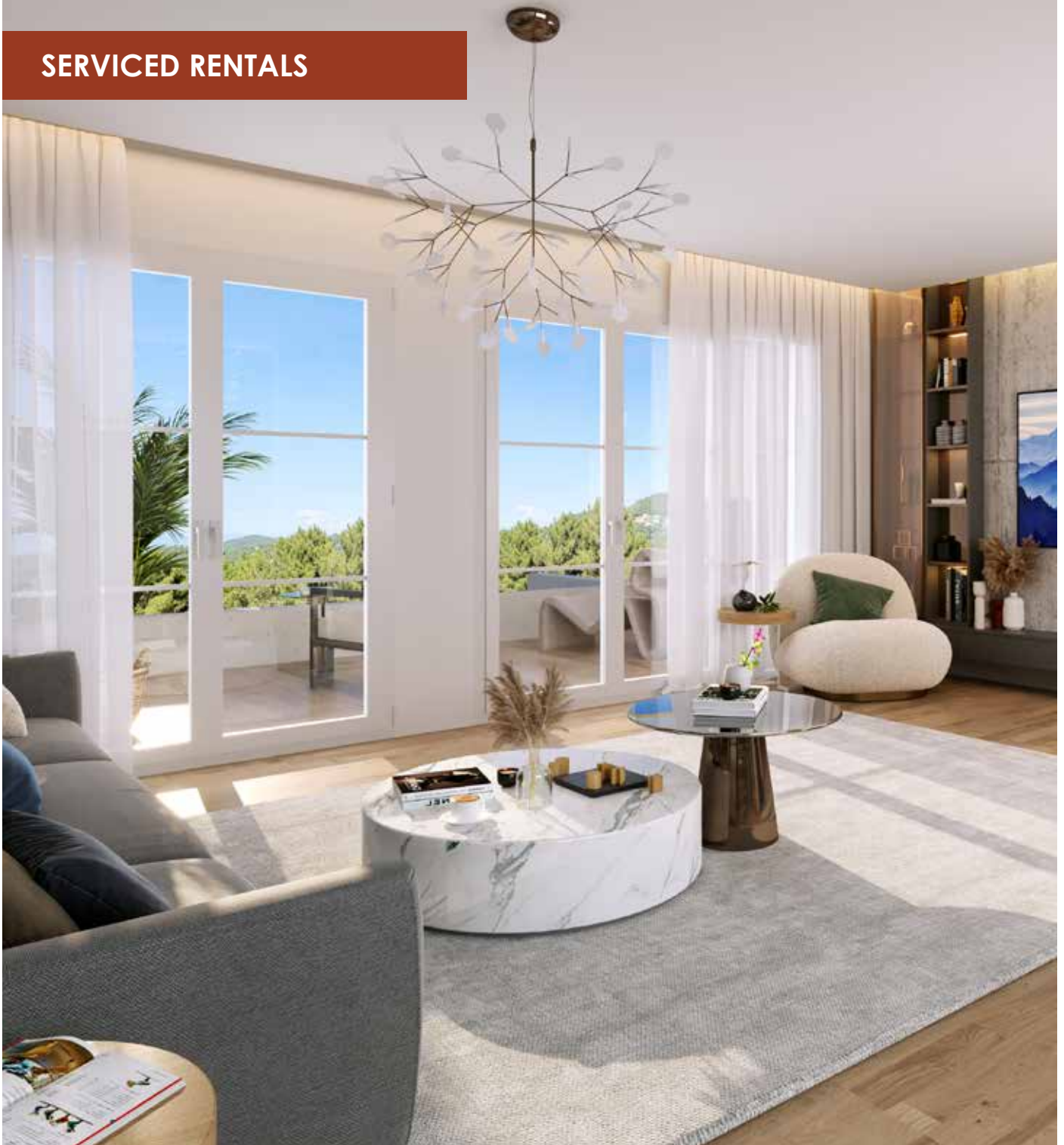




# YOUR PURCHASE UNDER THE PARA-HOTEL SCHEME

SERVICED RENTALS



ÉDITION 2023

# THE PARA-HOTEL SCHEME

## WHAT IS THE PARA-HOTEL SCHEME?

A para-hotel is an intermediate contract between a furnished rental and a hotel.

