



# Buying in Italy



Your guide to buying a home in Italy, safely

- Your timetable to buying in Italy
- Focus on where and what to buy
- Set your budget
- Understand the legal processes
- Buy safely in Italy

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The legal process explained



## Speak to the experts

Buying a property in Italy is a simple matter of putting one foot in front of the other. But you do need to ensure that you are on a firm footing by having a team of professionals behind you. **At Property Guides we call the perfect team our Golden Three: estate agent, lawyer and currency specialist.** Contact us to be introduced to your Golden Three.

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# Buying safely in Italy

## – about this guide

Property Guides was set up after a close relative of one of the company's founders fell foul of a property scam overseas nearly twenty years ago, with tragic results. Since then, our aim has been to make buying in Italy safe.

Generally speaking, the international property business has been cleaned up over the past few years. Still, many of us are understandably nervous. We want to spend our holidays, long weekends or even our retirement enjoying the Italian lifestyle, but we're nervous about sending so much money to another country with an unfamiliar legal system, language and currency. We've read stories about British people who have run into difficulties when buying property abroad. We're worried about getting a properly-built home, about signing contracts we don't understand, about healthcare, pensions, currency and now Brexit!

The Italy Buying Guide's aim is simple – to help you to buy safely in Italy. Our founder's tragic experience could have been avoided if honest, up-to-date and reliable information had been available to her. Since 2004 we have been putting that right.

Not everyone delays buying because they're worried. Some just don't know where to start! We can help you too, with a roadmap and clear explanation of the buying process, the costs and timescales.

Along with a trustworthy estate agent and a good, specialist lawyer, the third way to eliminate risk is to stop exchange rate movements wrecking your budget. You wouldn't agree to buy a home in your own country where the price could move by 10 or even 20% before you have to pay for it, yet that is the risk you take if you don't lock in your exchange rate. We will explain how you can prevent that.

The Italy Buying Guide will help you achieve your dream of home-ownership in one of the world's favourite places. The process can be easy, enjoyable even, if you follow our simple steps.

Visit our website [propertyguides.com/Italy](https://propertyguides.com/Italy) for more information about buying property in Italy. You can read property market updates, news and area guides. Sign up to our fortnightly blog written by our British writer in Italy – lifting the lid on what life is really like in Italy.

Happy house hunting!

Elaine Ferguson  
Customer Service Manager  
Italy Property Guides Resource Team  
020 7898 0549





**Is this the year?**





# You can own a home in Italy!

You can swap the 1,500 hours of sunshine that the UK averages each year for the 2,000+ hours that Italy basks in. You can enjoy the beautiful landscapes, the history, art, architecture and food of Italy, not just for a quickly grabbed weekend, but always.

**Here are five great reasons to make this the year you move:**

## 1. Quality of life

Italy is a place to enjoy the finer things in life – and they often come free! How can you measure the pleasure of discovering yet another picture perfect Italian village, far off the beaten track yet with a friendly café and to-die-for views? Or wandering into a church and finding a renaissance masterpiece? Stroll the cobbled streets of an Italian city and you're walking in the footsteps of Michelangelo, Botticelli, Galileo and Puccini, while looking in the most stylish shops.

## 2. Low property prices

Italy's house prices are at rock bottom. It is a buyers' market with plenty of bargains to be found, particularly in village and countryside locations. If you agree to become a resident within 18 months of signing the purchase contract you will also pay less in stamp duty, 2% of the value, compared to 9% on second homes. But more importantly, the homes are gorgeous, from cosy trulli to smart modern apartments with all the mod cons, country houses with olive trees in the gardens to converted palazzos.

## 3. Cost of Living

As well as the lower property prices, Italy is a relatively inexpensive country to live in – at least away from the tourist areas. Almost everything is cheaper than the UK, but a couple of examples: the government has abolished its equivalent of council tax on people's main residence. Groceries are around 15% cheaper in Italy and a meal out is 40% less than in the UK. As so much of the produce is grown locally you can easily live a healthy lifestyle for less by shopping at the excellent markets.

## 4. Easy to reach

Italy has over 30 international airports, many of which have regular flights from the UK, with new routes starting up each year. Low cost airlines such as Ryanair and Easyjet make it very affordable for your friends, family or holiday guests to visit you in your Italian home. Italy also has a superb road and rail network right across the country, with very reasonable fares compared to the UK.

## 5. Tourist income

Italy has enjoyed a tourism boom in recent years, with both hotels and online rental websites, such as AirBnB, reporting more visitors. The Ministry for tourism have been working hard to encourage tourists to visit places off the beaten track. This is great for anyone wanting to rent out their Italian property to tourists, and potential rental incomes are good compared to other Mediterranean countries.

**“Italy is a place to enjoy the finer things in life – and they often come free! How can you measure the pleasure of discovering yet another picture-perfect Italian village far off the beaten track, with a friendly café and to-die-for views?”**



# Deciding What to Buy





## Step One: Essential Decisions

Your dreams and intentions may change throughout the process, but organising your initial plans is the place to start. You should ask yourself these five basic questions.

### Why are you buying?

So you know you want to buy a property in Italy, but why, exactly? Analysing and articulating your thoughts can help motivate and direct you, so write down your ideas. Here are some examples:

- “We want to enjoy more space, sun and the Italian lifestyle.”
- “Our pension will go further in Italy.”
- “We want to open a guest house and share our love of Italy”
- “Now the kids have left home, we need a new adventure.”
- “Property prices in the UK look a bit ‘toppy’, why not invest in Italian homes?”
- “I don’t want ever to look back on my life with regret, never having made the move.”

