



THE SANDHÜTEL LENS

Italy: Lakes, Coasts and Countryside

THE WEALTH SERIES

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ITALY SELLS YOU THE NAME. BUY THE EVIDENCE.

Italy's national numbers read like a market in good health. House prices rose 4.0 percent in the year to the second quarter of 2026, according to ISTAT, with Rome up 6.4 percent and Milan up 2.4 percent. Residential deeds rose 6.6 percent across 2025 and mortgage activity climbed faster still. On that reading, the only question for a British family is which view they would prefer to wake up to.

That reading misses almost everything that decides whether an Italian home is a good one to own. Italy has no public register of achieved prices. What passes for local market data is usually a portal asking price, and in the places a UK buyer most wants to own, those asking prices sit on very thin evidence. Portofino's asking price is up 25.4 percent in a year on just 32 listings. Menaggio on Lake Como is asking 9.3 percent more while its residential sales fell by a quarter. The destinations with the most famous names are frequently the ones with the least proof behind their prices.

The second thing the headline misses is how Italy taxes the purchase itself. Buy a resale home from a private seller and the 9 percent registration tax can be charged on the property's revalued cadastral value rather than the price paid. Buy the same kind of home new from a developer and VAT falls on the full price, at 22 percent for the luxury cadastral categories. Two homes at the same price, on the same lake, can carry completion costs hundreds of thousands of euros apart.

This edition is written for the UK buyer choosing where in Italy to own a holiday home or a family base, not for anyone chasing a rental return. A British passport still buys 90 days in any 180 in the Schengen area, and owning an Italian home does not add a single one. So the tests here are the ones that matter for a home you will use and one day sell: what it really costs to buy and hold, whether the market can prove its price, and whether someone will want it from you when you are done.

THE REAL DIVERGENCE

The divergence that matters in Italy is not between regions. It is between what a market asks and what it can prove. The Agenzia delle Entrate's OMI dataset gives official valuation bands and normalised transaction counts for every comune, and set against portal asking prices it splits the famous destinations cleanly in two. Forte dei Marmi's asking price rose 10.5 percent and its residential transactions rose 11.1 percent: price and liquidity moving together. Menaggio's asking price of €5,052 per square metre sits 71 percent above the very top of its own official OMI band, while its transactions fell 25 percent. One market is being bought; the other is being priced.

The same pattern repeats across the map. Tremezzina and Bellagio, Menaggio's closest neighbours on the lake, recorded transaction growth of 18 and 16 percent. Pienza's transactions rose 101 percent, a headline that dissolves on inspection: 47 sales, up from roughly 23. Nationally, the Bank of Italy's survey of agents shows negotiation discounts and selling times close to their recent lows, so this is not a market where buyers hold every card. It is a market where the evidence is unevenly spread, and where a buyer who reads the transaction count before the asking price avoids the most expensive mistakes.

In Italy the tax route sets the purchase cost, not the headline rate: a private resale can be taxed on its cadastral value, while a luxury new build pays 22 percent VAT on the full price.

Buy where transactions confirm the price. Forte dei Marmi and Milan have the evidence; Menaggio and Portofino have asking prices.

The famous name often carries the weakest data. Choose Santa Margherita over Portofino, and Tremezzina over Menaggio.

On the coasts and in rural Tuscany and Puglia, planning compliance is part of the valuation, not a conveyancing formality.

STRUCTURAL DRAG: THE TAX ROUTE

A UK buyer keeping UK residence will not qualify for Italy's first home relief, so every home in this edition is bought at second home rates. From there, the route matters more than the rate. On a private resale, the buyer can elect in the deed to be taxed on the prezzo valore basis: the property's cadastral income, multiplied by 1.05 and then by 120. Using the Agenzia delle Entrate's own worked example, where that base comes to 56.7 percent of the price, the 9 percent registration tax becomes an effective 5.1 percent. On a €3,000,000 resale that is €153,190 in tax, against €270,100 if the same 9 percent were charged on the price. The same home bought new from a developer pays 10 percent VAT, €300,000, or 22 percent, €660,000, if it falls in the luxury categories A/1, A/8 or A/9.

Add buyer agency fees of 3 to 5 percent plus VAT and notary fees, and the like-for-like totals at €3,000,000 run from roughly €278,000 to €366,000 on a private resale, €425,400 to €513,600 on a standard new build, and €785,400 to €873,600 on a luxury one. The worked-example ratio is an illustration, not a rule: historic prime property can carry a cadastral value far above or below it, and the real figure sits in the property's cadastral record. That record also sets the annual IMU bill, charged by each comune at between 0.83 and 1.14 percent of a cadastral base across the locations in this edition. On the same illustrative ratio, a

€3,000,000 home in a 1.06 percent comune pays around €24,000 a year. Ask for the rendita before you ask for the floor plan.

