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SHEDDING THE SUIT FOR A WINEMAKER'S LIFE IN FRANCE

By JEAN RAFFERTY

PARIS — For a group of affluent wine lovers, buying a French vineyard is similar to indulging in a yacht or a villa in the south of France.

They are known as “néo-vignerons,” or “new wine growers.” And Stéphane Paillard, a French oenologist who almost 20 years ago established a real estate agency specializing in vineyards, said the number of inquiries was rising again after the global downturn.

“Today, about 90 percent of my vineyard sales in France are to neophytes, including many industrialists who have sold their companies when they are in their 50s or 60s,” he said.

But, he added, “although hundreds fantasize about owning a vineyard, few — only three to eight a year — follow through to buy.”

And in recent years, the label néo-vigneron has been such a commonplace term in French real estate marketing that the definition has become hazy, even being used to describe professional operations that be may new to France but certainly are not new to winemaking, like the well-known Napa Valley company Clos de Val, which has bought in the Languedoc region.

The agency that handled that sale, Vignobles Investissement in Montpellier, was founded in 1990 by Michel Veyrier, a real estate agent, and covers the Languedoc-Roussillon and Rhone Valley region vineyards.

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It, like the Demeures & Vignobles division of Sotheby's International Realty in Bordeaux and the Maxwell Storrie Baynes agency in Saint-Émilion, do have clients who could be categorized as néo-vignerons. But considering the scope of the businesses, Mr. Paillard's agency appears to be the one in France with the largest concentration of wealthy newcomers who approach winemaking as a pleasurable hobby, not a business or an inheritance.

“They have dreamed for 10, 20, maybe even 30 years of producing their own wine,” he said. So he has tailored his service to serve this niche international clientele by blending the residential aspect of the purchase with oenological counsel to create his own category of a “residence du vin” or “wine residence.”

“The vineyard is for Monsieur, but the house is for Madame, and it is just as important,” Mr. Paillard said. “It's a very targeted demand, and it must be in a place where you want to go on vacation and/or retire.”

LE BUREAU VITICOLE

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He also offers an after-sales service, called Club du Vin, which advises néo-vignerons on everything from designing the wine to creating a personal brand image for the estate.

Mr. Paillard, who initially worked for such prestigious wine producers as the Château Palmer in Bordeaux and Louis Latour in Burgundy, opened his agency, the Bureau Viticole, in 1991 in Montpellier. Five years later, he moved to Saint-Rémy de Provence, in the heart of what he calls prime “wine residence” territory, where, as he put it, “the myth of wine meets the myth of Provence.”

The proximity of major airports in Nice and Marseille, as well as access to both sea and mountains and the broad selection of good restaurants and cultural activities, plays a vital part in the region’s allure, he noted.

Foreign buyers always have accounted for 40 percent to 60 percent of the Bureau Viticole’s sales. “In the ’90s, they were Belgian, German and French, of course. From 1998 to 2005, Americans, British and some Italian buyers came in, then the Scandinavians,” Mr. Paillard said. “This year, I have Swiss buyers, and the Belgians are back.”

A few Russians and Chinese also have appeared on the vineyard scene, he noted, but only as commercial buyers so far. “China has become a market for top level French wines, and Chinese importers are investing in smaller Bordeaux properties to give themselves a higher brand image,” he said.

Currently, properties of around 15 hectares, or 37 acres, are the most desired size, he said, noting, “They produce about 100,000 bottles a year, which are easy to sell.”

And, properties in his portfolio begin at €3 million to €5 million, or \$4 million to \$6.8 million, he said.



For example, he is representing a nine-hectare property called La Vignoble de la Palmerie, which includes a seven-hectare vineyard producing A.O.C. Cotes de Provence and a 350-square-meter, or 3,700-square-foot, bastide-style villa with swimming pool, terraced gardens and panoramic views. The property, which is near Saint-Tropez, is listed at €3.5 million, and he believes it will require €1.5 million in renovations.

Also, he lists Les Terrasses de Rafféli, 12 hectares, of which 7.5 hectares is a vineyard with A.O.C. chateau denomination. The property includes a 500-square-meter, three-floor bastide dating from the 18th and 19th centuries that overlooks a valley near Aix-en-Provence. It is listed at €4 million, and he anticipates €2 million in renovations.

When it comes to advising clients about which wine region to choose, Mr. Paillard’s oenological expertise kicks in. “The strength of Provence, for example, is that 70 percent of the wine is sold locally. About two-thirds of it is vin rosé consumed during the summer season. You can set your own price and have an immediate return.

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“In the Languedoc or Bordeaux, one must finance storage and exports, and wine prices are subject to international competition,” he explained.

Baudouin Parmentier is a Belgian financier who bought his first vineyard in Provence from Mr. Paillard, and now represents a group of investors in several more.

He stressed the importance of having the right advice before buying a vineyard. “Intermediaries quickly caught on that they could make people spend fortunes on constructing a beautiful cellar,” Mr. Parmentier said. “But it is unnecessary. Wine is made on the vine, not in the cellar.”



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