

8 place Charles Dullin
75018 PARIS
01.88.32.98.80
@chassaint.cercle@paris.notaires.fr



Accès à l'étude
Parkings : 5 rue Dancourt,
41 Bd de Rochechouart
Métro : Abbesses (12), Anvers
(2), Pigalle (2, 12)
Bus : 30, 67, 85

Object : Main Steps in Real Estate Sales

Each real estate sale project is unique; however, they all follow essential steps to ensure the sale of the property under optimal conditions of fluidity and legal security. Naturally, we remain at your disposal to advise you at all stages of your project. Do not hesitate to contact us at any time for the necessary information to fully understand this process.

Step 1: Compilation of the Real Estate Sales File

This step is often the longest due to the large amount of information and documents that need to be gathered. The objective is to establish a clear, complete, and accurate overview of the legal status of the property you wish to sell so that the buyer can make an informed decision without any future disputes. Analyzing the provided documents ensures that the sale is conducted securely.

As the property owner and seller, the number of documents you need to provide may seem extensive; however, all are necessary to fulfill the legal obligation of informing the buyer and avoiding any liability issues.

The duration of this step varies depending on the documents already in your possession when opening the sales file and the response times of the relevant organizations (property management company, diagnostic agencies, government authorities, etc.) required to obtain mandatory documents.

To allow the notary to request certain paid documents necessary for the sale, the seller must provide an advance on costs. This advance does not constitute the notary's remuneration. Any excess amount will be refunded to the seller after the conclusion of the sale.

Since the analysis of certain documents may require additional information, it is advisable to anticipate the collection of the requested documents and information as much as possible.

Step 2: Drafting the Preliminary Sales Agreement

Once the necessary information and documents have been collected, a draft preliminary sales agreement is prepared based on these elements. Usually, this draft is prepared by the buyer's notary, except in rare cases where the seller has appointed a notary for this task.

Once the draft is completed, it is sent to both the buyer and the seller for their review and potential comments. The preliminary sales agreement is written in precise legal terms, which may make it difficult to read. However, as this document is of particular importance, we strongly recommend that you read it thoroughly and carefully. Reviewing the draft agreement is a key opportunity to ask any questions and clarify the implications of certain clauses.

When the draft agreement is approved by both parties, a signing appointment is scheduled.

Step 3: Signing the Preliminary Sales Agreement

This is the most critical stage of the sales process. The preliminary sales agreement defines all the terms, conditions, and deadlines for the future sale contract. Legally, it constitutes a conditional sale

agreement, subject to certain approvals (known as "**suspensive conditions**"), the most common of which is obtaining a mortgage if the buyer is financing the purchase with a loan. In this regard, the sales agreement legally binds both the seller and the buyer, similarly to a final sale contract but with conditions.

During the signing appointment, the notary (or their colleague) will read the contract to highlight the key points and main commitments that the seller and buyer are undertaking. The goal is to ensure that all parties fully understand their obligations.

This meeting is also an opportunity for the seller and buyer to reach agreements on any final pending matters (though, ideally, these should be minimal, as both parties have already had the opportunity to review the preliminary agreement in advance).

Additionally, upon signing the sales agreement, the buyer must deposit the **security deposit** (also known as the "**holding indemnity**") into our account. This amount is held in escrow between the agreement signing and the final sale to protect you in case of an unjustified withdrawal by the buyer (excluding the buyer's 10-day withdrawal period after signing the preliminary agreement). The security deposit is typically set at **5% of the sale price**.

During the appointment, the notary who drafted the preliminary agreement (and the buyer's notary, if applicable) is fully available to the seller and buyer for any inquiries.

Step 4: Period Between the Preliminary Sales Agreement and Final Sale

During this period, the notary (and the buyer's notary, if applicable) collects all the necessary documents without which the final deed of sale cannot be executed. Indeed, according to the sales agreement, the final sale can only proceed once these documents have been obtained. In most cases, the notary can obtain this information without the seller's intervention.

If the buyer is financing the purchase with a mortgage, obtaining the loan is one of the main suspensive conditions. This period allows the buyer to get loan approval from financial institutions and secure the necessary funds for the purchase.

Before the final sale signing, the notary issues a **request for funds** to the buyer, who must ensure that these funds are transferred to the notary before the signing appointment. The sale cannot be finalized unless the notary has received the full amount. If the payment is not received in time, the signing appointment will need to be postponed.

Meanwhile, under the terms of the preliminary sales agreement, the seller must maintain the property in its current condition, without causing any degradation or making voluntary modifications between the preliminary agreement signing and the final sale.

A few days before the final sale signing (two or three days), it is advisable to allow the buyer to conduct a final **property inspection** to check for any defects, damages, or issues that were previously unnoticed or occurred between the preliminary agreement signing and the sale. If any issues are found, they must be recorded in the sale contract, and compensation may be arranged if necessary. This visit is also an opportunity to take **meter readings** (water, electricity, gas, etc.) in preparation for setting up new utility contracts.

The period between the preliminary sales agreement and the final sale depends mainly on the time required to fulfill the suspensive conditions. Generally, obtaining a mortgage is the longest step. As of today, excluding special cases, securing a real estate loan (including the actual disbursement of funds by the lender) takes approximately **three months**.

Step 5: Signing the Final Sale Deed

The sale deed confirms that all suspensive conditions outlined in the agreement have been met, making the sale final. At the time of signing, ownership of the property is transferred to the buyer in exchange for the payment of the sale price to the seller. If the property is sold unoccupied, the seller hands over the keys to the buyer. If the property is sold with tenants, the buyer starts collecting rent from the day of the sale.

During the signing appointment, the buyer may be required to reimburse the seller for certain **property-related expenses and taxes**. These costs include property taxes, rental income (if applicable), and condominium fees. The goal is for both the buyer and the seller to share these expenses proportionally based on their ownership period within the year. This payment is usually settled directly between the buyer and seller by check.

If the seller is not **exempt from capital gains tax** (e.g., exemption applies if the property is the seller's primary residence or has been owned for over 30 years), the notary will calculate and deduct the applicable tax from the sale price before transferring the remaining funds to the seller.

Additionally, if the property is part of a **co-ownership**, and the seller has unpaid condominium fees, the notary will deduct these amounts from the sale price and pay them directly to the property management company.

Once the sale deed is signed, the notary provides both the seller and the buyer with **sale certificates**, which serve as proof of the transaction. The bank may request this document due to the large transfer of funds (the sale price) to the seller's account.

Step 6: Post-Sale Formalities

After signing the final sale deed, the notary registers the document with the **land registry office**. The registration timeline varies depending on the specific office but typically takes a few months. Once published, the seller's account with the notary is settled, and any remaining balance is refunded to the seller.