### How will you use it?

This is crucial to ensuring that you really enjoy your property. What will you do with it? Long weekends, three weeks over the summer, for investment, for relocation, for holidays and then eventually retirement? Be honest with yourself. If you really don’t think you’ll be nipping down for weekends, you can save money by being further from the airport. If you don’t want other people using it and don’t need the money, why worry about rental or investment potential?

### How much can you afford?

There may be ways to raise more money, or even share the costs, but get an idea of your realistic budget from the off. (See our finance guide on page 15). You should budget for at least 10% extra for buying costs. Don’t forget also that you won’t quite get the “interbank” rate for your currency that’s shown on the news and the FX sites, but a percentage point or two below that. (See our currency guide on page 16). On the other hand, you might be able to knock a little bit off the price of the property too.

### What MUST your Italian home have?

What are your deal-breakers, the must haves? How many bedrooms or bathrooms do you need? Is a pool essential or would a local beach be better? Outdoor space? And what would you like your Italian home to have? What would make it perfect for you? Do you want a terrace, garden and/or a swimming pool? (See our checklist on the next page).

### What are your turn-offs?

It’s nice to be positive, but focusing on what we can’t stand can be quite liberating too!

Would you hate queueing for a hire car every time you go to Italy? Fortunately Italy’s public transport is fantastic, but do check the routes work for you. Do you find a beach less appealing than your own pool? Or are you worried that you’ll be saddled with all the pool cleaning? Now is the time to say it loud and clear. Would you find the presence of holidaymakers on your doorstep all summer a little irksome? Then go off the beaten track.

You want to love this home, so spell out what will stop that happening, then see if your partner or spouse feel the same!



### Buying tip!

Pull together as much information on moving to Italy as you can – both positive and negative. Research newspapers, magazines, books, etc.

Look online at expat groups/forums (particularly for issues or complaints that stand out or reoccur) and Italian property websites.

**Visit overseas property exhibitions to get first-hand information before paying out for a viewing trip.**

# Checklist to a perfect property

## The location:

Essential

Preferable

Which part of Italy?	<input type="text"/>	<input type="text"/>
Region?	<input type="text"/>	<input type="text"/>
Tourist area or avoiding them?	<input type="text"/>	<input type="text"/>
City, town, village?	<input type="text"/>	<input type="text"/>
Maximum distance to shops?	<input type="text"/>	<input type="text"/>
Max distance to airport?	<input type="text"/>	<input type="text"/>
Max distance to hospital?	<input type="text"/>	<input type="text"/>
Max distance to beach?	<input type="text"/>	<input type="text"/>
Need public transport?	<input type="text"/>	<input type="text"/>
Other location requirements?	<input type="text"/>	<input type="text"/>

## The property:

Budget (in pounds)?	<input type="text"/>	<input type="text"/>
Old or modern?	<input type="text"/>	<input type="text"/>
House, flat?	<input type="text"/>	<input type="text"/>
Detached, semi or neither?	<input type="text"/>	<input type="text"/>
Bedrooms?	<input type="text"/>	<input type="text"/>
Bedrooms with ensuite?	<input type="text"/>	<input type="text"/>
Bathrooms?	<input type="text"/>	<input type="text"/>
Living area – open plan?	<input type="text"/>	<input type="text"/>
Separate dining room?	<input type="text"/>	<input type="text"/>
Wheelchair accessible?	<input type="text"/>	<input type="text"/>
Rough square metres?	<input type="text"/>	<input type="text"/>
View?	<input type="text"/>	<input type="text"/>
State of repair?	<input type="text"/>	<input type="text"/>

## Outside space:

Garden?	<input type="text"/>	<input type="text"/>
Terrace?	<input type="text"/>	<input type="text"/>
Pool, private or communal?	<input type="text"/>	<input type="text"/>
Garage?	<input type="text"/>	<input type="text"/>



## Step Two: Countdown to Buying

Working out a timetable is a powerful tool in turning dreams to reality. Many people wait until the spring or autumn to start looking – but why wait until everyone is buying? High demand, after all, generally means higher prices. Not only can you start looking at property at any time, but quiet times can be good for picking up bargains too. Estate agents will be keener and sellers more motivated, fearful of being stuck with a property for another season.

A tactic that we find works well is to set an end date and fix in your mind being in the property by then. Then work your way back from that. Tick these off as you achieve them.

### Six months from being a Italian home owner:

- Narrow down your choices using our checklist and [propertyguides.com/Italy](http://propertyguides.com/Italy) articles. Prepare a list of must haves and nice-to-haves.
- Speak to Smart Currency Exchange. Until you have consulted our currency partner it will be impossible to set your budget. Remember, you will not be able to access the “interbank” rate that you see on the news and on the property websites, so it is essential to get an idea of your real buying budget and lock that in.
- Speak to a mortgage advisor, if required.
- Set your budget.

### Five months from owning:

- Begin your detailed property search.
- Speak to a lawyer about how best to structure the deal.

### Four months from owning:

- Speak to estate agents.
- Narrow down properties for realistically achievable viewing trips.
- Book viewing trip(s).
- Detailed discussions with lawyer and Smart Currency Exchange.

