

Hotspot Guide

Italy

A Sample of what's on Offer

Hot Spot

Introduction



Why Invest in Italy?

Italy presents a unique tried and tested, established property market with areas in the south of the country featuring emerging market property prices.

The country is considered to be a secure location for both investment and lifestyle property purchases



Fast Facts:

- **Location:** Italy is located in Southern [Europe](#), on a peninsula that extends out into the central Mediterranean Sea, northeast of [Tunisia](#).
- **Capital City:** Rome
- **Climate:** The weather during summer is uncomfortably hot, temperatures often exceeding 95°F (35°C) at midday. Mid-winter is mild
- **Average Temperature:**
 - winter- 33 C
 - summer- 70 C
- **Total Land Area:** 294,020 sq km
- **Official Language:** Italian
- **Total Population:** 58,133,509
- **Population Density:** 197.6/km²
- **Major Religion:** Christianity
- **Currency:** 1 Euro = 0.857937527 British pounds
- **GDP:** 1.9%
- **GNI per capita:** 35,240PPP\$
- **Inflation:** 1.8%
- **Annual Growth:** 23.5% for the next 5 years
- **Main Exports:** : precision machinery, motor vehicles
- **Main Sources of Income:** Taxes and Tourism
- **Unemployment:** 6.7%
- **Population Below Poverty Line:** 26%
- **Life Expectancy:** Total population: 80 years M:77 years F: 83 years
- **Time Zone:** GMT + 1
- **Internet Domain:** .it
- **International Dialling Code:** +39



Geography

- **Italy** is located in southern Europe, the land between the peninsula and the Alps, and a number of islands including Sicily and Sardinia.
- Its total area is 301,230 km², of which 294,020 km² is land and 7,210 km² is water.
- Including islands, Italy has a coastline of 7,600 km
- Italy is a mountainous country, with the Alps as the northern boundary and the Apennine Mountains forming the backbone of the peninsula.



Economy

- The economy of Italy has changed dramatically since the end of World War II.
- From an agriculturally based economy, it has developed into an industrial country ranked by both the World Bank and the International Monetary Fund as the world's seventh largest economy in USD exchange-rate terms and tenth largest in terms of purchasing power parity (PPP) by World Bank, IMF and the CIA World Fact book.
- More recently, Italy has faced sluggish economic growth and reduced international competitiveness.
- The country belongs to the Group of Eight (G8) industrialized nations; it is a member of the European Union, OECD, and the Group of Seven (G7).



Politics

- The **politics of Italy** take place in a framework of a parliamentary, democratic republic, and of a multi-party system.
- Executive power is exercised collectively by the Council of Ministers, which is led by the President of the Council.
- Legislative power is vested in the two houses of parliament primarily, and secondarily on the Council of Ministers.
- The judiciary is independent of the executive and the legislative branches.
- Italy has been a democratic republic since 2 June 1946, when the monarchy was abolished by popular referendum.



A Brief Guide to Purchasing Property in Italy

- Purchasing an investment property in Italy is considered to be a straight forward process, as there are no restrictions on foreign ownership.
- The costs associated with the purchase can vary greatly depending upon whether the buyer is an Italian resident or not.
- Financing for an Italian property purchase is readily available with an established mortgage market and various options available to buyers



Property Market

- Arranging financing for the purchase of an Italian property is considered to be a straight forward process as the property market is well established.
- Buyers can arrange to release equity from an existing property or take out a mortgage from an Italian bank.
- Purchasers wishing to obtain a loan from a bank in their home country rather than an Italian bank will be effectively paying for the Italian property purchase with cash and the loan will exist only within the country it was obtained.



Fees and taxes

- VAT is charged at 20% on luxury properties. 10% for a non-resident and second home buyer. 4% for a first home resident buyer.
- Registration tax is 3% for residents and 7% for non-residents
- Land Registry tax is 2%
- Cadastral tax is 1%
- Registration tax, land registry tax and cadastral tax is exempt from those purchasing a new property. A new property is considered to be one that has been constructed or reformed within 5 years of the purchase. Instead buyers falling into this category will pay a fixed fee of around €170, plus VAT of between 4% and 20%.
- Notary fees are between 1% and 2.5% and are based on the property price, while also being subject to 20% VAT
- Legal fees are usually between 1% and 2%, plus 20% VAT

Hot Spots:

- **Monte Argentario** part of Tuscany's Maremma Coast, is a hidden gem. Once an island, Monte Argentario is connected to Italy's mainland by sandbars. It's completely different from the popular hill towns of central Tuscany. Visitors will be rewarded with rugged coastline dotted with beaches, wildlife, hiking areas, and natural beauty. A highlight of a Maremma coast vacation is a boat trip to the Tuscan archipelago



- **Rome** has long been one of Italy's cities for travellers. Today's Rome is a vibrant and lively city with many fine restaurants and cafes, good nightlife, and lively streets and squares. Top Rome sites include ancient monuments, medieval and Renaissance buildings and fountains, churches, and great museums