Operators who provide at **least 3 of the following 4 services** besides accommodation under conditions like those of a hotel are considered to be in the para-hotel scheme and not in the furnished rental scheme:

- Breakfast
- Regular cleaning of premises
- Supply of household linen
- Reception of customers, even if not personalised

Unlike simple furnished rental (LMNP scheme), the tenant will have to be provided with services. Seasonal rental is no longer a secondary activity, but a professional and commercial activity: **renting out property and services**. Rent out a furnished property, add 3 hotel services and start saving tax in the first year!

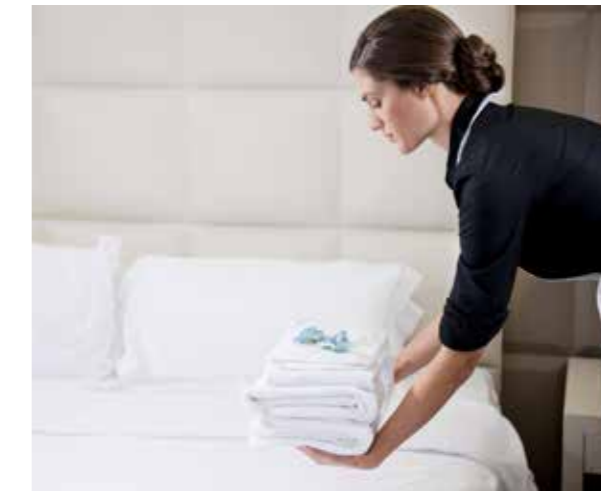


Provide at least **3** of the following **4** services:

Breakfast



Regular cleaning of premises



Reception of customers, even if not personalised



Supply of household linen

# THE BENEFITS

## VAT RECOVERY

By its nature, this is a commercial activity and therefore **subject to VAT**. The owner will have to charge VAT (which he will have to declare and pay to the tax authorities) but he will also be able to deduct it from purchases and expenses incurred for his business

### VAT declaration = invoiced VAT – deductible VAT

Rates to be applied to invoices:

- Accommodation: 10%
- Para-hotel services: 20%
- Furniture and decoration pack: 20%

#### *An example of an investment at the 'Domaine de la Calade'*

On 1 January 2023, Mr and Mrs X buy a new house worth €439,000 including tax under the para-hotel scheme. Their property is intended to be rented out. They will be able to reclaim €73,166 including VAT on their purchase (VAT credit refundable by the tax authorities after verification).

### 20-year regulation period :

Part of this VAT must be paid back if the property is resold within 20 years of purchase.

**VAT to be repaid = VAT deducted on acquisition – 1/20th per year or fraction of a year held**

#### *An example of a resale at the 'Domaine de la Calade'*

Mr and Mrs X wish to resell their property on 1 January 2032, i.e. 9 years after its acquisition. They will have to reimburse €40,241.

$(€73,166/20 \times 11 \text{ years of non-detention} = €40,241)$

Their net gain in relation to VAT is €32,924

### Resumption of engagement :

If the purchaser wishes to continue the para-hotel business, the VAT liability is reversed = **the vendor is no longer required to repay part of the deducted VAT.**

