

THE  
**RONAN MCMAHON**  
REPORT



# ITALY

## Real Estate Buyer's Guide

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# WHY ITALY

Italy combines lifestyle benefits with long-term real estate value. Property laws are transparent, and foreigners face no restrictions when buying. The buying process is regulated by notaries and supported by public registries, which helps ensure a secure transaction.

Prices in much of the country remain competitive and any towns and rural areas offer spacious homes for a fraction of the cost of similar properties in other Western European countries. In addition, Italy's flat-tax programs have encouraged foreign residents to relocate, boosting demand in select areas.

Tourism and long-term rental markets are well developed, particularly in regions such as Tuscany, the Lakes, and coastal southern areas. For those interested in rental income, Italy offers seasonal demand with strong summer traffic and steady year-round interest in some locations.

When most people think about owning property in Europe, Italy is often at the top of the list.

And it's easy to understand why.

Italy offers a rare combination of history, culture, lifestyle, and accessibility that few countries can match. From hilltop villages in Tuscany... to coastal towns along the Mediterranean... to historic city centers filled with architecture that dates back centuries... Italy delivers an experience that feels both timeless and deeply rooted.



But beyond the lifestyle appeal, there's another side to Italy that is often overlooked. Italy is not a single, unified real estate market.

It is a collection of regional markets—each with its own pricing, demand drivers, and long-term outlook.

In some areas, prices rival the most expensive markets in Europe.

In others, you can still find properties at a fraction of what you would expect to pay in comparable destinations.

This variation is what creates opportunity.

In the right location, with the right property, Italy offers:

- Strong lifestyle value
- Long-term holding appeal
- Rental income potential in tourist-driven markets

But success here depends on understanding the landscape—and knowing where to focus.

# THE BEST PLACES IN ITALY

To understand real estate in Italy, you have to start with a simple idea: Italy is not one market.

It is a collection of distinct regions—each with its own pricing, its own demand drivers, and its own long-term trajectory. What works in one part of the country may not translate at all to another.

And so the question is not whether Italy is a good place to buy.

It's where.

## Tuscany: Lifestyle and International Appeal

For many international buyers, Tuscany is where the story begins.

This is the Italy people recognize immediately—vineyards rolling across soft hills, stone farmhouses set back from quiet country roads, small towns that feel unchanged over generations. It is deeply familiar, even to those who have never been. That familiarity is both its strength and its limitation.

Tuscany benefits from decades of sustained demand. Buyers know what they're getting here. The rental market is well established. The lifestyle is proven. But because of that, much of the early upside has already played out. Prices reflect that confidence. In Tuscany, you are not getting in early. You are buying into something that is already fully understood.

The appeal here is clear:

- Strong global recognition
- Consistent demand from foreign buyers
- Established rental market
- 

However, that popularity also means:

- Higher entry prices
- More competition
- Limited “early-stage” upside





## Rome, Milan, Florence: Urban Markets

Italy's major cities operate differently.

In Rome, Milan, and Florence, real estate is less about escape and more about function. These are not just destinations—they are working cities, where demand is supported by business activity, infrastructure, and year-round population.

Rome carries global recognition, but it is also layered and complex. Florence is smaller, more contained, and driven heavily by culture and tourism. Milan, by contrast, is modern and economically focused, with a more international feel. Across all three, the pattern is similar.

These markets tend to offer stability. There is consistent demand, particularly for well-located properties. Rental potential can be strong, especially in areas tied to tourism or business hubs. But the trade-off is that pricing is already mature. You are not speculating in these markets. You are positioning.

### Rome

- Historic, globally recognized
- Strong tourism demand
- Complex property landscape



#### Milan

- Italy's financial center
- Modern, international
- Strong long-term rental demand

#### Florence

- Culture-driven market
- High tourism volume
- Premium pricing in central areas

These markets tend to offer:

- Stability
- Liquidity
- Year-round demand

But they are less likely to deliver the kind of early-stage upside seen in emerging areas.



## Southern Italy: Value and Opportunity

Move south, and the equation changes.

