



# halo

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## Five key steps to buying property in France

Your quick-reference guide

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### 3 WHY SHOULD I READ THIS GUIDE?



As Britain's closest continental neighbour, it's no real surprise that France has long been a popular destination for Brits looking for a second property – or even a new life – in another country.

However, while proximity was undoubtedly once the main appeal of owning a home across the Channel, in this day and age, now that increased, cheaper global flights have served to make the world a smaller place, France still remains a hugely popular destination for Brits.

Approximately 200,000 British-born people currently live in France – although given the fact that many expats from the UK, for one reason or another, choose not to register with the local authorities when they move there, the actual number is likely to be far higher.

This figure doesn't even take into account the hundreds of thousands of Brits that own a property somewhere in the country. With this in mind, it's not unfair to suggest that at certain points of the year, the number of British residents who reside across the Channel will exceed half a million.

The charms on offer across the Channel, it seems, are still very much cherished by British buyers looking for a new life abroad.

With the post-Brexit relationship between the UK and the remaining EU countries still unclear, it remains to be seen whether Brits will continue to benefit from the same freedom of movement pacts, and property buying freedoms, that they currently enjoy.

Yet, as you will see over the pages of this guide, even when the UK does eventually leave the EU, there is no reason why France should not remain firmly on the radar of British investors. Whatever the reason for your interest in purchasing a French property – be it residency, investment or a holiday home – by following the five key steps in this guide, you should have the right tools to get the job done.

**Vive la France!**



## 5 STEP ONE: GETTING TO KNOW FRANCE



Population:  
**64,668,129**

Capital City:  
**Paris**

Time Zone:  
**GMT +1**

Currency:  
**Euro (EUR)**

Average national  
property price:  
**\*220,059 Euros**

Highest average property  
price by region:  
**343,600 Euros**  
– Toulon

Lowest average property  
price by region:  
**\*100,000 Euros**  
– Chateauroux

\*source: Notaries de France (third  
quarter 2016)

Average Temperatures:

January	6°C
February	7°C
March	12°C
April	16°C
May	20°C
June	23°C
July	25°C
August	24°C
September	21°C
October	16°C
November	10°C
December	7°C

France has long been popular with expats from around the world, with much to offer both property investors and holiday home owners alike. Known for the quality and favourable pace of life available to those who live there, as well as the impressive healthcare and welfare systems, France is the third largest economy in Europe and offers a wide range of locations and properties for investment.

With its breadth of terrain and lifestyle, rich history and enviable culture, France holds enduring appeal as a destination for both holidaymakers and expats – as well as the odd commuter! The food and wine are world renowned and plentiful, there's plenty to see and do (outdoors and indoors), beautiful countryside and coastline, mountains and ski resorts galore! Stylish shopping and fabulous markets are a key feature of French life, and part of the joy of day to day living.

Like many property markets in and around Europe, the French property market was badly hit by the late-Noughties financial crisis, and while French property wasn't reduced to bargain basement prices (as seen in countries like Spain and Portugal), they generally remain well under UK averages. The latest property market report from Notaires de France, released in February 2017 and analysing the French property market for the third quarter of 2016 (August-October), shows that both property prices and transactions are currently on the up in France. The figures showed that the total number of French property sales were up by 9 percent in this period compared to the same quarter of 2015, with prices up by 1.6 percent. The towns that had the largest year-on-year increase in house prices in the third quarter of 2016 were Caen (15.5 percent), Chartres (12.2 percent) and Poitiers (7.1 percent) while the ones that saw the largest fall in house prices were Chateauroux (-13.4 percent), Montpellier (-9.9 percent) and Amiens (-8.8 percent).



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Many experts also believe that the election of Emmanuel Macron in May 2017 will be good news for the property market, as he is committed to lowering property taxes – particularly for residents of the country.

#### Fun facts about France

- Covering an area of more than 551,000 square kilometres, France is the largest country in the EU, accounting for almost a fifth of the European Union's total area.
- Although French is the country's official language, and the first language of 88 percent of the population, there are various indigenous regional dialects and languages, such as Alsatian, Basque, Breton, Catalan, Occitan and Flemish.
- French is also the second most spoken mother tongue in Europe, after German, but is expected to become number one by 2025.
- Paris Gare du Nord is easily Europe's busiest railway station, with some 190 million passengers passing through each year.
- France's highest point, also the highest point in Europe, is Mont Blanc, standing at 4,807 metres high.
- With around 80 million foreign tourists per year, France is the most visited country in the world and maintains the third-largest income in the world from tourism.
- Europe's largest canyon, the plunging Gorges du Verdon – also known as the Grand Canyon of Verdon – slices a 16-mile swathe through Provence's limestone plateau.
- The hottest temperature ever recorded in France was 44.1oC – in Conqueyrac, a commune in the Gard department of southern France (August 2003).
- The coldest temperature ever recorded in France was -41.8oC – in Mouthe, a commune in the Doubs department, in a region of the Jura Mountains known – with good reason – as 'Little Siberia.'



## 7 STEP TWO: DOWN TO BUSINESS

### Decide on your preferred location and property type

France is a diverse country, which offers something to suit every lifestyle and taste. From the bright lights of Paris – one of the world's truly great cities – to the rolling countryside of the central regions; from the climate and idyllic lifestyle on offer in Southern France; to the stunning Alpine and Pyrenees mountain landscapes... quite simply, France has a location that will appeal to young families, retirees and everyone in between.