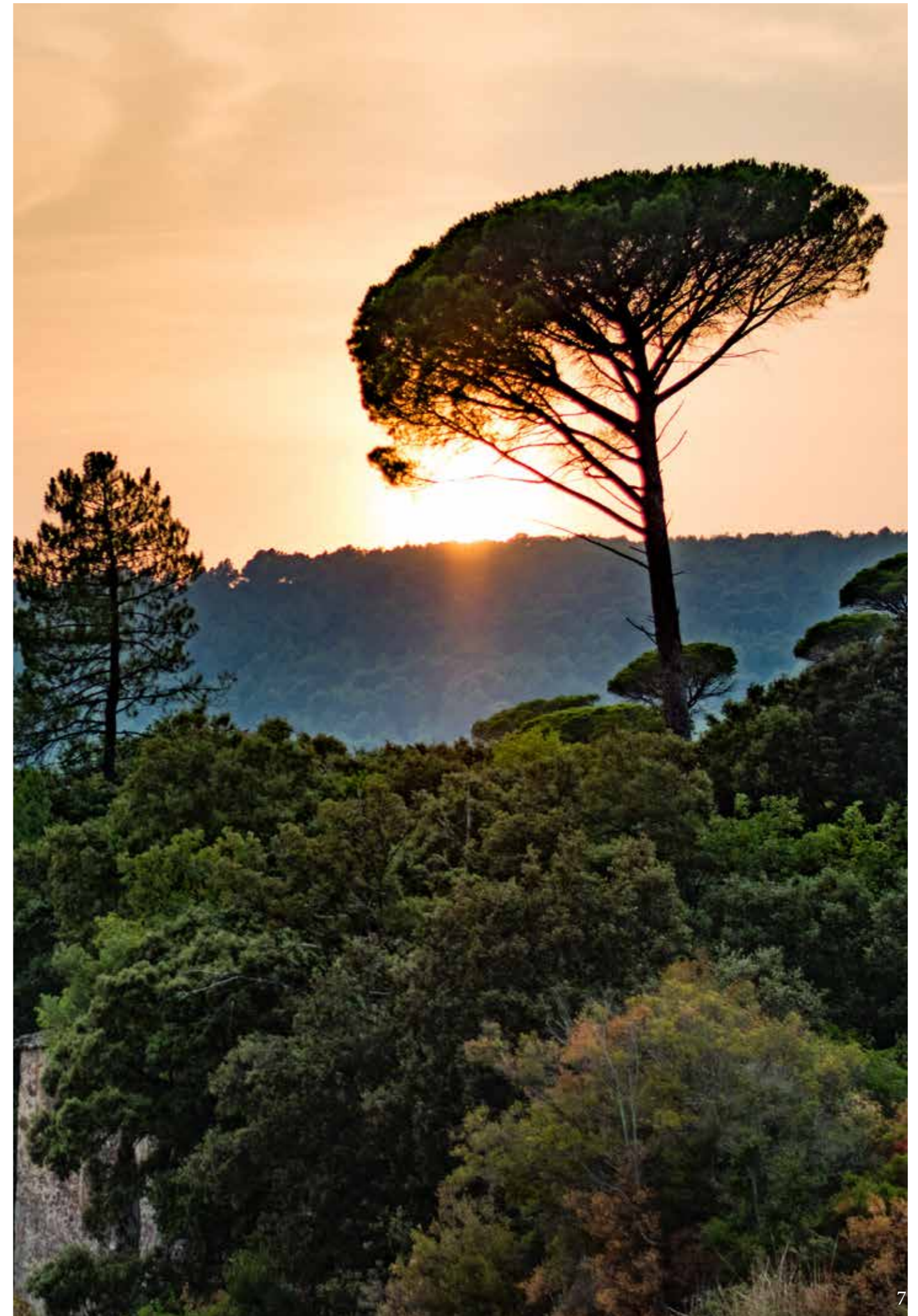


# THE BENEFITS INCOME TAX

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## Many deductible expenses:

- Consumption of electricity, water, gas, etc.
- Maintenance, improvement, and repair costs
- Local taxes: property tax, Territorial Economic Contribution (CTE)
- Management and insurance fees
- Interest on loans taken out to purchase the property or to carry out various works
- Depreciation of premises, equipment, and furniture
- Owner's travel expenses for maintenance of the premises, letting, inventories, etc.



## OUR SUPPORT THE MJ +



### WE OFFER A TURNKEY PURCHASE

- A property with an **attractive projected return**
- A furniture pack with our partner **Mobimmo**
- A concierge service with our partner **Key Sun Services**
- An accounting expertise with our partner **My MG**



