

LIFE ANNUITY IN SWITZERLAND

WHAT IS TRADING IN REAL ESTATE IN LIFE ANNUITY?

Real estate is sold at a price lower than its market price (from 30 to 40% lower). The reduction in price depends on the seller's age and the value of the real estate. The seller retains the right to use the real estate and live there until his or her death.



Sarah and Julien, the buyers

Sarah and Julien will not be able to use the real estate, move into it or sell it until Jacques dies.



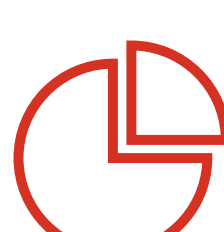
Jacques, the seller



Jacques sells his real estate, but he retains the inalienable right to live there until his death.

PAYMENT IN 2 STAGES

1 Initial capital



Sarah and Julien pay Jacques the amount agreed on by both parties (initial capital), which usually corresponds to 20-30% of the estimated value of the real estate, less the amount calculated by taking into account the life expectancy of the seller and the average real estate yield.

2 Life annuity



Sarah and Julian will pay Jacques a periodical life annuity until his death. The parties can freely determine the amount of the life annuity, taking into account the life expectancy of the seller and the use value of the real estate.



DIFFERENT TYPES OF LIFE ANNUITY

1 Occupied life annuity as the right to occupy the premises

This type of life estate is definitely the most popular. The seller retains the right to use and live in the sold premises until his or her death. The buyer is the owner of the real estate, but cannot freely use it.

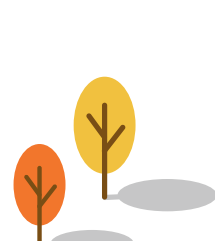
2 Free life annuity

In this case, which is much less popular, the buyer may freely dispose of the real estate. Similarly to the occupied life annuity, when the buyer signs the agreement, he or she has to pay the initial capital to the seller and on top of that pay the seller a life annuity, which is usually higher than in the case of the life estate as the right to occupy the premises.

In both cases, if the buyer does not pay the annuity, the sale may be cancelled without reimbursing costs. If the buyer dies before the seller, the buyer's heirs are obliged to keep paying the life annuity.

ARE YOU THINKING ABOUT SELLING OR PURCHASING REAL ESTATE IN LIFE ANNUITY?

Purchasing and selling real estate in life annuity is gaining popularity in Switzerland, but there are many technical aspects associated with such transactions, so it is highly advisable to use services offered by a professional. Lookmove started cooperating with experts in real estate with retained life estate in Switzerland. They can give you detailed information and guide you through the process of purchasing or selling real estate with retained life estate.



ASK AN EXPERT IN LIFE ANNUITY FOR HELP



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