

## Finance your purchase - mortgage

We highly recommend **to contact your bank BEFORE starting your house search** and visit properties. You might be tempted to look around to already get an idea of the market, please be informed that house hunting takes time and efforts, every house is different, has advantages and disadvantages and the market changes quickly.

Once you see a house which interests you, you should be able to act fast to avoid disappointments:  
-meanwhile another buyer can show up having bank warranties.  
-your bank and others refuse your demand

Whilst the French law protects you in purchasing a house under conditions of approval of a mortgage, please note that more and more sellers refuse to sell under these conditions, with reason, **many demands actually are refused** and you need to have a bank warranty before the signature of a presale contract.

There are several options to finance your purchase:

### **1. You already own a house in France and want to sell this to purchase another**

-in this case you can ask for a bridging loan, you need to sell the house within 2 years following the approval, it starts getting expensive after 1 year.  
-in general the bank advances you an amount of 70 to 80% of the value of your house.  
-you need however to have sufficient income to be able to pay the monthly interest.  
-Contact professionals to **evaluate the actual sales value of your house** and **contact your bank afterwards** before you start looking to purchase another one.

### **2.You already own a house abroad and want to sell this to finance your new purchase**

Contact your **bank in the country where this house is located**, a bridging loan is not very interesting for them since it is only on short time period and they might oblige you to take another mortgage on that house.

The French banks will not approve your demand since they can't take mortgages abroad.

### **3.You live abroad and want to buy a house in France**

**Contact your local bank**, if you own real estate, your bank can lend you the necessary money by taking a mortgage on this real estate  
-If you don't own real estate, contact a French bank  
-If you're living in a country outside the EURO, take also into consideration the possible exchange rate fluctuations.

### **4.MORTGAGE in France**

Depending on your income(in France or abroad) and your family situation, the banks in general maximum lend you 1/3 of your monthly income after deduction of all other open loans and mortgages. You can do a simulation on the following site: <http://meilleurtaux.com/calculatrice/>

**Contact a bank anyway**, your personal situation (age, work contract etc) plays an important role on the maximum amount you could get and the maximum period of the mortgage. Opposite to other countries, they hardly take a look at the value of the house you're buying; your monthly income assures them you can pay them back.

**Note also that 100% mortgages hardly are accepted, you should have savings of 10 to 30% of the purchase price. The higher your personal input, the better conditions you can obtain.**

**This search is necessary to determine your budget to purchase and the monthly cost related to this. It will also be easier to negotiate having bank warranties.**