

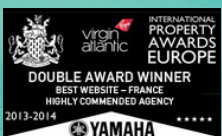


**HOMEHUNTS**  
LUXURY PROPERTY SPECIALISTS

# INSIDE FRANCE

Prime Property Observations for  
Safer, Smarter *IN*vesting

*...be IN the know with Home Hunts*







Beynac is in the Dordogne

## KEY FACTS

FNAIM has reported an average 2.5% drop in house prices across France, yet some prime areas have seen price increases in 2013 and so far in 2014.

Home Hunts has found that sales of prime property are up 50% in 2014 compared with the same months in 2013, with numbers rising month on month.

The most common nationalities of buyers are British, Swiss and Middle Eastern, but many buyers are also American, German, Italian, Belgian, Russian and Chinese.

The 8th, 16th and 17th arrondissements of Paris are the most sought after, with Avenue Kléber increasing in price due to growing demand from overseas buyers.

Saint-Jean-Cap-Ferrat received the most enquiries for properties above €15 million, taking 32% of the total number made in the area.



“The French market is offering win-win deals for buyers and sellers”

Director, Tim Swannie

“We are dealing with prime properties that haven't been on the market before”

Director, Francois-Xavier de Vial



# INSIDE FRANCE'S PRIME PROPERTY MARKET

With lower prices across the country, favourable tax and interest rates, and a president who is changing his political outlook, the French property market is bursting with investment opportunities

FOR Home Hunts, a successful 2013 and a strong start to 2014 is signalling the start of a buoyant year, which could confirm France's longstanding position as a stable and thriving prime property marketplace.

Despite austerity measures continuing to play out and pacify the might of the Eurozone debt crisis, France's luxury property market has proved itself to be stable and is even seeing an increase in house prices in some prime market areas.

### ENQUIRIES AND SALES UP 50%

During the first few months of 2014, Home Hunts received almost 50% more enquiries and sales for prime market properties than in the same period last year. Furthermore, throughout 2013 Home Hunts also received a record number of visits from overseas buyers, all seeking to capitalise on the unique economic and political conditions currently available in France.

Having analysed data from Home Hunts' consultants all over the country, the areas that have emerged as the most sought after in France are Paris, the South West, the Alps, Provence, Languedoc and the Riviera.

### UNIQUE TAX ADVANTAGES

"Clients are certainly looking for good value at present, the recent changes to the capital gains tax threshold for non-residents from 30 to 22 years has given certain owners an extra incentive to be slightly more flexible with their prices if they are going to save money on tax," says Tim Swannie, Director of Home Hunts.

"Ultimately it can be a win-win situation for both the buyer and the seller – and many of our overseas buyers are realising this."

### FIRST TIME TO MARKET PROPERTIES

There are also many investment opportunities as a result of wealthy owners selling up and leaving France, which has also seen many traditional or heritage properties come on to the market.

"We are dealing with prime properties that haven't been on the market before," says Francois-Xavier de Vial, Director of Home Hunts.

"As a result, we are experiencing a lot of interest in these kinds of authentic, grand residences, especially from overseas buyers."

The current 25% reduction on properties sold before 31 August 2014 is also encouraging transactions and that, combined with lower prices – some regions, such as Languedoc-Roussillon, have seen a drop of 5% – has also tempted buyers from all over the world to expand their real estate portfolio in France.

### FRANCE OUT OF RECESSION

"The French property market is different to many of its neighbours, it has never been a boom and bust market," says Tim.

"In addition to safe haven areas, France offers highly attractive lifestyle and business opportunities – and now that Hollande's political line is changing, interest in France is likely to be boosted even further this year."

With the country having seen 0.3% growth throughout 2013, bringing the country officially out of recession, high net worth individuals are turning to France to look for good value for money – and they are finding it.

# FRANCE'S PRIME MARKET HOTSPOTS

Paris, the Alps, the South West, Languedoc, Provence and the Riviera - data gathered by Home Hunts' consultants all over France revealed these regions as the country's most coveted

## PARIS

DESPITE Paris being one of the key real estate and economic centres of the world, Home Hunts' research shows that prices are currently the lowest they have been for several years and that the most sought after areas during 2013 were the 8th, 16th and 17th arrondissements.

