

# Florence and Tuscany

Prime Residential 2024









# Florence: culture and fascination

One of the most sought-after destinations in the world for tourists, Tuscany has always been attractive to international buyers and investors.

The prime residential market continues to display resilience amid global turmoil and still tight financial conditions, driven by its timeless appeal and a lifestyle unmatched in quality. Buyers of luxury properties in the region, particularly in Florence, the countryside, and coastal areas, are often less reliant on financing, making them less sensitive to interest rate fluctuations. Simultaneously, the prime rental market has seen significant demand, further emphasising Tuscany's enduring allure. In the next months, a looser monetary policy and easing financial conditions will sustain all market segments.

Florence, the cultural heart of Tuscany, offers a unique blend of historical significance and modern living. Renowned for its Renaissance art, architectural masterpieces, and vibrant cultural scene, Florence remains a place where people want to buy, live and invest in. Urban initiatives such as tramway expansions, the pedestrianisation of historic areas, and green urban planning are enhancing liveability, while new developments such as the Manifattura Tabacchi project are transforming underutilised spaces into thriving hubs.

Beyond Florence, Tuscany's countryside captivates with its rolling hills, vineyards, and historic villages. Areas like Chianti and Val d'Orcia are highly sought-after for their quiet settings, luxury estates, and proximity to world-class wineries. Buyers are drawn to restored farmhouses and modern villas that blend seamlessly with the landscape, offering a serene escape without compromising on accessibility.

Tuscany's coastal areas, from Forte dei Marmi to Argentario, present another dimension of luxury living. Renowned for their pristine beaches, upscale marinas, and exclusive properties, these locations offer a sophisticated seaside lifestyle, often accompanied by Michelin-starred dining and boutique shopping.

Our spotlight on Florence and Tuscany for 2024 provides in-depth insights into the region's diverse luxury real estate trends, supported by expert analysis to help you navigate this vibrant market. Whether you seek city elegance, rural serenity, or coastal sophistication for your next move, our local team is ready to support you on your journey with dedicated guidance and honest advice.

**Danilo Orlando, Head of Residential**







## Tuscany in numbers



### ECONOMIC ENVIRONMENT

**344,345** active companies  
**€ 140 bn** GDP (2024\*)  
**7%** Share of National GDP



### DEMOGRAPHICS

**3,661,981** inhabitants  
**415,190** foreign nationals  
**1,664,930** households



### ECONOMIC WELLBEING

Income per-capita **€ 25,100** (2024\*)  
 Consumption per-capita **€ 23,560** (2024\*)  
 Unemployment rate **3.9%** (Q2 2024)



### EDUCATION

**8** Universities and **14** Academies of Art&Music  
**116,000** students (Tuscany, a.y. 2023/2024)  
**6%** international students, **41%** mobile



### TOURISM INFRASTRUCTURES

**3** Airports (2 of which international)  
**8 mln** airport passengers in 2023  
**2,347** hotels with **155,409** beds  
**82** 5-star hotels, with **11,233** beds  
**5,304** holiday farms and country hotels  
 with **86,241** beds  
**44** Michelin-starred restaurants

Sources: Savills Research on Regione Toscana, Oxford Economics, ISTAT and Camera di Commercio provisional data\*

## Life in Tuscany



### TOURIST FLOWS

**114.6 mln** tourist arrivals, **55%** international (2023)  
**45.8 mln** overnight stays, **55%** international (2023)  
**795** museum sites, **15.4 mln** visitors (2022)



### NATURE AND COUNTRYSIDE

**227,000 ha** of green protected areas  
**633 km** of costal line, **7** islands  
**80,000 ha** of natural areas comprised in the  
 National Tuscan Archipelago Park



### JOBS & THE ECONOMY

Main industries, by number of companies:

- Trade: **24%**
- Construction: **15%**
- Manufacturing: **12%**
- Fashion: **5%**

Highest employment sector is manufacturing (**31%**),  
 followed by trade (**17%**) and tourist services (**10%**)

Sources: Savills Research on Regione Toscana and Assaereoporti

# Florence

## Sales market

### NTN equalising - Number of normalised transactions

In the last five years, the Florence residential sales market has restructured, driven by new work and lifestyle patterns. However, the tightening of financial conditions and increasing prices have also contributed to the market changes.

