

# LUXURY RESIDENTIAL MARKET INSIGHT TUSCANY & UMBRIA

Knight Frank



**“Tuscany and Umbria are effectively ten markets in one.”**

Figure 1  
**Where do Tuscan and Umbrian buyers come from?**



UK	31%
Rest of Europe	25%
Italy	19%
Russia & CIS	13%
US	6%
Rest of the World	6%

Source: Knight Frank Residential Research  
Note: Figures may not add up to 100% due to rounding

## Market overview

**With buyers looking ever harder at the more established European second home locations, Tuscany and Umbria are both able to offer beautiful estates with good value for those who know where to look – and how to buy.**

Every generation has its own Tuscany. The erstwhile English aristocrats who bought up dilapidated farmhouses in the sixties and seventies and who cherished their isolation gave way in the nineties to families who wanted to entertain on a grand – but warm and personal – scale. The market in Umbria, the ‘green heart’ of Italy, started later, but soon caught up. The charms of the two regions has been obvious for centuries: the jewels of the Renaissance in Florence and Siena, Umbria’s Niccone Valley and historical capital, Perugia, the wines of Chianti and Montalcino, Cortona’s ‘Under the Tuscan Sun’ and the landscape which embodies the Italian idyll.

Until 2008, prices in Tuscany and Umbria had been rising steadily for two decades, but the recession hurt the region, and current prices are 20 per cent off their peak. Today a farmhouse with three bedrooms, a swimming pool and enough land to lose the children in starts at around €1 million, although they rise in size, grandeur and grounds up to €5 million. However, for those who want to make sensible offers, residents keen for a sale but stymied by the dry riverbed of credit are willing to

listen. A flight to the familiar may start to push up prices in late 2010 or early 2011.

The recession has also influenced the composition of buyers. With the pound looking anaemic, the French, Benelux and Scandinavians, who benefit from the still healthy euro, have been migrating south. Russians are less prominent, preferring still the south of France, and Americans are present but reducing in number recently.

What has emerged in the past decade is a taste for wine estates. Rather than just living on the land, owners can feel like they are participating in it, producing good wines for their own pleasure and recouping some of the costs of running the estate through sales.

Florentine apartments are heading back into favour, with old buildings being renovated to ensure that they provide the facilities and comfort buyers expect, without losing their original character. Buildings within bell-toll of the chequered Duomo are dusting themselves off and providing a metropolitan break from the unceasing countryside.



**Bill Thomson**  
Chairman,  
Knight Frank Italian Network

## Expert insight

**Bill Thomson, Chairman of the Knight Frank Italian network, has been selling property in Tuscany and Umbria for the last 20 years.**

In my time in the market, I have seen some significant changes in the types of buyer and properties in the market. Tuscany and Umbria are effectively ten markets in one, and each market has a unique and subtle character. The stock on the market offers plentiful good value, and with last year’s price reductions this is a good time for

potential buyers: the only hard decision they have to make is which area they prefer.

Buyers in Tuscany are today an eclectic mixture of nationalities, all made to feel at home by the welcoming locals, happy to discuss the olive harvest with you or share local secrets and hideaways. For me, the passion the area inspires has kept me here: the food and the wine, the rolling hills dotted with cypress trees, the glorious sunsets, Italian architecture and their love of la bella vita. It offers a wonderful quality of life, and an unbeatable opportunity to unwind.

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## PRIME PROPERTIES



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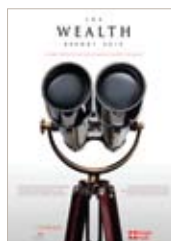


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