The advent of low-cost flights into regional airports over the past two decades has opened up areas of France that were once largely ignored by everyone, save the French themselves. This has led to substantial parts of the country where lifestyle costs are still very low; and where properties can be purchased at next to rock bottom prices – now being discovered by overseas property seekers.

#### Normandy

Located in the North West of France and bordering the English Channel to the North, Normandy was one of the first French regions to become particularly popular with British expats, largely due to its close proximity to the UK. While the climate of Normandy is not all that different from Britain's, the region's picturesque rocky coastline and rolling inland countryside (not to mention its relative closeness to Paris) have continued to ensure that Normandy remains a popular location. Historic Rouen, situated beside the River Seine, one of Europe's largest cities during Medieval times, is probably the region's best known location, while Caen is also popular. The areas in or close to these two cities are likely to be where the majority of expats who need to work to live will choose to settle. The region is also home to France's second-largest seaport, Le Havre, while Cherbourg is another of Normandy's major towns. Average property prices in Caen were 215,000 Euros as of the third quarter of 2016.

#### Brittany

Like neighbouring Normandy, Brittany has also enjoyed a long association among British expats, largely due to its location. However, in addition to its gorgeous 2,700-kilometre long coastline and lush green countryside, it's worth noting that the southern coast of Brittany does tend to be a degree or two warmer than its neighbour all year round. In spite of this, the majority of expat communities are still found towards the north of the region, perhaps unsurprisingly not too far from the seaports which offer direct ferry links to the UK. Roscoff and Morlaix, which are both located in the Finistère department, are home to two of the region's largest expat communities. But with more than 13,500 Brits said to live in the region, you can expect to bump into another English-speaking person somewhere there, no matter where you eventually settle.

#### Aquitaine

The South-Western region of Aquitaine is best known for being home to the Dordogne – a name as synonymous with British expats in France as the Costa del Sol is in Spain. Sometimes nicknamed (somewhat unfairly) 'Dordogneshire', there is little escaping the fact that it has a UK expatriate population without equal in France. Given the area's warm climate, wonderful architecture, beautiful scenery and, until fairly recently, cheap property prices, it's not at all hard to see the area's appeal. However, the Dordogne covers a huge area, and while some towns there may have British expat populations of around 10 percent or more, there are still plenty of villages and towns where there hardly any Brits at all. Average property prices in Bordeaux, the region's largest city, are 287,500 Euros (third quarter 2016).

#### Provence

It was the Peter Mayle book, *A Year in Provence*, and its subsequent TV adaptation in the early 1990s, which was responsible for transforming rural Provence from a well-kept secret enjoyed by only a handful of British expats, into one of the most popular expat locations in France. Today, figures show that almost 12,000 Brits live in Provence. In spite of this, the region has managed to somehow retain a traditionally French feel. Located in the South East, Provence extends from the left bank of the lower Rhône River on the West, to the Italian border on the East, with the Mediterranean Sea to its south. Overlooked by the dramatic mountains of the Alps, and dotted with unspoiled Medieval villages clustered among the olive groves, Provence is widely regarded as one of the most scenic areas of the country. The region is also home to the country's second-largest city in terms of population, Marseille. It's really not hard to see why Mayle's memoirs of life in Provence struck a chord with so many. However, property prices in Provence do tend to be higher than those seen in many other regions of France. As of the third quarter of 2016, average property prices in the region were 313,000 Euros.

#### Poitou-Charentes

With some areas in this region, such as La Rochelle, enjoying on average more than 2,400 hours of sunshine a year, it's little surprise that Poitou-Charentes in the West of France has become such a sought-after destination among Brits. It is estimated that around 33 percent of the region's total foreign population is British, many of whom are drawn to Poitou-Charentes, not only by its climate, but in search of a slice of traditional French rural life. The pace of life in this region is still decidedly gentle and a relaxed lifestyle is almost a given. Boasting miles of sandy beaches along its Atlantic coastline as well as quaint seaside towns, and the ubiquitous rolling countryside inland for which France is famed, Poitou-Charentes is now the second most popular region in France for British expats. Aside from the aforementioned attractions, the introduction of widespread low-cost flights from British airports to Poitiers and Limoges has undoubtedly helped to boost the region's appeal, as has the fact that Paris can be reached from La Rochelle in just under two hours via TGV (France's high speed rail network). Aubeterre-sur-Dronn, Ruffec and Confolens also have particularly noticeable British expat communities. Property prices in the region are still low. According to the third quarter of 2016 figures, average property prices in Limoges were 139,300 Euros, while in Poitiers they were 166,000 Euros.



## 9 STEP TWO: DOWN TO BUSINESS

### Midi-Pyrénées

The largest region in France, the Midi-Pyrénées is a predominantly rural area, with most of the population confined to its larger cities – Toulouse being the largest. Located in the South of France, bordering Spain to the South and the Central regions of Auvergne and Limousin to the North, the sheer size of the Midi-Pyrénées region means that it has no distinct geographical landscape. The Northern reaches, like much of Central France, consist of acre upon acre of unspoiled, rural countryside, while the Southern departments are overlooked by the picturesque Pyrénées mountain range, which separates Spain and France. Although the region is home to some of the country's most popular ski resorts – and therefore winters can be cold in the mountainous parts – much of the Midi-Pyrénées boasts some of France's best weather. Indeed, with an average of 2,000 hours of sunshine a year, this is one of the sunniest regions in France and temperatures in excess of 25°C are recorded on 60 to 80 days of the year over most of the region's territory. Official figures show that just over 13,000 Brits have settled permanently in the Midi-Pyrénées region of France.