There were peaks in transaction numbers in 2021 and 2022. However the challenging economic scenario, 2023 resulted in a soft landing for the Italian market (-10%) and also the market in Florence: even though the 2023 figures were down by -16,9% in Florence, some areas performed better than others.

Preliminary data for the first six months of 2024 reflects Tuscan region's performance in 2023: with 22,600 purchases, H1 2024 fell by 3% compared to the same period of 2023 and down by 1% on the 5-year H1 average.

Similarly, the city of Florence totalled 2,360 NTN in the same time period, with a -7% decrease on both H1 2023 and on the 5-year H1 average.

In 2023, the Historic Centre saw a +6% increase in transactions compared to 2019, with a +7% increase on the previous 4 year average, making up 31% of the overall number of transactions.

The submarkets of Florence have seen varied performances over 2023. The North West and the South East both maintained a stable share of the overall total, with an slight decrease in NTN (-2%) on 2019. The North East and South West saw a more prominent decrease on 2019, registering -9% and -6% respectively.

Sources: Savills Research on Regione Toscana, Oxford Economics, OMI - Agenzia delle entrate, ISTAT and Camera di Commercio provisional data\*

## Florence in numbers



### ECONOMIC ENVIRONMENT

**88,817** active companies, **26%** of Tuscany  
**€ 45 bn** GDP (2024\*)  
**2%** Share of National GDP



### DEMOGRAPHICS

**988,194** inhabitants, **27%** of Tuscany  
**128,290** foreigners, **31%** of Tuscany  
**456,230** households, **27%** of Tuscany



### ECONOMIC WELLBEING

Income per-capita **€ 26,050** (2024\*)  
 Consumption per-capita **€ 24,200** (2024\*)  
 Unemployment rate **4.0%** (2024\*)



### EDUCATION

**2** Universities and **7** Academies of Art&Music  
**56,000** students (a.y. 2023/2024)  
**6%** are international students, **4%** mobile



### SUSTAINABLE TRANSPORT

**2,726** e-car charging stations, **882** in Florence  
**3,422 km** of cycleways, **218** in Florence  
**4,900** bikes on sharing fleet  
**6,421** seats per km per inhabitant on Public Transport  
 Florence is 3rd for hybrid car numbers and 4th for e-cars in Italy



### TOURISM INFRASTRUCTURES

- **3 mln** airport passengers
- **418** hotels with **36,519** beds
- **27** 5-star hotels with **4,106** beds
- **5,304** holiday farms and scattered hotels with **4,254** beds
- **12** Michelin-starred restaurants

## Focus on... Tourism and short-term rentals

The lack of supply in the rental market across the country has resulted in a proposed new law to clamp down on short-term tourist rentals in historic city centres to free up more housing stock for the locals.

Florence has historically attempted to achieve a balance between tourism, which is one of its main economic drivers, and the lives of the local people. This has been affected by increasing numbers of short-term rentals, which now involve a large portion of the housing stock in Florence city centre.

The city has therefore gone one step further than the rest of the country. Since June 2023, it has imposed an immediate ban on new short-term rental listings for apartments located in the city's historic centre.



