

Once the virtual monopoly of the British seeking second homes or a new life, the French property market is now attracting a large number of Australians equally anxious to share in *la vie en France*. It's a sign of our national prosperity but also of our fascination with countries much older than our own. Australians now visit France in ever-increasing numbers – 400,000 a year is the latest figure – and some decide to linger on or return to buy property. There's a literary fascination at work here too, feeding a voracious appetite for the vivid memoirs of people who've immersed themselves in a French adventure. Sarah Turnbull, Mary Moody, Henrietta Taylor and, most recently, Jane Webster have all added considerably to the cultural, gastronomic, even amorous, allure of France. In fact in the decade or so since a significant number of Australians began investing in European property, France has come to rival Italy as the preferred destination. Coast & Country European correspondent Brian Staveley surveys the scene and gets some advice on what to do and what not to do when you're looking for a house in France.

BY BRIAN STAVELEY

ANYONE ENTERING THE French property market nowadays will find that it's been transformed, like much of modern life, by the power and convenience of the internet. Put the words "French Property" into Google for instance and a torrent of websites flows onto the screen offering every conceivable type of property (*châteaux* to bungalows) and acres of advice and services, which naturally includes the services of a legion of real-estate agents (*immobiliers*). There are sundry properties for private sale too. Amid this torrent I found three British sites that were particularly useful and offered good advice, not just a blizzard of advertising: www.frenchpropertylinks.com, www.french-property.com and finally www.french-at-a-touch.com/French realstate. Obviously you don't have to be British to use them and I would recommend them to potential Australian buyers too.

Prices remain attractive in France's traditionally stable but expanding property market. And wherever you buy in France, it's easy to get there. This is a particular advantage

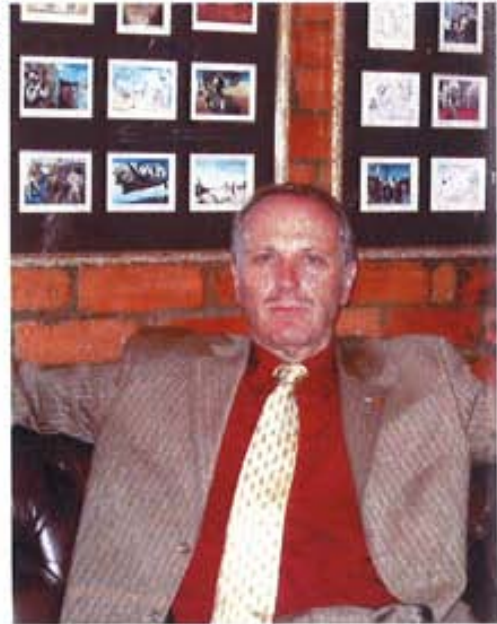
for Australians who, having flown half way around the world to Paris, don't want to face long hours of extra travel into the countryside. France's excellent high-speed TGV train system is the answer here and carries large numbers of Australians from airport to the provinces. In addition there's the fabled French *autoroute* (toll motorway) system. Low-cost airlines too have opened up some of the smaller and more remote French airports, though these flights tend to be used by people travelling from Britain.

The overall effect of easier travel has been to extend the remarkably wide choice of terrain, climate, price, and style available. You can choose the part of France you'd like to live in. France is not a monochrome nation but a grouping of distinct and proud regions each with its own individual character, traditions and gastronomy.

Access has been transformed then, but the reasons English-speaking people choose to live in France remain much the same as a hundred years ago. There's the charm of an older country. There's an interest in the French language and learning to speak it well.

There's the food and the wine and the relative cheapness of both. If you go to the south of France there's the sun and the Mediterranean climate. Then, for many people, rural France seems to offer a more relaxed way of life in which family values are respected and there's a sense of community. In this overwhelmingly rural country, communities in *la France profonde* (the deep countryside) thrive and local pride is strong. The foreigners are welcomed not just because the locals are friendly but because they buy the houses the villagers don't want. Locals it seems often prefer modern dwellings while the foreigners fall hungrily upon the discarded mediaeval stone houses the villagers have moved out of. In some rare cases though you might meet resistance, even hostility, in areas where there is competition between foreign and French buyers for the available housing stock.

