

A guide to French mortgages

Eligibility and criteria

- Purchases, refinance, construction and equity release loans available
- We typically arrange loans in Sterling or Euros; however other currencies are available if your salary is paid in that currency
- Available on a Capital & Interest repayment basis (Interest Only is available but on limited schemes)
- The maximum loan to value for a purchase is 100%, 80% for refinance and construction loans, 70% for equity release
- Leaseback Mortgages are available to either 80% of the purchase price including TVA or 100% of the net purchase price excluding TVA
- The maximum term is 30 years – available to age 80.
- The minimum loan amount is €50,000 with no maximum
- All schemes require full documentary evidence of income – 'self-cert' mortgages are not available.

Affordability

To qualify for a mortgage in France a calculation is used to establish whether you can afford to maintain the mortgage repayments.

Your existing liabilities, including your UK mortgage or rental payments, loans, credit card payments and maintenance are taken into account, together with the proposed French mortgage payments. All this must not typically exceed 35% of your monthly gross income. For example if your gross joint income is £3,500, 35% of this equates to £1225. If your only liability is your current UK mortgage payment of say £500 per month, this would leave a balance of £725 for your French mortgage repayment.

The amount that you can borrow is also restricted by the maximum loan to value as mentioned under Eligibility and criteria.

Proof of income requirements

If you are employed:

- Your last three month's payslips
- Your latest P60 and employers reference
- Your last three month's personal bank statements

If you are self-employed:

- Your last two year's Audited Accounts, Tax Returns and Accountant's reference
- Your last three month's personal bank statements

Other documents will be required and will be confirmed when application forms are sent to you.

For our latest rates and to see the different types of French mortgages on offer, please visit our website or speak to one of our advisers. Our 'quick quote' calculator on our website will enable you to find out how much your monthly payments will be or complete our online enquiry form to receive an Approval in Principle certificate and quotation.

PLEASE NOTE THAT AS THE LOAN IS SECURED ON THE OVERSEAS PROPERTY IT IS NOT COVERED BY THE UK CONSUMER CREDIT ACT OR THE FINANCIAL SERVICES AUTHORITY.