

LINKS

French property

BACKGROUND

Posh French pads that pay their way
 Tempted by truffles
 A miraculous corner of France
 Le grand fromage
 The Brit who bought a French vineyard

BACKGROUND

Whose house is it anyway?
 French moves
 Fast track invasion of France
 French Mistress, They're French, therefore they think

RELATED LINKS

Market report on Paris

He says a capital gains tax of 16 per cent for nonresidents from another EU country was an added bonus. "I could have invested in somewhere like Croatia, but Warren Buffett says never invest in a product you don't understand."

The standard lease for an unfinished flat is three years, but includes clauses that can dissuade investors. Tenants can only be expelled before the end of the lease if the owner wants to move into the property - they cannot be expelled between November and March. Many of the Britons investing here opt instead for student rentals - furnished flats with a one-year lease.

John-Pierre Clark, the director of an internet property finder, Focus France, says that student flats costing €30,000 can bring in monthly rent of €600 a month. "The equivalent in London would be somewhere like Whitechapel," he says. "But you would pay £200,000 and get rent of £800 a month."

The other main attraction for British investors is the short-term rental market - for executives working in the city or tourists. Jean-Philippe Roux, of Knight Frank in Paris, says such flats can generate a revenue of £2,300 a week. "You're essentially competing with hotels, so you must buy in the right area and the specifications must be high." The cost of a flat destined for the short-term rental market is between €8,000 and €12,000 per sq m, and €20,000 per sq m in the Gold Triangle around the Champs Elysées, he says. The average price in Paris as a whole is €6,000 per sq m.

"We've noticed a sociological modification in certain areas, notably in the 6th arrondissement, where one flat in six belongs to nonresidents," says Jean-Yves Mano, the head of housing at Paris City Council. "There's been an impact on schools and businesses. Some foreign purchasers are welcome, the council says, but not so many that they drive away 'les Parisiens'."

FACTFILE

59,734 flats were sold in the Paris region last year.

The average price of a flat in Paris has risen from £2,500 per sq m in 1996 to almost £5,000 per sq m in 2006.

The average flat bought by a foreigner in Paris measures 49 sq m.

The 4th arrondissement has the highest proportion of foreigner purchasers, while the 12th in the east has the lowest.

Contacts: parisdreamhome.com focusfrance.net, flat-hunter.com philipnawkes.com, parisaddress.com francehomefinance.com

Click here to search for properties for sale in Paris and the surrounding area on propertyfinder.com

Click here to search for properties for sale in Paris on properazzi.com

For everything you need to know about the property market in France, go to: timesonline.co.uk/franchnproperty

HAVE YOUR SAY

Before buying in France British buyers should come to terms with French law on tax and inheritance. Stay one day over the permitted period in France and you will be liable for full tax and national insurance (a big shock). Death duties are very high by UK standards and if you are deemed to be domiciled in France at your death your estate will have to be distributed according to French law (Roman law in effect). However like Linda, the thought of a second home depresses me, one is quite enough for me.

Decker London, UK/Ex Ireland

Why is everyone so greedy these days... money, money, money. Do people not realise how lucky they are compared to some others in the world. Who needs two homes?

Linda, Victoria, B.C., Canada

Normi get a life

The Addick, Mortend House, Orfordshire Wharf, UK

Read all 7 comments

HAVE YOUR SAY

abroad

... and how to avoid them



Property in China

Essential reading for adventurous investors



The five most expensive cities in the world...

... and the five cheapest



Property in Dubai

Ten things you should read before buying in Dubai

MICHAEL FLATLEY'S HOUSE



A real show stopper
 Dance impresario Michael Flatley has restored his Co Cork mansion in typically flamboyant style

Slide Show

PALAZZO ANCAJANI



David Giacchini gives us a tour
 Slide Show



Business City Guides
 Overseas contacts and local information for your business



Tailor-made section with features and news for the Business Traveller

Advertise holiday lets with the Times



Property guides

Essential reading whether you're buying, selling, improving or moving

ADVERTISEMENTS

Sports, nature and the beach in a captivating location

Click here to find out more

TIMES

Click here

Your home may be repossessed if you do not keep up repayments on a mortgage or any other debt secured on it.

propertyfinder.com

Click here to advertise your UK Property for Sale

CLASSIFIEDS

CARS JOBS

PROPERTY TRAVEL

CARS

Lamborghini Murcielago LP640
 2007/07
 £184,995
 North East England

Mercedes-Benz E63 AMG
 2005/55
 £57,995
 North West England

Toyota Celica 1.8 VVTi
 T Sport Coupe
 2004/54
 £5,000
 South East England

Car insurance
 Great car insurance deals online

Search for more cars and bikes

Place your advert now

Search Ad Reference:

SEARCH



Your home may be repossessed if you do not keep up repayments on a mortgage or any other debt secured on it.

Changes in the exchange rate may increase the sterling equivalent of your debt.