectively true situation. You should avoid falling in love with a house, as it will limit your ability to negotiate. Try to go into negotiations with at least one other viable option;
- **Beware of long-term price expectations.** Most home buyers have extremely high long-term price expectations. That can lead some people to overpay a bit. So whatever your selling price expectations for the property you haven't yet bought – discount it.

## Don't forget the "couple thing"

If you're moving as couples, you both have to agree about the chosen area (and keep that in mind later when you choose a house). I have seen many situations where one partner didn't

really agree with the village (or the house) but waited until the last minute to let his opinion known.

## What you should do

- **Embrace the lifestyle.** French property buyers need to understand that they are buying more than just a house. You are purchasing a lifestyle, and this concept should remain top of mind throughout the entire process. The first question for any buyer should be about whether this property will accommodate the local lifestyle they want to live;
- **Use goals - flexibly.** When it comes to property buying, it's important to have a conscious goal in mind and develop a set of criteria, like a spending limit. This logical, rule-based way of thinking is where conscious thought thrives. Then you should give yourself time, allowing the unconscious to form a decision. Ideally sleep on it and check back with yourself to see if an emotional evaluation has formed ;
- **Be prepared to change your mind.** In my experience, a third of buyers alter their core criteria during their first viewing trip. Typically, the size of the garden is the most often "rearranged" criteria (usually the large garden shrinks to a more modest plot). It's important to have done your homework and worked on your list of goals – but it's also important to be flexible when faced with reality ;
- **Sleep on any home buying decision.** Because complicated choices (such as buying a home) are best left to the unconscious. The reason: conscious thought is better at solving simple tasks (like choosing which towels to buy) and unconscious thought (described as thought without attention) is better at solving complex tasks that involve more variables. People are incapable of consciously

considering many factors at once, which leads them to put a disproportionate amount of weight on certain elements (like the really fancy laundry room that caught a buyer's eye) and not enough weight on other factors. In other words, people place more emphasis on the attributes that are most plausible and easiest to verbalize ;

- **But don't overthink.** Be very prepared, but don't overthink your purchase. Research shows that when it comes to complex decision-making, such as buying a property, the more time we spend thinking about it the progressively worse choices we make.

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## Psychology of sellers

### How their context influences their behavior

In the south of France there are a few typical "sellers" scenario. Each has its consequences on the price setting and negotiating process:

- **Splits:** couples separate or divorce. The home they purchased together (whether it be primary residence or vacation home) has to be sold so the co-owners can share the proceeds. If the divorce is amicable, the price is in line with the market, and the negotiation process is not impacted. If not, things can be complicated;
- **Deaths in the family:** more often than not, there a number of heirs who may (or may not) agree on price and timeframe. Usually, those who don't need the cash will tend to aim for unrealistic prices;



- **Going back home, closer to the kids:** foreign owners, who bought their properties 15 or 20 years ago, decide that they get too old to enjoy their French home, and that they want to move back home closer to their kids – and their grand kids. Those sellers are usually less concerned with money, and are looking for a quick sale.

It is useful to recognize as early as possible the context of the sellers in order to use it in the negotiating process.

## How they have set their price

You may think that some sellers have delusions of grandeur, stemming from a failure to grasp that what they want for their home has nothing to do with what it's worth. But instead, sellers are (just like you) all susceptible to loss aversion — the mental quirk by which we feel losses much more sharply than we feel equivalent gains. So they set the price of their property not by what the market will bear, but by what they have paid, and what they feel they “have to” get out.

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## Negotiations

Negotiation is not for the faint hearted and is more of an art form that requires skill and experience rather than a science. You don't feel up for it, make sure to get some assistance.

While comparables may be a starting point, the price at which a seller offers a property is often also based on wishful thinking, propaganda and ploy. Buyers, in turn, parry by deconstructing the price. You should aim not merely to assess a dwelling's fair value, but also to plumb a seller's bottom line and

vulnerabilities. How a price tracks with similar properties, how large and hasty any reduction is, and even how parsed or rounded a number is — all these are grist for concluding, rightly or not, whether a price is firm, desperate or a sign of painful dealings to come.

