

**Susie Hollands** is a Scottish expatriate and VINGT Paris' Founder and Director. Having made a dream move of her own to the French capital, she now enjoys helping her clients to do the same.

**EXPERT  
OPINION**

## A PLACE IN PARIS

**Susie Hollands**, who expatriated to France and now runs a real estate company there, offers her advice on the property search

PEOPLE LIKE PARIS. ONE OF the world's premier tourist destinations, with over 30 million foreign visitors each year, Paris is considered la plus belle ville du monde. With history, museums, ancient mansion houses, an incomparable heritage (recently awarded UNESCO World Heritage status) and famous for its cuisine and wine, the lifestyle benefits are legendary. In addition, Paris is both a national and international hub. Easily the most accessible city in France, the city boasts two international airports and along with a comprehensive train program, the Eurostar from St. Pancras brings visitors from London into the heart of the city centre in just over two hours.

Neighbourhood knowledge is one of the keys to Parisian real estate. Paris is split into 20 arrondissements (boroughs) and prices of properties vary considerably between them. Prices for run-of-the-mill properties have stagnated slightly but good products in les beaux quartiers (one, two, three, four, five, six, seven, eight, 16, south 17, Neuilly, Boulogne and Saint-Cloud) have continued to perform well. 98.5 percent of €2-4m transactions – and almost all of those above €4m – in Paris and Hauts-de-Seine were carried out in these residential areas. There has been no perceived drop in the number of transactions (or in prices) in the aforementioned luxury residential areas. This is contrary to trends observed in the outlying provinces and the greater Paris metropolitan region. The international buyer is always active: Russians, Americans and those hailing from the Middle East.

Prices in the heart of Paris continue to rise between five and 10 percent. The best buys would be a classic Haussmannian property (until around 1930) or a prestigious apartment within or near a hôtel particulier where there is history attached; for example, the Marais. These properties can claim a same day turnaround once on the market (without even being advertised). This also applies to smaller products with charm and a great location. Exceptional properties and locales (prestigious addresses) come in at around €15,000 per metre square but comparable property in London or Moscow would be around €40,000 per metre square.

Unlike the multiple listing systems found in the US, there is no market-wide database of properties for sale in Paris. Without this

centralised information system, your perfect apartment in the Marais might well be listed with an estate agency on the Rive Gauche, on the other side of town. In addition to this hurdle, there are legal and financial challenges as well. For a non-resident, a solid financial profile and a close relationship with a realtor experienced in work with international buyers is a must. A specialised realtor will have the necessary contacts to assist you with tax and legal obligations that are important aspects to consider for the non-resident.

In effect, both the buyer and the seller pay the agency commission because it is part of the sales price. Fees are usually levied on a sliding scale between five and seven percent: the cheaper the property, the higher the percentage. If you're taking out a mortgage you'll typically need 20 percent of the purchase price to put down as a deposit – this depends on the deal you've arranged with your lender.

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When the pre-sale contract is signed, you'll transmit 10 percent of the purchase price (minus agency fees) to the notaire. There is a two to three month period till closing. Notaire fees of approximately seven percent are paid at this time and the balance of the property price is paid – less the 10 percent you put down on the signature of the pre-sale contract.

Short-term tourism rentals offer great returns and maximum flexibility if you are able to use the apartment on a regular basis yourself. Location is understandably a key issue to consider if you really wish to successfully target this market. In addition, owners who prefer the security of a steady renter and can block off their apartment for longer periods of time can do so with medium term rentals.

Paris will certainly retain its ever-lasting appeal, and more are drawn to the city for this reason. Over the past three years, new markets have been opening up as clients from Asia, South America and Australasia become a real presence. ●