

GET YOUR HOUSE IN ORDER





Contents

Preparing your property for market	1
Promoting your property	4
Offer and sales procedure	7
Other considerations	9
Knight Frank's Global Network	10
French Riviera Offices	11



I - Preparing your property for market

The sales process in France should be relatively straightforward, but we would always recommend seeking independent advice as necessary. This document has been compiled as a guide for potential vendors of property in France. It does not seek to provide or replace legal and fiscal advice which you should obtain, nor is it intended to have any contractual value.

a) Value your property

Is your objective to sell at the best price, within a reasonable period of time?

To do this, it is essential to launch your property onto the market at the right price. In order to support a proposed marketing price, it might be expected that a market appraisal report is created which draws on recent sales in the region and other market knowledge. Our agents will put their experience and expertise at your service to deliver values established on verified references.



Since its creation in 1896, Knight Frank have become the world's largest privately-owned property agency. We believe our expert knowledge and outstanding reputation, makes us the perfect partner for our clients.

Having set up a Côte d'Azur network some 19 years ago, we are in the perfect position to assist you with every property need. Our agents boast unparalleled expertise in terms of assessing buyers and sellers needs in the luxury marketplace. Our network covers the stretch of coastline from the Italian border to Théoule-sur-Mer. We endeavour to ensure that we provide our clients with an outstanding, globally connected service.

My agency: phone number:.....
email address:.....

My agent: phone number:.....
email address:.....

My notary: phone number:.....
email address:.....

b) Put together your technical file

Prior to actively marketing the property, your agent may request that you have certain pieces of information that are both necessary for the sale, and act to facilitate the sale. In order to sell a property in France, one must have the following:

- Diagnostics report (DPE, termites, lead, asbestos, electricity)
- Title deeds
- Ownership structure
- Cadastral plan
- Septic tank report (if appropriate)

In addition, Europe is governed by Anti-Money Laundering legislation that requires all agencies to hold certain information about their clients. The following information is required for each proprietary owner:

- Proof of identity (e.g passport, driving licence)
- Proof of address (e.g utility bill dated within the last 3 months)
- When a property is owned by a company, statutes and registration documents of the company and full details of the manager(s) with proof of identity and proof of address.

We would always recommend the constitution of the technical file for the sale of your property being scrupulously checked and validated with your agent and your notary.

NEED A DIAGNOSTIC EXPERT ?

MCTB – Diagnostiques Immobiliers Cannes
mctb.info@wanadoo.fr - 04 97 06 61 50
MCTB.fr

Other information: please inform us if there is any information about your home that may impact its saleability or that we should be aware of.

c) Sign a sales mandate

In France, it is possible to appoint a sole agent or alternatively to appoint more than one agency. A sales mandate can be issued on an exclusive or joint basis. An exclusive sales mandates requires that a sale must be affected via the sole agency. A non-exclusive mandate permits a vendor to sell a property via any agency holding a valid mandate. It is suggested that one limits the number of valid sales mandates to avoid over exposure in the marketplace. The sales mandate details the agreed marketing price, the agency fees due upon sale, and the expiry date of the mandate.



II - Promoting your property

a) Establish a plan of communication

Upon signing the sales mandate, the agency can begin promoting as pre-agreed. Because the success of the sale of your property also depends on its visibility, one should agree a personalized-strategy and review to discuss on-going success.

This strategy can vary and depends on several factors such as the nature of your property, the market situation or the time of year.

These approaches can vary from an in-depth work on the agency's client file, without any communication, to exposure on real estate portals, the press or international sites.

When marketing a property alongside Knight Frank, one benefits from featuring on our local associate's website and the Knight Frank global website. Accordingly, one can also gain exposure to wider global markets through global search portals, marketing campaigns, and appropriate PR features.

In order to do so, the following authorizations are required:

- Feature your property on Knight Frank French Riviera local website EstateNetFrance.com
- Feature your property on Knight Frank global website KnightFrank.com
- Feature your property on advertisement in national, local digital and print magazines
- Feature your property on Knight Frank social media pages
- Feature your property on Knight Frank agents' professional social media pages



b) Visits

It is our aim to promote your property to suitable buyers, so individual applicants will be qualified to ensure a visit is appropriate. We recognise that this is your residence and will try to be as flexible as possible.

The nature of the local real estate market means that a visit may be requested at short notice, but we will endeavour to offer as much forewarning as possible. We will seek permission from you before any viewing, and report back to you after a visit.