## Offers and counteroffers

When looking at the psychology of offers and counteroffers, it can be handy to look toward those with experience. There are no hard and fast rules about how many offers you should make but remember that a quick sale is always attractive to sellers, so try to use this as added value to your offer, if possible.

The listing price has been agonized over, and likely set with a “buffer” for offers. Offers and counteroffers are about finding out what this “buffer” is and shaving off a little more. And of course, some would say that if you’re not making an offer you’re embarrassed about, you’re losing money.

Be careful, though. Too low an offer, and you risk offending the sellers – after all, you are bidding on one of their prized possessions. This can heighten their emotional attachment to a property and make it hard to negotiate further.

Always put yourself in the shoes of the seller before arguing why your offer price is the right one. If possible, construct your case such that the seller’s « feeling of loss » is alleviated by a non-monetary benefit that you are prepared to include in your offer (for example: allowing the seller to rent back the property he is selling you until they have organized their trip back home).

**The bottom line:** Remember that in negotiations you should use your head, not your heart. Although that may not be easy, trying to factor out as much emotion as possible will always help you get a better deal.



# 10 BUYING A GÎTE

**C**HANGER DE VIE, going green into the sun; why not carry out a professional activity such as a bed and breakfast or a gîte... This prospect would appeal to more than a third of French people of working age<sup>9</sup>. If you are one of them and your project is to buy a property to run a small hospitality business, you need to ask yourself the right questions.

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## Prepare your project well

Prepare well. Beyond the checklist mentioned in this book,

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<sup>9</sup> Survey conducted in March 2016 by Opinion Way for the Guy Hoquet Immobilier network.

make sure that this type of project is for you.

Because managing a B&B quickly becomes a full-time job (depending on the number of rooms) for 4 or 5 months of the year. You have to welcome guests, clean rooms that have just been vacated, serve breakfasts – and be available pretty much 24 hours a day. This is the spirit of welcoming people at home: it requires certain interpersonal skills, and sometimes patience. Think about this before you start.

Managing one (or more) gîtes is much less demanding. Indeed, the guests who rent the cottages (or apartments) are independent during their stay. You just have to welcome them, then clean and ready the gîte again when they leave. Relationships are also important of course – but you can choose when you want to interact with your customers, and when you want to stay quiet at home.

Also, make sure your partner is on the same page as you. Often the project is set up by a couple, one of whom has a professional activity "outside the home". However, this type of project is really a team effort – so it's better to have talked about it beforehand!

Finally, you should know that in most scenarios, you will not be able to live solely from your hosting activity. In the best case, you will be able to generate a salary (including social security payments) and integrate most of the expenses of the property.

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## Gîtes or guest rooms?

In spirit as in law, these two types of accommodation are different and do not present the same constraints.

## Independent or not?

While a gîte is considered to be “furnished tourist accommodation” and as such constitutes an independent accommodation fitted out and equipped, a guest room must be located in the main residence (main building or outbuildings) of the person who rents it. So you have to accept to house strangers in your home.

From a regulatory point of view, a gîte owner does not have to provide hospitality services (such as breakfast or the supply of household linen). However, these are still advisable from a commercial point of view. Conversely, a B&B owner is obliged to offer a certain number of services at no extra cost, including breakfast.

## Capacity

Another important difference is the capacity of each of these accommodations. Unlike a guest house that should not offer more than 5 rooms, the number of tourists likely to be accommodated in each cottage is limited to 15 per night – but you can have several cottages on the same site or estate. On the other hand, as soon as an accommodation (read: a building) can accommodate more than 15 paying customers, it falls under the legislation for establishments open to the public (ERP) and must meet strict standards in terms of accessibility, safety and firefighting.

