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Ciao ,

I recently returned from a visit to Salemi, Sicily, to continue MIPC's due diligence on the 1 Euro house offer. I had a very enjoyable week. Mild weather, 13'C and a little rain in December isn't that bad !!

*I had meetings with the council members, attended the opening evening of the local Enoteca, met MIPC client's Andy & Sarah from Australia, witnessed two local religious festivals, visited the local vineyards, managed a trip to the Egadi Islands and studied **intensively** the current local Salemi real estate market. Read all about this and more in the newsletter then make that New Year Resolution to own a property in Sicily, Italy, this 2009.*

If any of you are interested in joining [MIPC Discovering Salemi](http://www.mipc.co.uk/salemi/discovering-salemi.htm) from 24-26th January in the New Year don't forget to book your place. Visit <http://www.mipc.co.uk/salemi/discovering-salemi.htm> there are still places available.

I wish you all a prosperous New Year and hope to see you in Salemi, Sicily, Italy, during 2009.

Ciao

David



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Salemi Newsletter

Firstly a little feedback from the **MIPC Discovering Salemi trip**, which MIPC clients attended in November. Twelve MIPC clients from all over the world descended on Salemi. Read some of their feedback on the [MIPC forum](#).

The MIPC Salemi evening seminar was hosted by David Moss. An extended thank you to Michel Delran who presented his [PAIC project](#), lawyer Nick Metta from [Studio Legale Metta](#) for discussing the legal issues of buying property in Italy and Mr Tortorici for speaking on behalf of the Salemi council.

Visit Micheal Delran's website which presents his project (PAIC) for Salemi along with some great photographs and video. <http://www.mdnovation.com/Salemi/index.htm>



Michel Delran (left) during his presentation at the MIPC Discovering Salemi seminar and David Moss of Moss Italian Property Consultants (right).

(Photographs courtesy of Eric Delran – Dytis Photography www.dytisphotography.com)



MIPC with clients at Nino's restaurant in Salemi.
From left to right : Mr Anderson (Denmark),
Simon Moss (UK), David Moss (MIPC),
Mr & Mrs Manzo (America).



MIPC with clients at Giummara restaurant, Salemi.



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The day after the Salemi seminar David from MIPC accompanied everyone round Salemi. Starting from the main square, Piazza Alicia and the ex chiesa madre, we meandered through the historic streets of Salemi, viewing some of the 1 Euro houses. We had a guided tour round the castle. We visited the council offices to witness the mapping process of the 1 Euro houses and got to know a few locals.



Ex Chiesa Madre



Salemi castle



Typical Salemi 1 Euro houses



David from MIPC with Salemi Mayor Vittorio Sgarbi and other MIPC clients.



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Salemi TV celebrities:

Reef TV have followed up some of your enquiries to become the protagonist of their documentary about Salemi. If you have been interviewed please let MIPC know and/or post your experience on the MIPC forum at

<http://www.mipc.co.uk/forum/viewtopic.php?f=1&t=32>

Sorsi d'Autore Enoteca: wine and food bar.

The opening of the Enoteca Sorsi d'Autore in Piazza S. Corleo, Salemi on Thursday 4th December is a very positive sign for Salemi. Private investors are starting to invest in commercial property and open new businesses. It was a fantastic evening. I met lots of new and interesting people. It's a great place to sample the local Sicilian wine and enjoy a light tasty meal. Look out for the Olive tree.

See a video of the opening evening on you tube at

<http://www.youtube.com/watch?v=45wWx1JtkEk>

A new antique shop, across the road from the Enoteca, also opened that evening !!!

Artists gallery: Vito Campanelli

A new artist's studio has opened just off the main street Via Amendola.



Vito's studio



Vito Campanelli (left).

Visit Vito's website at www.artecampanelli.net

And view one of his short videos at

<http://www.youtube.com/watch?v=eGmqw3D9Lo4&feature=related>



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Festa d'Immacolata

On Monday 8th December it was a local holiday in Salemi as they celebrated the Festa di Maria Immacolata.