€153,190

RESALE TAX, PREZZO VALORE
€3m private resale, illustrative cadastral ratio

€300,000

VAT AT 10 PERCENT
€3m standard new build from a developer

€660,000

VAT AT 22 PERCENT
€3m luxury new build, categories A/1, A/8, A/9

THE ADDRESSES WORTH READING CAREFULLY

Forte dei Marmi (*Versilia: the centre and Roma Imperiale*)

Opportunity: the best evidenced coastal market in this edition, where price and transactions are rising together. Avoid: paying Roma Imperiale premiums on momentum; the villa quarter's asking prices slipped while the centre rose.

Forte dei Marmi asks an average of €11,259 per square metre, up 10.5 percent over the year, 29.9 percent over three years and 46.4 percent over five. What sets it apart is that the transaction record agrees: around 260 residential sales in 2025, up 11.1 percent, unusually deep for a market at this price. The detail rewards reading. The centre asks €11,926, up 10.9 percent, while Roma Imperiale, the villa quarter, asks €12,382 and is down 2.8 percent. The official OMI range for the comune runs from €2,000 to €17,000 per square metre, and an idealista study of luxury villa listings found Forte holds Italy's largest concentration above €10 million, enough to pull any destination average around. Pisa and Florence airports grew 7.8 and 9.4 percent in 2025, with Florence scheduling London City, Gatwick, Heathrow and Stansted this summer. This is a family resort bought for repeat summers, and the buyer base keeps turning up.

This is the one Italian coast where the transaction record backs the asking price. Buy the centre for evidence and let Roma Imperiale come to you.

Lake Como (*Tremezzina and Bellagio*)

Opportunity: the two communes where sales are rising alongside prices. Avoid: Menaggio, where the asking price sits far above the official band and sales fell by a quarter.

Lake Como is four different markets sharing a view. Tremezzina asks €4,452 per square metre, up 8.2 percent, with residential transactions up 18 percent to around 110. Bellagio asks €3,830, up 22.3 percent, with transactions up 16 percent to around 83. Cernobbio, closest to Milan, asks €4,566 and is down 10.4 percent, although its OMI data show exactly what a lake view is worth: villas in the lake zone at €3,100 to €3,700 per square metre against €2,000 to €2,650 for ordinary apartments. Menaggio is the warning. Its €5,052 asking price is up 9.3 percent, yet the top of its official band is €2,950 and its sales fell 25 percent to around 66. IMU runs from 0.83 percent in Tremezzina to 1.10 percent in Cernobbio. Malpensa and Linate carried 31.4 million and 11.1 million passengers in 2025, and both run direct London services, so access is not the constraint. Commune selection is.

Buy the commune, not the lake. Tremezzina and Bellagio have buyers arriving; Menaggio has sellers pricing ahead of them.

Milan (Brera, CityLife and Porta Nuova)

Opportunity: the only Italian market in this edition with city-scale exit depth, for a family relocating or splitting its time. Avoid: treating the flat tax as a price thesis; no official data measures it, and Quadrilatero asking prices fell 15.4 percent.

Milan belongs in a holiday home edition for one reason: it is where a British family relocating to Italy is most likely to look. The 2026 Budget Law raised the flat tax for new residents from €200,000 to €300,000 a year, and from €25,000 to €50,000 for each family member, and the UK's move to residence based taxation in April 2025 gives the wealthy British family a reason to look. The demand is visible. Knight Frank reports that tax drives most of its super-prime international enquiries in Milan, and the British School of Milan describes key year groups as competitive. What does not exist is an official count of who has opted in, by nationality, so causation is plausible rather than proven. The market underneath is real either way: around 25,200 residential transactions in 2025, up 4.9 percent. Brera asks €13,133 per square metre against an OMI prime band reaching €21,000, CityLife €12,117, up 15.9 percent, and Porta Nuova €10,887, up 11.9 percent. The Olympic village at Porta Romana was delivered early and converts to around 1,700 student beds, and Linate sits 8 kilometres from the centre.

Milan is a residence decision, not a holiday home. For the family moving under the flat tax, it is the one Italian address you can sell as easily as you bought it.

Costa Smeralda (Porto Cervo and Arzachena)

Opportunity: the widest UK summer flight schedule of any coast in this edition, with Porto Cervo asking around 31 percent less per square metre than Forte dei Marmi. Avoid: reading trophy asking prices as value; one villa in an idealista sample was listed at roughly €70,000 per square metre.