Now before being carried away too much by the allure and rural charm of *la belle France* I thought I'd get some specialist advice. I spoke to a remarkable man called Michael Bula, a Melbourne international lawyer,



Left: A cluster of houses in an ancient landscape: the kind of French village many people who dream of a house in France would like to live in. France's excellent transport system has made a number of formerly remote places in the countryside more easily accessible. Right: Michael Bula, Melbourne-based international lawyer, specialises in guiding Australians through the intricacies of French property law. Previous page In many rural villages in France and other European countries houses left empty by the depopulation of the countryside find a ready market among foreign buyers. Some Australian buyers say their house in France is a good base for touring Europe and a lettable investment when they're not there.



Above and right An ancient house in the village of Montlaur bought and renovated by Melbourne couple Helen and Peter Stubbings. As with so many foreign buyers of French property, Helen and Peter's was a "lifestyle choice". Both agree that they have found the combination of tranquillity, climate and gastronomy they were looking for.

notary, translator and legal adviser to the French Embassy who specialises in guiding Australians through the intricacies of French property law.

"Australians thinking of buying property in France should remember first of all that there are the peculiarities of the Napoleonic legal code to grapple with," Michael told me. "And there are no conveyancing companies or kits in France." In fact the conveyancing procedure in France can seem unnaturally slow, impenetrable, bureaucratic and bewildering, he says. But don't despair. The process is also extremely safe and cleverly designed to protect both vendor and buyer. In the end, it's "very manageable given the right legal guidance".

A term that recurs in Michael Bula's advice to potential buyers is "due diligence", that is careful research and consideration. Everyone I've spoken to echoes this. You must patiently consider the type of property, your price range and location long before you leave for France. Otherwise you'll be floundering around, driving hundreds of miles and obscuring your objectives rather than clarifying them.

Make local price comparisons, urges Michael, either through the local council offices (*mairie*) or classified ads for private sales, or alternatively through an *agent immobilier* for an agency transaction. (The internet, as I say, abounds with this type of information too.) Remember too, advises

Michael, that if you deal entirely through an agency you'll be liable for the corresponding commission, which can be as much as 10 per cent of the price of the property. In France the purchaser pays all legal and government costs with the exception of what is called the *dossier de diagnostic techniques*, a very rigorous health and safety check on the property that includes every hazard from asbestos to termite infestation and the risk of earthquakes and forest fires. (Remember though that this *dossier* is not the same as the traditional structural survey.)

The hand of the French state will also intrude into any property transaction in the unique shape of the *notaire*, a vital and immovable feature of any negotiation. Appointed by the state, the *notaire* in Michael Bula's words "wears a number of hats. On the one hand he's a private legal practitioner and adviser and on the other a public official and authenticator by delegation of the French state and collector of taxes." What perhaps



seems odd in Australian eyes is that he often acts for both sides in the property transaction as a sort of legal umpire, making searches and inspections, verifying boundaries, registering the property, paying state taxes and generally guiding the process through.

Michael Bula stresses though that there's nothing wrong or exceptional in involving two *notaires*, with one appointed by the purchaser (make sure you get an English speaker) at no additional cost. Two *notaires* will simply split the fees, which vary according to the selling price. Including government registration duties, they can be as much as 7 per cent on old properties and as little as 1.5 to 2.5 per cent on new ones.

If you find a property you really like, are determined to go ahead, and make an offer that's accepted, the next step will be to sign a preliminary contract. This can be in several forms, of which the *compromis de vente* is one of the most common and makes your offer

firm and serious but not entirely irreversible. It's serious because you support your offer with a deposit of 10 per cent, paid to the *notaire*. It's not entirely irreversible because if you change your mind your deposit can be returned during a legally defined cooling-off period of seven days. But if you change your mind after that time you'll lose the money, unless certain previously agreed conditions – the *conditions suspensives* (see below) – have not been met.

Have the precise wording of the *compromis de vente* explained to you in detail by your English-speaking *notaire* or legal adviser before you sign anything. Michael Bula recommends that you also consider establishing a power of attorney in France, normally in favour of your *notaire's* clerks if you've appointed a *notaire*.