Local priests and police



Maria Immacolata

On Saturday 6th December Salemi also celebrated the local patron saint San Nicola.



Salemi local brass band



Chiesa da Gesuiti, Salemi.

SALEMI BY NIGHT





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Salemi 1 Euro house news

You have already registered your interest in the 1 Euro property offer with Salemi council via the letter of intent submitted on your behalf by MIPC. Salemi council now wants to know if you are genuinely interested and has recently asked you to submit a [Salemi Letter of Introduction](http://www.mipc.co.uk/salemi/salemi-letter-of-introduction.html). You should have already sent this, if not go to <http://www.mipc.co.uk/salemi/salemi-letter-of-introduction.html> for further details. If you have already submitted your Letter of Introduction then Salemi council will soon send you a confirmation of receipt.

The Letter of Introduction is a means for the Salemi council to understand if you are still interested in their offer and to understand who you are. MIPC understand that the Salemi council wish to build a sustainable community. They are looking for 60% residential occupancy of the houses. MIPC understands that their target market is an artistic and culturally orientated community. MIPC assumes the Salemi council will give priority to applicants who meet their target resident specification. Exact details of how the properties will be allocated should be published by Salemi council in January 2009.

Mapping of Properties:

40 years ago after the earthquake in the Belice valley, the Salemi council financed residents to leave their destroyed house and to build a new property in the surrounding countryside. Residents who took up the councils offer theoretically forfeited their original property to the council. (These are the 1 euro houses.) Not all the legal paperwork was completed for the transfer of ownership to the council, some say, because of the 3rd party public liability risk and others say because they always planned to do it tomorrow.

Well tomorrow is here and so currently the council is still mapping all the properties that the Salemi council will be including in their offer. This is taking longer than expected. There are 3 independent teams working on this process. Once this mapping and council ownership is confirmed the council will know how many (MIPC believe 1000 properties) and the location of the properties in their offer.

Legal issues:

There is major legal step that the council must resolve. Italian law states that council property cannot be sold, but must be auctioned off to raise the highest value. The council's lawyers are still studying the correct legal path to follow. When MIPC is informed of the solution you will be amongst the first to know.



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Building logistics:

How can you refurbish 1000 properties at the same time ?

Salemi will be one big building site and a potential logistic nightmare. MIPC understand the council may consider directly contracting various construction firms to complete different phases of the development, removing the possibility for each individual owner to “manage” their own development !! This will, logistically, be much easier, though may deter some of you as this will eliminate the “hands on” experience of your dream property development...don’t worry if you want to be “hands on” in your property development there are some other local properties MIPC has sourced for you. See some Salemi local properties below.

Exact details of how the properties will be refurbished should be published by Salemi council in January 2009.

1 Euro or more ?

The symbolic price of 1 Euro for a property is to be clearly understood. The properties are ruins from an earthquake. These properties will need intensive restoration. The cost of refurbishment, following strict building regulations will vary from €900 – €1200 / sqm. Thus the cost of a 100sq house could cost you € 120,000 and NOT 1 Euro.

Infrastructure and public spaces :

MIPC believes the Salemi council does not have an extensive budget available to invest in the infrastructure of Salemi. So what about green spaces, communications, roads and the more basics like sewage ?? MIPC understands the council will instruct the construction firms to build certain infrastructure as part of their contracts.

Salemi Real Estate market.

Many visitors to Salemi view the 1 Euro properties and realise these buildings need a lot of work. Many also consider the option to purchase an existing property. There are currently many local properties on the market as local Salemitani try to profit from the increased demand. Buying now, before the boom, could be considered a wise investment. There are some fantastic buildings, new, historic, in various states and reasonable priced. These properties offer the opportunity to quickly get on the local property ladder. With lower refurbishment costs and short term completion they offer a true opportunity to be the pioneers of the new Salemi community.



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Salemi Real Estate Market Value:

What is the market value of property in Salemi ?

As part of the MIPC due diligence to evaluate the Salemi real estate market MIPC viewed some different properties.

Let me categorize these.

