

La Maison du Bonheur

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MAISON A VENDRE

Gabrielle Cleasby looks at the French property market from the view of the seller

So much is written about buying a French property but there is very little about selling. From time to time we come across British residents wanting to sell for various reasons – a change of plan, ill health, retirement from gites or B&B, a need to downsize once children have left home. The business of selling can be as fraught with problems as that of buying. The French way is different from that in the UK so I thought it might be helpful to go through the process and also to clear up some points which British vendors do not always understand or appreciate.

Many vendors begin by trying to sell their property themselves. This might involve expensive advertising in the UK national press and in property magazines. Such advertising can be effective, but not always, and then you have to ask yourself why it is not. Are you perhaps not reaching the right market? The chances are that you will be aiming predominantly at the UK market, given the continued interest there. Is the property realistically priced? By that, I do not necessarily mean low priced, but rather set at a price that can attract most interest in the prevailing market conditions. You need to remember that currency rates can vary quite considerably. At the time of writing, UK buyers are enjoying a good rate of exchange between the euro and the £ sterling. Earlier this year it was a different matter. Also, as I write, the UK market is not so buoyant in many areas, house sales are collapsing, and interest rates are rising. All this has a knock-on effect which is why it is important to pitch your price accurately.

It is to your advantage to use an intermediary for several reasons. Most of them, if they are British, have daily contact with currency and mortgage experts who keep them up to date with current trends. They are well placed to offer advice about pricing. They will be able to weed out the serious buyers from the dreamers and time wasters. (Surely it is better to have fewer visits from genuine buyers rather than lots more visits from sightseers.) Even more important, you have the advantage indirectly of an agent's publicity machine and contacts, at no cost to yourself. Unlike in the UK, you will not be billed for advertising and other expenses, even if the agent does not sell your property. It is the agent who foots the bill, probably having worked very hard on your behalf, with no financial reward at the end because someone else has sold the property.

Also unlike the UK, it is customary in France to use more than one agent. We have known some vendors who have had as many as ten which is really a step too far! It is better to limit yourself to three or four, your choice depending on what they can offer and their effectiveness in reaching the right clients. There are many British

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people such as ourselves working in France who fully understand the needs and concerns of British clients, buyers and sellers, and who try to match the right clients to the right properties. In effect, we are a sort of property dating agency! Most are not full estate agents but have *agent commercial* status. This means they are self employed but work alongside a French estate agent (*with* the agent, not *for* the agent) and are legally registered at the *Prefecture*. If you ask an *agent commercial* to handle your property it will also go via his/her French agent so you have two opportunities to sell as they each have a different clientele. If you go directly to a French estate agent it might be wise to ask if they have someone working with them who is close to the UK market who might also want to handle the property. Often, as in our case, the *agent commercial* might have his own website aimed specifically at British buyers, and also direct contact with them via a presence at French property exhibitions, and via editorial in leading UK based French property publications. All this is done and financed independently of the French agent and is something that the French rarely do.

Once you have you decided on your agent you will need to sign a *mandat de vente*, the contract which gives the agent permission to handle your property. This is a compulsory legal requirement and you should be suspicious of anyone who offers to sell your property and does not ask you to sign one. If it is an *agent commercial* who takes on your property, the *mandat* passes via their French agent and the commission is shared between them if either of them sells the property. The *mandat* most widely used is *sans exclusivite* which means the agent does not have exclusive rights to sell and you are free to use other agents or sell privately. You might be asked to sign a *mandat exclusif* but this limits you to a sole agency and denies you the opportunity to sell privately. In the contract the price is built up by adding the *net vendeur*, the price you yourself would like, perhaps with some allowance for negotiation, to the *forfait*, the agent's commission, which is a percentage of the *net vendeur*, varying according to the price asked. The two form the price *commission comprise*. This is the sum which should appear on all the publicity. Included in the commission is 19.6% TVA, the French equivalent of VAT, which the agent has to pay to the fiscal authorities. It is the purchaser who pays the commission; the vendor therefore has no extra charges. Again, you should be suspicious of anyone who wants you to pay them for selling your house or who wants to levy an extra charge of any sort.

Once you have a sale agreed you will need to visit the notaire to sign the *compromis*. If you have used an agent then he will take care of the details. Another word of caution here – we have come across a few cases this year where an agent has persuaded the vendors to agree to a *clause suspensive* whereby the transaction is dependent on the sale of the purchaser's property in the UK or is dependent on obtaining finance. You are not obliged to sign any such clause and you should think carefully about it, particularly with the UK market in its present state, as your

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French property is then in limbo for several weeks (it was several months in one instance) whilst you are tied into this agreement. If someone else comes along who is genuinely a cash buyer or has an *in principle* mortgage arranged you will be unable to change your mind. Similarly, if someone wants a survey or builder's report, it is a good idea to suggest they do it before anything is signed. This leaves your options open. You, as the vendor, depending on your area, might be obliged to have a compulsory termite survey; in some areas this also includes asbestos and lead. It is the vendor who pays for it. The purchaser pays the notaire's fees which vary according to the price of the property. When both parties have signed the *compromis* the purchaser has 7 working days to retract. If your sale does collapse for whatever reason you can simply inform the various agents who will then put the property back on the market. You do not need to sign a new *mandat*.

Not everyone is fortunate enough to own an immaculately turned out property. Take a good look at yours, not through rose tinted glasses, and see if there is anything simple and effective you can do to enhance its appeal – a bit like the 'House Doctor' programmes but perhaps not quite so drastic. Decide what is included in the sale but remember that tastes and styles change and vary quite a lot. The chances are that the faded carpets you bought 15 years ago that you are so generously leaving will not be too appealing to the new owner, so why not lift them now and reveal the old *plancher*? The sanitary ware, which looked fine 10 years ago, will probably be considered dated and prospective buyers will be thinking of replacement costs. For any improvements you have had done that are still under guarantee or which required special permission, make sure you have the paperwork to hand as the notaire will require it.

Finally, do treat your agent with respect and be guided by his advice and experience. There is more to selling property than meets the eye. I know there is a degree of suspicion from some quarters and a feeling that the agent is out to make a 'fast buck'. Nothing could be further from the truth. Yes, there are some sharks and you can usually spot them, but most agents work conscientiously. Some spend endless time meeting people at exhibitions, communicating by telephone and e-mail, travelling with clients, and really try hard to match the purchaser's requirements with the right property. By this process an agent gets to know the clients – some take ages to view, others need only a quick visit in which to assimilate everything. Let your agent be the judge of that and don't complain afterwards that the visit was too long or too short. Your agent knows the client better than you. It is a sad fact that a very tiny minority of vendors (and an even sadder fact that these vendors tend to be British!) treat their agent as some kind of minion to be ordered about in an overbearing and abrasive manner. They would do well to remember that they are being offered a free service and that their attitude does not induce a desire to work particularly hard on their behalf. Happily, these

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are very rare encounters. So, help your agent as much as possible to help you. It is a joint effort towards a common goal with, hopefully, a successful outcome.

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