### Three months from owning:

- Attend property exhibitions (see box below).
- Viewing trips.
- Make an offer.
- Contract notary.
- Protect your budget with currency specialist. Consider forward contract.
- Book a survey, if required.

### Two months from owning:

- Sign reservation contract, if required.
- Sign preliminary contract, *contratto preliminare*, and pay deposit.
- You now have six to eight weeks wait. (Plan removals and decoration!)
- Ensure utilities will be connected.
- Make final payment. Sign final deed of sale, *Atto pubblico di compravendita*.
- Receive keys and move in.



## Your Overseas Home

Italy Property Guides will be at several Your Overseas Home shows this year. It's a special show for those people in the final stages of buying in Italy. It is for those who have decided they are definitely buying, but they just need to get a few niggly legal, tax or inheritance questions answered first, and then to look at some properties. Check out the website for **FREE tickets** and details of new events.

[www.youoverseashome.com](http://www.youoverseashome.com)

## Step three: Where to Buy

Whether you like mountains or rolling hills, cityscape or sea view, Italy has a lot to offer home buyers. The developed north offers more work opportunities, while central regions have the countryside scenery and areas with established expat communities. If sea, sun and a slow pace of life is your desire then head to the sunny south. Some of the most popular areas for international buyers include Lake Como and Tuscany, with Abruzzo and Puglia also attracting buyers looking to get a bit more house for their money. If the landscape wasn't enough, Italy also boasts 53 UNESCO World Heritage Sites, more than any other country and great opportunities for anyone looking to buy a property with a tourist income.

### Scenic Lakes

Lake Garda and Lake Como in the Lombardy region are very popular places to live. All the lakeside towns attract visitors throughout the year. Property prices can be high on the water's edge, but the location is stunning, which is why the likes of George Clooney have a home here. You can expect to pay from €150,000 for an apartment near Lake Como and houses with direct access to the lake start at €550,000, but prices run into the millions for luxury villas. Around Como there are mountains, hills and valleys with varied building styles ranging from old medieval village houses to elegant 18th Century villas. But if your dream lifestyle involves getting out and about by car, bike or even boat, you are guaranteed splendid views of unspoilt nature all around the Italian lakes.

Among the most famous places are Bellagio, with its preserved historic centre surrounded by ancient city walls, and Brunate, reached via the old funicular railway from Como. Even on a low budget you can still find properties further up the hills, with wide panoramic views of the lake.

Traditional houses in the hills and village houses to renovate can still be snapped up for under €150,000, but expect to pay over €370,000 for a house that is ready to move in, with a panoramic lake view. Also take a look at Lake Iseo, Lake Maggiore and Lake Orta (Piedmont). If you'd like to be within

visiting distance of Rome you could also consider property near Lake Bracciano and the largest volcanic lake in Europe, Lake Bolsena in the Lazio region.

### Mountains

For spectacular Alpine scenery, fresh air, great hiking and world class skiing head to the Valle D'Aosta, Piedmont, Lombardy, Trentino-Alto Adige, Veneto and Friuli-Venezia Giulia. These northern regions are snuggled up against the Italian Alps and the famous Dolomite mountains. The further you go into the mountains you will find the language and culture becomes more influenced by the countries that lie just across the border. The further off the beaten track you go the cheaper the house prices too.

You'll find mountain cabins for sale, as well as apartments in the ski resorts. The northern provinces always do well in the quality of life survey produced by Italian newspaper "Il sole 24 ore". In the latest survey, the popular Belluno province of the Dolomites won the top spot, followed by Aosta, Sondrio, Bolzano and Trento. There are some pricey homes in the top resorts, such as Cortina d'Ampezzo, where an apartment can cost over €750,000. If you don't mind being in a more remote location it is still possible to find houses to renovate and apartments in traditional style ski chalets for under €200,000. There are even renovation projects for around €50,000.

The Apennine mountain range stretches right down through the Italian peninsula where house buyers can find mountain homes at very low prices, particularly in Umbria, Basilicata and Calabria, where the climate is milder and offers opportunities to go hiking among unspoilt nature.

### Countryside

The lush countryside of Umbria and Tuscany is well established as a favourite location for British buyers to escape to the country. More recently Ed Sheeran bought a home with a vineyard in an isolated location near Lake Trasimeno in Umbria. In the Province of Perugia €300,000 will buy you a good-sized stone-built country house. Just imagine



# A guide to Italy

See the map for the coasts, then search for them at [propertyguides.com/Italy/buying/where-to-buy](https://propertyguides.com/Italy/buying/where-to-buy) for more idea of what they are like.



## Speak to the experts

Visit our website [propertyguides.com/Italy](https://propertyguides.com/Italy) for more information about buying property in Italy. You can read property market updates, news and area guides.

☎ 020 7898 0549

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sitting under the wisteria with your morning coffee looking out across silent rolling hills.

If, like Ed, you want to get away from other British people and live an authentic Italian lifestyle among the locals, there are many Italian regions to consider with beautiful countryside, vineyards and olive groves. Le Marche and Lazio have some good value properties and Emilia-Romagna offers a varied landscape with easy access to the beaches, cities and the mountains of the north.

In most regions you will find character stone farm houses to suit every budget. It is very difficult to give average prices as even within one province they can vary greatly, depending largely on location and the condition of the property. In 2018 you will still be able to find some lovely large country houses, but those in the best locations will get snapped up first and many in the lower price ranges do require money spent on major renovation work.