## TURNKEY FURNITURE PACKAGE

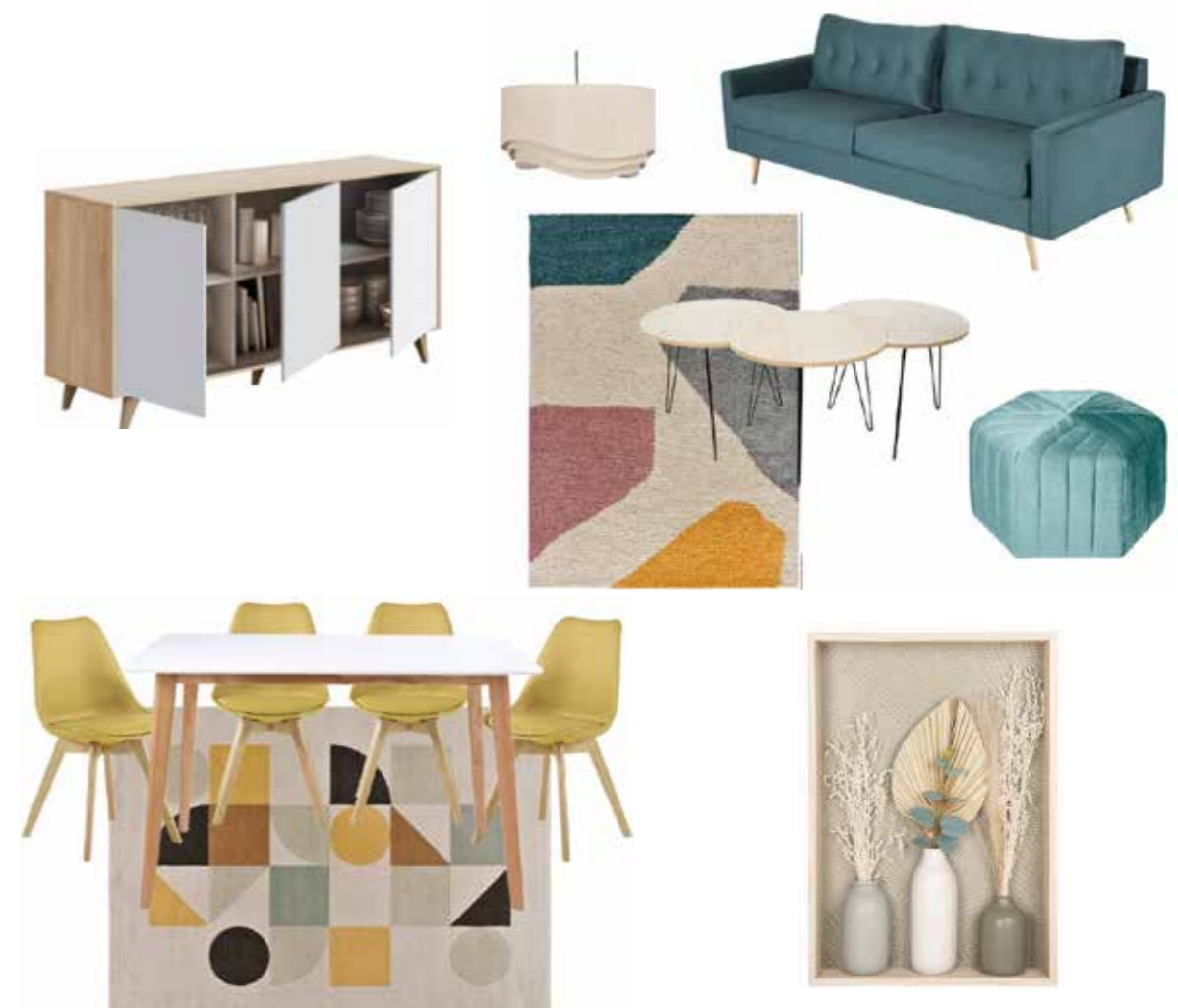


You would like to furnish your rental investment in La Garde-Freinet?

With Mobimmo, you can be sure of a **quality furnishing solution** to maximise the potential of your furniture investment. Your rental property will be **equipped with everything you need** (furniture, decorations, accessories) to welcome your tenants in the best possible conditions.

Mobimmo offers **turnkey furniture packages** for property investors looking for a **quick and easy solution**. What's more, their services include delivery, assembly, waste removal, cleaning, photo coverage and after-sales service..

We understand how important it is for property investors to maximise their return on investment, which is why we have designed a furniture package specifically for the 'Domaine de la Calade' project.