The 8th is one of the main business districts in the city, and it is also home to Paris's most famous avenue, the Champs-Élysées.

"Our clients like to be within a walking distance of the Champs Élysées," says Hervé Lévy, Manager of Home Hunts' Paris office.

"They also like the Eiffel Tower area, but 70% of our clients prefer the right bank of the Seine."

The 16th is renowned for its excellent schools and affluent residential areas and is home to the coveted Avenue Foch.

The 17th is also a thriving business area where residential buildings are predominantly Haussmannian in style, and highly sought after.

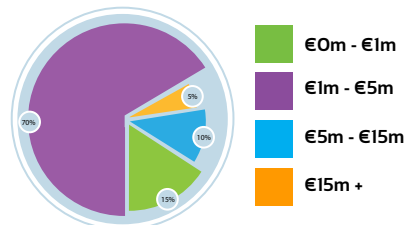
Avenue Kléber, in the 16th, is growing in popularity with overseas buyers, says Home Hunts. Positioned between the Trocadéro and the Arc de Triomphe, Avenue Kléber is an ideal location as it has all the boutiques of Avenue Victor Hugo and sits right next to the golden triangle.

"Avenue Kléber is really on the up and we believe prices will catch up in the near future with Avenue Georges V, where prices are much higher," says Hervé.



Avenue Kléber (16th) is becoming highly sought after by overseas buyers

Percentage of enquiries per price bracket



Buyers' nationalities

- American
- Middle Eastern
- Chinese
- English
- Italian
- Brazilian

## SOUTH WEST

HOME Hunts' south-west territory combines the Midi-Pyrénées and Aquitaine regions.

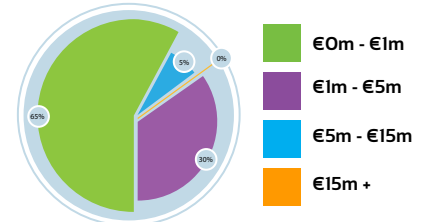
While the most dominant nationality buying prime property in south-west France is British, making up around 40% of enquiries, the number of American, Australian and Chinese buyers is rising.

"Over the last five years we have seen a distinct increase in Americans and Australians in the Dordogne, and Chinese for vineyards in the Bordeaux area," says Kirsten Pollard, Manager of Home Hunts' South West office. Home Hunts' research shows that the three locations generating the most enquiries in south-west France throughout 2013 were: the Dordogne, Bordeaux and Toulouse.

The Dordogne combines charming villages and châteaux-studded countryside, and Bordeaux has long been famous for its world class wine. Interest in Bordeaux has increased dramatically in the past twelve months as Chinese investors look to build on their assets outside of China and Hong Kong.

Toulouse is France's fifth biggest city and the hub of Europe's aerospace industry. It is also a thriving commercial centre that forms part of the Pays de Cocagne ("land of plenty"). This "golden triangle", which connects Toulouse with Carcassonne and Albi, is rich in culture, history and landscapes, including the Canal du Midi, one of the most famous canals in France.

Percentage of enquiries per price bracket



Buyers' nationalities

- British
- American
- Australian
- Chinese
- Danish
- Dutch



Properties in Annecy, Morzine and Chamonix are generating the most enquiries in the French Alps

## THE ALPS

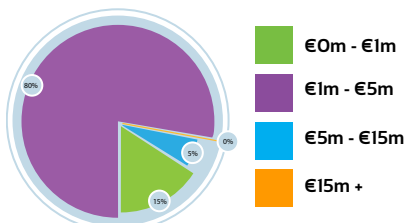
REAL estate in the Alps has seen a marked increase in demand this year, which has been, in part, due to the 2014 Winter Olympics.

Chris Leder, Manager of the French Alps region for Home Hunts, says prices remain "very negotiable" in this area. "It depends on how long the property has been on the market, but with each quarter in 2013 seeing an increase in the volume of sales, we believe prices will soon creep back up to pre-2008 levels."

Research by Home Hunts shows that Annecy, Morzine and Chamonix are the most sought after locations in the Alps. Annecy is fast becoming a hot spot for year-round holiday homes or retirement. Morzine, and Les Gets, is also popular due to its proximity to Geneva and vast ski range.