Central regions have the benefit of being within visiting distance of Rome, Florence, Siena and Pisa. But, southern regions are becoming increasingly popular for their relaxed rural charm and Mediterranean climate. The Apulia region, in particular, is attracting those wanting an affordable country retreat in the sun, both as holiday homes and as a place to retire to. You can find two-bedroom detached villas and traditional cone roofed Trulli for under €150,000.

If you want a very large property, follow Helen Mirren's example and buy a Masserie (fortified farm house). A 380 square metre Masseria can cost from €300,000 and the largest fully-renovated ones are worth millions and convert well into charming country hotels with star-vaulted ceilings, fireplaces and swimming pools.

### Cities

The big cities of Turin in Piedmont, Milan in Lombardy and Bologna in Emilia-Romagna are exactly what you expect from major European cities. As well as opportunities to

work and study they have the convenience of shops, restaurants, schools, hospitals and plenty of tourist attractions.

Venice, in the Veneto region, and Florence, Tuscany are as desirable as ever, with some of the highest property prices. The recovery in Italian property prices has already begun here. Holiday rental potential is very good as millions of visitors continue to be drawn to their unique architecture, art and cultural events. Life there must be like living in a historical painting.

Not to be forgotten is the capital city, Rome in the region of Lazio. Here you can live and work in an area steeped in ancient history. According to a survey on expatistan.com, housing in Rome is 36% cheaper than London and living costs 33% cheaper. You will also find a similar difference in property prices. Two-bedroom apartments can be found in the €500,000 – €700,000 price bracket and 20 minutes out from the centre you can find them for as low as €200,000. As with the other cities, transport links are excellent and train services and flights are very affordable

### Near the Sea

With 7,600 km of coastline around Italy and its islands, there are plenty of seaside areas to choose from. The most famous sections of dramatic coastline are the Cinque Terre in Liguria and the Amalfi coast in Campania.

Property can be expensive in these areas, but if you look further along the coast and inland the prices do come down. A one-bedroom house in one of the pretty pastel coloured villages on the Ligurian coast can cost from €280,000, but for the same money you could get a five-bedroom village house inland. Villas along the Amalfi coast run into the millions.

For sunshine and beaches try the region of Apulia or the islands of Sicily and Sardinia. By looking along the coast from the main seaside towns, you will find smaller villages with affordable homes designed for simple summer living. Although some seaside villages are deserted outside July and August, it's not so bad when you get a beach to yourself in June!



## Case Study: Grant Ebert bought four homes in Tuscany

**I bought four properties in separate villages in the Bagni di Lucca area. I was traveling with my family and at the same time looking to purchase property back home. I was taken by the scenery and beauty of the area, along with the value for money of the properties. So I chose Italy instead!**

Two of the properties have been renovated and are used as holiday rentals. The other two will be renovated over time to use as holiday rentals as well.

The hardest part was having the courage to do it! Once over that, I did a lot of research and found a lawyer that was independent. I already knew the area I wanted to buy in, so then it was just a case of finding the right property for me.



My lawyer, Giandomenico de Tullio, dealt with the buying process and my own contact with the authorities was during the purchase, and they were excellent. For the purchase the real estate agents have a set fee based on the value of the property, that's controlled by the local authorities. Taxes were similar. Giandomenico and the real estate agent sent me quotes for the completion of the purchase and I chose who to use.

Before deciding to purchase, I did a lot of research. The smartest thing I did was engage an independent lawyer before I commenced looking. This made it easier when I found a property I wanted to buy. I also stayed in the areas I was looking in. It meant I had a feel for the place and if I could live there.

When it comes to the property, it's one thing to fall in love with it, but always make sure you have a survey completed to confirm it's sound and you don't inherit someone else's 100-year-old nightmare. It's no different to if you were buying at home, make sure you spend the money to have things done properly.

Lastly, be careful of property agents that are not based in the country you are buying. Often they are more of a hindrance than a help, and charge a large fee for doing, well nothing.

You can rent Grant's Italian homes via [www.myhometuscany.com](http://www.myhometuscany.com).