In addition, for the best first impression, we recommend:

- To ensure the good condition, cleanliness and tidiness of your property
- To avoid, if possible, the decoration being too crowded
- To give the different visiting instructions beforehand
 - Property manager's details:
 - Alarm code:
 - Keys
 - Visiting hours:
 - Others:





III - Offer and sales procedure

a) Receive and accept an offer



We will do our utmost to achieve the best sales price for you. Before presenting an offer, we will seek the following information from a buyer:

- Offer price:
- Conditions of purchase (e.g subject to finance):
.....
- Time of validity:

Whilst initial negotiations may be done verbally, upon an agreed offer level we would seek to formalise the agreement in an Offre d'achat (offer letter). This offer letter will detail the information within the above as well as the agency fees.

Under French law, upon counter-signing this document, you are under contract to continue with this purchaser until a time that the terms of the offer are broken. Please recognise that a buyer is able to withdraw from an agreement until 10 days after the signing of the Compromis de Vente. You may wish to discuss any documentation with your Notaire before signing.

b) Prepare the sales contract

Upon signing an offer letter, both parties move towards the Compromis or Promesse de Vente. The agency will act to introduce the appointed Notaries attributed to the vendor and to the buyer, and facilitate any investigations as necessary.

During this period, it is important to communicate with your Notary to discuss the relevant documentation required to facilitate a transaction. One should expect a delay between an offer and the preparation of a sales contract of approximately 4-6 weeks.

One should look to compile the following information as soon as a deal is agreed:

- Contact information of your Notary:
- Contact information of the buyer's Notary:
- Compromis date:
- Proposed final signing date:



The Compromis de Vente will include much of the information compiled over the previous weeks and shall incorporate the sales price, proposed date of completion, agency fees, and any suspensive clauses.

Once the buyer and seller have signed the Compromis de Vente, the buyer has a 10-day cooling off period to withdraw from the transaction and have their 10% deposit returned (held in Escrow). If a mortgage condition has been included within the sales contract, the buyer will seek confirmation of mortgage financing after signing the sales contract and also benefits from a further cooling off period.

c) Completion



There is generally a 2-3 month period between the signing of the sales contract and signing the final deed (i.e completion). This timescale may vary if there are suspensive clauses or if there is a mutual agreement to accelerate/decelerate the process.

Upon signing the final deed, the buyer will transfer the remaining 90% of the purchasing price. At this stage, the agency will also be paid their due fee.

IV - Other considerations

It is finally essential that you have a clear idea of the repercussions of your sale. We would recommend that you seek the advice of a Notaire and tax adviser.

a) Capital Gains Tax (CGT)

Capital gains tax in France is called “impôt sur les plus values” and is a tax payable on the sale of land or buildings, on shares, and certain other personal property, subject to any exemptions, allowances and deductions that are available.

Only if the property is a second or holiday home, or a property you rent that you subsequently sale are you liable for capital gains tax.

The base rate from which French CGT is calculated will depend on your country of residence, the extent of capital gain, and allows to which you may be entitled. For residents and non-residents of France, the applicable basic tax rate is 19% plus 15.5% social charges. There are exemptions that one should discuss with a tax adviser.

Supplementary tax – a supplementary rate of tax is also payable on large gains (as per article 70, troisième loi de Finances Rectificative 2012)

- Greater than €50-100k – 2%
- Greater than €100-150k – 3%
- Greater than €150-200k – 4%
- Greater than €200-250k – 5%
- Greater than €250k – 6%

If you are unsure of your tax status, seek the advice of a tax specialist who will undergo a rescript fiscal such that the tax authority must formally declared your tax position. Please let us know if you would like suggestions of our recommended advisers.

Note : This publication is meant to give a very basic overview of the selling process. No liability is assumed as each interested person should seek independent local professional advice.

KNIGHT FRANK GLOBAL NETWORK

LOCALLY EXPERT, GLOBALLY CONNECTED



Our global network comprises of over 523 strategically placed sales offices, ensuring that we offer coverage of the key property hotspots and our network is constantly evolving in tandem with the the global markets as they develop. Our agents from each office work seamlessly together making sure that our clients get a joined-up approach regardless of where they are looking to buy or sell.

KNIGHT FRANK FRENCH RIVIERA OFFICES

HEAD OFFICE
7 rue Leopold Bucquet,
06400 Cannes
+33 (0)4 97 06 30 30
contact@fr.knightfrank.com

CANNES
12 boulevard de la Croisette,
06400 Cannes
+33 (0)4 97 06 30 30
cannes@fr.knightfrank.com

SAINT-JEAN-CAP-FERRAT
1 avenue Denis Semeria
06230 Saint Jean Cap Ferrat
+33 (0)4 22 17 32 06
capferrat@fr.knightfrank.com

MOUGINS
1 rue Honoré Henry,
06250 Mougins
+33 (0)4 97 97 32 20
mougins@fr.knightfrank.com

CAP D'ANTIBES
capdantibes@fr.knightfrank.com

VALBONNE
3 rue Grande,
06560 Valbonne
+33 (0)4 97 97 32 40
valbonne@fr.knightfrank.com