### TOURIST FLOWS

**4,7 mln** tourist arrivals, **73%** international (2023)  
**11 mln** overnight stays, **78%** international (2023)  
**209** museum sites, **9.4 mln** visitors (2022)



### SHORT TERM RENTALS

**12,000** STR active listings, +16% YoY  
**70%** of occupancy rate, -8% YoY  
**€ 41.9k** of average annual revenue, +6% YoY  
**€ 199** average daily rate, +12% YoY

Sources: Savills Research on Regione Toscana, AirDNA, Assaereoporti

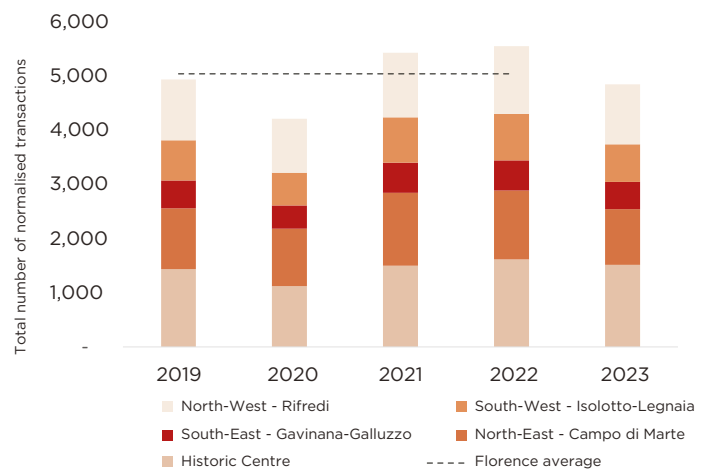
# Average prime prices

While demand sustained the market and new areas came into focus, prices grew constantly and yet with a balanced trend, making a soft landing possible. Average prime prices in Florence currently stand at 10,000 €/sqm, although there are differences in every area.

The Historic Centre was the second best performing market, with an average prime price of 11,700 €/sqm and an increase of +8% on 2019 values. The best performing market in terms of growth was North-West Rifredi, growing by +18% on 2019 and seeing an average prime price of 7,840 €/sqm. The most expensive area was the South-East - Gavinana-Galluzzo, where most Florentines live, with a price of 12,240 €/sqm (+7% on 2019).

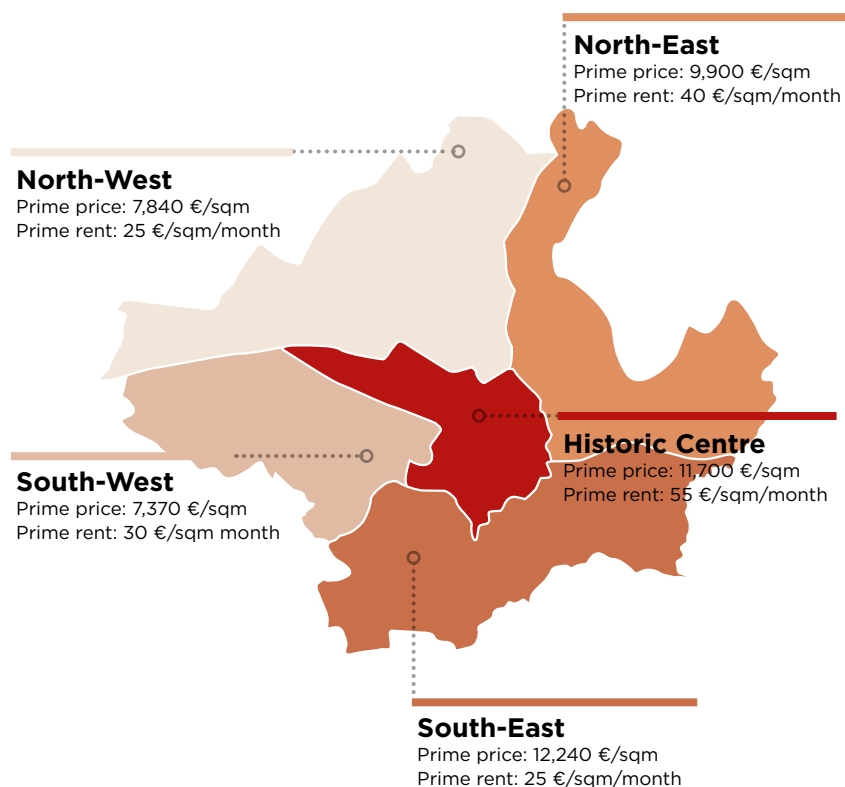
The North-East - Campo di Marte recorded 9,900 €/sqm and a +5% growth on 2019, while the lowest ranking market was South-West - Isolotto-Legnaia (7,370 €/sqm, +7% on 2019).

