

Paris property market on a high

Figures from the recent VINGT Paris Spring report (vingtparis.com) have revealed that overseas investors are flocking to the French capital in order to capitalise on competitive prices and a weakening euro. Using current exchange rates a UK investor could save up to 40% on the average Paris property, as the pound's strength would see a €700,000 home cost £510,000.

Paris has been popular with British buyers for some time, with 23.3% of those buying a property through VINGT Paris between 2012 and 2014 coming from the UK. Some 66.7% of Paris property is currently owned by overseas investors, and the city is second only to London as Europe's most attractive destination for foreign direct investment.

The attraction of the French capital looks set to continue as, according to the report, "In 2015, buyers are discovering highly desirable investment opportunities in the most sought-after areas of Paris, at prices that are much more attractive than their London equivalents".

A comparison of Paris and London districts of similar stature revealed that prime London



Left: With views across Paris, this one-bedroom apartment is located in an 18th-century building in Étoile Louvre Palais Royal and is for sale for €1.15m (vingtparis.com)

Below left: Fully refurbished behind the original facade, this four-bedroom property in London's South Kensington is on the market for £6.5m (faronsutaria.co.uk)



neighbourhoods are significantly more expensive than their Paris equivalents. Prices in the French capital's 8th *arrondissement* rose by 21% between 2007 and 2014, while in Knightsbridge they increased by 84% during the same period. Similarly, South Kensington saw a 67% price increase in the same seven-year period,

compared with 26% in Paris' 6th *arrondissement*.

The report also compared the square-foot prices of the same London and Paris districts and found that, despite similar price growth, Notting Hill apartments were almost twice as expensive as those in the 3rd *arrondissement* of Paris. Similarly, prices in South Kensington were nearly

two and a half times greater than in the 6th *arrondissement*, the French capital's equivalent. Prices in Knightsbridge in 2014 were £2,050 per square foot, which is over three times more than those in the 8th *arrondissement*, home to the Champs-Élysées.

"The talk in the market over the past two to three years has been dominated by London, however, people forget that France is the world's fifth largest economy and investors will always be attracted by the Paris property market's incredible resilience," comments Susie Hollands, founder and CEO of VINGT Paris. "As London becomes increasingly unaffordable, Paris will be the winner. The potential returns in five to six years' time will be worth it."

"Paris is such a unique and beautiful city that it never goes out of fashion," says Catherine Ryall of Sextant Properties (sextantproperties.com). "The weakened euro has been a huge factor in buyers making the decision to invest in the French capital, allowing them to get more for their money than in previous years. Shrewd buyers are hunting for property in Paris now, before prices creep back to their 2008 levels and the end of the Hollande presidency, when prices are expected to increase again."

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