You may also want to include the *conditions suspensives* mentioned above in this preliminary contract. These are preconditions that must be met before the final purchase can go through. So, if you're anxious about raising the necessary funds you could include a *conditions suspensives* that legitimately cancels the deal if your mortgage request is turned down. This device will protect you and your deposit.

The whole transaction is now effectively "compromised" – that is, mutually agreed and legally binding. The vendor cannot sell to anyone else or alter the price and the purchaser knows that he has to honour the offer to buy provided none of the *conditions suspensives* has to be invoked. If they are, the deposit should be refundable and the contract at an end.

Now begins what many Australians regard as a process of almost glacial slowness. Normally a period of two or three months elapses between the signing of the preliminary contract and the final completion of the sale with what is called the *acte de vente*. This is the period in which everything relating to the sale, including the property and any mortgages, is thoroughly checked, says Michael Bula. "Prior to that final sale contract the *notaire* investigates the chain of title and carries out the necessary planning, building and other searches," he explains.

Once those investigations are over both parties can sign the title deed in the *acte de vente*. This normally has to be done in front of the *notaire* and can be a good illustration of the wisdom of delegating a power of attorney, if, for instance you happen to be back in Australia at this point and can't get away for the signing.

Does the whole saga, from seeing your house to buying it, sound complicated? Well,



A venerable stone-built house in an old-world garden. Rural France is full of properties like this. Attractive and romantic as they seem, it's often the case that the locals who live in them are keen to move out, preferring modern homes with all the latest appliances and comforts instead. Foreign buyers snap them up.

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you may be encouraged by the experience of the first-time buyers I describe next who sailed through the process quite unscathed.

Intrepid Melbourne couple Peter and Helen Stubbings embarked on their French adventure two years ago. In a matter of months they became veterans of the property market and the legal process described by Michael Bula. Theirs' is something of an account from the coalface as the couple bought two properties, restored the second completely themselves and sold the first one virtually without complication.

They chose the tiny village of Montlaur (population 500) in the Aude region of the

wine-producing south. It was a very clear lifestyle choice. Their aim was to divide their time between France and Australia using their property as a base to travel around Europe. This is a very common reason for buying a French property, the other being to rent it out to friends and family.

Peter rhapsodises about his enchantment with France: "the slow pace of life, the friendly neighbours, the irises in spring, the village markets, the beautiful scenery, the bargains in old furniture and homewares you can't buy back home, tomatoes that taste like tomatoes, and of course the restaurants, especially the *menu de jour* - three courses