**Florence NTN by area**



Source: Savills Research on Agenzia delle Entrate data

**Average prime prices (€/sqm) and average prime rents (€/sqm/month)**



## Rental market

The rental market has also seen sustained growth, with average prime rents growing even faster than prices: values currently range from 55 €/sqm/month in the Historic Centre to 25 €/sqm/month in the South-East - Gavinana-Galluzzo and North-West - Rifredi; South-West - Isolotto-Legnaia stands at 30 €/sqm/month, while North-East - Campo di Marte is currently valued at 40 €/sqm/month. In the city, rents are heavily influenced by the tourist demand, especially in the Historic Centre. While short-term prime rents in the Historic Centre can reach 90 €/sqm/month, other markets seem to be less impacted by this trend, demonstrating marked differences in demand in the city.

While the average rental growth for the municipality in the past six months reached +4%, there are clear differences in the performance of each area. The Historic Centre saw the highest growth in the past five years, with an increase of +41% compared to 2019, although growth stands at +4% compared to 2023 at present.

Although they display different prices, northern and southern clusters follow a similar trend: South-West and South-East, both saw a rise of +37% on 2019, and the best growth performance on 2023 with an increase of +7%. The Northern clusters, North-West and North-East were more stable compared to 2023, in the face of a +40% growth compared to 2019, demonstrating marked demand differences in the city.

83

**Transactions for properties  
over €1 mln  
in the last 18 months**

+18%

**The price growth  
in transactions over €1 mln  
from 2019 to 2023**

+31%

**The growth in the number  
of transactions over €1 mln  
since 2019**

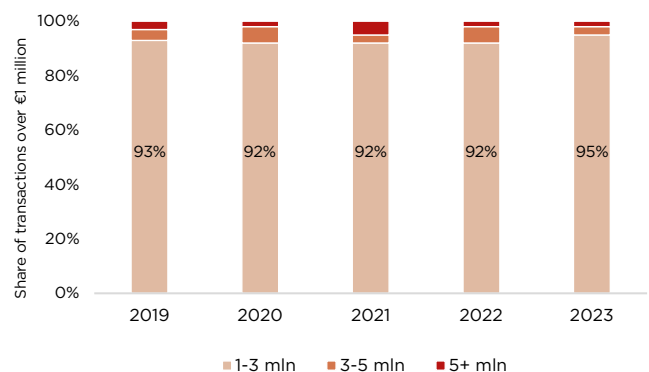
## €1 million-plus market

Despite an expected slowdown in 2020, the demand for world-class apartments in Florence gained momentum in 2021, continuing to perform better than in 2019 and reaching a record volume in 2022. 2023 saw 59 transactions over €1 mln, 5% of which were above the €3 mln mark, a growth of 31% compared to 2019.

Between January and October 2024, 42 transactions worth over a million euros were completed, in line with historic five-year average and displaying a remarkably steady performance.

Prices within this segment also grew in the past five years, increasing by 18% compared to 2019. This demonstrates that the appetite for exclusive properties is not hindered by a challenging economic scenario and that the market is countercyclical.