### Rhône-Alpes

As the region's name suggests, the Rhône-Alpes is a region dominated by the famous Alps mountain range. Bordering Italy and Switzerland to the East, the majority of expats who choose to settle here do so in the world renowned Alpine ski resorts of Courchevel, Meribel, Val d'Isère and Chamonix. Some of the country's most extravagant properties (and property prices) are to be found here. Perhaps for this reason, the region's largest city (second only to Paris in terms of metropolitan area) Lyon, is also a popular spot for expats. Lyon is home to approximately a third of the total six million residents who live in the Rhône-Alpes region and is regarded as the epicentre of French gastronomy.

Other major towns in the region include St Etienne, Grenoble and Annecy. Aside from the Alps, the region is perhaps best known for the two rivers that flow through it – the Rhône and Saône – which both converge at Lyon. While the region is home to a similar number of British expats as the Midi-Pyrénées, here they tend to be focussed on the aforementioned resorts. Therefore, large swathes of the Rhône-Alpes (typically the non-mountainous parts) remain untouched by tourists and expats alike. Property prices in the region are among the most expensive in the country.

### Paris

Paris is by far and away the country's main expat hub. Around 40 percent of the country's immigrant population resides in the Greater Paris region (known as Île-de-France) and figures from the National Institute for Statistics and Economic Studies estimate that almost one in five of Paris's residents are immigrants. This includes approximately 21,000 British people. While one of the main reasons for Paris's popularity is down to simple economic facts – this is where a majority of the country's job opportunities are to be found – the capital's well-deserved reputation as a cultural hotspot is also a major draw, particularly for international business people or well-off singletons.

Paris's lifestyle benefits come at a price. The capital is easily the most expensive place to live in France (unless you want to join the really well-heeled in an exclusive Alpine mountain retreat) although the flip side to this is that salaries in the city are also far higher than those in other regions. Being a very international capital city, many other major languages are spoken widely throughout in addition to French. This is another reason that so many expats feel comfortable settling in, or at least close to, Paris. While property prices for the Île-de-France region as a whole don't sound too bad (298,800 Euros as of the third quarter of 2016) for a property in Paris itself, you would almost need to pay at least double this figure.

If you are eyeing a property purely for investment purposes, it may be worth investigating the Residence de Tourisme, or French Leaseback scheme. Leasebacks are fairly common in areas popular with tourists, particularly ski resorts. Through this scheme, you will be allowed access to your property for a limited period each year (usually a few weeks, out of peak season) while the rest of the time it will be let to tenants. By signing for a French leaseback scheme, you become the freehold owner of a furnished property. The length of the leaseback is usually between 9 and 11 years (renewable). You are usually guaranteed around a 5 percent net annual return on your property, and it will be cared for by a dedicated management agency. You will also be entitled to get the VAT back on your purchase as it can be paid and reclaimed by the developer in which case you will pay less than you would for a similar type of property.

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Please note, the leaseback scheme is not for everyone, and should be viewed as purely a long-term investment. But for those who would like to have the hassle of managing their own property internationally taken out of their hands, while still being able to use the property for a number of weeks a year and receiving a guaranteed return on their investment, then talking to a developer that operates leaseback schemes may be worthwhile.



## 11 STEP TWO: DOWN TO BUSINESS

### Practical tips for buying in France

#### 1. Check you are eligible to buy a property in France

While France has long been a popular country for overseas property hunters, the UK's decision to leave the EU has created a slight degree of uncertainty over whether the process will be as straightforward in the near future for British citizens. However, there are currently no restrictions on foreign property ownership in France and buyers from non-EU countries, including the USA, Australia and China, consistently invest in French property without problems.

One potential impact that Britain leaving the EU could have on buying a home in France is that mortgages could become more costly. Some non-EU purchasers are deemed higher-risk by lenders in the country than those from inside the EU. Whether British buyers will fall into this 'higher risk' category once the UK finally completes its divorce from the European Union remains to be seen. However, given that British borrowers are the largest single overseas nationality borrowing from the French retail banks, the likelihood is that French authorities are not going to want to lose British property purchasers at a time when confidence is returning to the country's property market.

#### 2. Identify why you want to buy a property

Are you looking for a holiday home? A property with investment potential? An abode to live in at a later date? Your own individual reason for your purchase should play a huge part in your investment decision. If you're looking for a property with investment potential, research which areas have property markets that have performed consistently well in previous years. Check out whether there are any events happening that could lead to increased demand for property. Likewise, if you are seeking a holiday home, take a look at the climate for the area in which you wish to buy, and try to find out exactly how busy your desired location is during peak and off-peak seasons.

#### 3. Check you can stay in France

If you are looking for a permanent home in France, you will need to check that you are allowed to stay in the country. EU residents from any member state have the automatic right to reside in the country. However, with the UK set to leave the EU completely in the next two years there is no guarantee that British citizens will be allowed to stay in France indefinitely under the Freedom of Movement Act – as is currently the case. They may need to apply for a visa to remain and a Blue Card to work in the country. Preference to EU citizens in terms of job opportunities may also be exercised, so much is likely to depend on the outcome of the exit negotiations as to how British buyers will find the legalities and practicalities of living in France.

#### 4. Check an area out first

While the internet is undoubtedly an invaluable tool for research, there is nothing quite like checking out an area for yourself. A fact-finding trip is almost essential prior to purchasing a home. You can see for yourself what the neighborhood is actually like; get a feel for the place; check out how close it is to the local amenities and public transport. Just because an agency may say that the house is located minutes away from the beach, doesn't mean it definitely will be. It's the agency's job to make the property look good; it's your job to check that it really is as good as they say.