Porto Cervo asks €7,740 per square metre, up 3.2 percent, and wider Arzachena €6,204, up 2.2 percent and 16.7 percent over five years. The comune recorded around 710 transactions in 2025, far deeper than Capri or Portofino, although that count includes stock well away from the prime coast. The official picture shows how stretched the top end is: the Gallura OMI mean is €2,375 per square metre, with a maximum of €21,000. Access is the strongest argument here. Olbia carried 4.2 million passengers in 2025, up 7.2 percent, and this summer's schedule linked it to five London airports plus Manchester, Birmingham, Bristol and Edinburgh. It is also the clearest seasonal market in the edition, with June to September carrying around 68 percent of the airport's annual traffic. IMU at 0.90 percent is among the lowest in this edition; water resilience is a property level question worth asking before the pool is filled.

Buy Costa Smeralda for the summer it delivers, and accept that it only delivers the summer.

Tuscany (Chianti and the Florence hills)

Opportunity: Chianti farmhouses at under €2,800 per square metre asking, with four London airports served from Florence. Avoid: a Florence apartment bought on the assumption of future letting flexibility.

Greve in Chianti asks €2,798 per square metre, up 4.9 percent and 15.0 percent over five years, against an OMI mean of €1,978. In the countryside the survey matters more than the price: converted farmhouses and outbuildings carry planning and cadastral conformity questions, and access, water and septic rights can change the arithmetic of a purchase entirely. In the city, the rules are moving the other way. Florence's historic centre asks €6,001, flat on the year, while the Michelangelo and Porta Romana hills ask €6,459, up 6.1 percent. On 4 June 2026 the city council extended its block on new short-let authorisations beyond the

UNESCO centre into the surrounding ring of neighbourhoods, from Campo di Marte to Rifredi, adding 11.21 square kilometres and 67,780 homes to a restricted centre of 5.05 square kilometres. For an owner who never intends to let, that still narrows the pool of future buyers. Florence airport grew 9.4 percent in 2025 and schedules four London airports.

Buy Tuscany to use it, not to let it. In Florence the council has decided who the city is for, and in Chianti the survey is worth more than the view.

Santa Margherita Ligure (with Portofino as the comparator)

Opportunity: the Portofino promontory at 42 percent less per square metre, in a market deep enough to prove its value. Avoid: Portofino itself as a ranked purchase; 32 listings are not a market.

Portofino asks €10,896 per square metre, up 25.4 percent in a year, a headline built on 32 listings and a comune too small to produce a reliable annual transaction figure. Its neighbour tells a steadier story. Santa Margherita Ligure asks €6,285, up 2.4 percent, across 352 listings, and recorded around 200 residential transactions in 2025. Its official OMI range runs from €1,300 to €12,100 per square metre, so the best addresses reach Portofino territory with a market behind them. Genoa was the fastest growing gateway in this edition in 2025, up 18.1 percent, with year-round Stansted flights and seasonal Manchester service. Landscape protection and steep terrain make planning history a property-specific question on both sides of the headland, and IMU runs at 1.06 percent in Santa Margherita against 0.88 percent in Portofino.

Santa Margherita is how you own the Portofino coast and can still prove what it is worth.

Valle d'Itria (Ostuni, Ceglie Messapica and Martina Franca)

Opportunity: a setting that rivals Tuscany at under half Chianti's asking price in Martina Franca and Ceglie Messapica. Avoid: Ostuni at post-run prices; after a 41.5 percent five year rise, its annual momentum has stopped.

Martina Franca asks €1,327 per square metre and Ceglie Messapica €1,379, against €2,798 in Greve in Chianti. The gap is real and it is not closing quickly: Martina is down 0.8 percent on the year, Ceglie 2.6 percent and Cisternino 9.3 percent, while Ostuni, at €2,599, has flattened at 0.1 percent after a 41.5 percent rise over five years. There is liquidity to work with, around 630 transactions in Martina Franca in 2025 and around 330 in Ceglie. Access keeps improving: Bari grew 9.7 percent in 2025 and Brindisi schedules Heathrow, Gatwick and Stansted. The price discount is paid for elsewhere. Trulli and masserie often carry decades of conversions, extensions and cadastral drift, the landscape is protected, and water resilience needs checking property by property. IMU runs between 1.01 and 1.06 percent.

This is the value play in Italy, and it is paid for in due diligence rather than euros.

THE WATCHLIST

Watchlist: Cortina d'Ampezzo (Veneto Dolomites). The Olympic story is running ahead of the evidence: asking prices are up just 0.3 percent on 277 listings, and no clean transaction figure cleared our threshold. On Knight Frank's June 2025 prime band of €19,500 to €21,500 per square metre it is far cheaper than Verbier or Gstaad, with no Lex Koller permit to obtain, but it has to prove the post-Games market first.

Watchlist: Portofino (Genoa riviera). A trophy address rather than a measurable market: a 25.4 percent asking rise on 32 listings tells you what sellers hope, not what buyers pay.

Watchlist: Amalfi Coast (Positano, Ravello, Amalfi). The highest hidden friction in the edition, where landscape planning, slope stability, road access and overtourism controls can compound in one house. Ravello's asking prices are down 8.4 percent and Amalfi's 2.8 percent.