### Sales transactions over €1 mln in Florence



Source: Savills Research on Agenzia delle Entrate data

## Market dashboard index | Where does Florence stand?

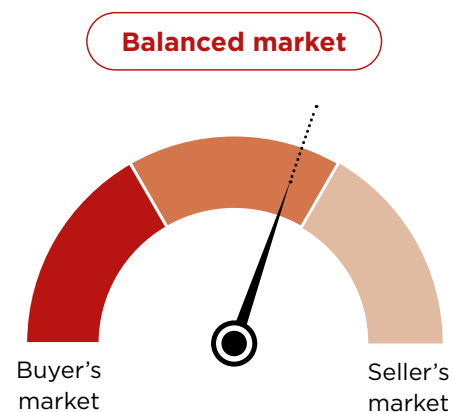
The Savills Market Dashboard Index evaluates the city market and how it is performing. It is based on ten different indicators and makes it possible to compare the markets of different cities.

These indicators include economic data (interest rates, inflation, employment rate), demographic KPIs (changes among inhabitants, migratory balance), environmental (number of National Recovery and Resilience Plan projects, urban ecosystem score), and of course Real Estate indicators (time to sell, average price change, current availability).

The resulting index places Florence in the balanced market area, although leaning towards a market that favours sellers.

The three indicators that most influenced Florence's score were:

- the positive average yearly price change;
- the persistently tight availability on the market
- a most favourable employment rate, very close to that of Milan





# Coastal and Islands cluster

## Sales market

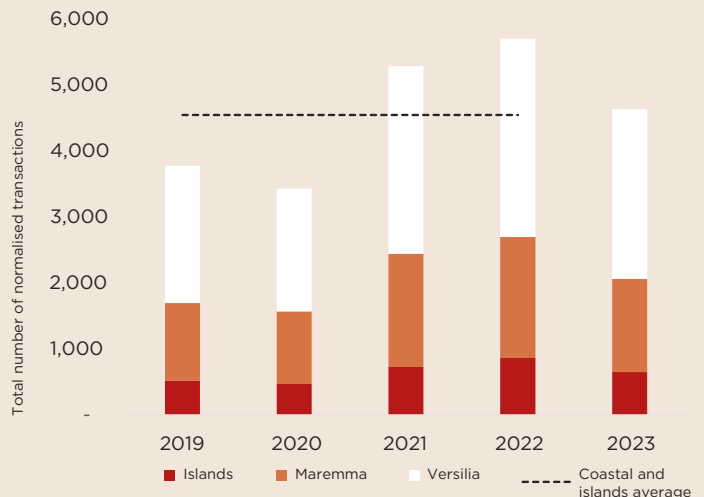
### NTN levelling

After the market restructuring of the past five years, due to unprecedented conditions and a challenging economic background, NTN are starting to reach a new equilibrium.

While 2020 saw a slowdown in activities, 2021 and 2022 recorded peaks in transaction numbers, with 2022 achieving the highest value. 2023 also resulted in a soft landing for the market in the Coast and Islands. However, 2023 was 19% lower than the previous year, NTN for this cluster was up 23% compared to 2019, and 2% higher than the previous 4-year average.

The best performer was the Islands market, with a +26% increase on 2019, followed by Versilia (+24%) and Maremma (+20%).

### Coastal and Islands NTN



### Average prime prices

The main factors responsible for the positive performance of this cluster were increasing demand for second homes and a slowdown in price growth throughout the past 5 years.

Average prime prices currently start from 11,500 €/sqm in Maremma, stable on both the previous year and 2019, with Versilia being the most expensive at 16,100 €/sqm, and showing the highest growth (+17% on 2019). The Islands cluster, at 14,100 €/sqm, grew by +10% on 2019.

This movement in prices reflects a change of heart among buyers: while Maremma dominated the market in the past with locations such as Argentario, Punta Ala and the Giglio Island, Versilia has gained popularity and is now the top spot, where Forte dei Marmi, Camaiore and Pietrasanta are now the places to go.