In regions like Puglia, Calabria, and Sicily, the numbers begin to look very different. Entry prices drop—sometimes dramatically. It is here that buyers encounter the lower end of the Italian market, including the widely publicized €1 home initiatives. But those prices do not exist in isolation.

They are often tied to broader structural realities—declining populations, limited local economies, and infrastructure that may not match what buyers are accustomed to elsewhere in Europe.

And yet, to dismiss the south entirely would be a mistake.

Because within these regions, there are pockets—coastal towns, historic centers, areas with tourism appeal—where the story is beginning to shift. Interest is returning. Buyers are starting to look again. And in select locations, that creates a different kind of opportunity.

But it is not broad. It is highly specific.

In contrast to the north and central regions, southern Italy presents a different proposition.

Regions like:

- Puglia
- Calabria
- Sicily

This is where many of the widely publicized “low-cost” properties exist.

But these opportunities come with trade-offs.

Lower prices are often driven by:

- Population decline
- Limited infrastructure
- Reduced economic activity

That said, not all southern markets are the same.

Certain areas—particularly coastal zones and towns with tourism appeal—are beginning to see renewed interest.

This is where selective opportunities may exist.

## **Coastal Markets: Lifestyle and Income Potential**

If there is one consistent driver across Italy, it is the coastline.

From the Amalfi Coast to Sardinia to Liguria, the appeal here is immediate. These are places defined by geography—where the combination of water, views, and limited land creates natural scarcity.

That scarcity shapes everything.

In the most established coastal markets, prices are high and inventory is tight. These are not places where buyers search for overlooked value. They are places where buyers compete for access.

Further along the coast, in less globally recognized areas, the dynamic softens slightly. Prices may come down. Entry becomes more accessible. But the underlying principle remains the same:

Coastal real estate in Italy is driven by demand that is unlikely to disappear.

These areas attract:

- International tourism
- Seasonal rental demand
- Second-home buyers

In high-demand coastal locations:

- Prices are elevated
- Inventory is limited
- Rental yields can be strong

In less established coastal areas:

- Entry prices may be lower
- Upside depends on future demand growth

## Small Towns and the Idea of “Cheap Italy”

In recent years, much has been made of Italy’s lowest-priced properties—particularly the €1 homes that appear in headlines and social media.

They tell a compelling story. The idea of acquiring a home in Italy for a nominal price is difficult to ignore.

But the reality is more grounded.

These properties are typically located in areas that have experienced long-term population decline. They often require extensive renovation, adherence to strict timelines, and a willingness to navigate local processes that can be slow and complex. For some buyers, that challenge is part of the appeal.

But it is important to understand what these opportunities are—and what they are not. They are projects. They are commitments. And they are best approached as lifestyle decisions rather than financial strategies.





Italy has a way of drawing people in gradually.

It is not always the most obvious choice. It does not present itself with the same clarity or simplicity as some other international markets. But over time, it tends to take hold. A first visit leads to a second. A short stay becomes a longer one. And eventually, for some, the idea of ownership begins to feel less like an indulgence and more like a natural extension of that relationship.

Part of this comes down to the way life is lived here.

There is a rhythm to Italy that resists urgency. Meals are not hurried. Town centers remain active well into the evening. Even in cities, there is a sense that life is meant to be experienced rather than optimized. For buyers coming from faster, more transactional environments, this shift can feel subtle at first, and then increasingly meaningful.

But lifestyle alone does not explain Italy's enduring appeal.

From a real estate perspective, what makes Italy compelling is its lack of uniformity. This is not a market that moves in a single direction. It is a patchwork of local economies, cultural centers, and regional identities. Pricing, demand, and long-term prospects can vary dramatically within relatively short distances.

That variation creates both complexity and opportunity.

There are areas where prices have already reached levels comparable to the most expensive markets in Europe. There are others where values remain low, sometimes for reasons that are structural rather than cyclical. And then there are those places in between—markets that are stable, livable, and quietly evolving.

Italy does not reward a one-size-fits-all approach.

It rewards attention.





# THE BUYING PROCESS

For many international buyers, the Italian purchasing process feels unfamiliar at first encounter.