## What are the legal obligations?

Apart from a simple prior declaration of rental to be filed with the town hall, there is no regulatory obligation to open a gîte or a bed and breakfast. In other words, except for owners who

have voluntarily chosen to apply for a label from a private network, there is no imperative in terms of equipment except of course to respect the characteristics of a decent home. Be careful, however, since March 2014, the ALUR law has made the opening of a furnished rental conditional on prior authorization for a change of use in certain geographical areas, in particular Paris and some cities in the inner.

It should also be noted that the rental (even on a one-off basis) of a B&B constitutes a commercial activity, the operator is normally required to register with the Trade and Companies Register (RCS) and to register with the Centre for Business Formalities (CFE) of the Chamber of Commerce – possibly under the status of auto-entrepreneur<sup>10</sup>. Similarly, if the taxable income generated by their activity exceeds a certain threshold<sup>11</sup>, they must join the Social Scheme for the Self-Employed (formerly RSI) as a self-employed worker (TNS). For gîtes, all the owners have to do is apply for registration in the INSEE/SIRENE directory by contacting the clerk of the commercial court of the place where the rented accommodation is located. As for taking out specific insurance, although it is not compulsory, it is strongly recommended.

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## The ideal property

You can buy an existing guest house. If you can't find the property that suits you, you can also create a farm by buying a

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<sup>10</sup> Consult a specialized accountant to choose the most appropriate tax status for you according to your context. It can cost you €100: a real investment that is useful to avoid making mistakes.

<sup>11</sup> Ask your accountant for the exact number based on your context.



property to renovate – often a large farmhouse with large areas that put off traditional buyers.

## Property search

To find the right property, do as you would to find any property: start by exploring online sites. But above all, ask the listing agents as soon as you have spotted a property that could be suitable for your guest house project. Because often the guest houses in operation are not presented as such. The reason: real estate agents fear that potential buyers will bypass them if they find the property without them (thanks to "too much" precision in the ad or commercial sites such as Booking.com).

Of course, you can also hire the services of a property hunter who will know exactly where to find what you're looking for – and who will often know the background (and sometimes the owners) of the guest houses for sale.

## Buying an existing guest house

Opportunities exist all across France. Everywhere after ten years of operation, guest house owners are tired and want to move onto another stage of their life.

Buying an existing guest house allows you to buy a "running business" with its clientele, its reputation, its referencing on the Internet, its equipment – all of which have value. The problem is that very often the owners do not know how to document and prove the reality of their business with proper accounts<sup>12</sup>. This

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<sup>12</sup> In 80% of cases in my experience. Logically, the larger the structure, the more the accounting history is available.

seriously complicates the negotiation. Indeed, the seller wishes to sell the premises and also a business – but for which he does not know how to justify the legal or “accounting” existence.

Documented or not, you are buying a running business. It is therefore very important before making an offer to carry out an audit of the company's assets (or of the activity if the company does not have a legal existence): understand the business, the marketing tools (and any contracts in place), make an inventory of the equipment, etc. This is some sort of "due diligence."

## Renovations

You can also buy a large farmhouse and renovate it exactly by hand, organising the "farming" part as you wish. Here too, opportunities exist; they are not very numerous, but they exist.

But you should know that the project will take longer: it takes at least a year to complete a renovation of a certain magnitude – while you can consider buying an existing guest house in 6 months.

In 2024, budget between €2,000 and €2,800 per m<sup>2</sup> for a quality overall renovation (including the exteriors), and also plan the budget to furnish the gîtes you have created.

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## Scenarios and projections

### Financing

*A priori*, the projects to take over (and even more so to create) guest houses or gîtes are financed by the buyers' own funds. Traditionally, bankers do not have a good understanding

of the para-hospitality business – and are therefore reluctant to finance it.

But things are changing – no doubt thanks to the explosion of the Airbnb phenomenon throughout France. However, most of the time, despite everything, the possible mortgage amount will be determined and calculated according to your other revenues streams (salaries, pensions, investments) – outside of any future or existing hospitality activity.