#### 5. Set a budget

It's important to have an idea in your mind of how much your property will cost – in total – and how you will be paying for it. A clear idea of budget helps you set specific goals and will mean you can make the most of any funds you have available to you to find the right property. Buying property in France could mean you will have to exchange your currency to Euros, which given the weakness of the Pound since 2016's Brexit announcement, right up until the time of writing (June 2017) is something you will need to keep an eye on. Currency markets move all the time and are very sensitive to political and economic events – something that seems to be making the headlines constantly these days.

### Halo Handy Hints



As exchange rates move so quickly, it's important to understand the impact this can have on the price of your property and to protect any currency exchanges you make while currency markets are in flux. With this in mind it is worth looking at currency specialists, such as Halo Financial, as opposed to banks, as such firms almost always offer far superior exchange rates.

#### 6. Beware extra charges and hidden fees

Beware additional charges when purchasing a house. You should typically allow 7-10 percent of the purchase price to cover all taxes and fees (however, this can be as low as 2-3 percent if you are purchasing a new-build property). Never buy a property in France without seeking legal advice first.



## 13 STEP THREE: MONEY MATTERS

When buying a property in France, there are several important financial matters that must be considered and planned carefully. Here are our Top Ten Tips for foreign property finance:

1. **What is your total budget?** How much money do you have to spend on your property, the property buying process – including fees – and its ongoing upkeep and maintenance?
2. **How will you fund the property purchase** – with a mortgage, by releasing equity from another property, or are you paying cash? If looking to take out a mortgage it is worth noting that while mortgage availability for foreign nationals is generally good, there is no getting away from the fact that French lenders have tightened their mortgage eligibility criteria in recent years. Interest rates in France currently start at historic lows and it is possible to borrow up to 85 percent of the purchase cost. Obtaining an 'approval in principle' is recommend. This costs nothing, but will tell you up front about how much you can borrow, and therefore what price range you can realistically consider before committing to anything. It will also prove to vendors that you're serious
3. **Factor in all additional costs**, such as property viewings and visits to the country prior to buying the property, along with legal (notaries) fees, agent fees, taxes, valuation and registration costs, and exchange rates when moving money between countries. Hidden costs of buying a home in France include notaires conveyancing (legal) fees (notaire's fees are calculated on a sliding scale, thus, the higher the price of the property, the lower the percentage the notaire will take; agent immobilier (estate agent) fees – these are usually, although not always, included in the price of the house and are usually in the region of 5-10 percent; Stamp duty (0.7 percent for property less than five years old, 5.80 percent for older properties – this should be included in the notaire's fees); and land registry (0.1 percent). Quite often, some of these fees will be combined with the overall notaire's fee, so you will need to check that you know exactly what you are and are not paying for. Please note, it is not common practice in France to have a structural survey performed before buying a property, but the buyer has this option at their own expense should they wish (we recommend you do). Surveys vary greatly in price according to the size of property, location, etcetera, but as a rough guide, a basic survey may be as little as 200 Euros, while a full survey could be as much as 1,500 Euros, or even higher for a very large property.
4. **Be aware of currency market movements and their effect on the price of your property.** David

### Halo Handy Hints



"A property in France priced at €250,000 would have cost £196,250 on 19th June 2016, then jumped up to £209,750 in only a month, as the UK EU Referendum took its toll on the Pound – that's a difference of £13,500!" says David Johnson

"It's impossible to keep up, but a currency specialist can update you on what market movements mean for you; a valuable tool against uncertainty. The more informed you are, the more money you can save, exchanging currency at the time that's right for you."

Johnson, Director at currency specialist, Halo Financial, has monitored currency trends for over 20 years, seeing dramatic exchange rate movements in response to economic and political events.

5. **Don't forget the ongoing costs associated with owning a property in France.** You will need to ensure any regular bills and mortgage payments are covered, as well as ongoing maintenance, amenities, and so on. Remember that if you are paying these in another currency, the same currency market movements will affect the price of these payments. Consider any regular and ongoing payments and discuss how you could potentially save money on these with a currency specialist.
6. **Get reliable estimates for removals and shipping costs** if you are moving to France permanently or planning to move belongings over. Ensure that these are included in your overall budget. Find a professional relocation and removals firm to give you a quote. If you are purchasing a home for investment purposes, and therefore not planning on moving any belongings to the country, you will need to ensure that the house you buy is furnished, or budget to furnish it once you have bought it. Unfurnished homes command less rental value than furnished ones, and are therefore harder to find tenants for.
7. **Consider any inheritance implications**, including Inheritance Tax, your will, and the effects of the property purchase on your estate. In 2007, Inheritance Tax was abolished for spouses and those in civil partnerships, although if you have children, they are still liable to be hit by the tax. French Inheritance Tax varies from 0 to 60 percent. The different rates depend on the proximity between the deceased and beneficiary. The tax is personal to each beneficiary and is not paid out of the estate before any distribution of funds is made.

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### Halo Handy Hints



"Your residency status in France can also affect how Inheritance Tax is calculated. If you are a non-French resident, under the terms of most tax treaties between France and other countries, only real estate in France is subject to French Inheritance Tax. The Inheritance Tax laws in France are something of a minefield and it is imperative that you seek legal and financial advice from experts in order to fully understand the tax implications for any beneficiaries of your property.



