

## Information on Purchasing Property in Cyprus

### What Can I Buy?

The property you can purchase in Cyprus is dependent upon your status and in line with its EU accession Cyprus has now lifted some of the previous restrictions on EU citizens.

1. Citizens of EU member states can now purchase any amount of land and property in Cyprus.
2. Non-EU citizens can purchase an apartment, or a house or villa which is under construction or built on an area not exceeding 4.014 square meters (2 donums).
3. A company with a majority of directors and shareholders who are Europeans or Cypriots can buy any amount of land and property in Cyprus.

### The Procedure

#### Steps for Property Purchase

1. Search on the title deeds of the property and obtaining certificates of registration and site plans;
2. Obtaining and checking the building and planning permits and any final certificates.
3. Carrying out background financial and stability checks on the sellers.
4. Drafting a reservation agreement to regulate the terms on which the property is paid.
5. Perusal of the proposed sale agreement and modifying the same, if necessary, to fully cover your interests or drafting our own contract;
6. Drafting power of attorney, if necessary, enabling us to act for you in your absence.
7. Attending signing of sale agreement;
8. Stamping and depositing sale agreement with the Land Registry for specific performance purposes;
9. Preparing and submitting on client's behalf application for a licence to acquire immovable property in Cyprus where necessary;
10. Attending Land Registry and accepting transfer and registration of the property in client's name and issuing title deeds.

### The Cost

We recognise that buying property in Cyprus, whether for your personal use or for investment purposes, is likely to be one of the most important financial decisions you will make. Whilst we know that price is an important factor in the decision as to whether you will instruct us, we believe that the quality of advice and depth of experience that we are able to offer is unrivalled and we firmly believe that both of these factors should be of equal importance in reaching your choice of representative. Our team is dedicated to providing highest quality at an affordable price.

We strive to keep the costs for our clients as competitive as we can and we believe in keeping our clients fully informed of all anticipated costs in advance, through our quotation request service.

Our quotation will outline our legal fees, together with additional purchase costs such as stamp duty, transfer fees and costs of disbursements (such as the searches that we will incur on your behalf). In this way you will be able to budget effectively in advance for the purchase. We will keep you informed and seek your approval for any additional, unforeseen, costs incurred as they arise.

We have a price matching policy which means we will aim to match a quotation received from our competitors.

Please contact us for a quotation.

### Additional Costs

#### Stamp Duty

Once the agreement has been signed, it will be stamped at the tax office to show that the stamp duty applicable to the Contract is paid; a copy of the sale agreement will then be deposited with the Land Registry.

The Stamp Duty is:

- €2,57 per thousand for purchase prices up to €170,860
- €3,42 per thousand for the part of the purchase price exceeding €170,860

### Transfer Fees

Real estate transfer tax-fees must be paid in order to transfer freehold ownership into the name of the purchaser. The transferee is responsible for the tax payment and it is payable to the Government at the time of the transfer of the property and the issue of a title deed in the name of the purchaser.

On full settlement of the purchase price, the property can be transferred into the name of the purchaser at the Land Registry. However, this can not be done until the relevant Government authority has issued the title deed on developments. This will not happen until the District Land Registry Office has processed any necessary plot divisions on a development. The key is the administration time taken by the District Land Registry Office and this can be many years.

The rates are on a graduated scale.

The transfer fees are:

- 3% on purchase prices up to €85,430
- 5% on the next €85,430
- 8% on the rest.

### Disbursements

Typical disbursements incurred will include:

- an encumbrances search in order to check the status of the title at the Land Registry;
- a company or credit reference search against corporate sellers; and
- courier and postage costs.



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