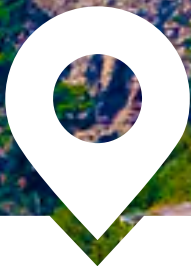
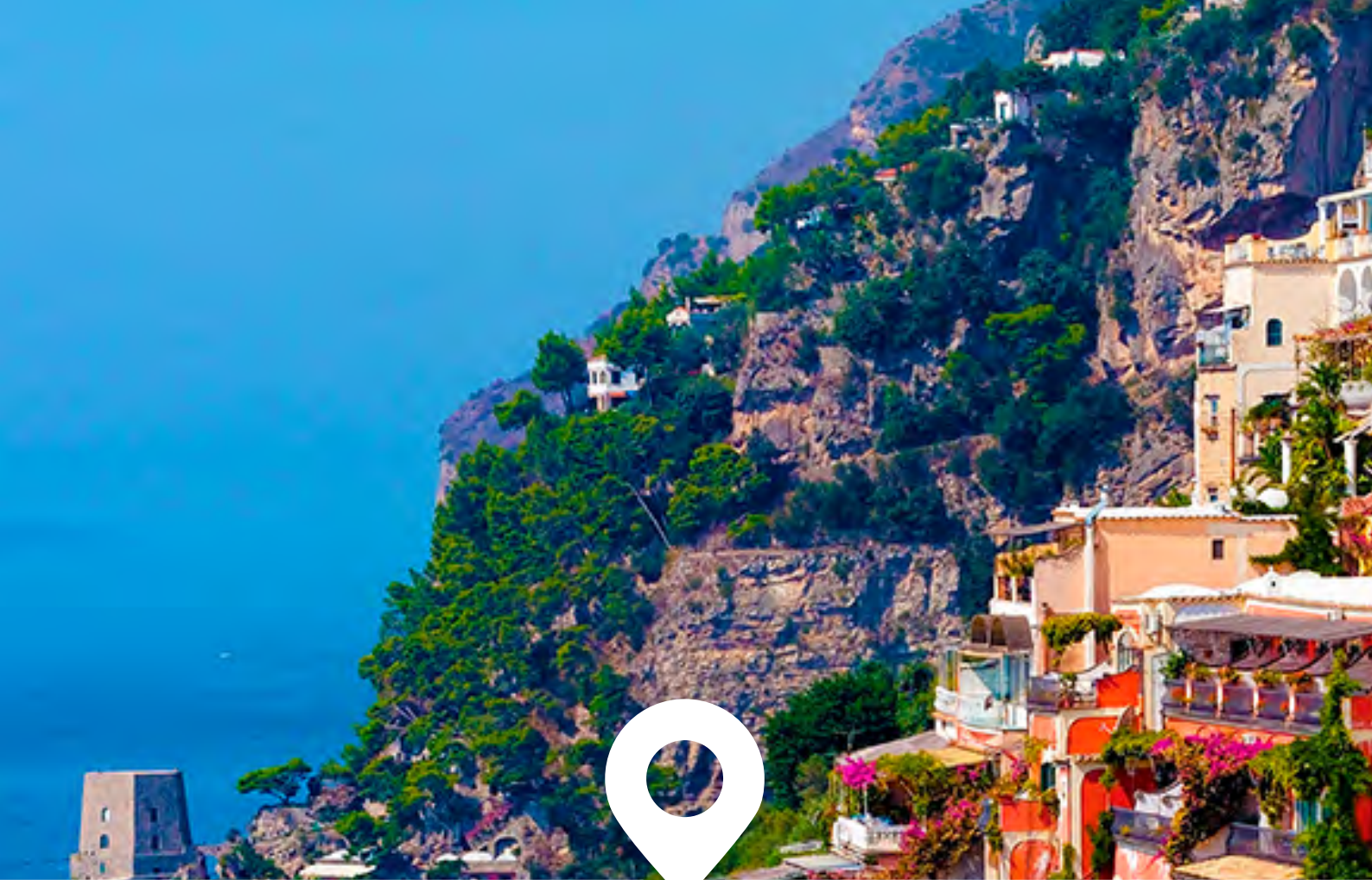


### One step at a time

As Grant's experience shows, buying a property in Italy is simple if you have the courage! It's really a matter of putting one foot in front of the other. But you do need to ensure that you are on a firm footing by having a team of professionals behind you.

**At Property Guides we call the perfect team our Golden Three: estate agent, lawyer and currency specialist.** Call our Resource Centre on 020 7898 0549 to be introduced to your Golden Three.





# How to buy





## How to pay for your house in Italy

You need to know exactly how much money you can spend, and what your financial sources are: savings, the sale or re-mortgage of your UK property, etc. It's also important to think about the costs involved in buying a property.

### The key financial points to consider are:

#### Funds available:

Work out the total amount of money you have available to purchase a property. It could include cash, savings, items you can sell, pension drawdown, investments you can cash in. Consider buying with friends or family **read our guide, Buying Abroad With Family.**

#### Additional finance:

Can you buy with a mortgage? Speak to an estate agent, independent financial advisor, bank or other lender to assess your options. If so, how much deposit will you need, and how will you service the monthly repayments? What would you do in an emergency, such as unemployment or illness?

Do you have a property in the UK from which you can release funds, either by remortgaging or by equity release?

**Our Resource Centre can recommend mortgage advisors and equity release specialists. Email [Italy@propertyguides.com](mailto:Italy@propertyguides.com) or call us on 020 7898 0549.**

#### Ongoing finance:

There are costs that will come after you have bought your home, including local property taxes, maintenance and traveling expenses to get there. How will you cover these? Don't forget too, that exchange rates can change, and a pension or investments paid in pounds will not guarantee an income in euros. (Although, see Managing Your Currency Risk on the next page, for Regular Payment Plans where you can lock in a rate).

#### Investments:

If you're moving to Italy for good, you could benefit from moving your pension overseas

into another scheme, such as a self-invested personal pension (SIPP) or a Qualifying Recognised Overseas Pension Scheme (QROPS).

Conditions do apply, but typically you could gain greater control over your pension and reduce your tax bill. Please note: the UK authorities will only allow you to transfer your pension into one of these schemes if you meet certain criteria: you need to be living, or going to live, abroad and you must remain living abroad. It's important to remember that it takes ten years of being a non-resident and moving the pension for a QROPS to show real benefits, making it really important to consider your options now rather than later.



## Getting a mortgage

With interest rates so low, it's no wonder that many buyers are choosing to borrow to invest in Italy's affordable property market.

To apply, have the following documentation ready:

- Income tax declaration for the past two years
- Bank statements from the past year
- Payroll or other proof of income for the past six months
- A list of mortgage loans already held
- A statement of your assets and liabilities, confirmed by an accountant.
- A copy of your passport.