## 15 STEP THREE: MONEY MATTERS

8. **Open a bank account.** It may be worth opening a French bank account from your home country. Many banks in France do offer specially tailored non-resident accounts, so it is possible to set up an account in advance of your move. Setting up a bank account in France is easy, whether you are a resident or non-resident of the country. Before deciding on which bank to open an account at, though, it is essential to first check that the bank has advisors who can speak your language. Most banks offer English speaking advisors, for example, but not all do, so checking up front may save considerable confusion and frustration at a later date.

Non-residents will have to set up a non-resident account (compte non-résident). Although the paperwork required to open a non-resident account will be similar to that for a resident, the likelihood is you will also need a letter of reference from your current bank in order for your application to be accepted and you may need to provide your two most recent bank statements as well.

Most banks will require non-residents to open an account in person, but through some it may be possible to open an account from your home country. For example, Crédit Agricole Normandie operate Britline; an English-speaking phone banking service which you can, unsurprisingly, open over the phone.

9. **Organise salary or pension payments.** If you are moving to France long-term, ensure that your salary or pension can be paid directly to you. The UK basic state pension is payable in France. Pensions that remain in the UK are subject to unique tax liabilities and obligations. Transferring these pensions to another jurisdiction under the Qualifying Recognised Overseas Pension Regime (QROPS) can help you protect your pension funds from double taxation and UK inheritance taxes and charges. It is essential to seek expert advice from an independence pensions/financial expert before taking any action regarding financial issues.
10. **Plan ahead as much as possible** and as far ahead as is feasible, to ensure you have accounted for all the financial aspects of your property purchase.

### Salary and Income Tax information

The average salary in France for the tax year ending 2016 was just over 25,884 Euros a year. If you are classed as tax resident in France (you have lived there for more than 183 days in the tax year, not necessarily consecutively) then you must pay tax on your worldwide income. If you reside there for less than 183 days, then you need only pay tax on income earned in France.

Income Tax in France is progressive: the more you earn, the higher your rate. There is an Income Tax threshold of up to 9,710 Euros – those who earn less than this do not have to pay tax. The next group – those who earn between 9,710 – 26,818 Euros – pay 14 percent; those earning between 26,819 to 71,898 Euros pay 30 percent; while those earning between 71,899 and 152,260 Euros pay 41 percent. The highest earners (those who are take home more than 152,261 Euros a year) pay a tax rate of 45 percent on their earnings.



## 17 STEP FOUR: BUYING THE PROPERTY

### Estate Agents and viewing properties

Regardless of location, it's critical to find a good real estate agent. Here are our five top tips for finding the right agent.

#### Top tips for finding a good property agent

1. When researching potential agents, look at some of the overseas property portals to compare regions and agents. This will give you a feel for what's available and the different services they can offer.
2. Establish how long the agent has been operating in that area; their range of properties available and local and regional knowledge. If you don't speak French, or are not comfortable that you understand fully what is being said, it is important to find an agent who can converse in both languages.
3. Check their professional qualifications and accreditations. Find out if they are members of any professional associations or membership bodies, thereby ensuring they adhere to a code of ethics and high professional standards.
4. Ensure they are responsive and can answer any queries or questions you have along the way.
5. Take the opportunity to call or email the agent to ask them a question, not just about the property itself, but about the local area and life in that country. They should also be able to help you with getting your new property set up, either for rental purposes or for you to move in to, as a holiday home or for a permanent move.

### Viewing properties with an agent – “The Viewing Trip”

As mentioned elsewhere in this guide, it is highly recommended that you view any potential property purchase prior to making an offer.

If you can, stay in the area in which you are viewing the property – rent an apartment or try out a holiday let to get a feel for the properties and what it's really like in the area in which you wish to buy.

It's always a good idea to look at any potential property investment at different times of the year and in different situations – visit both day and night, if you can – and comparing and contrasting what the property's like in both summer and winter is advisable.

If it is a long journey for you, you will need to make the most of any specific trips to view properties and be organised – plan ahead as much as possible and make sure your agent works for you to ensure a solid schedule of viewings of properties that fit your criteria.

### Halo Handy Hints

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“Overseas buyers who are looking to emigrate or buy a holiday home often try before they buy in their country and area of choice by renting beforehand. Many agents offer both short and long term rentals as well as properties for sale – speak to some agents and look around to see what's on offer that suits your needs.” Mimzee Brewer, Head of Overseas Property, Halo Financial.

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### Halo Handy Hints

Local, multilingual estate agents should be able to help you with practical matters in the area, too, such as opening a bank account, how to connect to utilities, and finding local amenities.



## 19 STEP FOUR: BUYING THE PROPERTY

### The buying process

The following is a step-by-step guide to the property buying process in France.

#### Step one: Find the property

The internet will undoubtedly be the first place most people will turn to when it comes to finding the right property. However, if you are visiting the area in which you wish to buy, then take time to visit all the local estate agencies and peruse local newspapers and any free neighborhood magazines.

#### Step two: Visit the property

Once you have selected a property – or properties; it never hurts to have options – then it is well worth your while paying it a visit in order to make sure it's everything the agent says it is. When visiting a property, it's a good idea to talk to locals about what the area is like and make enquiries as to local development and the like, as these are unlikely to be revealed by the notaire's searches.

#### Step three: Ensure everything is in place

Okay, so you've found the property for you. It's time to make an offer! However... before you do, it's essential to check that all your finances are in place. Can you definitely get the mortgage you need? Do you have enough money set aside for extra, hidden, costs such as Notaire's legal fees and (if you have to pay it) agency commission? What about any improvements or repairs you may want to make to the property after completion? The Notaire will ask you to pay around 7-10 percent of your purchase price (but can be higher) for stamp duties, land registration charges and notaire's fees, but excluding agency commission, so make sure you have this set aside before you proceed.