[Sqm = square metre : 1 sqm = 10.67 square feet : 1 Euro = 1.4USD

To convert a price from euro/square metre to dollars/square foot multiply the euro/sqm by 0.13]

Property type A : 1 Euro property

The council has decided that a destroyed building with land is currently worth 1 Euro. With future restoration costs at approx €1200 euro/sqm, one could estimate that the future market value of a refurbished property is **at least** the cost of refurbishment. i.e **€120,000** for a 100sqm house.

Property type B: An existing property in Salemi to complete.



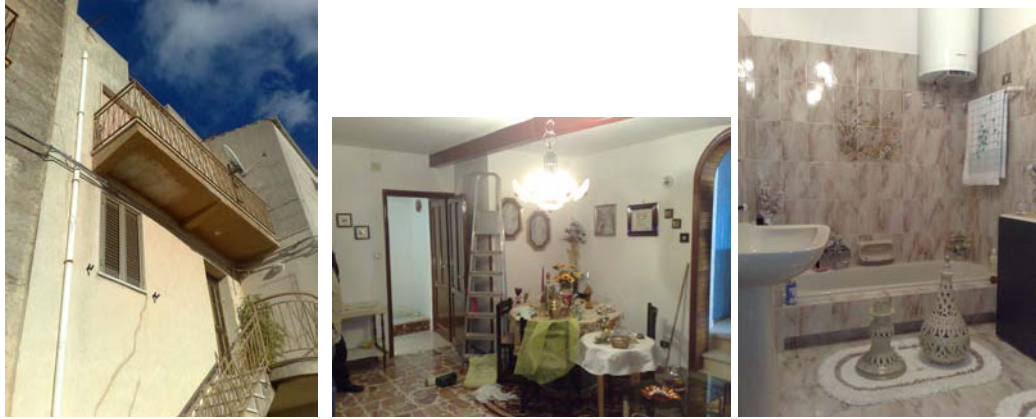
MIPC recently viewed a 150sqm house on the market at €50,000 in need of completion. Refurbishing with a high specification would cost no more than €50,000 plus purchase, legal and project management costs, for a total of **€117,000**. This could be completed in 2 months so if you act quickly you could use it and/or rent it out this summer.

Purchase price	50,000
Purchase tax and legal costs (approx 14%)	12,000
Refurbishment costs (including architects & taxes)	50,000
Project Management costs (approx 10%)	5,000
Total cost of finished house	€ 117,000



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Property type C: A property in Salemi ready to use straight away.



MIPC viewed a recently refurbished house, 120sqm, ready to move into straight away, on the market at €80,000. Okay you may prefer to carry out a little extra modernisation, new kitchen & bathroom furniture spending say €20,000, so for **€113,200** you could move in next month.

Property type D: Country farmhouse in need of restoration. Ideal for an agroturismo.

MIPC viewed a large country farmhouse, approx 300sqm with an outbuilding suitable for a 2nd small house, approx 100sqm, all set in 4 hectares of land with Olive trees and mature vine yards. Imagine having your own production and label of olive oil and your own brand of wine.!!! All inclusive for **€80,000**. Refurbishment budget €336,000 (400sqm@€800/sqm+5%PM)

Property type E: Villa in the elite hinterland surrounding Salemi.

MIPC viewed a 4 bedroom villa 400sqm set in the rolling hills of Salemi, with 3 hectares of gardens, **€300,000** In need of a little modernisation.

At a glance: (figures in Euros)

Property	Purchase cost	Purchase fees (14%)	Purchase cost/sqm	Refurbishment budget	Total spend	Finished cost /sqm
A:100sqm	1	0	1	120000	120001	1200
B:150sqm	50000	12000	413	55000	117000	780
C:120sqm	80000	11200	760	22000	113200	943
D:400sqm	80000	11200	228	336000	427200	1068
E:400sqm	300000	42000	855	105000	447000	1118

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The properties in Salemi appear very good value for money, compared to other Sicilian real estate. I would like to raise the following thought....