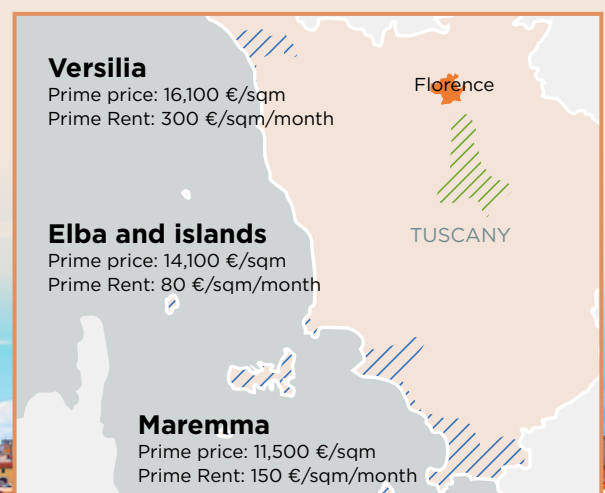
### Rental market

The rental market has also seen sustained growth, with average prime rents growing even more than sale prices: values range from 300 €/sqm/month in Versilia to 80 €/sqm/month in Elba and Livorno Islands; Maremma is in between them, with 150 €/sqm/month. Rents in this area are clearly impacted by the tourism seasonality and can vary throughout the year, which is why we usually consider peak season rental values for our prime rents.

Overall rents were stable compared to 2023 and the Maremma area is the only market that has seen rental growth, with a +5%.

Nevertheless, rental growth has changed a lot in the past 5 years: the Maremma area has seen the highest growth since 2019 (+41%), followed by Versilia (+20%), while Elba and Livorno's Islands experienced a decline in preferences (-14%).

### Average prime prices (€/sqm) and average prime rents (€/sqm/month)





# Chianti and Countryside cluster

## Sales market

### NTN counterbalancing

The Chianti region is gradually seeing its Number of Normalised Transactions adapt to the new average. The years 2021 and 2022 were especially good, with the highest NTN recorded, whereas 2023 saw a decline. But although the previous 4 years average had been 3% higher, 2023 registered a +12% increase compared to 2019, further proof that this market still has room for expansion.

The pool of available properties reaching the required standards set in recent years is very restricted, although areas such as Gaiole in Chianti, Castelnuovo Berardenga and Greve in Chianti still beckon those who seek to live at a slower pace, surrounded by nature, beauty and history.

### Average prime prices

Prime prices have not moved much, if at all. Since 2019, the Chianti area has recorded growth of +6%, with a current average prime price of 9,500 €/sqm.

A distinction can be observed at a more granular level: highest prices can be found in Gaiole in Chianti, Radda in Chianti and Greve in Chianti, while lowest values are found in Poggibonsi, Castelnuovo Berardenga and Barberino Tavarnelle.

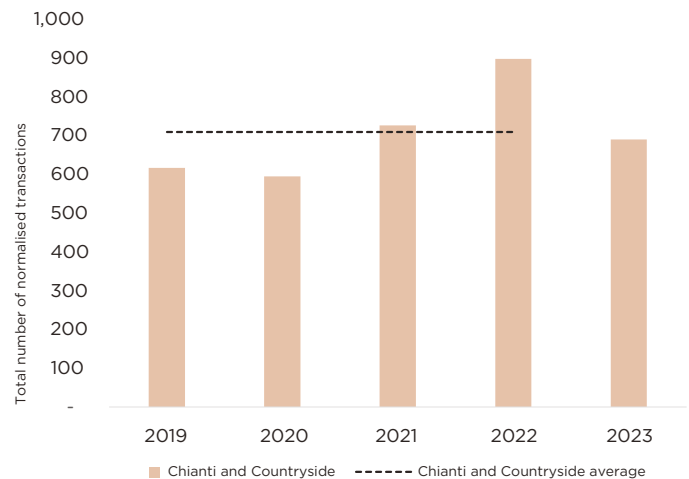
The most growth achieved compared to 2023 was seen in Gaiole in Chianti (+4%), closely followed by Greve in Chianti (+3.5%), while Radda in Chianti saw a slight decline (-3.5%), possibly because of a spillover of demand in the nearby towns due to the higher prices. In the long term, over the past 5 years, Greve in Chianti (+11.5%) and Gaiole in Chianti (+12.5%) still displayed the highest growth.