"It's the same size as the Three Valleys at more reasonable prices," says Chris.

Percentage of enquiries per price bracket



Buyers' nationalities

- English
- Swiss
- Russian
- Danish
- Middle Eastern
- Spanish

Chamonix is still the big favourite for extreme sports in Europe and it is still competitively priced compared to destinations such as Meribel or Val d'Isère.

Chinese investors are increasing their assets by investing in authentic vineyard properties





## LANGUEDOC

THE diversity of Languedoc-Roussillon, with its endless vineyards, mountains, Mediterranean resorts and vibrant cities, means that buyers have a seemingly limitless range of lifestyles to choose from.

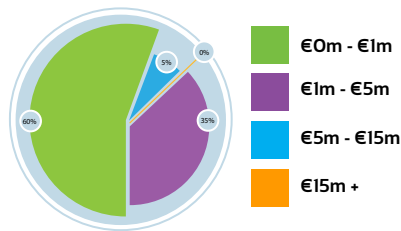
As houses prices dropped by around 5% in 2013, there are currently plenty of interesting investment opportunities available. Uzès and Montpellier have been selected by Nicola Christinger-Grant, Manager of the Languedoc office for Home Hunts, as the most popular locations for prime property investment in the region.

"With the choice of some great small airports, like Avignon and Nîmes, both with TGV stations, access is easy for buyers, plus there is the international airport of Montpellier," says Nicola.

With a thriving economy and entertainment on offer all year round, it is no wonder that over

a quarter of a million people make Montpellier their home. "Montpellier is lively and has a good selection of bilingual and international schools, so it is a great place for families looking to relocate permanently," says Nicola.

### Percentage of enquiries per price bracket



### Buyers' nationalities

- British
- Dutch
- Belgian
- Danish
- Italian
- South African



La Cité, Carcassonne's fairytale fortified castle, is just one of Languedoc's treasures

## PROVENCE

HOME Hunts' research shows that the three areas generating the most amount of interest in Provence throughout 2013 were: the Luberon, Les Alpilles and the Var.

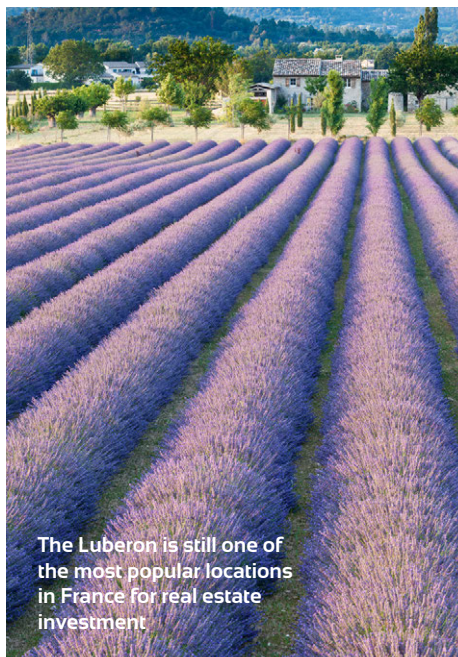
The Luberon, with its breath-taking countryside and mountains, is still highly sought after and property in this area is expected to increase or at least hold its value throughout 2014.

An extension of the Luberon, Les Alpilles conveys an image of deepest Provence. Home Hunts' data shows that properties in Saint-Rémy-de-Provence and surrounding villages, such as Maussane-les-Alpilles, are in high demand.

Known as the sunshine department of France, the Var is one of the most popular areas for real estate investment in France. Well known resorts, such as Bandol and St Tropez, line this glamorous coastline, which offers magnificent sea views and safe, uncrowded beaches.

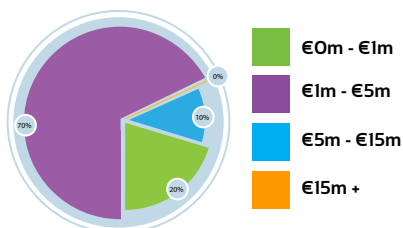
"Bormes-les-Mimosas, Aiguebelle and Carqueiranne have pretty little ports and quaint villages which still feel like they are waiting to be discovered," says Nicola Christinger-Grant, Manager of the Provence office for Home Hunts.

