



image © ADOUT FRANCE/  
Pierre Toroit



# LIVE THE Dream

THE HIGH AUSTRALIAN DOLLAR, A WEALTH OF AVAILABLE INFORMATION AND AN ENDURING LOVE AFFAIR WITH FRANCE MEAN MORE AUSTRALIANS ARE BUYING PROPERTY IN FRANCE THAN EVER BEFORE. **CLAIRE CHAFFEY** CHATS TO A MAN WHO HAS SEEN AUSTRALIAN INTEREST IN THE PROPERTY MARKET GROW OVER THE LAST 30 YEARS

While there is no hard evidence as to the number of Australians who own property in France, the anecdotal evidence is plenty.

For a number of reasons – of which a remarkably strong Australian dollar is one – Australians are looking to France for property investments, especially as affordability in the Australian market becomes an issue and French mortgage rates hover somewhere between 2.95 and 4.4 per cent.

For many, these factors – along with the growing ease with which people can research online – have resulted in an unprecedented opportunity: the ability to own a house in France without having to take on crippling financial risk.

For a growing number of Australians, owning a piece of a country that has long beguiled them is becoming a reality.

## MOVING ON IN

One man who has witnessed the rise and rise of French property sales to Australians is Melbourne-based notary and lawyer Michael Bula. In his 30th year of practice at Michael Bula Solicitors International Lawyers & Notaries, Bula has been at the forefront of French property conveyancing and is witnessing a flourishing market.

"It is booming," says Bula. "I haven't ever had as many conveyancing files as I have now. This year, they would have at least doubled or tripled."

While the strong Australian dollar is

certainly playing a significant role in this trend, another factor, says Bula, is the wealth of information now available for those looking to investigate the market.

"There are a lot of books out there, and there is an information explosion via the internet, as well as Twitter and Facebook," he says.

"Social networking has really done a lot for the market. The information is there, and there is more anecdotal evidence that people are buying in France. It all makes it more doable and on the radar."

As awareness grows about the possibilities in France, the natural question posed is whether it is even possible for Australians to

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buy property in France, "just like that".

Bula sees this as an obvious question, given historical realities in other European countries such as Italy and Poland, which have imposed restrictions on non-European investment in the past.

But the reality is that Australians can buy in France, and more and more are choosing to do so.

"Australians are getting well known locally in France, because we are buying more and more properties," says Bula.

"I am dealing with a French agent at the moment who said, 'I have had all these Australians in my office! What is going on?'"

#### CHASING THE SUN

According to Bula, while many property sales have traditionally been in the major cities such as Paris, Australians are turning towards purchases in more rural areas of France.

This is primarily due to two things, according to Bula: affordability and sunshine.

As such, Australians are gravitating towards the south of France, to regions such as Languedoc-Roussillon and Provence.

"I am definitely seeing a trend more to the provinces and rural areas," says Bula. "They are not necessarily far from regional centres, but most of my files from this year have been in the southern sections of France. I think the climate is renowned for being more temperate than the north of France ... and it is also the pricing, which is just fantastic in the south."

The good news is that those Australians who are buying in regional areas are generally receiving warm welcomes from the local communities.

"Australians are certainly on the radar in France, and I think with a very good image," says Bula.



#### NEED TO KNOW

**CAN AUSTRALIANS BUY PROPERTY IN FRANCE?** Yes!

**WHERE ARE WE BUYING?** In the south of France, primarily in rural areas not far from regional centres

**WHAT ARE WE BUYING?** Village houses and apartments

**WHY SHOULD WE CONSIDER BUYING?** The strong Aussie dollar, depressed European economy, low house prices and low mortgage rates

**WHAT DO WE NEED TO WATCH OUT FOR?** Be realistic about rental income and resale expectations

#### EXPERT OPINION

**WILL FRANCE'S RECENT CHANGE IN GOVERNMENT AFFECT THE PROPERTY MARKET?**

WITH TREVOR LEGGETT, CHIEF EXECUTIVE OF LEGGETT IMMOBILIER

"It's impossible to accurately predict the impact that Francois Hollande's recent narrow victory will have on the French property market. His pre-election pledges were to increase the upper income tax to 45 per cent, bring more people into the annual wealth tax band, and introduce a 75 per cent 'super tax' band for anyone whose annual income exceeds €1 million (\$1.2 million). He has also pledged to end the austerity measures brought in by Sarkozy and spend his way out of trouble.

