

**February 2009**

**Buy in France now and take the lead on the very many potential purchasers who are just waiting for things to improve.**

Life is what you make of it and now that we are into 2009 why not make the decision to go ahead and buy in France and take the lead on the very many potential purchasers who are just waiting for things to improve – which inevitably they will eventually. Although there still seems a long way to go before things really improve in the UK, it seems a shame to put your dreams and hopes on hold for another year when there is every reason fulfill your dream of owning a property in France.

In most cases, prices in France have not plummeted as they have in the UK but vendors have become more accepting of lower offers as they realize the problems that the rest of the world is suffering. However in France many people don't even have mortgages on their properties and if they do it is at a much lower percentage of the value and is a much lower percentage of their incomes so that generally they can afford their mortgages and are not in fear of losing their properties and or forced to take knock-down prices.

The Euro is stronger that is true but how much better to invest in a country whose currency is strong and especially in these difficult times it seems a good idea to not have your eggs all in one basket i.e. to invest in a different country. The reductions or negotiated reductions in property prices mean that you will in fact be paying around the same Sterling price as you would have done when the Euro was weaker.

If you are in a position to buy now, either as a cash buyer or by taking a mortgage in France, then I believe you will do extremely well in terms of price and the choice of properties available to you.

You would then be in a position to enjoy your home in France for all your holidays next year, probably making a saving on normal holiday costs and possibly being able to negate these costs by renting out your property when you are not using it.

France is a large country and the property situation will differ to some extent from area to area.

If, for instance you are looking in the Cote d'Azur, you will know that this area appeals to a totally cosmopolitan group of people. This cushions the area somewhat as when one nationality is holding back there is another that finds they are in a stronger position to purchase. You may also see some British owned properties for sale and their owners will be receiving more Sterling for their Euros making it possible for them to reduce prices.

The market has not stagnated as it has in the UK and many owners are taking the opportunity of moving up market to something bigger and more expensive whilst prices are at a standstill so that there is still a good supply of properties coming onto the market at present. For new properties you may find that developers are willing to make reductions or include extras in order to attract buyers and at present I believe that they are cutting down on the number of new developments that are being released so that when the market picks up there will definitely be a shortage of properties available. This happened the last time there was a turn down in the market and this led to an upsurge in prices later on, leaving the lucky people that bought in the quieter times with a nice capital gain.

In Aquitaine, covering such departments as Dordogne, Lot et Garonne, Gironde, Landes and Pyrenees Atlantiques you will find that in some areas people are not as aware of the general world financial problems although they will be noticing that far less buyers from overseas, particularly from UK are looking at present and according to the rules of supply and demand will be more likely to accept a lower offer, but as mentioned, in the main they are not desperate sellers and will be able to wait for a suitable reasonable offer. Particularly in the Gironde, Landes and Pyrenees Atlantiques, where there is generally a very domestic market with only a small amount of overseas buyers, which is keeping things ticking along almost as normal.

Languedoc Roussillon manages to hold its own, originally just a domestic market but over the last few years it has attracted a huge following from the UK, probably helped by the many flights from the UK to the area. Prices were creeping up in the area and are now more stable but with the popularity of the area within the domestic market it would be wise to think about buying now before things take off again. A report in France stated that over the next 50 years there will be 30% more French people living in the region.

The department of the Aveyron became much more popular with the introduction of flights from the UK and prices were increasing gradually but it is a large area with lots of undiscovered properties so that there is still a good supply of very reasonably priced properties.

The ski areas of the Alps always hold their own and particularly at this time of year become even more popular, however I think owners will think carefully before over valuing their properties as was happening, in this very difficult market.

The North of France including Normandy, Brittany and Pas de Calais, continues to hold its own and remain popular with the British purchasers due to its proximity and wonderful selection of character properties at all prices, however the financial problems that we are having do have an effect on the market there as the numbers of buyers decrease, making it more of a buyers' market, giving the opportunity of buying a property at a lower price at present.

There is no doubt that the interest and intentions of the British has not receded at all as far as wanting to own a property in France but for some circumstances have dictated that it cannot be now and this gives those that are in a position to go ahead a real benefit in terms of price and choice.