What if there is less demand than supply for the 1 euro houses ? Will the council "lower" the finished price of the "1 Euro house" and consequently devalue other property in Salemi ?

What if there is more demand than "1 Euro houses" available ? Will the council "raise" the finished price and suddenly all other property in Salemi will shoot up in price.

MIPC is confident there will be a high demand for the Salemi "1 Euro" properties and consequently **MIPC will be purchasing a property in Salemi** very shortly.

If you wish to receive further details of property for sale in Salemi, contact MIPC now. MIPC will be happy to advise you of the best investments !!!

MIPC visit the Sicilian Egadi Islands: Favignana, Marettimo, Levanzo

Further to client requests MIPC went to Favignana, one of the lovely Egadi islands, off the west coast of Sicily, to study the property market. To get to Favignana take the hydro-ferry from Trapani port, (€18 return foot passenger). The ferry's first stop is Levanzo (20 minutes) and then Favignana (total journey 30 minutes). Straight off the ferry you can find car/scooter/bike hire shops. MIPC had to cover the island quickly so we hired, €40, a jeep for the day, bikes cost €5, though it was the low season.

Picturesque, peaceful and crystal clear water. More people than I expected, yes this is not just a holiday island. Property is in high demand here with average prices between 5000-6000sqm. MIPC has various property opportunities. Ask for further details

Favignana, Egadi Islands :



MIPC viewed a seaside villa, (the garden gate opens onto the beach), 3 bedrooms, 2 bathrooms, 150sqm, terrace, gardens. €700,000



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On the smaller exclusive island of Marettimo MIPC is selling seaside new build houses for €375,000

Marettimo, Egadi Islands :



New build villas : 50sqm seaside house €375000 !!

South West Sicily, investment hotspot.

The 124m euro **Rocco Forte Verdura Golf and Spa Resort** on the southern coast of Sicily is on schedule to open in May 2009. The resort will have two championship golf courses as well as a spa complex with 11 treatment rooms and a swimming pool. There will also be an open-air amphitheatre and a private beach. The property will be the first resort in the Rocco Forte Collection.

<http://sicily.roccofortecollection.com/>

Trapani Airport

Ryanair (European budget airline) are making Trapani (TPS) airport their hub in Sicily. Over the last 3 months they have expanded the terminals. There are now many flights connecting Sicily to the principal international hubs of Rome and Milan. Trapani Airport is 30 minutes from Salemi.

MIPC Salemi Social Network :

Facebook : Join [MIPC Salemi](#) group on Facebook at :

www.facebook.com/group.php?gid=39245034328

Linked in : Link in to David from MIPC at <http://www.linkedin.com/in/italyproperty>

Twitter : Follow David from MIPC at www.twitter.com Find "David_Moss" and select follow.

Website owners : If you own or run a website, MIPC would be happy to exchange links to you in our new partners and friends section. Please forward your website link details to webmaster@mipc.co.uk



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Website references:

MIPC Discovering Salemi : January 2009:

<http://www.mipc.co.uk/salemi/discovering-salemi.htm>

MIPC Discovering Salemi feedback :

<http://www.mipc.co.uk/forum/viewtopic.php?f=1&t=35>

Reef.tv forum feedback :

<http://www.mipc.co.uk/forum/viewtopic.php?f=1&t=32>

Sorsi d'autore Enoteca opening night:

<http://www.youtube.com/watch?v=45wWx1JtkEk>

Micheal Delran : PAIC

<http://www.mdnovation.com/Salemi/index.htm>

Nick Metta : Studio Legale Metta

<http://www.studiolegalemetta.it/EN/>

Vito Campanelli : Artists gallery Salemi

www.artecampanelli.net

MIPC Salemi Letter of Introduction :

<http://www.mipc.co.uk/salemi/salemi-letter-of-introduction.html>

Verdura Golf and Spa Resort :

<http://sicily.roccofortecollection.com/>

MIPC Salemi Facebook group :

www.facebook.com/group.php?gid=39245034328

David Moss at Linked in :

<http://www.linkedin.com/in/italyproperty>

David Moss at www.twitter.com :

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