

WITH record numbers of people wanting to buy property abroad, it pays to know the right way to go about it.

Each country has different rules and regulations and knowing the pitfalls can you save time and money. Each month we'll be featuring questions and answers on purchasing a home in a different country. This time we focus on France

Q How do I buy a property in France?

A Buying property anywhere in the world can be a daunting task. To avoid any unnecessary headaches use professionals for financial and legal advice to ensure that you are protected throughout the purchase.

Q Who will be involved in my property purchase in France?

A The agent who markets the property, the notaire, who is responsible for drawing up the contracts and undertaking searches, and the vendor.

Q What is a notaire?

The notaire is a French national qualified in France and a specialist in a system that is very different from that of many other countries. There is often only one notaire involved in a purchase. He or she is responsible for collecting the sales taxes on behalf of the tax authorities and for doing the property searches.

Q Do I need my own solicitor or will the notaire act for me?

A Normally a notaire in France will act for both parties involved in the sale and purchase of a property. Their job is to check that all requirements placed on them by the state are fulfilled. This will involve various searches, gathering of reports and gathering of taxes. Unlike in the UK, if you are using only a notaire to process your purchase, there is no-one who is looking after your interests solely. The legal system in France is totally different to that in the UK and there are matters, such as the inheritance of the property, that need to be considered using the law of both countries to ensure that you get the best form of contract for your purchase to protect your future interests. It is really important to work with someone or some organisation who is totally bi-lingual and fully trained in both UK and French law. If they also know the property and the area then you are completely covered once you check that everyone involved in the process is covered by their own Professional Indemnity Insurance.

Q Do I need to make a new will in the country where I am buying the property?



Buying in France



A This depends on your family circumstances, it is not always necessary to have a French will as French law will apply to the inheritance of the property in France. French inheritance law is complex and the way it will apply to you will depend on your particular circumstances. French law gives certain rights to family members, and these rights cannot be ignored and may well replace the need for a will. You should appoint someone with a working knowledge of French inheritance law and who is able to discuss these provisions with the notaire on your behalf.

Q What costs or fees should I be aware of?

A The agent's fees can be up to 10 per cent of the purchase price and are generally paid by the purchaser. The notaire's fees are six to eight per cent. A large part of the notaire's fee is made up of government taxes due upon the transfer of a property and they are paid by the purchaser. You need to check what the fees are when you make an offer as sometimes fees are not included in the purchase price. There may be fees for reports into the presence of termites, asbestos and lead. Generally, these fees are borne by the vendor but you need to make sure of this. There may also be fees for a surveyor (géomètre) if land is to be divided and these may be payable by the purchaser. There will also be a registration fee should you purchase using a French mortgage.

Q Once I've found the property how long does the process take?

A As an overseas buyer the process is likely to take longer than for a local person, unless you are able to stay in France while the compromis (first contract) is drawn up to sign it. If you do this, do ensure that you take legal advice before

signing anything. Once the compromis is signed, the seven-day 'cooling off' period has expired and the deposit is lodged with the notaire or agent, the legal work in connection with the process should take between 60 and 90 days. If there are special circumstances regarding the purchase then this could be extended. It is rare to achieve a purchase in less than two months from the commencement of work on the final contract.

Q Will there be a survey?

A Surveys are not common practice in France but can be arranged. If you require one to be undertaken, this will have to be done during the seven-day cooling off period.

Q How do I arrange to pay for my property.

A Can I pay in sterling?

All property in France will need to be paid for in euros. If you buy your currency through a broker, they will arrange the transfer of your funds into euros and the transfer of the monies to the notaire's account. You will need a euro bank account once you own the property to allow you to pay for all bills in connection with the house. However, it is often easier to set up the bank account locally once you are the owner of the property. You will need to take proof of ownership to the bank in the form of an attestation of ownership which the notaire will give you the day you sign the final contract.

Q What taxes will I have to pay on the property?

A There are two main types of tax on the property itself, land and occupancy tax. These are based on the rental value of the property and are normally paid annually.