Unless you buy an existing hospitality business with proper accounts (over a minimum of 3 years). In this case, you can apply for a business loan. Don't hesitate to organize things in such a way that your professional activity and your private home are (very) well separated. Thus, under certain conditions and with a deposit of 30% or 40%, you can consider borrowing to finance the professional part (estate and/or business).

Whatever the scenario, it is really in your interest to hire the services of a specialized credit broker and/or a hospitality development consultant<sup>13</sup> – knowing that very often the broker will not cost you anything, it is usually the bank that pays!

## Legal structure

Organise your purchase and project in the most legally and tax-efficient way – right from the start. This will allow you to resell under the best conditions (for professional activity) and also to limit capital gains tax.

The classic structure consists of creating an SCI (société civile immobilière: real estate company) which owns the real

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<sup>13</sup> Even outside the region – because these professionals have national networks. I have known situations where projects in Uzège are financed by banks at the other end of France.

estate, and which rents the business premises to an operating SARL or SAS. Follow the advice of your accountant and notary (or financial advisor) to calibrate the optimal structure according to your project, your family structure, your financing, etc.

## Scenario 1: 2 guest rooms

The operation of guest rooms in the main residence is the basic scenario. Say the property is a small farmhouse of 180 m<sup>2</sup> with 4 bedrooms, 2 of which are available to paying guests (with access to the swimming pool):

|                   |                        |
|-------------------|------------------------|
| <b>Investment</b> |                        |
| Purchase          | 410.000€ <sup>14</sup> |
| Check in          | 33.000€                |
| Refreshment       | 15.000€                |
| <b>Total</b>      | <b>458.000€</b>        |

The business runs during the tourist season (May to September) with a realistic occupancy rate of 22% (i.e. 11 weeks):

|   |               |
|---|---------------|
| <b>Income statement</b> (projection)        |               |
| Price per night                             | 65€           |
| Number of rooms                             | 2             |
| Maximum possible weekly revenue             | 455€          |
| Nights sold                                 | 163           |
| Annual revenue                              | 9.102€        |
| Marketing (10%)                             | - 910€        |
| Reserve (5%)                                | - 455€        |
| <b>Net income</b> (before contingent taxes) | <b>7.737€</b> |

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<sup>14</sup> Property prices in this guide are averages. The same property could cost 650,000€ in the Riviera 310,000€ in the center of Dordogne or Vienne. So please adjust!

The income generated must be included in your income to be declared, *a priori* without social security contributions if you are affiliated and covered elsewhere (other professional activity or retirement).<sup>15</sup>

## Scenario 2: one gîte

Another scenario consists of the creation of a 45 m<sup>2</sup> gîte (2 bedrooms, access to the swimming pool) adjoining the main house. The property is a small farmhouse – with a convertible barn in addition:

|                                       |                 |
|---------------------------------------|-----------------|
| <b>Investment</b>                     |                 |
| Purchase                              | 460.000€        |
| Check in                              | 37.000€         |
| Refreshment                           | 35.000€         |
| Pre-marketing (website and brochures) | 4.000€          |
| <b>Total</b>                          | <b>536.000€</b> |

The business runs during the extended tourist season (from April to October) with a realistic occupancy rate of 33% (i.e. 17 weeks):

|   |                |
|---|----------------|
| <b>Income statement</b> (projection)                              |                |
| Price of the week (July and August)                               | 1.600€         |
| Average price of the week (on the season)                         | 1.276€         |
| Number of weeks rented  | 17,3           |
| Gross annual revenue  | 22.100€        |
| Marketing (10%)   | - 2.210€       |
| Reserve (5%)  | - 1.105€       |
| Maintenance (40€/m <sup>2</sup> per year, for 45 m <sup>2</sup> ) | - 1.800€       |
| <b>Net income</b> (before contingent taxes)                       | <b>16.985€</b> |

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<sup>15</sup> Consult with an accountant or tax advisor to determine exactly what your situation is based on your context.

This set-up allows you to generate a more substantial additional income – while requiring less work on your part because guests are independent and the cleaning is only done when they leave. As in the basic scenario, this income must be included in your income to be declared. You can also create an operating structure (SARL or SAS) to optimize your tax situation by integrating the maintenance costs of the entire property.

