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Free initial advice

Invest in real estate property in France

BUY TO LET

Tenancy agreements in France

General comments on French law

- French statute law in regards to leases is pro tenants, owners' rights are undermined
- The presence of public order provisions in the leases unable parties to draft the provisions they wish
Examples: length of lease, automatic renewal if notices are not served within the legal pre defined timeframe, termination reasons are restricted etc
- A French je ne sais quoi: special features of the French legal system in regards to landlords-tenants relationships
 - Ex1 owners cannot end the lease for what reasons they wish/ only if they wish to sell/occupy/for reasonable reasons
 - Ex2 « treve hivernale » 1st of november until 31st of march/ no eviction order can be executed by a bailiff during this period even to evict squatters (1 exception only)
 - Ex3 the eviction order is one of the longest legal proceedings in France with repossession procedure
 - Ex4: tenants over 65, if the landlord wishes to terminate or evict such tenants, another place to live needs to be found by the landlord for the tenant !!!!!

Before letting- to be checked FIRST

- Employment status (fixed term contract/ CDI), job and rental history (« quittance de loyer »)
- Income and family members of future tenants (children going to uni, spouse income)
- Guarantees (3 times the rent or **garantor in France**)/ a garantor abroad would mean too much costs to handle the recovery proceedings abroad
- Garantors if flat or house shares (as a landlord you would be able to request unpaid rents to one garantor for the whole unpaid rent even if it represents more than the tenants' share of the rent)
- Documents to provide: Proof of address/ ID/ proof of earnings/ proof of job
- Documents that **cannot** be requested

Bank statement/ criminal records/ direct debit to pay rent/divorce ruling (only the last sentence of the summary of the divorce ruling can be asked/prenaps/medical file

- Before lease signature: evidence that the tenant has insurance !
- Entry inventory to be done (pics to be taken)

Types of leases available in France

- 3 different leases available

1-Furnished-«contrat de bail d'habitation meublé »

Features: Furnished with bed, curtains, cooker, microwave... (list to be respected) otherwise the contract nature could be changed to unfurnished lease

Duration: 1 year except student (9 months)

Deposit: 2 months rent

Notice: by tenant: 1 months

by landlord: 3 months

2-Unfurnished-«contrat de bail d'habitation vide »

Features: Duration: at least 3 years

Use: when property not furnished- for families moving in with furniture

Deposit: 1 month rent

Notice: by tenants: 3 months except for certain area such as big cities (Montpellier, Toulouse, Paris) and then notice of 1 month

by landlords: 6 months

3-Mobility lease-«bail mobilité »

Features: Only for certain reasons (internship, students, professional training, business trips)

Duration: 1 to 10 months max/ cannot be renewed

Rent including all recoverable costs

No deposit can be requested by landlord

No solidarity clause can be added in lease

Other possibilities:

«Convention d'occupation précaire »-

It is a precarious contract, can be used as legal ground afterwards when the landlord is willing to evict someone who was supposed not to stay in, and no lease was signed,

Features: no rent payed, only utility bills,

no unlimited use of the accomodation

Main provisions for the leases and basic principles

- Renewal: Automatic for the furnished and unfurnished leases
- The notice must be sent by recorded delivery with receipt slip or served by bailiff (EMAILS WILL SIMPLY NOT DO !!!)
- Rents can be freely determined by landlord except in certain cities such as Paris (hardly respected since last July)
- The increase of the rent following the first year is of public order and is limited by law!!
- Rent must include some common charges (for flats) and a « regulation » once a year can be requested by landlords the following year (electricity for common areas, cleaning lady), Certain charges are recoverable by landlords not all of them and landlords can request payment at the latest 3 years after they were due,
- Termination of leases allowed from landlords only for certain reason

Exemple: unpaid rent, absence of quiet use of the rented property, absence of deposit payment, absence of insurance (breaches of contract=

Other than the above landlords can also terminate the lease to sell the property, occupy or for legitimate reasons

- Exemple of illegal provisions in leases: Ban smokers in rented property, limit guests, or increase rent in case of guests, not allow pets. These would be deemed illegal and could be considered as not present in the lease by tenants

- Thank you for reading

And remember
help is at hand!