

LUXURY RESIDENTIAL MARKET INSIGHT THE FRENCH ALPS

Knight Frank



“The beauty of the French Alps is that there is both an area and a resort to suit all needs.”

Where do buyers in the French Alps come from?



UK	36%
France	20%
Russia & CIS	11%
Switzerland	8%
Italy	8%
Rest of Europe	8%
Rest of the World	9%

Source: Knight Frank Residential Research

Market overview

With resorts that cater for all tastes and skiing abilities, this long-established second home region continues to attract international buyers. And where prices have been adjusted to meet current market sentiment, properties are being sold at, or close to, the guide price.

Earlier this year British buyers were constrained by both the weak pound and also a marked increase in the number of other nationalities looking to buy in the Alps, most notably from Italy and other Eurozone countries. Where prices have been adjusted to meet current market sentiment (reflecting global economic factors), properties are being sold at, or close to, the guide price – prices in some areas fell by up to 25% in 2009.

The beauty of buying and selling in the French Alps is that there is both an area and a resort to suit all needs. Les Trois Vallées, for example, is the ideal choice for families and skiers of all abilities, as it provides a large area of mixed-ability pistes as well as easy access to a number of villages and lift stations. Its key resorts of Courchevel and Méribel remain as popular as ever.

Méribel has long been a favourite with British buyers. Here, a typical six-bedroom chalet can cost anything from €1.5m to €5m, while properties in the more exclusive parts of Méribel, such as Les Bramees or the Domaine de Burgin, can occasionally fetch considerably more.

Courchevel is made up of five villages, with Courchevel 1850 known as being the most fashionable and desirable. This market appeals in particular to Russian, CIS, Arabic, French and British buyers who can pay anything from €10m to €30m (and even above) for chalets with between five and eight bedrooms, swimming pools and luxury interior design. A recent trend has seen buyers purchase

1960s and 1970s chalets and redevelop them to create much larger alpine-style properties.

At the more affordable end, Courchevel 1550 and 1650 feature more apartments than chalets, with apartments offering between two and four bedrooms being sold for between €400,000 and €1m.

A further and intriguing component to the Courchevel Valley is the traditional village of Courchevel 1300. An original alpine community, Courchevel 1300 Le Praz not only provides a true village setting with year-round residents but it is also served by ski runs that come straight in to the village and skiing at 1850 is only seven minutes away by gondola. Five-bedroom chalets in the centre of the village can cost up to €3m, while smaller, well-situated apartments can be €1m, providing access to an 1850 experience on a 1300 budget.

North of Les Trois Vallées and beyond the lake at popular Annecy is Megève – a traditional alpine village and a particular favourite with those who enjoy a more relaxed and chic alpine experience. Properties range from small chalets – a typical example of which might have four bedrooms and sell for around €1.25m – to larger chalets that can exceed €10m.

For those looking for higher, glacier skiing a typical four or five-bedroom chalet in Chamonix can now cost between €1m and €1.5m whilst Val d'Isère continues to hold a place in the hearts of many accomplished skiers. Here, a traditional Savoyard-style chalet with five bedrooms is currently on the market with a guide price of €2.8m.



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Expert insight

Improved buying conditions over the last 18 months have made the European mountains a serious target for second-home purchasers and we have seen evidence of increasing demand across the board.

Resorts where prices have been adjusted to suit current market sentiment – Chamonix and the lower villages of Courchevel, for example – have seen a surge in activity, particularly with well-located smaller chalets in Chamonix in the €750,000 to €1.5m range.

High-budget purchasers (€10m-plus) appeared principally in Courchevel 1850 at the end of 2009 and were joined in the second quarter of 2010 by those looking for chalets priced between €1m and €2m.

The fact that a host of resorts benefitted from significant investment over the last five years means that the quality of skiing, accessibility and infrastructure has never been better.

But the real attraction of the Alps for buyers is the range of choice. We receive requests from buyers looking for weekend skiing boltholes and month-long sojourns as well as year-round family homes.

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