#### Step four: Make an offer

Once your finances are in place, and you have engaged a lawyer to work on your behalf and arranged a notaire, it is time to make an offer. You should look for a representative who speaks good English – especially if you can't speak French – to ensure nothing is lost in translation. Typically, you make an offer via an agent. They will then work on your behalf to come to an agreement with the seller on the offer.

Many, although not all sellers will accept offers below the market value, so it is worth starting with a lower offer, just to test the water. If the purchase is going to be subject to pre-conditions such as obtaining a loan or planning permission for new works, etc., then make those clear at that time.

If the offer is accepted, this secures the property at the agreed price, but no money exchanges hands at this time and nothing needs to be signed, except perhaps for a non-binding offer of purchase (offre d'achat). You will, however, be required to supply various legal documents (birth certificate, wedding certificate and a photocopy of your passport), so make sure you have these to hand.

#### Step five: Do your due diligence

As part of the property sale process, the seller is required to arrange (and pay) for a number of surveys and reports to be prepared on the property. These surveys are called the Dossier de Diagnostic Technique (DDT). They do not however comprise a formal structural survey of the property. When completed, they are attached to the sale and purchase agreement. They comprise a number of diagnostics inspections that are required, depending upon the type and situation of the property. These include asbestos, drainage, electrical installations, energy use/carbon emissions, gas installations, lead, natural risks (flood, forest fires, earthquakes, mining and land pollution) and timber infestation (termite report). If the property is served by a septic tank system and if the system is not compliant, you will have one year from completion to make it compliant – and this can be expensive. If the property comes with a swimming pool, there needs to be evidence of a check on the swimming pool, particularly its safety aspects. However, some buyers will still look to pay for their own independent surveys to be carried out on a property, to check for structural defects and issues of damp – issues that are unlikely to be brought up by the DDT reports. If you plan to have your own survey carried out it makes sense to do this before signature of the preliminary contract.

#### Step six: Compromis de Vente

The next step is for you and the seller to sign the first contract, called the compromis de vente. This contract includes all the information and data pertaining to the sale, such as exactly what is included in the sale, the parties, the price, any let out conditions (conditions suspensives) and the completion date. The DDT Inspections (see above) carried out are listed in the compromis de vente and your legal adviser will explain their importance to you. The reports most likely to lead to some financial outlay by the owner of the property are problems with asbestos, drainage, electrical or gas installations, swimming pools and timber infestation. It is a matter of deciding if you can negotiate that the seller pays for these before completion or by way of reduction of the purchase price or you will assume the liability of correcting any defaults. Once signed, the seller is at this point legally obliged to sell you the property, although you still have a further ten days from receipt of the formal consumer protection notice from the agent or the notaire to withdraw from the transaction without liability. At the end of these ten days, providing you wish to go ahead with the purchase, you will need to pay a deposit (usually 10 percent of the purchase price). You are now committed to buying the property, subject to any let-out conditions set out in the compromis, usually if a loan is required or dealing with satisfactory planning, usage and title searches.

#### Step seven: Completion date

It tends to take between six to 12 weeks for all the paperwork and clearances required for a French property transaction to be completed. On the date of completion (which will have been agreed upon in the compromis de vente), you will be invited to the Notaire's office to sign the Acte Authentique (deed of sale) which guarantees the legal transfer of the property. You will now need to pay the balance of the property and ensure that all fees have been paid to the agent and notaire. You will also need to have a valid household and content insurance policy in place as this is a compulsory requirement on completion. Once all this is in place, the purchase is complete and you will be handed the keys to your very own French abode.



## 21 STEP FIVE: GETTING SET UP

The advice in this section is aimed mainly at people who are looking to settle in France on a permanent basis, rather than those merely investing in property.

### Currency

The exchange rate that you secure for transferring large sums, such as the proceeds from the sale of a property in your home country, will have a huge bearing on your spending power once you arrive to live in France. You should start thinking about exchanging your currency for Euros soon after you start on the road to emigration. Forget moving money through high street banks, though; the best exchange rates are available through currency exchange specialists.



### Halo Handy Hints

At Halo Financial, currency consultants can arrange 'forward contracts', allowing you to secure a good rate of exchange up to two years in advance, or make a market order, where you set a rate that you wish your currency exchange to hit, then make your currency transaction once it reaches that rate.

Forward planning your currency transfers in this way can mean peace of mind as you know your money is protected from any devaluation of the Euro. You may find yourself obsessing over getting the best possible exchange rate, but rest assured this is quite normal; after all, it is an important exchange. If this is the case, speak to a foreign exchange specialist, as they watch the money markets constantly and you can instruct them to watch for the sort of rate you are after.

[GET A CURRENCY QUOTE TODAY](#)

### Residency

Previously, due to the EU's freedom of movement pact, planning to move to France as an EU citizen was straightforward. There was no need to apply for a specific visa. Providing you were able to provide proof that you could support yourself financially, and not be a burden on France's welfare state, then it was your right to live in France.

Last year's Brexit vote has potentially thrown a spanner in the works for British citizens. Due to the fact that the UK will soon cease to be a member of the EU, it is at the moment unclear as to whether the same freedom of movement pact will still apply.

Currently, most non-EU residents will need to qualify for an EU Blue Card to reside in the country. To qualify, for this you will need to have higher professional qualifications, such as a university degree, and an employment contract or a binding job offer which offers a salary higher than the average for the same position.