# A PERSONALISED, DELEGATED CONCIERGE SERVICE

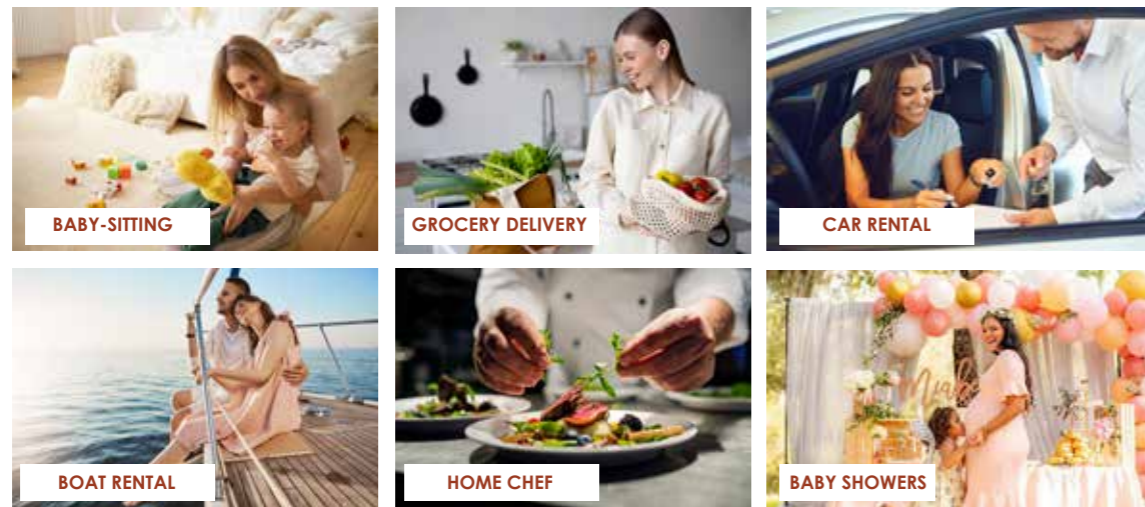


For hotel-related services, you can delegate your property to the **KEY SUN SERVICES** concierge service, especially if you don't live nearby.

A concierge service based on the French Riviera with **15 years of experience**, it meets the needs of property owners who wish to rent out simply their property while they are away.

What sets KSS apart from the rest is its ability to be unforgettable, to leave a lasting impression by appealing to the senses and emotions. In the world of private concierge services, it's much more a question of a 'code of honour' than a contract. **The aim is to deliver a totally personalised service of excellence, where customer satisfaction is total, and expectations are exceeded.** This is quite a challenge given the high standards and quality required to be a concierge in the highly selective and prestigious world of private concierge services. At the heart of a concierge's ambition is the challenge and the desire to serve with excellence.

In addition to their initial services such as check-in, checkout, cleaning. **They offer various types of daily and special services:**



**Their primary goal is to simplify your life** by saving you valuable time. They offer services such as welcome baskets for your arrival, linen hire, grocery delivery, flowers, or even champagne delivery.

**Available 7 days a week** for all your needs!

# CHARTERED ACCOUNTANTS SPECIALISING IN RENTAL TAXATION



For over 60 years, **MG Group has been helping entrepreneurs succeed by developing a multidisciplinary offering** that allows them to focus on their core business. Saving time, anticipating risks, managing investments, and advising on development. Their team of experts is at your side to deliver ever more value at every stage of your life.

**With accountancy being their core business**, they wanted to expand their capabilities into specialist areas such as **notarial work, asset management and transactions.**

You are the owner of a furnished property and looking for advice from a rental tax specialist? With MG, you can ensure perfect management!

## MISSIONS :

- Professional and non-professional lessors of furnished accommodation
- Land incomes
- Tax exemption

## EXPERTISE :

- Choosing the most appropriate tax system
- Monitoring your tax strategy
- VAT recovery
- Accounting declarations

## ASSETS :

- A single point of contact for a personalised service
- MG FP Connect: your accounting file online
- Multilingual team

## AND WHAT ABOUT PROFITABILITY?



**Domaine de la Calade** enjoys an **exceptional location** in the heart of La Garde-Freinet, an authentic Provençal village surrounded by lush countryside and bordered by the Gulf of Saint-Tropez. Designed as the art of living in the heart of nature, the estate combines the luxury of being within walking distance with quality shops and amenities close by.

The development is attracting well-informed investors with a **projected return of 4%**. Located **20 km from Saint-Tropez**, the project has all the makings of a **successful para-hotel investment**: MJ Développement has built on a unique environment, with **strong and loyal seasonal rental demand** and top quality services.

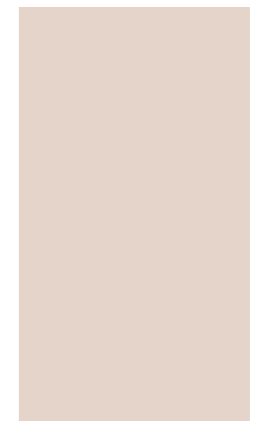
**The homes can be sold fully furnished and decorated, offering buyers a turnkey investment that is safe, profitable, and sustainable over the long term.**

A rare property opportunity in the area, **the development comprises 11 semi-detached villas (3 to 5 rooms) with large terraces and superb private gardens.** A skilful blend of traditional architecture and modern know-how, everything here introduces you to the tranquillity of the Mediterranean, a true art of living!

A project



## DOMAINE DE LA CALADE



**For further information:**



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