"One thing we can predict with confidence is that this change in governmental strategy will create opportunities for international investors. French mortgages are already amongst the cheapest in Europe and it looks like there will be plenty of people looking to both buy and sell over the course of the year.

"Whatever happens, you can be sure of one thing: France will continue to be the most visited country on the planet and will, once again, head up just about every 'quality of life' survey that the glossy magazines are so fond of publishing!"

"It is very reassuring, because it means that when they have bought, when they go to the local restaurant or mairie, they get a great reception ... That is a great selling point, because you know you'll feel welcomed and that you won't get the cold shoulder. It's quite the opposite."

#### TREAD CAREFULLY

While buying in France is a dream for many Australians, Bula still urges his clients to be cautious about the decisions they make, especially when it comes to expectations about rental income and resale.

"I always say to clients that they shouldn't think they'll make a fortune on rental. They can kiss that goodbye, and they might even have trouble selling it," says Bula.

"But very rarely have I encountered a person who genuinely believes they're going to make a fortune by investing in France. You can make a fortune investing in any country if you know what you're doing, but the property market in Europe isn't brilliant. You can snap up a good deal when you're buying, but people need to remember that they might have to sell. People generally say, 'We'll cross that bridge when we come to it'."

And according to Bula, the reason behind such an attitude is easily explained, and it comes down to the fact that Australians really do love France, and the opportunity to live the dream outweighs any real notions of financial gain.

"I think Australians have a yearning. The Portuguese have a beautiful word, which is difficult to translate – saudade – which is a yearning ... I think it is to do with old Europe, the sense of imagery in Europe ... It is so colourful, historical ... It is something that validates you and identifies you. It may even relate to your ancestry. France is a melting pot of all that European symbolism," says Bula.

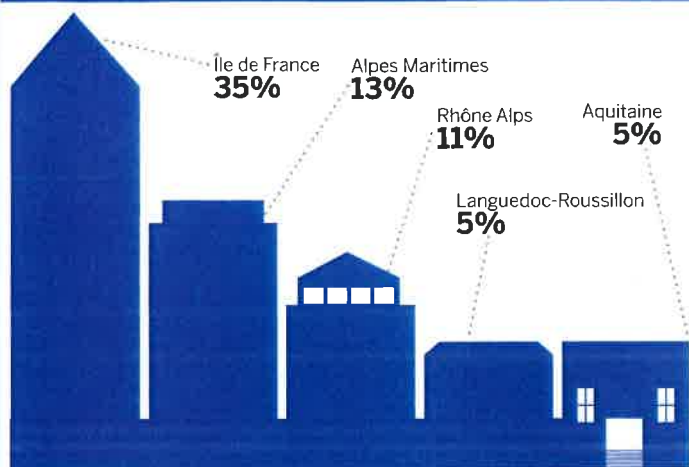
"Australians yearn for that."