In truth, as of May 2017, it seems unlikely that this freedom of movement will continue after the UK has left the EU but there are a large number of French people living in the UK so it seems likely that a bilateral agreement between France and the UK will be reached. Providing you can obtain permission to live in the country, in order to enjoy the same benefits as any other French resident – including those pertaining to healthcare, employment and your child's education – you will need to apply for a carte de séjour. This is a resident's card which you will be given when you register with your community's Mairie (town hall). To register as a resident, you will often need ID – such as a passport and proof of your new address. You should ideally register as a resident within three months of arriving to live in the country.



### Halo Handy Hints

If you are a spouse or partner of a French citizen, then you will be required to prove you have 'reasonable prospects' of staying permanently in that country. In other words, the onus is on you to prove that your relationship is genuine.



## 23 STEP FIVE: GETTING SET UP

### Removals

Whether you're moving to France in search of a more relaxed lifestyle or you've made a career move, it is essential that you send your belongings safely and securely onto your new destination.

Having a reliable international removals firm on board is one way to avoid any mishaps along the way. Give yourself plenty of time to research companies that offer the service you require and gather quotes. Whilst many may offer a similar service, or indeed cheaper quotes, it's worth doing your research. International removals companies are governed by an array of official bodies, which make their service adhere to strict rules and regulations. You should always look out for the following accreditations before making your final decision:

- **FAIM Accreditation, which is only independent Quality Assurance standard for the International Moving Industry.**
- **Membership of the FIDI Global Alliance, which sets a quality benchmark for its members.**
- **Membership of the British Association of Removers Overseas Group. BAR Overseas is covered by the IMMI Advance payment guarantee scheme for your financial protection.**

Choosing the right removals company can take some of the steam (and stress) out of the move. Once you have decided which company is going to take care of your move they should take you through each step of the process. If you have moved house before, then much will be familiar – you will be working towards a date, deciding whether to have someone pack for you, or whether you will be doing it all yourself. International removals companies will assign you a move coordinator, who will advise you on the process and dates and timings.

### Halo Handy Hints



As the moving date moves closer you'll be kept informed of what's happening and when. If you've decided to pack your own belongings, you'll be given professional boxes, material and cartons in which to do this. Remember to give yourself plenty of time to pack up. It's easy to underestimate what you've got to do. If professional packers are completing the process, you'll be given a moving date and they will arrive and make sure everything is safely packed away. They'll give you an inventory of what has gone onto the lorry.

Providing you are an EU member, you will need the following documents to move your belongings to France:

- **Passport**
- **Certificate of residency confirming they have been working and living for more than 12 months in the current country of origin**
- **European Certificate or NIE number**
- **Removal inventory in French**
- **Valuation form for Shipment Protection Cover**
- **Purchase receipts (only applicable if you are importing any newly purchased goods)**

Again, this could all change when the UK officially leaves the European Union. Check with your international removals firm for exactly what you need to provide.

When shipping your personal belongings to France, the transit time between removal in the UK and arrival at your new home will be approximately three to seven days for dedicated loads and one to three weeks for part load shipments.

[GET A REMOVALS QUOTE](#)

### Pet removals

If you want to take your furry, feathered or even scaled family members with you, then you will need to find out the rules regarding the transportation of pets. These rules will differ slightly depending on where you are travelling from and the type of animal you wish to bring. Unsurprisingly, bringing animals which are native to France is more straightforward than bringing those that aren't. Pets will usually need to be microchipped before they are allowed to enter, possess a pet passport or third-country official veterinary certificate, and cats and dogs will need to have been vaccinated against rabies. Depending on the country you are travelling from (not the UK), and the animal you are relocating, some airlines will allow small pets like cats or dogs to be taken with the passenger in the cabin. However, it's always worth checking with a pet transportation specialist first as they will be able to advise you of all the rules and regulations.

[GET A PET REMOVAL QUOTE](#)



## 25 STEP FIVE: GETTING SET UP

### Healthcare

The public healthcare system in France is largely funded by workers, who contribute a portion of their income towards the social security system known as Securite Sociale. There are three main public healthcare insurance funds in France that you can pay into, but the country's main healthcare system/fund, and arguably the one that most expats should and will join, is the CMU scheme (Couverture Maladie Universelle) – which covers around 84 percent of the population. However, it is essential to note that expats who move to France with no intention to work or who have taken early retirement will not be eligible to join the public healthcare system in France until they have either lived in the country for five years or reached retirement age. In this instance, an expat will need to seek private insurance (there is no great divide in terms of private or public healthcare in France – in terms of quality or waiting times).

Most healthcare in France will come at a price – emergency procedures and treatments aside – and you will have to pay for any treatment or consultations at the time you receive it. However, if you subscribe to Securite Sociale then you will be reimbursed around 70 percent on most costs – typically around ten days after you have paid the initial cost.

It is worth noting that it is totally up to you when it comes to which doctor or medical practice you choose to visit – be they private or public, so this may help you find an English-speaking doctor or practice if you don't speak French. However, while many GPs, hospitals and clinics adhere to an agreed price of treatment, which is set by the Ministry of Health and known as Tarif de Convention, some do not – these are known as non-conventionne and they can charge whatever they like.

### Halo Handy Hints



To register for public healthcare insurance in France you will need to present proof of employment, proof of self-employment or the necessary retirement-related, along with your passport and your proof of residence at your local social security office – known as CPAM or Caisse Primaire d'Assurance Maladie.