Your lawyer should ensure that your mortgage takes into account consumer protection legislation. The contract of sale and signing of the mortgage will normally happen altogether, with a staff member from the bank present at the signing of the deeds in the notary's office, forwarding the money to the seller.

## Managing your Currency Risk

Exchange rates are the great unknowns when buying property abroad. The risk of currencies moving is often overlooked in the excitement of buying, despite the fact that the price of your property will be changing by the minute. As a 'live' market, the cost of buying euros in the morning will be different to that in the afternoon. Over the course of days, weeks and months that fluctuation can be dramatic.

During 2017 your British pound would have got you anywhere from €1.20 to €1.08. If you had agreed to buy a €200,000 property in June, when the pound was at €1.15 it would have cost you just under £174,000 (at the "interbank" rate). But if you were completing on it just four months later when the pound had fallen after the General Election, that same property would cost over £185,000 and you would have to find another £11,000. If you couldn't find it, you might have lost the property and your deposit.

Such variations (known as "volatility") over the course of the buying process are perfectly normal; indeed they can be much worse. So while it is perfectly natural to want to buy in Italy when the pound is looking strong, unless you lock in your currency with a Forward Contract you are taking a huge gamble.

What many people don't realise is that you can lock in an exchange rate today for a purchase later – securing the price of the property in pounds having already agreed the price in euros.

We recommend getting in contact with our trusted partners, Smart Currency Exchange, as early as possible in your process.

Smart Currency Exchange has been one of the UK's most highly regarded currency exchange experts, dedicated to the overseas property market, since 2004. Smart has an "Excellent" rating from the thousands of its clients on the independent ratings service Trustpilot, and is the trusted currency partner of Rightmove.

### What our readers said about currency:

"I cannot speak highly enough of the professional and friendly service we received from Smart Currency Exchange during our house purchase. At all times we were kept fully informed by our trader Dalvinder (and, on other occasions, David) and the whole process was streamlined, simple and efficient. Highly recommended."

**Stephen Vallely**

"We have recently bought a house overseas and involved Smart Currency from the start. David Comber and everyone else we have spoken to were straightforward to deal with. No jargon, no fuss and with a network of relevant experts at their fingertips (e.g. lawyers). Of course we had concerns about handing a large amount of money over to strangers but it's all been absolutely fine. Involve them before you go house hunting and you will be ahead of other purchasers."

**David Browning**

## Don't leave yourself exposed to currency risk



## Buying Costs

**Taxes.** These depend on various criteria so seek qualified advice as to which apply to you. The main factors are:

- a) Whether bought from a developer or a resale from a private individual.
- b) If the purchase price or the cadastral value is used in calculations. The cadastral value (valore catastale) is the property value on record, rather than the purchase price actually paid, often around 50% lower than the purchase price.
- c) Whether you are buying with a mortgage.
- d) If you intend to become a resident or use the property as a second home.
- f) If it is a luxury property or currently uninhabitable.

**Registration Tax** (imposta di registro).

A typical example would be a resale property not classified as luxury, bought from a private individual for use as second home. For that you pay 2% of the cadastral value of the property, minimum €1,000. For a second home this would be 9% of the cadastral value. For newly renovated property it can be as low as €200.

**Mortgage Tax** (imposta ipotecaria) : €50-200

**Cadastral Tax** (imposta catastale): €50-200

**Other fees and costs are:**

- **Notary (notaio).** For a standard property purchase the fee is based on a sliding scale related to the property sale price. Approximate cost €1,500 – €3,000 or 1-2.5% of the property value.
- **Translator (traduttore).** The translator is present on the day of signing to translate the deeds into your own language before you sign it. Approximate cost €250 – €350.
- **Estate Agent (agente immobiliare).** Both the buyer and the seller pay a commission to the agent. They usually charge 3% of the purchase price plus VAT (22%). The commission is usually due to the agent as soon as the purchase offer is accepted. However, you can negotiate with the agent on his commission and when it is paid. Most will accept payment on completion.

## The Estate Agent

A good estate agent is a vital ingredient in finding a property in Italy. You need one that is legal, reliable and, most importantly, understands the type of property you want. There are big differences in how Italian agents work compared to British ones.

### A good Italian agent:

**Operates legally and ethically**

Find an agent in your desired area by look under Agenzia immobiliare in the Italian yellow pages online Pagine Gialle, which includes a map showing their location. They must be registered with the local chamber of commerce (*camera di commercio*) and have a certificate issued by the local comune as proof of registration. An agent should also be registered with the Italian association of estate agents (AICI), federation of mediators and agents (FIMA) or federation of professional estate agents (FIAI). Some British estate agents operating in Italy may be registered with the Federation of Overseas Property Developers and Consultants (FOPDAC). Agents usually display which they are registered with at the bottom of the home page of their website.



In its FREE report, **The Property Buyer's Guide to Currency**, David Comber, Senior Trader at Smart Currency Exchange, shares his top tips for a successful property purchase. He explains why currency market movements make such a big difference and how to protect your budget from currency risks.

**For Smart Currency's free guide: The Property Buyer's Guide to Currency, and the latest currency forecasts, Call our Resource Centre on 020 7898 0549.**



### Is proactive and offers a good service

If you ask a question, you want an agent who calls you back. If you have a problem, you want someone who takes action to get it resolved. Determining up front if an agent is helpful will give you a better chance of getting things done properly. Send them a brief or an email before you go to Italy, asking them a question and see how long they take to get back to you – and how enthusiastic they are about helping you.