# FRENCH PROPERTY

## BY NUMBERS

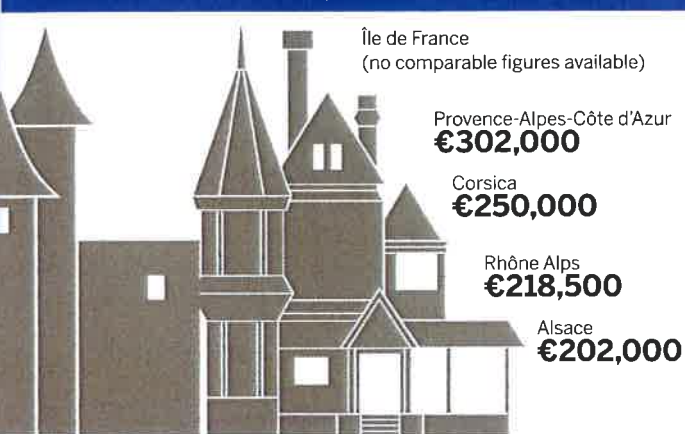
MOST POPULAR REGIONS FOR NON-FRENCH RESIDENTS TO BUY IN FRANCE:



THE FIVE MOST AFFORDABLE REGIONS, WITH AVERAGE HOUSE PRICES, ARE:



THE FIVE MOST EXPENSIVE REGIONS, WITH AVERAGE HOUSE PRICES, ARE:



IT'S ESTIMATED THAT THERE ARE AROUND

# 360,000

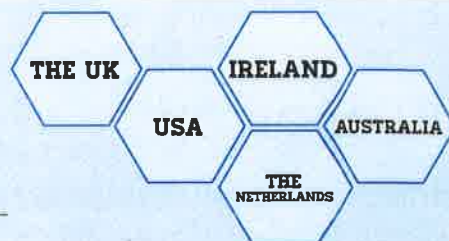
NON-RESIDENT, SECOND HOMEOWNERS IN FRANCE

LEGGETT IMMOBILIER SAYS THEIR WEBSITE HAS RECEIVED OVER

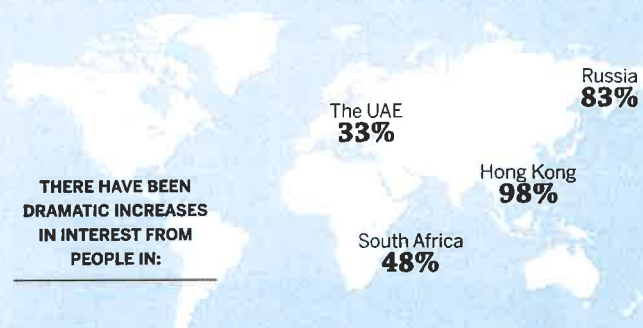
# 1 MILLION

*different visitors from*  
**212 DIFFERENT COUNTRIES**  
 OVER THE LAST *12 months*

THE TOP FIVE NATIONALITIES INTERESTED IN BUYING IN FRANCE ARE FROM:



THERE HAVE BEEN DRAMATIC INCREASES IN INTEREST FROM PEOPLE IN:



MELBOURNE-BASED LAWYER AND NOTARY MICHAEL BULA SAYS THE NUMBER OF AUSTRALIANS USING HIS SERVICES TO BUY PROPERTY IN FRANCE HAS **TRIPLED** OVER THE LAST 12 MONTHS



THE FIVE MOST SEARCHED REGIONS ON THE INTERNET ARE:

Poitou Charentes  
 Aquitaine  
 Brittany  
 Limousin  
 Normandy

LEGGETT IMMOBILIER SAYS THERE HAS BEEN A **SIGNIFICANT JUMP** IN REFERRALS TO THEIR WEBSITES **FROM SOCIAL MEDIA SOURCES SUCH AS FACEBOOK & TWITTER.**



THE NUMBER OF USERS ACCESSING THE SITE VIA MOBILE DEVICES HAS RISEN **DRAMATICALLY** AND NOW CONSTITUTES 8.5% OF ALL VISITORS (2.5% THIS TIME LAST YEAR)

THE INTEREST RATES ON A FRENCH MORTGAGE VARY FROM BETWEEN

# 2.95% AND 4.15%

DEPENDENT ON THE LIFE OF THE LOAN

SOURCES: BNP PARIBAS, NOTAIRES DE FRANCE, LEGGETT IMMOBILIER