### Education

Although school in France does not become compulsory for children until the age of 6, when they start to attend primary school (known locally as either Ecole primaire or Ecole élémentaire), many parents choose to send their children to a type of pre-school/kindergarten known as Ecole Maternelle.

Primary education in France lasts between the ages of 6 to 11. After finishing primary school children move onto secondary school, which in France is typically split into two: Collège (middle school) for those aged between 11-15 and then lycée (high school) for those aged between 15 and 18. In collège, children are given a broad education which tends to focus on key subject areas including French, science and maths.

During this time, they are working towards obtaining a national diploma – Brevet des collèges (commonly known simply as 'Brevet'), which is a diploma that acts as a solitary all-round qualification which is based on a student's performance in all subjects rather than how they perform in each individual subject. This diploma is made up of a mixture of coursework and exams, with all marks obtained in the final year of collège going towards the qualification.

Upon finishing collège, children then move onto lycée where they will work towards obtaining a baccalauréat (often shortened simply to 'bac'). The bac is the qualification that all those who are hoping to go on to higher education in France (definitely university) will need to obtain in order to do so. Like the Brevet, the bac is an all-encompassing qualification.

### Halo Handy Hints



There are a wide range of school options available in France, including public schools, faith-based schools and private schools. Obviously if your child does not speak French then this will be a concern when choosing a school for your offspring.

Some public schools, especially in the larger towns and cities or areas which receive a large number of expats, do offer language initiation classes (CLN or CILN), which may help your young ones settle. Some Secondary schools in larger cities may even offer a Section Internationale (international section), which is a curriculum geared toward teaching French to non-Francophone students in an attempt to integrate them into the French system. Another option may be to consider sending them to an international language school (although, like private and faith-based schools these are almost certain to charge you). Ultimately much will depend on the age of your child – the younger they are the more likely they are to pick up the language quickly.

### Last minute checklist

No doubt you will have remembered to hand in your notice at work, book your one-way flights and other such essentials. However, there are a host of other tasks than can easily be forgotten about in the excitement of emigration. It's an obvious point but it's worth checking your passport is in date; this will save any unwelcome surprises at the airport.

On the subject of important documents, make sure you also keep all relevant paperwork in one place and in a clear order so it can be easily accessed. These documents include: all correspondence with immigration departments, your medical records, school reports; references from employers; and anything else you think you may be asked for. Make sure all bank accounts and similar services that you will no longer need have been closed and cancel any direct debits. Finally, and it may sound obvious, but take time to say goodbye to all friends and family that you may be leaving behind. The stress of moving to a new country and sorting out all that needs to be done could mean that you run out of time to say proper farewells.



## 27 TOP TIPS

### Practical tips for buying property

1. Be sure you are clear on the exact purpose of the home you are buying before you purchase it. The ideal location of the property will differ depending on whether you are looking to make money through rental yields, capital appreciation or for your own use.
2. Beware of older properties. Buying a property in need of renovation may appear cheap at first, but keep in mind that getting dilapidated homes to a decent standard can take time and effort and, in some instances, could require you tearing the entire building down and starting again. What's more, you will also need planning permission which can be expensive and a bureaucratic nightmare to receive. Often, planning permission will need to be sought whilst engaging property buying process. Carry out in depth checks first and get a second opinion if you feel you need it.
3. Learn how the purchasing process works. A property may look great value at its given price, but does this price include 'hidden costs', such as property taxes, agent fees, legal fees, etcetera. Always take legal advice.
4. Haggle over the price. Sure, a property may be listed for a certain amount, but this doesn't mean the seller might not consider dropping the price slightly. If you don't ask, then you don't get.
5. Check the credentials of any professionals you are using. Ask for testimonials and don't take anything a company tells you for granted without making your own checks first. You should be fully confident and comfortable with anyone who is involved in the process, and believe they have your best interests in mind.
6. Always visit the property – or at least the area if you are buying off-plan – before purchasing. If you don't, how can you be sure that the promised two-minute walk from the local amenities/ beach isn't actually a 30-minute car drive?
7. Check to see whether there are any financial factors that could affect potential profits. For example, how much Capital Gains Tax you will need to pay should you wish to sell your property? How much Income Tax will you have to pay on rental yields? You need to be clear on all financial aspects of owning a property, before you can start planning to make money from your purchase.
8. Beware of figures. In this guide, we have provided some figures for property prices, salaries etcetera. However, just because some properties are appreciating in value on average at a certain rate doesn't mean that all will be. Your property is more likely to increase in value if it is located in a popular location – but then you will also need to take into account that there may be other people selling similar properties at the same time you are. Research is essential.
9. If you plan to let your property out throughout the year, think about how you will maintain it in between tenants. Flying out to the property to check it over yourself will be expensive, time consuming and, in many instances, not a viable option. Managing agents are a popular option. Again, though, such services cost money - further eating into any potential profit margins. If you're buying an unfurnished property, there will also be an outlay on furniture to consider.
10. Finally, if buying a house purely for investment, don't bank on becoming rich overnight – the French property market has changed considerably since the early noughties when quick gains were readily achievable through rapidly rising prices. Investing for profit should be considered a long-term strategy.



## Useful Resources

You can find useful articles online by professionals who can help you with your property purchase, as well as relevant news and views from people who have been through the process before, on the Halo Financial website. [www.halofinancial.com](http://www.halofinancial.com)

There is a wealth of information on Emigrate2, the independent information hub about everything to do with buying property abroad and emigrating. [www.emigrate2.co.uk](http://www.emigrate2.co.uk)

## Happy Hunting!

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