The French Village House



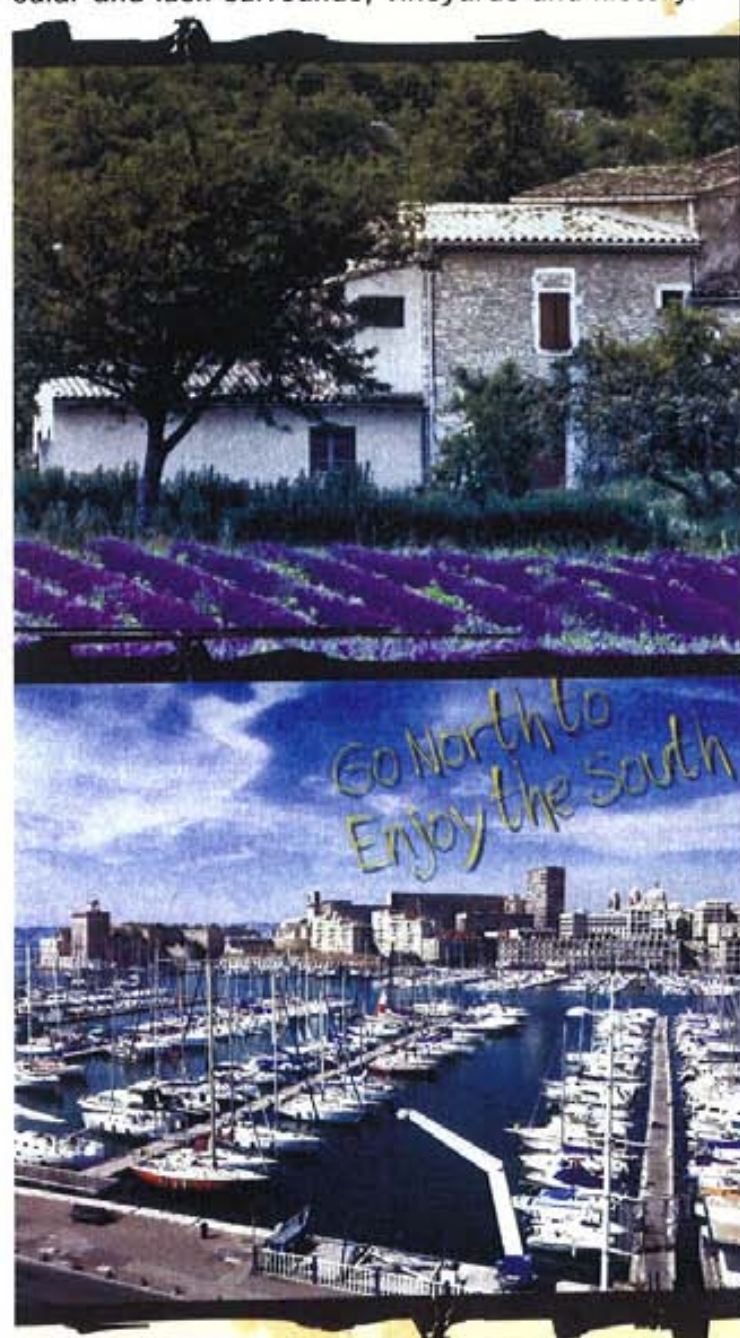
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Peter and Helen happened upon Montlaur as they initially combed the internet at home in Australia. Theirs was a model approach to buying property in a strange country. They arrived in France knowing their budget and where to concentrate their search. They also knew that, as Peter puts it, "you can't just turn up at an *immobilier* and expect to go viewing straight away". French formality dictates that you make appointments, something Peter and Helen were careful to do even before leaving Australia.

Peter and Helen celebrate the day they enlisted an English-speaking *immobilier* to guide them in their venture. "She not only sold us the property but also supported us through the whole process from sale to settlement and beyond." In fact Peter and Helen went on to buy two houses in Montlaur and restore them both. Not a task for the floundering amateur or faint-hearted scraper of wallpaper. Fortunately Peter and Helen had the combined skills and enthusiasm to do a lot of the work themselves and this helped reduce costs.

Their DIY heroics have now become one of the subjects on Peter's blog on www.audefrance.com, a site that has much useful information about the area and advice on property. Peter's considered opinion on restoration is that "if you're going to engage French builders you should budget at least the same as you paid for the house". Thus a run-down 60,000-euro (just over \$101,000) property - if you can find one - could prove rather expensive once you'd transformed it. As well, he warns, "you may not find the artisans entirely reliable". Better by far to learn builder's terminology in French and do it yourself. And don't forget that you're often working with stone and timber, not frame and brick.

Again we hear the advice: make sure you do your research. "Find a friendly expat who's well-informed on renos and learn from them," says Peter. "They're everywhere and, provided you're genuine, they'll be happy to lead the way."

By the time it came to buying their second house Peter and Helen felt at ease with the legal process. They sold their first house and bought a second in Montlaur's Grand Rue, sight unseen over the internet. It was a vindication of their decision to come to France and of their "due diligence" which has helped them realise a dream and avoid a Gallic nightmare. ■

Michael Bula specialises in foreign property law and can be contacted on 03 9347 8333, by e-mail at info@mbsols.com.au or through the website www.mbsols.com.au.

Peter Stubbings's blog, general advice and other purchasers' accounts of their experiences in the French property market can be found at www.audefrance.com.

BY TRAIN IN FRANCE

The regions and major cities of rural France are easily reached by fast train on the French rail network and from Paris and from neighbouring European countries. You can arrange your itinerary direct from Australia, book tickets and reserve seats by contacting Australia's specialists in European rail travel on 1300 EURAIL (1300 387 245) or through the website www.trainticket.com.au. They can also help with up-to-the-minute information on timetables and discount tickets and all other advice for the rail traveller.