



the
money
cloud

Everything you need
to know: **buying property
in France**

Everything you need to know: **buying property in France**

With the Côte d'Azur's sun-soaked beaches, world-class skiing at Chamonix and the famous vineyards in Bordeaux, it's no wonder that over 200,000 Brits choose to call France home. And the fact that you can buy a sprawling country cottage for the price of a London flat makes the idea even more tempting.

It's no secret that buying abroad can be a tricky process, but avoiding the potential pitfalls is much easier with our handy how-to guide. Put together with the help of the international property experts at Smart Currency and France Buying Guide, it's the perfect way to get your French adventure off to a smooth start.



What are my first steps?

First, you need to make sure you have the right to live and work in France. EU nationals, as well as citizens of Switzerland, Monaco, Andorra, San Marino and Vatican City, can live and work there freely. But if you're coming from anywhere else in the world, you'll need to apply for a work visa. This involves three main steps:

- 1 Your employer will send your contract to the local Labour Office, which will forward it to the French Office of Immigration for permission to give you a work permit. If you're moving for less than six months, your family just needs a long-stay visitors' visa. For a more permanent move, ask your employer to add them to your application as *famille accompagnante* (accompanying family).
- 2 Once endorsed, your work permit is sent to the French consulate, which issues visas.
- 3 You'll receive a letter or email asking you to make an appointment at the consulate's offices to apply for a long-stay visa. Depending on where you're from, this can take up to two months. When your long-stay visa's approved, you can apply for permanent residence in the form of a *carte de séjour*.

“First, you need to make sure you have the right to live and work in France.”

It's also really important to take stock of your finances early on. As well as paying for a property,

there'll be other costs to account for. So before you begin to look for your new home, make a detailed plan that forecasts for the future.

If you choose to fund your new home with a mortgage, you'll find lots of low-interest options in France. That said, they're not as easy to secure as they were pre-financial crisis. Offers also change daily, so contact a local French mortgage broker to find the best deal. Expect to pay a deposit of at least 20% and be prepared to show proof of income and identity, as well as bank account details. Don't forget to include mortgage repayments in your financial plan.

How does the purchasing process work?

When buying property in France, it's well worth checking French papers, websites and scouting out the area you're planning to buy in, as property marketed internationally will often have a higher asking price. It's also a good idea to hire a local, independent English-speaking lawyer who can go over the details of the sale with you. They'll look after your interests and make sure you get the best deal,

which is invaluable when you're making a large investment in an unfamiliar language.

“It's also a good idea to hire a local, independent English-speaking lawyer who can go over the details of the sale with you.”

Once you've chosen a property, arranged a survey, worked out your method of payment and agreed on a purchase price, these are your next steps:

- 1 The contracts are prepared and there's a seven-day cooling-off period during which you can change your mind. This doesn't apply if you're making the purchase through a Société Civile Immobilière (SCI).
- 2 If you choose to go ahead with the purchase, you then pay a deposit of up to 10% when you sign the sale and purchase agreement. This is paid to the estate agent or notary – not to the seller.
- 3 Next, it's time for completion. The contract will specify a date for this, so make sure you have the funds available by then. Again, this money will be paid to the notary, never directly to the seller.
- 4 The notary will invite you to their office to sign the deed of sale, which legally guarantees the transfer of property.
- 5 They'll then give you a certificate of purchase, which you'll need to open a bank account and connect to gas, water and electricity. Make sure you're given a receipt for the money paid and a copy of the deed for your records.

What extra expenses should I look out for?

If you're buying an older property, France Buying Guide recommends budgeting 7-10% of the total cost for fees. For new builds, it should only come to 2-3%. This includes admin charges for the down payment, fees accrued when setting up the loan, stamp duty, notary and legal fees, registration fees and usually a survey. It's standard practice for the estate agent's commission to be included in the purchase price, but double-check this so you don't get caught out.

“If you're buying an older property, France Buying Guide recommends budgeting 7-10% of the total cost for fees.”

If you're buying a flat or a property with shared spaces like gardens, lifts or lobbies, you may have to pay a service charge for their upkeep and repair. This information should be provided by the seller, but if not, track down the minutes of the last annual meeting of co-owners, which should record the charges agreed on.

What about exchange rates?

It's hugely important to consider exchange rates when you're working out your budget – they make a big difference to the total cost and can change by the hour. A broker will generally find you the best deal, saving around 4% on the exchange rate compared to a traditional bank. And for large transfers, generally over £3,000, they won't charge any fees.

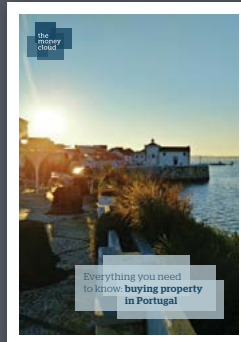
“A broker will generally find you the best deal, saving around 4% on the exchange rate compared to a traditional bank.”