## Scenario 3: three gîtes

The last scenario consists of the creation of 3 independent gîtes of 60 m<sup>2</sup> (2/3 bedrooms) each, with a swimming pool separate from that of the main house. The property could be a large converted farmhouse of 500 m<sup>2</sup> of useful space, including 180 m<sup>2</sup> in the main house (which has its own swimming pool), and two barns with a total surface area of 200 m<sup>2</sup> to be converted:

| <b>Investment</b>        |                   |
|--------------------------|-------------------|
| Purchase                 | 820.000€          |
| Check in                 | 65.000€           |
| Refreshment private area | 20.000€           |
| Creation of gîtes        | 327.000€          |
| Commercialization        | 4.000€            |
| <b>Total</b>             | <b>1.236.000€</b> |

The business is run during the extended tourist season (from April to October) with a realistic occupancy rate of 33% (i.e. 17 weeks):

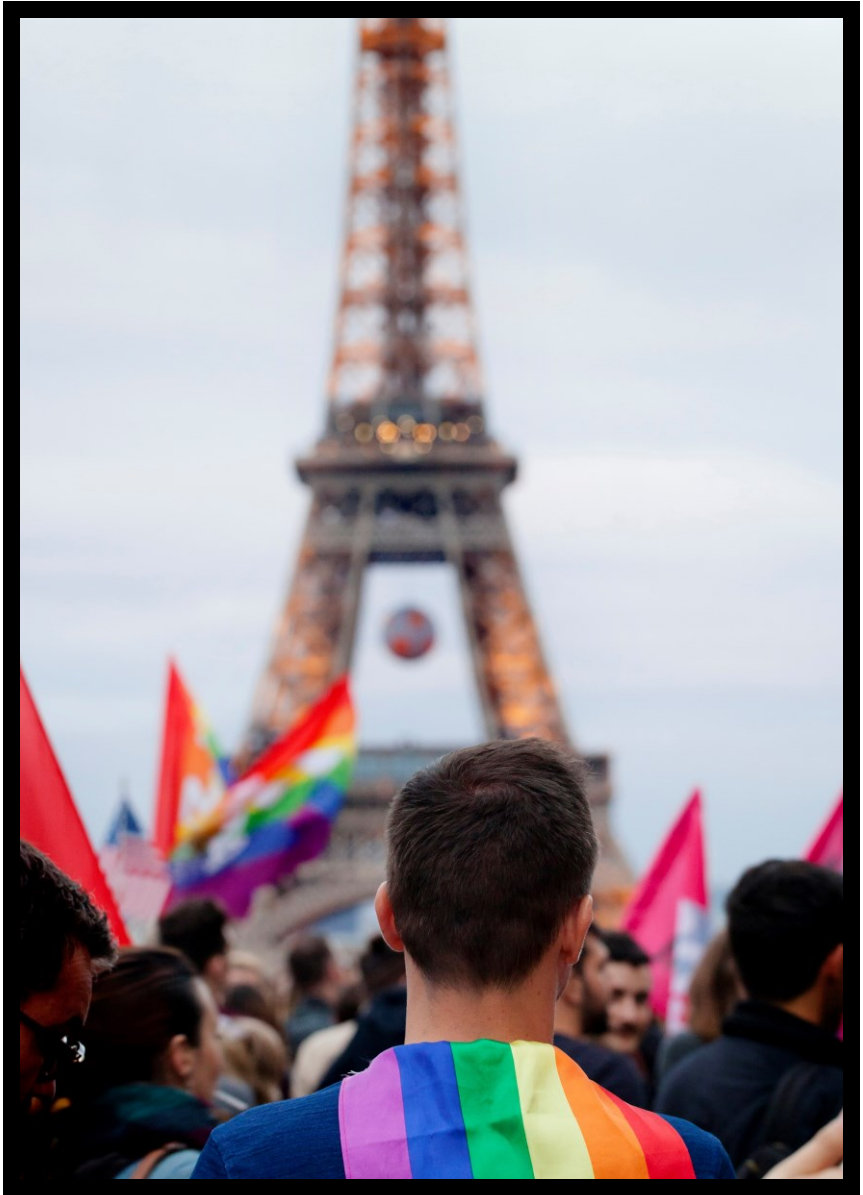
| <b>Income statement</b> (projection)                           |                |
|--|----------------|
| Price of the week (July and August) per gîte                   | 2.200€         |
| Average price of the week (on the season)                      | 1.754€         |
| Number of weeks rented/gîte                                    | 17,3           |
| Gross annual receipts/gîte                                     | 30.388€        |
| Gross annual revenue (3 gîtes)                                 | 91.164€        |
| Marketing (500€/month, 12 months)                              | - 6.000€       |
| Reserve (5%)   | - 4.557€       |
| Salary (1.600€ gross monthly, annualized, charged)             | - 36.480€      |
| Maintenance (40€/m <sup>2</sup> /year for 180 m <sup>2</sup> ) | - 10.800€      |
| Accounting (200€/month)  | - 2.400€       |
| Contingencies (200€/month)                                     | - 2.400€       |
| <b>Net income</b> (before contingent taxes)                    | <b>32.126€</b> |