The terminology is different. The structure is more formal. And the central role of the notary introduces a layer that does not always exist in other markets. But once understood, the process reveals itself to be methodical and, in many ways, reassuringly thorough.

## **From Offer to Agreement**

The process begins with a formal offer, known as the *proposta d'acquisto*. This is not simply an indication of interest. It is a documented step that outlines the terms under which a buyer is prepared to proceed. In some cases, it is accompanied by a deposit, which signals intent and initiates the negotiation in a tangible way.

Once accepted, the transaction moves to the preliminary contract, or *compromesso*. This is where the agreement becomes binding. The key terms—price, timing, and conditions—are formalized, and a more substantial deposit is typically paid.

At this stage, both parties are committed.

## **The Role of the Notary**

The final stage of the process is the *rogito*, or deed of sale.

This is where ownership transfers, and it takes place in the presence of a notary. The notary's role is not advisory but supervisory. They ensure that the transaction complies with Italian law, that the property is properly registered, and that all required checks have been completed.

This structure provides a level of legal clarity that, while procedural, is ultimately protective.



### **Due Diligence and Older Properties**

What distinguishes Italy from many other markets is the importance of verification.

A significant portion of the country's housing stock is older. Properties may have been modified over time. Records may not always reflect physical reality perfectly. For this reason, careful due diligence is essential.

Buyers should confirm ownership, verify planning permissions, and ensure that there are no outstanding liabilities attached to the property. This is not an optional step. It is fundamental to the process.

Handled correctly, the system works well.

### **Costs, Taxes, and Fees**

The purchase price of a property in Italy is only the starting point. What follows is a series of additional costs that, while predictable, can be substantial if not anticipated in advance. For most buyers, the total cost of acquisition will fall somewhere between twelve and twenty percent above the agreed purchase price.

### **Understanding the Structure of Costs**

These additional costs are not arbitrary. They reflect the structure of the transaction itself.

Notary fees account for the formalization of the sale. Legal representation, if used, adds another layer. Registration taxes form a significant portion of the total, and depending on the structure of the purchase, other administrative costs may apply.

While this can seem complex at first, it is relatively consistent once understood.

### **Ongoing Ownership Considerations**

Beyond the initial purchase, there are ongoing costs to consider.

Property taxes vary depending on location and classification, but they are generally manageable when compared to other Western markets. Maintenance costs, particularly for older properties, can be more variable. Utilities and, in some cases, shared building expenses should also be factored in.

None of these are unusual. But together, they shape the true cost of ownership.

### **Financing Options**

Financing property in Italy is possible, though it tends to follow a more conservative framework than some buyers may expect.

Italian banks do lend to non-residents, but they do so with caution. Loan-to-value ratios are typically lower, and the documentation requirements are thorough.

Income, assets, and financial history are all carefully reviewed.

This approach reflects a broader characteristic of the Italian financial system. Lending is structured to minimize risk. As a result, buyers are often required to contribute a larger portion of the purchase price upfront. For some, this can feel restrictive. For others, it provides a level of stability.

### **Alternative Approaches to Financing**

Given these conditions, many international buyers choose alternative routes. Some purchase outright, using cash. Others arrange financing in their home country, where lending practices may be more familiar or flexible. There is no single correct approach. Each reflects a different balance between leverage, simplicity, and control.

What matters is alignment with the buyer's broader financial strategy.





# SAFETY & SECURITY

Italy is, in general terms, a safe country.

It is a long-established democracy with stable institutions and a well-defined legal framework. For most residents and visitors, daily life proceeds without incident, and the sense of personal security is comparable to that found in other Western European nations.

Violent crime is relatively uncommon. As in many popular destinations, the primary concern tends to be petty crime—particularly in areas with high tourist traffic.

This is not unusual, nor is it difficult to manage. Awareness and basic precautions are typically sufficient.

## **Property Rights and Legal Protection**

From a property perspective, Italy offers strong legal protections.

Ownership is formalized through notarized deeds and registered in official records. This system ensures that property rights are clearly defined and enforceable. While the process may appear procedural, it provides a level of certainty that is important for international buyers.





