

# Erna Low PROPERTY

## A guide to buying an apartment in Arc 1950, Le Village



Arc 1950 is the first completely 4\* Village in the French Alps, making it the popular choice for property investors and holiday makers alike from all over Europe and beyond. The village was completed in the summer of 2007 and Erna Low Property are delighted to present you with the opportunity to purchase a resale in the village. This guide serves to explore the details of a resale purchase in the French Alps, and more specifically Arc 1950.

All apartments in the village have balconies, with views of Mt Blanc to the North, Arc 2000 to the East and the pistes of the Paradiski to the South and West. Each apartment also has access to a steam and sauna room with gym facilities as well as central spa facilities including heated indoor/outdoor pool and yoga centre which enjoy impressive views of Mt. Blanc. Owners can also have the benefit of specially organised ski tours in the winter, and walking expeditions in the summer.

As an owner you have free use of the underground car park (leaseback owners during visits to the village and classic owners hold yearly access passes) as well as a lockable owners cupboard in the apartment itself and a 'cave' in the basement of the residence – perfect for storage of your ski equipment in Winter and bikes in the summer. Owners also have use of the heated ski locker room, which has an allocated locker for each apartment.

**Our entire portfolio of properties from great value one bedroom apartments to grand four bedroom apartments is viewable at;**

**<http://www.ernalowproperty.co.uk/france/les-arcs/arc-1950>**



### The leases

There are several different leases in the village, with a few basic packages to suit your requirements.

- The 'flexible' lease offers a minimum guaranteed rental return as well as the benefit of rental uplift from the rental sharing scheme pool. The lease also offers two weeks free usage; one mid season, and one low season.
- The 'Open 2' lease offers two weeks usage, again, one mid and one low season – but this can be swapped to an 'Open 7' lease which gives a number of high, mid and low season weeks. The rental return for this lease is made up in two parts; the 'rent in kind' and the cash rental payment. The usage you take is essentially discounted from a gross rental payment – which comes from a rental sharing scheme.
- The 'libre' lease offers seven weeks free usage and an upfront rental payment at the point of purchase. You will therefore not receive annual payments, as you have the rental payment upfront, which can be useful for covering purchase costs and of course you can choose a combination of high, mid and low season holiday weeks free each year.
- The 'Open 0' option is an investment package which doesn't give any fixed weeks usage. The owner may book any weeks usage they wish at a discounted owner's rate. These are rare in the village.

- **VAT – you don't pay with the leaseback!**

French tax law was amended at the start of 2006 which means that when you take over the lease, there is no VAT to pay as the apartment is still under the leaseback. Even as a buyer of a resale property you still benefit from the VAT incentive in the same way as if you had bought the property off plan. The advertised price of the apartment already includes this VAT reduction.

#### **Typical purchase costs**

- As with any property purchase in France, apartments for sale at Arc 1950 are subject to notary fees. Notary fees include land and tax registration fees, a number of taxes payable to the French government and the actual cost for the notaire's services.
- A Resort Club Fee - to join the Resort Club in the village. This is a one-off payment which will be invoiced once the sale is complete and will range from €1,000 to €2,000 depending on the type of apartment you buy.

#### **Annual costs**

- The annual costs of your apartment will include ASL fees, which cover the upkeep and maintenance of the apartment, your building, and the village as a whole including the pools etc. ALS fees are around €25 /m2 SHON (including tax), including communal areas, but are worked out for each individual apartment and depend on many factors including the amount of communal area assigned to each building etc.
- "Taxe Foncière" which is equivalent to council tax in the UK. This is worked out based on the size of the apartment, as well as your share of the communal area (SCHON). It is approximately 19/m2 annually. The management company refund a proportion of this for refuse collection, making the actual tax around €14/m2.

#### **Mortgage Advice**

We have a recommended mortgage broker who will be able to guide you through the mortgage options on offer, **Jo Cowling** from **International Private Finance Ltd** can be contacted on 0207 484 4600 [jo.cowling@internationalprivatefinance.com](mailto:jo.cowling@internationalprivatefinance.com)

#### **Get the most from your money**

For more information on how to manage your foreign exchange exposure and protect your income, contact us for more details and we will be able to guide you to the best currency brokers.

**For further information on any of the exciting investment opportunities in Arc 1950**

**Francois Marchand can be contacted on 00 44 (0) 207 590 1624 or**

**[francois.marchand@ernalow.co.uk](mailto:francois.marchand@ernalow.co.uk)**