Under this scenario, you would be running a genuine small business.

If we consider that 50% of the living space in the property is devoted to it, the annual return on the money invested is:  $€32,216 / (€1,236,000 \times 50\%) = 5.2\%$  (taking social security payments into account). If you borrow 300,000€ (50% of the necessary investment) at an annual rate of 1.5%<sup>16</sup>, over 15 years, the net income after financial charges drops to 9,640€. But this debt ratio makes it possible to reduce the necessary initial deposit by 30%.

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<sup>16</sup> Please adjust for current rate conditions at the time of reading.





# 11

## LIFE IN FRANCE

**F** O NOW YOU KNOW all you need to know. France has long been recognized as a champion of individual freedoms, and its vibrant LGBT community is a testament to the country's progressiveness. However, like anywhere else, life as an LGBT person in France comes with its own unique opportunities and challenges. This article explores four critical aspects of LGBT life in France: legal protections, cultural richness, challenges for expats, and everyday realities. This last chapter is a wrap up of the the whole guide, with a quick commercial presentation of the services I provide to people like yourselves – who are looking to buy a property in France.

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## Legal protections: a strong foundation

France offers robust legal protections for LGBT individuals, reflecting its commitment to equality. Same-sex marriage has been legal since 2013, marking a significant milestone in French civil rights. Couples, regardless of gender, enjoy the same rights to adopt children. However, international adoption can sometimes be complex due to restrictions in the child's country of origin.

For transgender individuals, France has made strides in recent years. Changing one's gender marker on official documents no longer requires undergoing surgery or sterilization. Instead, the process involves filing a request with a civil court, supported by evidence of the individual's transition, such as medical or psychological evaluations.

Anti-discrimination laws in France are among the strongest in Europe. They explicitly prohibit discrimination based on sexual orientation and gender identity in employment, housing, healthcare, and public services. Hate crimes are criminalized, with penalties for offenders including imprisonment.

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## Celebrating diversity

France's LGBT culture thrives in cities like Paris, Lyon, and Marseille. The capital, Paris, is home to Le Marais, a historic district renowned for its LGBT-friendly bars, clubs, and cultural landmarks. Events such as the annual Marche des Fiertés (Paris Pride Parade) draw tens of thousands of participants and are

vibrant celebrations of diversity and acceptance.

Cultural events extend beyond the capital. Lyon, for example, hosts the Ecrans Mixtes Film Festival, showcasing queer cinema. Montpellier, often called the LGBT capital of southern France, organizes its own Pride parade and offers a laid-back Mediterranean vibe that appeals to expats and locals alike.

France also fosters queer art and literature. The Chéries-Chéris Festival in Paris highlights LGBT stories through films from around the world. Throughout the year, smaller events, exhibitions, and community gatherings create opportunities for people to connect and celebrate their identities.

