

# Achieve capital returns

Combine investment and a holiday home and get the best of both worlds, advises finance expert **Tahmineh Madani**

One of the trends influencing current investment opportunities in France is the growth in the number of tourists and visitors looking to rent a furnished flat or holiday property for their vacation instead of a hotel or bed and breakfast.

For investors, or those who have been thinking about buying a second home in France, this trend represents a fantastic financial opportunity.

A growing number of clients are asking us for financial advice on the best ways to defray the cost of investing and ownership – while still having a sufficient level of flexibility to enjoy their property when and for however long they want.

We recently assisted American banker Matt Yonally and his wife Karen with the purchase of a three-bedroom, two-bathroom flat in the historic Marais district of Paris.

Like many visitors, Matt had been thinking about how nice it would be to own a property in France. "For the past eight years, each time we came to Paris we found ourselves spending more and more time staying in the windows of various estate agents. And each year we found ourselves regretting we hadn't done it the year before – prices were going up and the US dollar was going down."

Although they currently live in Santa Barbara, California, Matt and Karen have been regular visitors to France for the past 25 years. "My wife attended the Sorbonne when she was

younger and that started her love of French food, culture and lifestyle. It's become something that we both share."

As a self-described numbers person, Matt admits that he would have been reluctant to buy a property just for pleasure. At the same time, he wasn't interested in purchasing something solely as investment. "The idea of a holiday home that we could enjoy with our young son, coupled with the business prospects it represented, convinced me that we finally needed to make this happen."

## Finding the property

Matt found Susie Hollands, of [www.bonaparticonsulting.com](http://www.bonaparticonsulting.com) through a recommendation from a friend. Property search company Bonaparte caters to international clients, providing assistance with renting, buying, relocation and renovation.

Susie always begins the process by ensuring her clients understand the implications of borrowing in France. Hence she introduced Matt at France Home Finance, to provide an explanation of the differences in the lending process in France versus the US and a decision in principle for the loan amount the couple wanted to obtain.

With the financing discussed and the budget secured, Susie stayed in contact with Matt over a period of four months to advise on the characteristics of the property in order to achieve the best balance between what they personally wanted from the property and what was required to maximise rental revenues.

"Most clients do quite a bit of research before they come to us," explains Susie. "But what you are drawn to for a personal property needs to be balanced against the budget. It is also critical to consider the criteria that an investment property must have to make it desirable to holiday renters."

Factors such as proximity to transport and historical sites or



The Yonallys furnished their Parisian apartment with beautiful antiques



districts, traditional Parisian features such as mantelpieces, wooden parquet flooring and high ceilings, and views are all elements that visitors to Paris look for in a rental property.

Matt and his family returned to Paris in July 2007 to view the shortlist of properties that Susie

had put together. They viewed almost 30 properties in 10 days before closing on the last apartment they saw – literally on the way back to catch their flight. "Susie arranged to have the notaire meet us at 7am as we were on our way to the airport!" laughs Matt.

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