

Swiss Agent

Name: Laurence Haverbeke

Company: Sunday Homes

Profile:

Born with a passion for real estate and mountains, this 27-year-old successful businesswoman set up Sunday Homes in 2002 and since then it has established itself as a Swiss market leader in the UK. Sunday Homes has grown rapidly, thanks to increasing sales figures and the continuous research undertaken with its Swiss collaborators in order for customers to obtain the very best properties and locations in the cantons of Le Valais and Vaud.

As well as benefiting from their honesty, the team at Sunday Homes will offer you a dedicated search for the best value property.

Tel: +44 (0)20 7490 4590

E-mail: sales@sundayhomes.co.uk

Website: www.sundayhomes.co.uk



FURTHER TO A QUESTION IN LAST MONTH'S ASK THE EXPERT SECTION, REGARDING WHY PEOPLE SHOULD BUY A PROPERTY IN SWITZERLAND, I WONDER IF YOU COULD TELL ME WHAT THE LEGAL RESTRICTIONS ARE FOR A NON-RESIDENT BUYING A HOUSE THERE?

Dean Short, Bristol

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The real estate sector in Switzerland has been controlled by the government so that it has survived hard economic times without too many problems. For example, it has several methods to avoid speculators and reward serious investors, and for those who have second residences, the tax system is extremely advantageous as taxes on the rental income can be offset if you have a mortgage.

Recently it has become much easier for foreigners to buy a home in Switzerland although non-residents are still not allowed to buy in some cantons (areas), including Geneva, Lausanne, Zurich and Zug, as it is already very difficult for a resident to buy there. The German part of Switzerland is considerably more expensive than the French part. Some German-speaking villages have even closed the real estate market to foreigners due to there being too high a demand and too few properties for sale. The French part is more welcoming.

Purchase permits

A maximum of 1,440 non-Swiss residents are allowed to buy a property in Switzerland on an annual basis and they are only allowed to buy properties situated in certain cantons. As well as limiting the geographical area in which foreigners are permitted to buy, they may also be restricted to buying certain types of property. Property buyers need to be 18 to purchase in Switzerland and there is an obligation for the owner or his/her family to use the property for at least three weeks of the year. You are allowed to rent your property for a maximum of 11 months a year. Property purchasers should also be aware that they could only occupy the house for six months annually before needing a residency permit.

Purchasing procedure

A Swiss notary will act for both the purchaser and the vendor. The purchase fees vary from one canton to another. In Valais, the purchase costs (notary fees, land registry fees and government purchase taxes) amount to around 2.5% of the purchase price. In Vaud, the purchase costs are 4.5% of the purchase price.

Finance

Interest rates are always lower in Switzerland than the rest of Europe. A Swiss mortgage is an overdraft secured against the property and it is very flexible.

Resale

Several years ago, foreigners could only resell their property after 20 years of ownership. This restriction no longer exists, although reselling a property may differ from one canton to another. The quicker you resell your property the more percentage of capital gain tax will have to be paid.