

# Death

in the Peter Carl  
Olive Grove



hansanord

He'd been studying the Financial Times and come across an article discussing the dramatic fall in property prices in the USA and England. It reinforced his fear that the current crisis on the property markets would not go unnoticed in Italy.

"I'm wondering if we shouldn't sell up as soon as possible. We could still get a decent price for our house here in Umbria and use that cash to buy a lovely property in England that would be relatively cheap," David murmured.

Thomas picked up on David's soliloquy immediately. "If you'd listened to me in the first place, we'd have sold this huge place over a year ago and made a really good profit on it."

David looked across to his partner of more

than twenty years, ready to defend his position.

”Thomas, we might well have got a better price then, but on the other hand, we’d have had to pay a far higher one in England. At the end of the day, we won’t be any worse off. And besides, here in Umbria it’s mainly houses in the price bracket of under a million Euros that are affected by the fall in demand. A property like ours will attract the seriously rich who still have plenty of money to spare. They’re not particularly bothered by the crisis.“

Following the collapse of Lehman Brothers in the autumn of 2008, it was not just the property market in the States that was badly hit. In Britain, too, house prices had plummeted. And, in their wake, mortgage lenders had become increasingly nervous.

With the banks adjusting mortgages to correspond to the fall in the value of real estate, many British house-owners who'd benefited from the earlier property boom and run up major debts to fulfil their dream of a second home abroad were now having to sell up to meet their commitments in England.

Those Britons in particular who had seen the value of their houses increase substantially during the property boom and taken on an additional mortgage to fulfil their dream of a holiday residence or retirement home in the relatively unspoilt countryside north of Lake Trasimeno, suddenly found themselves in financial difficulties as house prices started to tumble. With the banks adjusting mortgages to correspond to the fall in the value of real estate, many house-owners, who had run up major debts to purchase their

paradise in Italy, were now having to sell up their second homes to meet mortgage commitments in England. And the more they came under pressure, the more this impacted on house prices in Umbria. Confronting the rise in supply was the rapidly downward spiral of demand. However, such concerns in these crisis-stricken times remained alien to multimillionaires – be their fortune in dollars, pound sterling, Euros or roubles. Their losses from sinking share prices were relatively minor seen in the wider scheme of things. Why should a multimillionaire worry if, probably only for a while, the odd million or two are missing?

In fact, the demand for illustrious properties could even be expected to rise during a financial crisis and avoid hectic fluctuations on the financial markets – through creative

solutions such as tax-saving schemes for wealthy non-doms in the form of bricks and mortar.

For these and other wealthy house-seekers the small rural community of Lama Niccone, tucked away in the hills between Umbria and Tuscany north of Lake Trasimeno, provided just the answer – not least of all thanks to the services of James Martin. The local estate agent specialised in clients keen to exploit the opportunity of investing discreetly in luxury properties in exquisite locations.

It was back in the early 1990s that the American James Martin started paying regular visits to the area around Lama Niccone – initially as a holidaymaker. For his vacations there in the hills he soon found a dilapidated parsonage, complete with disused church, which he went about converting into a