# HEALTHCARE

Italy's healthcare system is often cited as one of its strengths.

It operates on a dual model, combining a public system with a well-developed private sector. For residents, the public system provides broad coverage. For many international buyers, however, the private system plays an equally important role.

Public healthcare is accessible and comprehensive, but it can involve longer wait times depending on the region and the type of care required.

Private healthcare, by contrast, offers greater immediacy and flexibility. Appointments are easier to schedule, and facilities are often more streamlined. Importantly, the cost of private care remains relatively low compared to what many buyers from the United States are accustomed to.

Medical professionals in Italy are well-trained, and facilities are modern.

In areas with established expat communities, English is widely spoken within the healthcare system. For those considering extended stays or residency, access to care is not a limiting factor. It is, in many cases, a point of reassurance.

## What is RETA?

My name is Ronan McMahon. I'm an international real estate scout. My team of researchers and analysts and I spend a small fortune on research and travel as we search out the best real estate opportunities in some of the most appealing locations around the world, including Portugal.

Often, what we find and the deals we make pay off with potential investment opportunities that I share with members of my Real Estate Trend Alert group. **[You can learn more about my RETA group here.](#)**

To be a RETA member is to be first on the very best real estate deals in the world. First to get wind of a big transformation, a big trend or major Path of Progress event, first to get in on the ground floor of that transformation...first to get in on a best-in-class real estate at off-market prices.

The core strength of RETA is our group buying power. It's by acting in unison with like-minded investors—fellow RETA members—that we get the incredible deals that we do.

Over the years, RETA has developed a heavy-hitting reputation in the right circles. Our group buying power is highly respected and sought after. It's how we get deals no one else gets, deals that even the most informed local real estate insiders can't believe. And RETA members will continue to access our pipeline of incredible off-market deals from the world's most desirable locations.

I've been watching Portugal closely and bringing investment opportunities to RETA members for many years, focusing on the appealing beach communities on the Algarve. Let's take a look at our track record.

\* In December 2019, RETA members could buy in a community called Santa Maria from €310,500. Two-bed condos available to RETA members for €390,000 now list for €550,000—a boost of €160,000.

\* In 2020, I recommended condos in a community called Adega in Lagos. RETA members could get penthouses here for the incredible price of €480,000. Those now list for around €1 million...meaning they've doubled in price.

\* In 2021, we had a RETA deal in the luxury community of Dona Maria. One RETA member purchased a penthouse there for €1.1 million. That was recently listed at double that—€2.2 million.

• RETA members could also buy two-bed condos in Dona Maria from €575,000. These now list for about €850,000—an uplift of €275,000.

Nobody I know does the kind of travel and first-hand research we do. Nobody I know has our contacts and ability to negotiate such incredible, off-market deals for members.

And nobody I know has RETA's track record of being ahead as destinations experience major transformations.

Members of Real Estate Trend Alert are the only people who get all my research reports... the inside scoop and contact information for some of the top experts in real estate...and the hottest off market opportunities from around the world.

**[Click this link to learn more about RETA and to join today.](#)**

# VISAS & RESIDENCY

Owning property in Italy does not automatically grant residency.

However, for many buyers, ownership is only one part of a broader intention—to spend more time in the country, whether seasonally or on a more permanent basis.

The process is documentation-driven but manageable.

It requires preparation, clarity of financial position, and an understanding of the requirements. While property ownership is not a direct pathway to residency, it can support the application by providing a clear base in the country.





# INSIDER TIPS

Buying property in Italy is rarely a purely financial exercise.

It exists somewhere between investment and lifestyle, and the balance between those two elements varies from buyer to buyer. For some, the priority is income or long-term appreciation. For others, it is the experience of ownership—the ability to return to a place that feels personal and familiar.

The most successful outcomes tend to come from clarity.

Clarity about what the property is meant to provide. Clarity about the trade-offs involved. Clarity about the time horizon over which the decision will play out. Italy does not always deliver immediacy.

It delivers continuity.

For those who approach it with patience and a willingness to understand its nuances, it offers something that is increasingly difficult to find elsewhere—a sense of permanence, grounded not in speculation, but in place.