You could fill in our checklist on page 8, photograph or scan it and send it to a few agents.

### Has experience working with UK buyers

You want an agent who speaks your language, knows the popular areas for British buyers, understands the market and knows the politics and planning involved to make things happen. In Italy, agents will typically focus on a particular patch – so make sure you get one that knows your favourite area well.

### Stays with you until the end

Any agent should help you throughout the buying process, as earning their commission depends on it. They may also help you open a bank account too, and find a surveyor, builder, notary and anyone else to smooth the sales process.

A really good agent will help you further than just the final contract, however, suggesting a good local doctor, school and whatever else you need. You can find out if your prospective agent does this by asking for past-buyer feedback. Most estate agents working in the British buying market stay in contact with happy buyers and will be only too pleased to introduce you.

## The Viewing Trip

Five tips for a successful viewing trip:

**1. Avoid peak time.** Even apart from the obvious downsides of expensive flights, hotels and tourist crowds, many of the best rental properties will have guests inside them. If looking off-season, do some research into how different the resort is in the height of the season.

**2. Use technology.** There's nothing more frustrating than driving miles to a property which you hate as soon as you lay eyes on it! Use Google Streetview to weed out properties that lack kerb appeal (although do read about the bon de visite, left). Once you're back home, you won't be able to pop back for another look as you would if you were buying somewhere in the UK, so use your smart phones to take photos and video clips of properties.

**3. Don't be too polite.** Avoid any estate agent that tries to control or take over your time or schedule while there. A good agent might offer to find you a hotel, drive you around, even take you to dinner, but equally they will be happy to leave you to your own devices.

**4. Engage the imagination.** Sure, it looks a bit rough around the edges now, but picture it with a John Lewis kitchen and coat of Farrow & Ball...! Even the most sparkling pool can look like a little swampy after a month or two of neglect. Do consider that ugly duckling property – it might be tens of thousands of euros cheaper but cost just hundreds to turn into a beauty of a home for generations to come.

**5. Be prepared with your deposit.** The vendor may ask for a deposit at the offer stage. Talk to Smart Currency Exchange as if you commit to paying that amount in euros, what will you do if the exchange rate then changes?

### Estate agents

If you would like help finding the right estate agent in Italy, **Call our Resource Centre on 020 7898 0549.**

### Viewing Trips

For more information about viewing trips, **Call 020 7898 0549 for our free [Viewing Trip guide](#)**









# Making An Offer





## How to bargain

Once you've had a viewing trip or two, narrowed down your property search to a handful of options, and know how you are going to pay for it, it's time to start making offers. Your agent should be able to let you know what an acceptable offer is, and make recommendations.

Remember, though, that the agent is working for the seller, and paid a higher commission the higher the price. It can be hard to gauge what is a fair price when you're buying abroad, in a country you're new to, so here are seven simple tips to staying in control during the negotiation process:

### 1. Know what you are talking about

By conducting the market research and reviewing recent local sales you will be confident in asking for a fair price. Being well-informed and asking educated questions will show you mean business.

### 2. Get your game face on

Don't come across too keen, nor too blasé. Be polite yet serious, let the selling team know you've viewed a lot of houses and know your stuff. Just like a poker player, read your seller's emotions: with some sellers you might want to show how much you love the property, with others you want to play it cool.

### 3. Charm

You are buying something that someone loves. Being too aggressive in your attitude or pricing will kill off all your good work. You should normally negotiate via the agent but writing a letter to the seller introducing yourself and explaining why you're interested in their property can help you stand out from competition.

### 4. Take control of the negotiations

You are the one making the offer. The seller wants to make a sale and understanding their vulnerability puts

you at an advantage. You can walk away at any minute and buy something else; the seller needs to sell that property.

### 5. Counter offer quickly

Any delay in responding leaves room for a seller to consider other offers. Make sure you are prepared for what you are willing to pay before entering negotiations and respond quickly and confidently to any counter-offers.

### 6. Don't stress if it falls through

Stay rational and if a deal falls through, don't worry. In many cases buyers look back on deals that didn't happen with relief, finding the ideal property later down the road.

### 7. Contact Smart Currency Exchange

Do this before you make an offer on a property in Italy. Otherwise you could make an offer and then find that the exchange rate has moved against you before the other side has even responded.

Read more about how to bag yourself a great deal by reading our guide, [How to Negotiate Abroad](#).



# The Legal Process





## Italy's buying system

The British have the same right to buy in Italy as the Italians do, but the legal processes will not be like those you are used to in the UK.

It is highly advisable to invest in the services of an independent, English-speaking Italian solicitor, who specialises in property law.

**To be introduced to a recommended and trusted law firm, email [Italy@propertyguides.com](mailto:Italy@propertyguides.com) or call our Resources Centre on 020 7898 0549.**

### 1. Get your Codice Fiscale

If you are planning to purchase a property in Italy or want to open an Italian bank account you will need a *Codice Fiscale*. The Codice Fiscale is a number issued by the Agenzia delle Entrate (the Italian Revenue Agency) of the Ministry of Economy and Finance of Italy. You will need to fill in a form and show your passport.

### 2. Open an Italian bank account

You may also need an Italian bank account to transfer money for your property purchase, as the notary may insist on a banker's draft from an Italian Bank. Talk to Smart Currency Exchange about the best and safest way to transfer money from the UK (or anywhere else) to Italy.