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## Relocation challenges

For LGBT individuals and couples considering a move to France, the country offers many advantages, but some challenges require preparation.

### Immigration and residency

France welcomes same-sex couples through its visa and residency programs. If married to a French citizen, the process is relatively straightforward. Civil partnerships (PACS) can also support residency applications, though they don't carry the same weight as marriage for legal purposes. LGBT asylum seekers escaping persecution in their home countries may apply for protection in France, but the process can be lengthy and demanding.

## Housing and Community

While urban areas tend to be inclusive, rural regions may have more conservative attitudes. Expats often find it helpful to research local LGBT resources and communities before relocating. Joining groups like InterNations or local LGBT associations can help newcomers integrate and find support.

## Language and Bureaucracy

Although English is spoken in many professional settings, speaking French can be essential for navigating everyday life and the notoriously complex French bureaucracy. For example, interacting with local government offices for marriage, adoption, or legal document changes typically requires proficiency in French.

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## Everyday realities: Living Authentically in France

Daily life as an LGBT person in France largely depends on one's location and community. Major cities like Paris, Lyon, and Bordeaux are bastions of inclusivity, with diverse populations and active LGBT networks. Smaller towns and rural areas can vary widely in acceptance, though France's strong legal protections provide a safety net.

## Workplace and Healthcare

French workplaces, particularly in urban centers, increasingly embrace diversity. Many companies have anti-discrimination policies and support networks for LGBT employees. Public healthcare in France is inclusive, offering access to hormone therapy, gender-affirming care, and HIV prevention (e.g., PrEP) at little or no cost. However, transgender individuals may face longer wait times for specialized services, particularly outside major cities.

## Parenting and Education

France's secular school system emphasizes equality and tolerance, though instances of bullying or discrimination can occur. Same-sex couples raising children report that schools in urban areas are more accustomed to diverse family structures. Advocacy groups like SOS Homophobie provide support for families dealing with challenges.

## Intersectionality

For LGBT individuals who are also part of ethnic or religious minorities, experiences can be more nuanced. Discrimination may stem from overlapping identities, requiring added resilience and support from inclusive communities and organizations.

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## Looking ahead: A mixed but promising future

France's LGBT community has come a long way, with legal advancements and cultural celebrations marking significant progress. However, challenges remain, particularly in combating social prejudices and ensuring equal access to resources nationwide.

For expats and locals alike, living as an LGBT individual in France offers opportunities to thrive in a supportive and diverse environment. From navigating the country's rich culture to overcoming bureaucratic hurdles, France remains a beacon of hope for those seeking to live authentically and freely.

Whether you're considering a move to France or simply curious about its LGBT community, the country's blend of progressive laws and vibrant culture make it an inviting place to call home.



# WRAP UP

**S** O NOW YOU KNOW all you need to know. This last chapter is a wrap up of the the whole guide, with a quick commercial presentation of the services I provide to people like yourselves - who are looking to buy a property in France.

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## The steps

Buying a house in France as a foreigner involves several steps, legal requirements, and considerations. Here's a concise guide:

1. **Research and Budgeting:** Start by researching the French property market to understand prices in different regions. Set a realistic budget, considering not just the property price but also additional costs like notary fees (about 7-8% of the property price for older properties), taxes, and renovation costs if necessary.