### Rental market

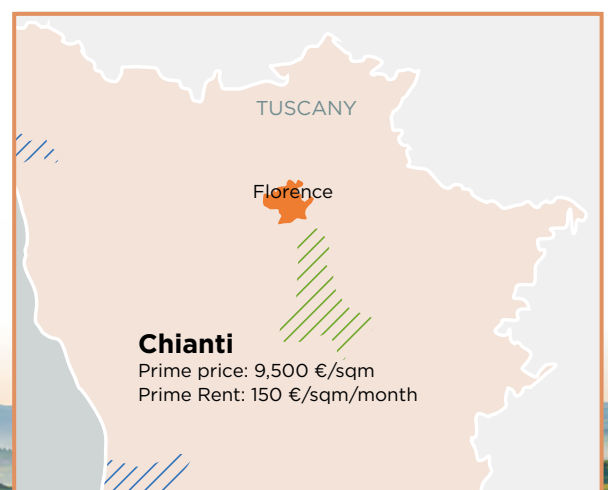
The rental market displayed moderate, yet persistent, growth compared to 2023 (+1.4%), although the 5-year growth was more substantial, rising by 26% compared to 2019 to a final average prime rent of 150 €/sqm/month in 2024. While peak season can last longer than in coastal areas, rents are still influenced by seasonality, so we consider peak season rental values for our prime rents in this area as well.

This growth was driven mostly by Barberino Tavarnelle, a secondary location that has gained traction in the recent past, adding to growth of 46% compared to 2019. Radda in Chianti performed well too, with an increase of 28% on 2019; other great performers were San Casciano in Val di Pesa (+18%), Poggibonsi (+14%), and Castellina in Chianti (+12%).