### 3. Find your property!

When you find a property that you're keen to buy, it is important to ask the estate agent for detailed information about the transaction, what property features are included in the sale, title information, building compliance, applicable transaction taxes, ongoing costs (e.g., maintenance, taxes), energy supply and seller's solvency before committing to a purchase. It is an Italian estate agent's job to not only bring sellers and buyers together but also to carry out the enquiries and research necessary for the closing of the purchase/sale. They are there to guide you through every step of the purchase.

### 4. Get a survey?

If you choose, you may want to get a survey done. If the property needs renovating you will also want to get quotes for labour and

materials, as well as costs involved in getting planning permission (if required.) Try and meet the neighbours and ask around locally for information about the area, such as the location of waste dumps, sewage works and noisy neighbours or businesses. All this information may affect the offer you make.

### 5. Making an offer

Initially you will negotiate the price verbally through the estate agent. You could then do a purchase proposal (*proposta di acquisto*) which is a declaration by the buyer that he wants to purchase the property at a certain price. Once signed you are then making a commitment to purchase. But the seller is not yet obliged to accept.

If the property comes with a lot of land it has to be offered to the neighbouring farmers at that price first. If they don't want to buy it they must sign a declaration saying that.



## What will your estate agent or lawyer check?

Among the matters they will be checking (over two to three months) are:

- Who owns the property and has the right to sell it.
- If anyone else has an interest in the property or rights over it, such as neighbours with rights of way or access.
- If there are debts against the property, such as a mortgage or loans.
- If there are guarantees or certificates on property under 10 years old.
- That any recent renovation work complies with building permission.



## 6. Preliminary Contract

Once accepted by the seller the purchase proposal should be converted into a preliminary contract (*contratto preliminare*) signed also by the seller. This is a proper contract that obligates both parties to sign the final contract.

The preliminary contract stipulates the main elements of the transaction such as the sale price and the identity of the property, its address, plot numbers, a detailed description using information from the Land Registry and the date of the final contract. It is not mandatory for the preliminary contract to be drawn up by a notary, but it may be useful to have a notary clarify some items. Once the seller signs it they are accepting the offered price and undertake not to sell the property to anyone else.

At this stage the buyer pays a deposit (*caparra*) of around €10,000, usually. Under typical conditions laid out in the contract, if either side backs out the other party will have the legal right to seek compensation. The buyer could claim back his deposit plus the same amount again if the seller backs out. If you, the purchaser, back out you lose your deposit.

If all necessary paperwork is in order you could skip the Preliminary Contract and move directly to the final purchase deed. This is where the notary comes in.

## 7. Notary

As buyer, you choose (and pay) the notary. By law, the notary acts as a third party who is independent of both seller and buyer, ensuring that the conveyance of the property complies with all legal requirements. Once the nature of the deed to be drawn up has been defined, the notary must by law perform a series of up-front checks on legality so that the contract will stand the test of time and be unassailable.

For peace of mind you may also want to employ an English speaking lawyer to make sure you understand everything and protect your interests.



## 8. How long does it take?

If the buyer is ready and the house is vacant, six to eight weeks is usual. Quite often, however, paperwork has to be prepared or plans updated and occasionally there may be planning issues to sort out. This can all result in it taking longer.

## 9. Transfer of Title

The seller and buyer attend the notary's office to witness and sign the public deed of sale (*atto pubblico di compravendita*, also called *rogito*). If you are unable to attend in person you can be represented by a power of attorney. First it is translated into English for you. After the final deed is signed, the balance of the purchase price is paid to the seller, by means of Italian banker's draft or bank transfer. You now receive the keys.

**Welcome to Italy!**

# Thank you for reading the Italy Buying Guide

We hope that this guide will help you on your journey to buying a home in Italy. We also publish news, feature articles and blogs from our resident writers in Italy. Find them all via our website:

**[www.propertyguides.com/Italy](http://www.propertyguides.com/Italy)**.

Here at the Italy Buying Guide, we are also regularly in touch with companies that operate in the overseas property industry. We can recommend a wide range of service providers operating in the Italian property market, including estate agents, a mortgage broker, currency transfer specialist, law firm, tax and financial advisory firm, rentals website and more.

Please do take advantage of these contacts!

On a final note, a highly respected lawyer we recommended to our readers once said that there are three key things necessary for a successful overseas property purchase:

- A good estate agent
- A good lawyer
- A good currency exchange specialist

If there is anything else that we can help you with, call the Resource Centre on **020 7898 0549**, and we'll try our best to point you in the right direction.

Best of luck with all your plans!

Christopher Nye  
Senior Editor, Italy Buying Guide



## Your Overseas Home

Italy Property Guides will be at several Your Overseas Home shows this year. It's a special show for those people in the final stages of buying in Italy. It is for those who have decided they are definitely buying, but they just need to get a few niggly legal, tax or inheritance questions answered first, and then to look at some properties. Check out the website for **FREE tickets** and details of new events.

**[www.youoverseashome.com](http://www.youoverseashome.com)**

Finally, if while buying property in Italy, you learn something that you feel others should know about, or you simply want to share your own buying experience, please email me, the Senior Editor at Property Guides on **[chris.nye@propertyguides.com](mailto:chris.nye@propertyguides.com)**. We publish dozens of stories and suggestions every month.





# Property Guides

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First published 2018 by: The Overseas Guides Company Ltd, 26-28 Hammersmith Grove, London, W6 7BA

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