

Over half French homes now owner-occupied

Philippe Lemarie explains that there are more home owners in France, and that they are getting younger

FRANCE has recently become a country where homes are primarily owner-occupied. In fact, with a depressed property market over the past 10 years marked by a sharp reduction in housing starts, in conjunction with an ageing population and demographic growth at a slower rate than in the past, the number of owner-occupied homes is now increasing constantly and rapidly. This phenomenon can be explained not only by incentives which make home ownership attractive, but also by fundamental changes in the composition and status of households.

The housing stock has increased in France in recent times by 318,000 units per annum to reach a total of 24.2 million dwellings at the end of 1984. This total can be divided into 20.1 million main residences, 2.3 million secondary residences and 1.9 million vacant premises.

More detailed analysis of main residences alone reveals that homes are increasingly owner-occupied with the number of owner-occupiers having increased from 45.5% in 1973 to 46.6% in 1978 and 51.2% in 1984.

Expressed as a figure rather than a percentage, the increase in recent years in the number of owner-occupiers owning their main residence is even more pronounced. While the annual progression in the number of main residences slowed down during the 1980s, decreasing from 303,000 per annum (1973-1978) to 242,000 (1978-1984), the number of owner-



occupied homes, in contrast, showed a faster increase — it gathered momentum from 179,000 per annum (1973-1978) to reach a figure of 266,000 (1978-1984).

Of course, this generalised percentage figure fails to reveal the very marked underlying differences: first, according to the socio-professional category of households (this ranges from 34% in the case of employees and 41% for manual workers to 75% for agricultural workers, 60% for retired persons and 55% for managerial and higher professional categories), but also according to the type of residential area.

For this reason the number of owners of their main place of residence is low and stagnating in Paris (24%), is progressing significantly — though it is lower than the overall position — in the Paris region and in urban communities of more than 100,000

inhabitants (43%), while the figure is markedly higher in rural communities where it reaches 72%.

These statistical data are a sign of the interest shown by the French with regard to their homes, and the fundamental role of financial decisions in the desire to acquire a better home. At the same time, demographic and sociological developments have brought about profound changes in the housing market.

To some extent, these have disturbed the output-dominated approaches which, since the war, have determined the analysis of new housing construction in France, with lifestyle and the living environment gradually becoming at least equally important as criteria of judgment and also, therefore, of personal orientation with regard to property.

Demographic changes provide the fundamental explanation for the development of the property problem in France; apart from the general feature of a slight population increase (+0.4% per annum on average over the past 10 years), the most important trends have been essentially of a socio-cultural nature and can be summarised as follows:

- An ageing population. The number of persons over 60 will increase from 10 million in 1985 (18.1% of the population) to 12 million in the year 2000 (20.4%).

- More rapid increase in the number of households than in the number of inhabitants. The rate of the

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first is, in fact, double that of the second, primarily due to the following changes: later and fewer marriages, with the lowest marriage rate for 40 years — 4.8 marriages per 1,000 inhabitants — a very large increase in the number of divorces, and a rapid increase in the phenomenon of families living apart.

- Increase in the number of one-parent families, which represent 6% of the total number of families.

- Desire to find a better home. The notion of quality now plays a more important part in the housing market, with people seeking a larger living area.

The most tangible results of the French taste for property investment, coupled with recent demographic trends, is to be seen in the rise in the number of private homes and the decreasing age of the owners, even if, as could be expected where a commodity representing a sizeable

Changes in the Level of Ownership Between 1962 and 1982, by Age of Head of Household

Age of head of household	1962	1975	1982
Under 25 years old	9.4%	8.2%	7.2%
25-29 years old	16.0%	19.8%	20.6%
30-34 years old	26.8%	34.2%	40.0%
35-39 years old	35.2%	45.1%	51.5%
40-44 years old	38.8%	50.9%	57.1%
45-54 years old	43.1%	55.2%	60.9%
55-64 years old	49.9%	56.7%	63.5%
65-74 years old	54.6%	58.0%	61.0%
Over 75 years old	54.5%	53.1%	54.0%
Total population	41.6%	46.6%	50.7%

investment is involved, it is still the older householders who for the most part own their homes.

Studies carried out — based on the most recent census data — confirm that the increase in the number of owner-occupiers is taking place among the younger age groups, due to the effect of available credit and the many forms of financial assistance which have sprung up over the last 25

years to encourage and facilitate acquisition of property.

Among those who have acquired property since 1974, 38% of the heads of the household are under 35 years of age. Those who have acquired old property are on average two years older than those acquiring new property, which is a direct result of the nature of financial assistance, which was reserved until very recently exclusively for new properties. Thus, 23.1% of those acquiring old properties are over 50 years old, whereas the figure is only 15.6% for this group in respect of new property.

In terms of home occupancy, an estimated 39.6% of owner-occupied properties are under-occupied (compared with 27% for the total number of households), and 7.7% are overcrowded (compared with 15.8% for the total number of households), with the latter percentage being 8.1% for old property and 4% for new.

The trends referring specifically to the status of the owner-occupier can be seen in the most recent changes in property ownership, according to age and composition of the household, as shown in the tables. ■

Level of Property Ownership by Age Group

Age	Level of ownership main residence	Level of ownership — other home (secondary or similar)	Level of home ownership
Under 30 years	16%	4%	20%
30 to 39 years	49%	10%	56%
40 to 49 years	58%	21%	67%
50 to 59 years	65%	30%	73%
60 to 69 years	65%	26%	70%
70 years and over	55%	18%	60%
Total	52%	18%	59%

Level of Property Ownership by Households, According to Their Composition

Composition of the household	Level of ownership main residence	Level of ownership — other home (secondary or similar)	Level of home ownership
Single person	38%	13%	43%
Childless couple	61%	24%	67%
Couple with 1 child	55%	20%	62%
Couple with 2 children	61%	19%	69%
Couple with 3 or more children	65%	15%	72%
One-parent family	29%	11%	37%
Others	56%	22%	62%
Total	52%	18%	59%

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