### Chianti and countryside NTN

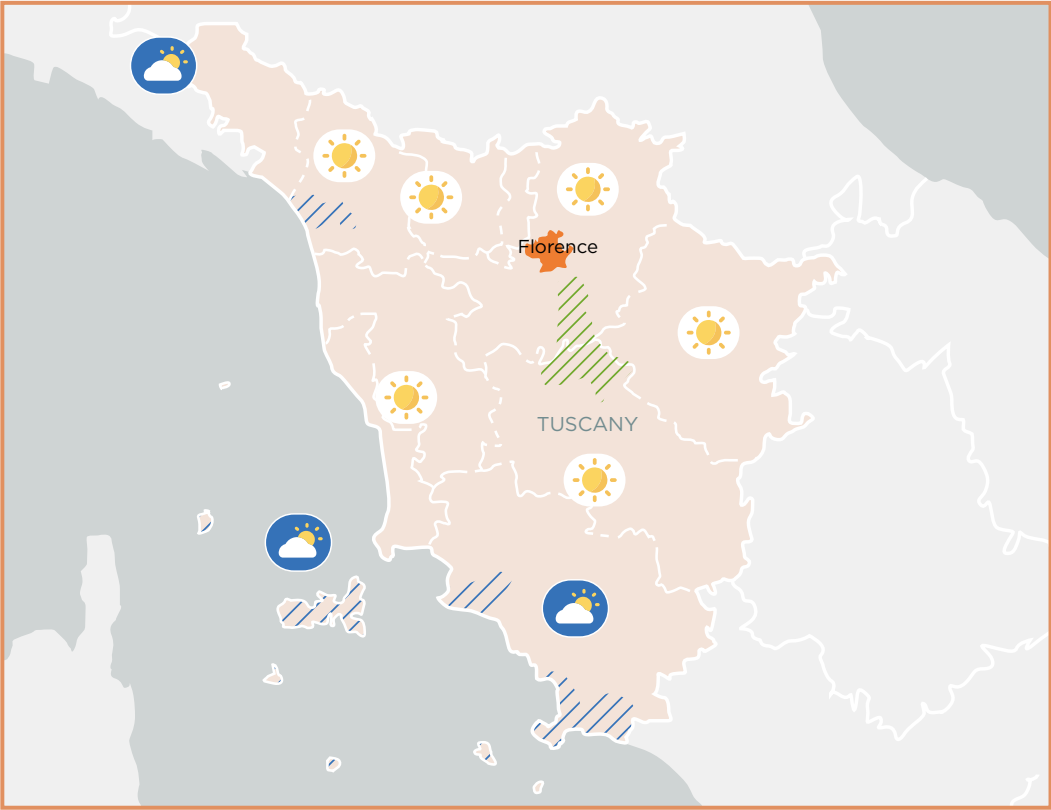


### Average prime prices (€/sqm) and average prime rents (€/sqm/month)





# Outlook



- Sales Market
- Rental Market
- Prime Price
- Prime Rent

## The district attractiveness index

The district attractiveness index considers 12 indicators covering 4 macro categories (demographics, economic wellbeing, services, environment and mobility) and assigns a score to each province to determine its market appeal .

The best ranking province is, not surprisingly, Florence, scoring highest in 7 out of 12 indicators, and especially in green spaces, public transport and museums. Pisa gained second place, scoring high in healthcare and income, while Prato was third with the highest score for its youthful population and population growth.

All other provinces are rated positively, with both the provinces of the Coastal and Islands area and the Countryside and vineyards area scoring high on income, kindergartens and corporate density.

## Sales Market Outlook

As we enter 2025, we expect the prime residential market to continue to display the recent positive trend, albeit at a slower pace. Demand will continue to put pressure on the amount of quality prime assets availability, so prices will still rise and possibly plateau, leaving prime assets at their current level or slightly above.

Prime assets will stay in demand, confirming their anticyclical tendency. Given the restricted availability on the market, new developments might even see stronger growth in prices, further increasing the appeal of the region.

## Rental Market Outlook

The rental market is also expected to perform well in the coming months: just as in the sales market, excellent quality will remain the central factor, with buyers currently placing greater emphasis on prime services and amenities. The combination of these factors is set to change the nature of the demand, and the market will have to adapt to the new requirements of buyers.

Demand for rentals will increase, sustained by a marked shortage of quality product and a very competitive demand from renters, pushing rents higher as more prospective renters jostle to find the best rental, rendering the market busier and more fast-paced.



## Savills Italy

### Davide Dalmiglio

Managing Director  
CEO Italy  
+39 335 8473054  
davide.dalmiglio@savills.it

### Claudio Casali

Director, Head of Operations  
Residential  
+39 328 693 9889  
claudio.casali@savills.it

### Danilo Orlando

Managing Director  
Head of Residential  
+39 340 6206179  
danilo.orlando@savills.it

### Luca Cerutti

Team Director Florence and  
Tuscany, Residential  
+39 351 3906861  
luca.cerutti@savills.it

### Riccardo Leonelli

Head of New Developments  
Residential  
+39 348 9210417  
riccardo.leonelli@savills.it

## Research Italy

### Elena Zanlorenzi

Head of Research  
& Marketing  
+39 340 7701607  
elena.zanlorenzi@savills.it

### Claudia Solarino

Research Senior Consultant  
+39 345 6593813  
claudia.solarino@savills.it

Savills plc is a global real estate services provider listed on the London Stock Exchange. We have an international network of more than 700 offices and associates throughout the Americas, the UK, continental Europe, Asia Pacific, Africa and the Middle East, offering a broad range of specialist advisory, management and transactional services to clients all over the world. This report is for general information purposes only. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent. While every effort has been made to ensure its accuracy, Savills accepts no liability whatsoever for any direct or consequential loss arising from its use. The content is strictly copyright and reproduction of the whole or part of it in any form is prohibited without written permission from Savills Research.