**W**ITH record numbers of people wanting to buy property abroad, it pays to know the right way to go about it.

Each country has different rules and regulations and knowing the pitfalls can save you time and money. Each month we'll be featuring questions and answers on purchasing a home in a different country. This time we focus on Italy

# Buying in Italy

### How do I buy a property in Italy?

The first step is to establish your budget. This will give you an idea of where you can buy and what type of property is available to you. Start your research in the UK either on the internet or through a UK or Italian-based agent. See the property sections in the Sunday papers or specialist magazine. Once you have selected a few properties, visit the area and view properties.

### Do I need a solicitor?

In Italy, the notaio (notary) performs part of the role of the solicitor and once they have received the signed contracts, they will conduct the final checks to prepare the deed of sale. The notary works for both parties and is neutral. Italian estate agents are fully qualified to prepare the necessary initial contracts involved in the conveyancing process. Italians don't employ a solicitor. If buyers are not using a UK-based agent to guide them through the process, it is advisable to use a solicitor based in the UK from the outset. For Italian property law it is advisable to use a specialist solicitor.

### Can I get a mortgage?

There should be no reason why you cannot obtain a mortgage for a property in Italy. It can be difficult for a dilapidated or isolated rural property and often easier to purchase initially and then obtain a mortgage once the property is deemed habitable.

### Should I get a mortgage in Italy or the UK?

If you are not looking to remortgage in the UK and purchase outright, it is possible to obtain an overseas mortgage. Ask your estate agent if they can assist with a local bank or try Banca Woolwich, which is part of Barclays

### Do I need to make a new will in Italy?

In Italy the spouse is entitled to a half share of the property, and the children, legitimate and illegitimate, are entitled to an equal subdivision of the other half. If there are no children the remaining half is divided among other relatives, such as brothers or sisters. Even with a valid will, a certain percentage of the property and other assets belongs, by law, to the spouse and children.

### What charges are there on top of my purchase price?

Your estate agent should advise you of the costs involved in the sale. These will include the purchase taxes, notary costs and estate agency fees. For a full breakdown of fees visit: http://www.homesinitaly.co.uk/smx/home/fees/

### What is the process of buying the property?

There are three stages. The offer comes first, either verbally or in writing in a purchase proposal (proposta di acquisto) with a small deposit to ensure the property is not sold to another buyer. This is followed by the preliminary sales contract (compromesso), with which the buyer is expected to pay a deposit on the property, usually 20 per cent. The final stage is the deed of sale in front of the notary (rogito), with which the remainder of the balance, taxes and other fees are paid. The process can take anything from one month to three months and it is possible to skip the first and/or second stage.

### Do I need a bank account in Italy?

It will be easier to open a bank account in Italy to assist with payments to the sale, as these need to be paid in front of the notary during the deed of sale. A bank account will also be useful after the sale to connect direct debits.

### What's the difference between off plan and resale properties?

Off plan property can be purchased in Italy, especially in the coastal resorts. Resale property can be either a mixture of new build or older property. The main difference in purchasing either of the two is tax. Ten per cent VAT is paid on the purchase price of off plan property and 10 per cent tax on resale property on the taxable value and not the purchase price.

### Can I sell my off plan property before completion?

Yes. A lot of investors use this method. It gives a longer lead-time to sell the property before completion.

### Can I rent out the property out?

Yes, but if you are thinking of renting your property, make sure that you chose a region or area that is well established and visited.

### What costs can I expect to pay a rental agency for renting out my property for me?

Always choose an agency carefully with a good website, good advertising and a selection of property in your area. Ask them for their website statistics, testimonials and terms and conditions before signing any agreements. Agencies can charge anything from ten to 30 per cent and all work differently, with some being more flexible than others. Don't be afraid to rent out the property independently also as they are now many websites which deal with owners directly.

### Can I get a property with a rental guarantee so I know what my income will be?

Although not common in Italy, it is possible to purchase property with guaranteed rental. The properties tend to be apartments in condominiums with shared facilities and pool and there are some developers in Tuscany and Sardinia especially, who are promoting this to buyers.

### What maintenance costs can I expect to pay?

These will depend on the property. If the property is in a 'residence' or condominium, there will be costs towards the upkeep of the gardens, lighting, gates, pool, etc. For a two-bed apartment, expect to pay between 800 and 1,500 euros a year.

### If I am buying a property for an investment, what should I look for?

It is worth looking at new build property, especially coastal which should gain in value upon completion. It is also worth looking at the up and coming regions in Italy such as Puglia and Calabria, where there has been much recent publicity and prices are expected to rise in the next few years. If you are looking for rental returns, then established areas such as Tuscany, Umbria, Sardinia, the lakes and the Italian Riviera should provide you with almost guaranteed rental returns if you choose the right location and property.