2. **Secure Financing:** If you need a mortgage, it's crucial to secure financing early. While non-residents can obtain mortgages in France, banks may have stricter requirements, such as a higher and proof of stable income.
3. **Engage a Real Estate Agent:** Hiring a licensed real estate agent can be invaluable, especially if you're unfamiliar with the local market. Agents can help find suitable properties, negotiate prices, and guide you through the process.
4. **Legal Requirements:** You must hire a notary, a legal requirement in France, who handles the legal aspects of the transaction. The notary ensures the property's legal status is clear, drafts the sale contract, and manages the transfer of ownership.
5. **Sign Preliminary Contract:** Once you find a property, you'll sign a "compromis de vente" (preliminary contract). This contract binds both parties to the sale, but there's a 10-day cooling-off period where you can withdraw without penalty.
6. **Due Diligence:** During the period between signing the preliminary contract and the final deed (usually 2-3 months), due diligence is performed. This includes property surveys, confirming the property's legal status, and securing final mortgage approval.
7. **Finalize the Sale:** The final step is signing the "acte de vente" (final deed) at the notary's office, after which you'll pay the remaining balance, and the transaction is complete.
8. **Post-Purchase Obligations:** After the purchase, you must register the property with the local land registry, and ensure you comply with local taxes and insurance requirements.

This process, while straightforward, can be complex, so professional guidance is often recommended to navigate the legal and financial intricacies.

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# My services

Unlike most other licensed agents in France, I have chosen to offer my services under two separate brand names – for people with parallel but different needs:

## Uzès Property Finder

My promise is to help you find the right property for you – from initial contact to your full enjoyment of your new property. It is a full service. To fulfill that promise, I will:

- Assist in fine-tuning your search criteria – especially providing feedback about what is (or is not) doable;
- Screen and "previsit" properties meeting your criteria – down to your "visit shortlist";
- Organize subsequent visits (including providing you with "travel-related" assistance);
- Handle listing agents when necessary (at no additional cost to you);
- Obtain all relevant information (survey, planning, etc.) about the selected properties;
- Assist and manage on your behalf the negotiation process;
- Help and assist during the subsequent legal/contract drafting process – in liaison with the notaire (note: I work with French/British notaires if you feel more comfortable with an English-speaking lawyer);
- Assist until the final purchase signing, closing ("acte authentique");
- Assist after the sale – including all assistance to help you

“take full ownership” of your property (utilities, local authorities, etc.) and work coordination (when appropriate) for any refurbishment project, for as long as you need (usually for a period of up to 6 to 9 months after the purchase itself).

Find out more at: [www.uzespropertyfinder.com](http://www.uzespropertyfinder.com)

## The French Property Coach

The coaching service is like the info & advice back-office for your French real estate project, or a consultancy service, available within a few hours including week-ends, to help simplify your life:

### Generally

Frictions and frustrations will be minimized. From me you will get:

- Help to deal with people on the ground (agents, notaires, local authorities) through advice or calling them on your behalf
- Help to understand the legal documents you will have to review along the way and assist you for your notaire meetings
- Assistance to find the professional assistance if/when your need are beyond my own expertise: estate planning, urban planning, property inspections, money transfers, etc.

### I f y o u a r e h o u s e h u n t i n g

Your search will be optimized. From me you will get:

- Help to define your project & adjust it along the way
- Help to deal with the listing agents
- Assistance to analyze with you the listings for the properties you select online
- Help to plan and organize your viewing trips, and then debrief after the property visits, at the end of each day if you require

### I f y o u a r e s e l l i n g

Your life will be simplified. From me you will get:

- Help to set a selling price and adjust it along the way
- Help to select and manage your listing agents
- Assistance in the legal process, particularly gather all the documents required to sell

Find out more at: [www.frenchproperty.coach](http://www.frenchproperty.coach)

# ARE YOU LOOKING TO BUY A HOUSE IN FRANCE?

In this guide, you will find answers to the most important questions about the purchasing process:

- **GETTING READY:** decide what's really important to you in your search, and do some homework about France and Uzège;
- **SEARCH:** learn the important basics about real estate professionals in France, listing agents and property finders – and how to use them to your advantage;
- **VALUATION:** facts about how to value a house in France, and find some help to avoid mistakes and prepare the most competitive offers;
- **LEGALS:** work with notaires, and learning the ins and outs of the contractual process;
- **MONEY MATTERS:** work out your “true budget”, decide how to make an offer, and learn how to frame it, accounting for all costs; look into renovating a house and renting it out;
- **PSYCHOLOGY:** understand how your mind impacts your real estate decisions, and the behavior of the sellers too.

