

## *The New Build Buying Process In France.*

The buying process in France differs between the purchase of an existing property to that of a new build, in this section we will deal only with new build.

Of course the first thing is to locate a property which meets with your needs and budget requirements, having done this it is highly likely you will want to visit the site in France and get a feel for the surrounding area. At this point you can take an option which is a method of holding the property subject to making a site visit, the option will be valid for up to maximum of three weeks and there is no financial commitment at this point.

Having returned home and being satisfied with the development the next stage is to sign a reservation contract and to send a deposit of 5% to the Notary.

There is a 7 day cooling off period following the signing of the Reservation Contract and the payment of the 5% deposit.

A formal acknowledgement is sent to you at your home address by recorded delivery, the date on which you receive this marks the start of the 7 day period. During this period you are free to cancel the purchase and have the deposit refunded.

The reservation contract will also clearly specify that the contract will be cancelled if a French mortgage can not be obtained within a period of normally no more than 3 months. After approximately 6 months the Deed of Sale will be completed and require signing this is called the Acte De Vente this is the title of ownership document. This can be done in 2 ways either by visiting the Notaires office or by granting Power of Attorney.

As you are buying Off Plan there will be Stage Payments and there are normally either 5 or 6, the stage payments can be paid directly the Bank, Building Society or Lender.

The first payment will be as construction starts and the final payment will be at the handover point, each stage will be signed off by an independent surveyor and a certificate will be issued confirming the work has been carried out.

When paying the stage payments the lender will either charge you interest on the money drawn down to make the payments or offer nothing to pay until completion of the development. Mortgages in France are certainly more cost effective and the rate is around 4.25 to 4.5% with mortgages available up to the age of 75, of course as in the UK this is subject to the normal terms and conditions.

There is a registration fee payable to the lender for the mortgage which is generally between 1&1.5%.