An area growing in popularity is the northern countryside around Aix-en-Provence, especially some of the smaller villages such as Rognes and Lambesc. "In addition, smaller villages near Gordes, such as Cabrières d'Avignon, are providing sound investment opportunities," says Nicola.



The Luberon is still one of the most popular locations in France for real estate investment

### Percentage of enquiries per price bracket



### Buyers' nationalities

- British
- Belgian
- Danish
- Dutch
- Swiss
- Middle Eastern



Properties over €15 million are most in demand on the peninsular of Saint-Jean-Cap-Ferrat

## RIVIERA

THE French Riviera is one of the most famous and glamorous resort areas in the world, and Home Hunts can reveal that Saint-Jean-Cap-Ferrat, Cap d'Antibes, Valbonne and Saint Tropez were the most sought after Riviera locations for prime property in 2013.

In fact, out of all the sales and enquiries made, it was Saint-Jean-Cap-Ferrat that came out on top with the highest concentration of enquiries (32%) for properties priced over €15 million.

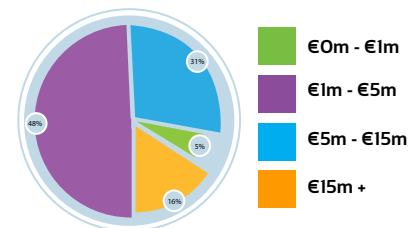
Cap d'Antibes, which is home to the exclusive Hôtel du Cap-Eden-Roc, came a close second with around one quarter of all buyer enquiries relating to properties €15 million and above. "In addition, what really stood out is that most of our clients investing in this area already owned two or three other properties around the world," says Tim Swannie, Director of Home Hunts.

Economically prosperous yet simultaneously retaining its 16th century character in the village itself, the commune of Valbonne is home to some highly exclusive properties. However, most prime market buyers in this area were looking for homes valued at €5 million or less.

Always in one of the top spots, Saint Tropez is attracting more attention than usual as prices have dropped by nearly 3%. As a result, buyers have been able to negotiate interesting prices throughout 2013 and so far in 2014.

"The global recession obviously hit France and prices have slowly decreased over the past few years, but prices in many areas have remained stable and could quite possibly increase in the Riviera in 2014," says Tim.

