

The spice of life

One of the incentives to owning a property in France is the opportunity to make a return on your investment by renting it out to visitors, as **Glynis Shaw** explains

Ever dreamt of buying a property in France for your own holidays that would help pay for itself through holiday lets? For many people this combination of lifestyle enhancement with financial investment seems ideal – and if you are thinking about taking the plunge, then the positive news is that this may be a really good time to buy.

Savings are attracting a pretty poor return at present, making many feel that it's pointless to leave their money in the bank. At the same time, properties in France are relatively good value with the opportunity to grab a bargain and get more for your money than in Britain. Finally, sterling is stronger against the euro, making a more favourable exchange rate with the possibility of rate fixing if you plan to purchase property.

RUNNING COSTS

The holiday rental market in France is more sophisticated and can be more challenging than it once was but, if you buy judiciously, market professionally, set realistic prices and offer attractive facilities then it is definitely possible to attract bookings sufficient to offset running costs and make a small profit. So what should you look for and what can you realistically expect?

What you need in a holiday property is likely to closely match the needs of your prospective guests. Location is, of course, crucial in terms of access, attractiveness and local amenities. Self-catering holidaymakers typically travel to France by car from the UK but some do fly and drive, and of course you might want to attract the international market too, so ideally look for a property within around 40 minutes of an *autoroute*, an airport with both budget and scheduled airline flights, and even a TGV station if you're lucky.

A peaceful location is appealing but both you and your guests will also appreciate a walk or short drive to local amenities for shopping, eating out and local life. Nearby shops are especially important as visitors like to walk for their fresh bread and croissants as part of the French rural experience. However, this is becoming less easy to find so it is important to highlight the nearest shopping facilities if you do not have this luxury. Sightseeing, visiting places of interest and taking part in sports and activities are also part of a holiday, but for these a longer drive is fine.

Another highly desirable facility is access to water, whether it's for swimming and boating or cycling and walking. This might be a swimming pool in the garden, private or



A well-maintained property such as La Pianque in Tarn will stand out from the crowd and appeal to guests

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shared, or a beach but it could equally be a local lake or river with *plan d'eau*.

The interior of the house itself needs to look inviting but not too personal or cluttered. Modern kitchens and bathrooms are appealing, as are period features, but guests also want up-to-date facilities like broadband internet access and satellite television.

When it comes to letting, you need to decide on the time that you want to spend in your second home and identify the weeks when it's open for bookings. Obviously you'll get more interest and higher rates in the peak summer period but May/June and September/October can also be attractive to couples, walkers, cyclists and so on. When you market your property online, be sure to mark your own time in France as unavailable on the booking calendar.

LOCAL MARKET

When setting rental rates, take account of the local market and be realistic in what can be achieved. Also take account of the costs involved in running the house for visitors in your absence, a major part of which will be key-holding and guest-welcome, servicing – including cleaning and pool maintenance – and, finally, response to emergencies. It would be wise to ask around locally and establish options for these services at the time of searching and buying.

You may have seen publicity about recent changes in French tax law for foreign property owners' income from holiday lets, but if you own a single property and let for a few months of the year then your profit is very unlikely to exceed the tax threshold.

However, it is essential to take professional advice on financial matters such as mortgage costs and tax liability when buying a property in France.

Many of the owners whose houses are listed with French Connections are letting their own holiday home and most find that it adds a worthwhile and enjoyable dimension to their lives, allowing them to both invest and to dip regularly into a slice of *la vie française* that is truly theirs. ■

Glynis Shaw is joint MD of French Connections holiday rentals and property sales online www.frenchconnections.co.uk

Case study: A successful holiday let villa in Tarn now on the market

In 2003 Nick and Polly Greathead bought La Planque (meaning the hideaway) near the Tarn village of Mont Roc. This part of the Midi-Pyrénées is renowned for its forests, tranquil lakes and dramatic gorges and boasts pretty villages with markets and quality restaurants.

The couple fell in love with the location for its secluded rural feel with panoramic views and its proximity to the UNESCO World Heritage town of Albi. They planned to use the modernised two-bedroom 1790s cottage as their own holiday home and as a holiday let.

For both themselves and their guests, they decided to combine romantic French décor with modern comforts and technology, including a saltwater swimming pool.

With access an important consideration, the couple were attracted to the fact that there is the option to fly into either Toulouse or Carcassonne, or drive about one hour from two different *autoroutes*, both with scenic drives.

"We would go down every year, usually at the beginning and end of the season," explains Nick. "We open and close the house and have time to enjoy the good weather in May and usually excellent weather of September and October. The rest of the time the villa is available for letting and we easily get bookings for 20 weeks of the year by advertising online through French Connections."

Rental rates are from £545 to £745 a week, depending on season. "We did our research on pricing," says Nick, "and offer good value for money. We preferred to set a reasonable rate in sterling and be fully booked than to experience weeks with nothing – and we have held our prices for three years to reflect the current market."

Of course, there are expenses involved in running the property. A local man maintains both the pool and extensive lawns and also carries out plumbing and electrical jobs on the house, and another local couple hold keys, take care of changeovers and decorating.

The costs for the whole season break down to about €750 for cleaning, €500 for garden and pool maintenance, €300 for local taxes and €500 for electricity.

The Greatheads had hoped to retire to their idyllic French villa but are selling it, with regret, because they have to be in the UK to care for elderly relatives. The property is now for sale at a reduced asking price of €195,000 (ID 155612 on French Connections). As they point out, there are no agency fees if the property is bought direct through the owners, but it's worth remembering that, as is standard in France, if agency fees do apply then the buyer is responsible – and also for both parties' *notaire's* fees.

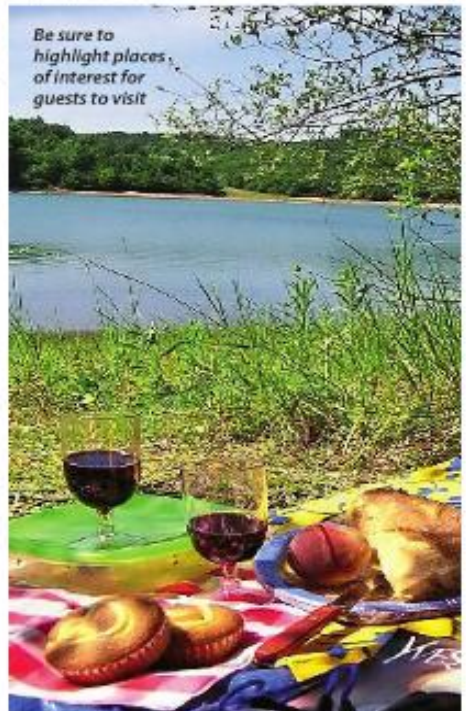
Subject to separate negotiation, the couple are also willing to sell furniture and garden equipment, including a tractor and pool robot, so that a buyer could immediately take over the property and enjoy it as a holiday and letting home with everything they need in place.



The pool is a big draw for guests in the summer



The garden is a winner for families with children



Be sure to highlight places of interest for guests to visit



Kitchens should be clean and well-equipped



A place to eat al fresco will attract guests