Brokers can protect you from negative fluctuations in the market by fixing the current rate for future payments, meaning you pay a set amount regardless of how the rate moves. This can be done either through a 'forward contract' for one-offs, like a deposit, or a 'fixed payment plan' for regular payments, like your mortgage. ■

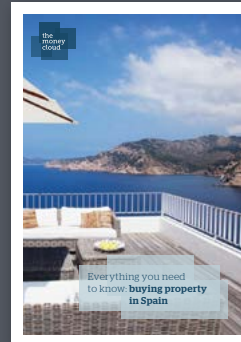
If you'd like to find out more on buying property and moving to France, click here for France Buying Guide's in-depth guide. If there's anything else you'd like to know about international money transfer, whether you're emigrating or planning that once-in-a-lifetime holiday, take a look at the rest of our guides.

Our guides

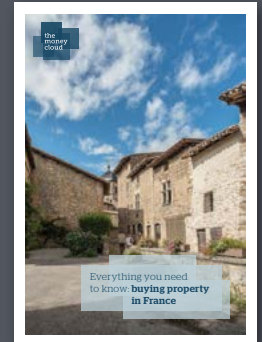
In this series of comprehensive guides, you'll find everything you need to know about all areas of international money transfer. We've designed them to provide clear answers to your money transfer questions, whether you're putting down a deposit on a beachfront villa in Antigua, packing up and moving across continents or paying for a Serengeti safari. They cover all the essentials, from the costs you'll need to account for to the processes you'll need to follow.



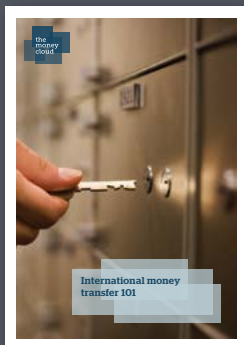
Everything you need to know: buying property in Portugal



Everything you need to know: buying property in Spain



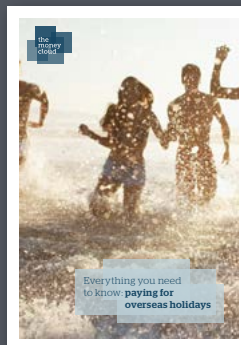
Everything you need to know: buying property in France



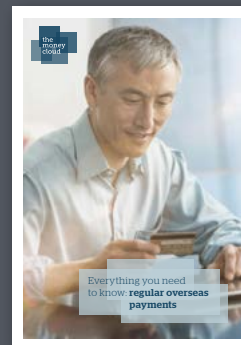
International money transfer 101



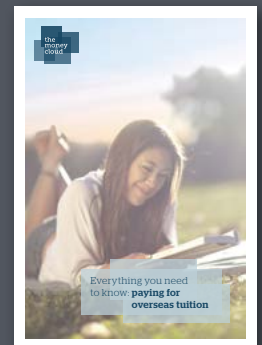
International money transfer 101 for business



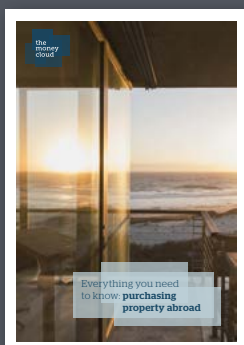
Everything you need to know: paying for overseas holidays



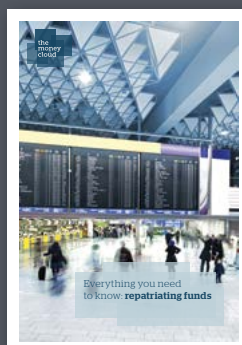
Everything you need to know: regular overseas payments



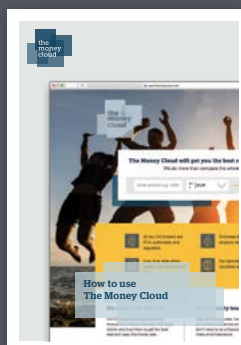
Everything you need to know: paying for overseas tuition



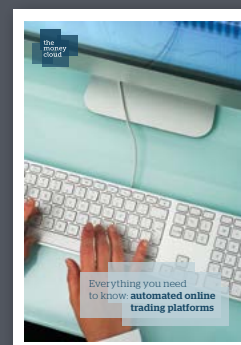
Everything you need to know: purchasing property abroad



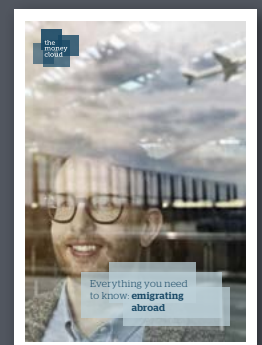
Everything you need to know: repatriating funds



How to use The Money Cloud



Everything you need to know: automated online trading platforms



Everything you need to know: emigrating abroad