### Percentage of enquiries per price bracket

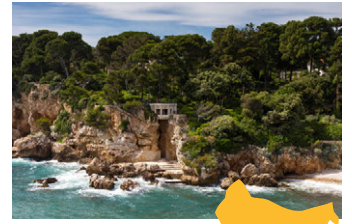
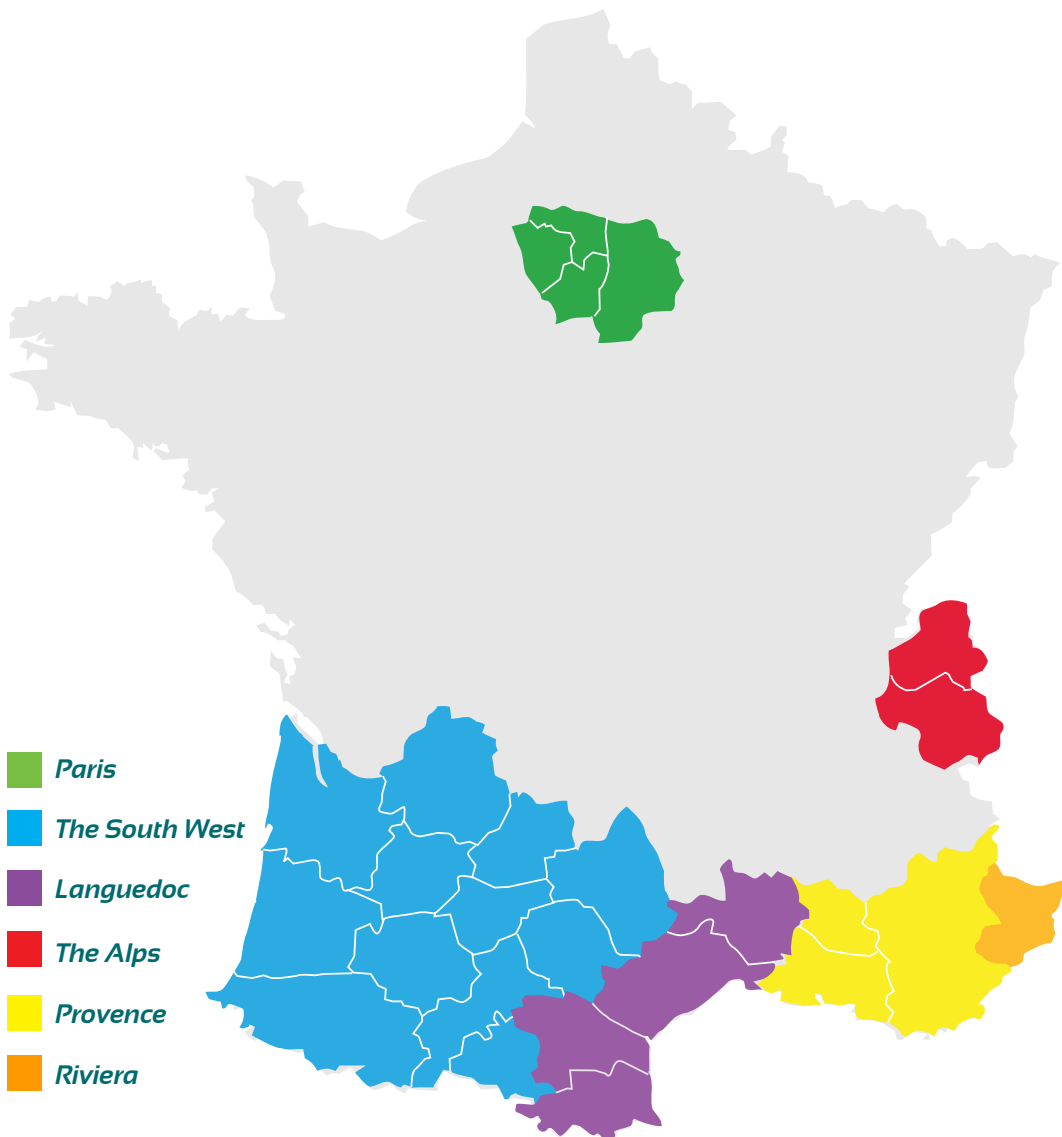


### Buyers' nationalities

- British
- Russian
- Middle Eastern
- Danish
- Norwegian
- Dutch

# PRIME PROPERTY FOCUS BY REGION

What types of properties are the most popular with buyers?



## Riviera

Properties attracting the most attention along the Riviera are:

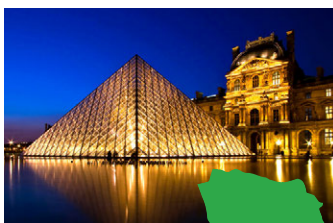
- Villas with sea views.
- Stone country houses with good-sized swimming pools.
- Waterfront properties.



## Provence

The following properties tempt buyers the most in Provence:

- Stone farmhouses with land.
- Houses with vineyards or olive groves.
- Renovation projects.



## Paris

What kind of property is winning the most sales in the City of Light?

- Apartments in the 8th, 16th and 17th arrondissements.
- Two-bedroom penthouses.
- Apartments with renovation potential in prime areas.



## South West

The most sought after properties in Home Hunts' south-west territory are:

- Stone countryside properties with land.
- Historic chateaux with land.
- Working vineyards offering income potential.



## Languedoc

These properties are creating the most interest in Languedoc:

- Chateaux and country estates with land.
- Stone properties with land.
- Vineyards for business investment.



## The Alps

What is getting buyers excited in the French Alps?

- Beautifully renovated chalets with contemporary interiors.
- Properties by Lake Geneva.
- Country estates with access to ski slopes and Geneva.





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Published on behalf of  
Home Hunts  
by Piece Boutique  
[www.pieceboutique.com](http://www.pieceboutique.com)

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**IMPORTANT NOTE**

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