Watchlist: Capri (Naples bay). Genuine scarcity, with around 53 residential transactions in 2024 and nearly half of all dwellings recorded as unoccupied. Too thin to rank, and dependent on the ferry for every arrival.

Watchlist: Sorrento Peninsula (Campania). The most interesting alternative to Amalfi, asking €7,944 per square metre and up 10.0 percent, with a better service base. That evidence is asking prices only; it needs official data before it earns a full entry.

Watchlist: Lake Maggiore (Stresa and Verbania). The clearest discount on the Italian lakes, with Verbania at €2,834 per square metre and up 9.6 percent, and Malpensa close by. Needs deeper local transaction work.

Watchlist: Val d'Orcia (Pienza and Montalcino). Beautiful and protected, but Pienza's 101 percent transaction jump is 47 sales, and Montalcino's asking prices are down 3.0 percent.

Watchlist: Rome (centro storico, Parioli, Aventino). Faster growth than Milan, 6.4 percent against 2.4, but a city residence case rather than a holiday home one. Milan makes that case more clearly.

SELECTED DATA SIGNALS

MACRO AND STRUCTURAL

+4.0% ITALY HOUSE PRICES, YOY ISTAT, Q2 2026	€300k FLAT TAX, NEW RESIDENTS Budget Law 2026, plus €50k per family member	2 flats SHORT-LET BUSINESS THRESHOLD Budget Law 2026, down from four	67,780 HOMES ADDED TO FLORENCE BLOCK Comune di Firenze, 4 June 2026
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DEMAND, ACCESS AND SCARCITY

+11.1% FORTE DEI MARMI TRANSACTIONS OMI NTN, 2025	-25% MENAGGIO TRANSACTIONS OMI NTN, 2025, asking prices +9.3%	25,173 MILAN RESIDENTIAL TRANSACTIONS OMI NTN, 2025, up 4.9%	+18.1% GENOA AIRPORT PASSENGERS Assaeroporti, 2025
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Transaction counts are OMI normalised figures (NTN) by comune, which can include non-prime stock. Asking prices are Immobiliare.it, August 2026, and are not achieved prices. OMI extracts are sourced via an intermediary republishing the Agenzia delle Entrate dataset.

Read together, the top row says Italy is growing steadily and legislating actively. It is courting wealthy new residents with a flat tax while tightening the rules on anyone who wants a home to earn its keep through short lets. Both matter to a British buyer, because the first shapes who arrives and the second shapes who will buy from you later.

The second row is the one to act on. Forte dei Marmi and Menaggio sit in the same wealth-home universe and point in opposite directions, which is the whole argument of this edition in two numbers. Milan's transaction count is a reminder that exit depth is a feature you pay for, and Genoa's growth shows the Ligurian coast becoming easier to reach from the UK every year.

THE SANDHÜTEL READ

Italy is not one wealth-home market rising at 4 percent. It is a set of micro-markets where the purchase cost is set by the tax route and the value is set by the evidence, and the most famous addresses often have the least of it.

Put the tax route next to the transaction record and a pattern emerges that no price chart shows. The best places to buy are the ones where a resale is available and the market can prove its price. Forte dei Marmi's asking prices and transactions rose together. Tremezzina and Bellagio are gaining buyers while Menaggio loses them. Santa Margherita offers 352 listings and around 200 sales against Portofino's 32 listings. In each case, the honest choice is the market with the deeper record, not the louder name. For the British buyer comparing coasts across the Wealth Belt, the tax arithmetic also shifts the usual assumption. At the Agenzia delle Entrate's worked-example ratio, a €3,000,000 private resale in Italy pays €153,190 in registration tax, against €210,000 at Andalusia's flat 7 percent on the same price in Marbella.

The allocation follows from that. Anchor an Italian purchase in Forte dei Marmi or the Tremezzina and Bellagio shore of Lake Como, and favour a private resale where the cadastral record supports it. Treat Milan as a residence decision for the family moving under the flat tax, not a holiday home. Choose Costa Smeralda for the summer and Santa Margherita over Portofino for the Ligurian coast. Buy Chianti to use rather than to let, and take the Valle d'Itria value only with a technical survey commissioned before the offer. Hold Cortina, Capri, the Amalfi Coast and Portofino on the watchlist until their markets can show what their names only claim.

At Sandhütel, an Italian home is bought on the record, not the reputation: the address that can prove its price will always be easier to own, and easier to leave, than the one that can only name it.



David R. Sandhu

Founder and Principal at Sandhütel, a London based firm focused on strategic property investment, management and design. Over 15 years' leadership across credit strategy, investment management and real asset development, including as Global Head of Credit Product Management at Barclays Wealth. There he led balance sheet strategy, product governance and commercial growth across the UK, EMEA and Asia.

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