

## ***Property Purchasing Guide***

### **WELCOME TO CYPRUS**

From spectacular mountain peaks to beautiful beaches, Cyprus has it all. Whether you're in search of complete tranquility or exuberant nightlife, sporting pleasures or cultural riches, ancient history or cutting-edge technology. Cyprus is the perfect location for a second home, permanent residence or sound property investment.

The fabled birthplace of Aphrodite and playground of the Gods, Cyprus has a history spanning some 11,000 years. The island's colourful past, together with its strategic location at the crossroads of three continents, has created a country of unique character and tradition – and a people renowned both for their resilience and for their warm, spontaneous nature.

From independent travellers to honeymooners, nature lovers to archaeology aficionados, every visitor to Cyprus enters a world in which there are always new joys to discover. And with a climate that guarantees more than 330 days of sunshine a year, magnificent scenery and a culture famous for its hospitality, a relaxed and rewarding lifestyle is a promise that Cyprus always keeps

For property investors, the island's many attractions are underpinned by a thriving, stable economy well equipped to serve the international community. An EU Member with the Euro as its official currency, Cyprus has a low cost of living and highly beneficial tax regime. This is supported by a first-class infrastructure with advanced communications, exceptional health care and an excellent education system featuring top-of-the-range international schools and Universities. What's more, the island has the lowest crime rate in Europe!

Just some of the reasons why so many people choose Cyprus not only as a holiday destination, but also as their permanent home or as a secure place to establish their business.

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### **FAST FACTS ABOUT CYPRUS**

<b><i>Population:</i></b>	796,740
<b><i>Area (Size):</i></b>	9,251 m <sup>2</sup>
<b><i>Coastline:</i></b>	648 km
<b><i>Climate:</i></b>	Mediterranean, hot, dry summers and cool winters
<b><i>Capital:</i></b>	Nicosia
<b><i>EU Membership:</i></b>	Full member since May 1 <sup>st</sup> 2004
<b><i>Currency:</i></b>	Euro
<b><i>Official Languages:</i></b>	Greek and Turkish (English and Russian widely spoken)
<b><i>Main Airports:</i></b>	Larnaca and Pafos (both International)
<b><i>Dialing Code:</i></b>	00 357
<b><i>Government Type:</i></b>	Republic
<b><i>President:</i></b>	Demetris Christofias

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### **WHY CYPRUS?**

#### **Relaxing Lifestyle**

Cyprus gives you the time and the freedom to enjoy life at a slower pace within a truly welcoming environment. Small enough to ensure that a new experience is always close by, but large enough to provide attractions for all ages and lifestyle's, Cyprus offers every pleasure under the sun (you can even ski in the mountains for two to three months of the year)!

Stretch out on the beach, swim in crystal-clear waters, try every water-sport known to man, wander unspoilt nature trails, explore awe-inspiring ancient landmarks. Experience vibrant night life, whether in traditional taverna's, gourmet restaurants, cosmopolitan bars, five-star hotels or stylish clubs. Relax in exquisite health spas or tone up in state-of-the-art gymnasiums, play on world-class golf courses, or simply sit back and watch the world go by...

#### **Guaranteed Sunshine**

Let the sunshine and the warmth into your heart. With sunshine 330 days a year and temperatures averaging between 16C in January and 32C in July, you can do whatever you've planned knowing that the weather won't get in your way.

#### **Welcoming People**

Located at the crossroads of Europe, the Middle East and Africa, Cyprus and its people have developed a culture of openness over the centuries that is genuinely accepting of overseas cultures and visitors. Surrounded by people for whom hospitality and tolerance comes naturally, it will take you no time at all to blend in and enjoy the lifestyle of your dreams.

#### **No Language Barriers**

You don't need to learn a second language to feel at home in Cyprus. Greek is the native language, but English is widely spoken, with signage in both languages making it easy to get around. Bi-lingual menus, instructions and official documents are the norm. Russian is also widely used, due to the growing Russian population and increasing influence of Russian businesses and investment.

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### **Complete Safety**

According to EU Statistics, the crime rate in Cyprus is just 16% of the rate in the average European Country, making Cyprus one of the safest place to live in Europe.

### **Strategic Location**

Situated in the eastern Mediterranean Sea at the crossroads of three continents, Cyprus is the third largest island in the Mediterranean and an ideal starting point for the discovery of other exotic destinations such as the Greek Islands, Egypt and the Middle East – in fact, mini-cruises set off for these places from Cyprus almost every day.

### **Easy To Get To**

Flights to Cyprus from most European countries take no more than five hours. The island is served by 30 or so international airlines throughout the year with many scheduled services per day (more during the high season) landing at Larnaca and Pafos International airports.

Typical flight durations:

- London: 4.5 hours
- Moscow: 3.5 hours
- St. Petersburg: 4 hours
- Kiev: 2.5 hours

Furthermore, Cyprus is the starting point for Mediterranean cruises to Italy, Spain and other exciting destinations. You can also choose from a variety of cruises from Limassol or Larnaca to the beautiful Greek islands, Egypt, Israel, Lebanon and Syria.

### **Education**

In addition to a wide variety of public schools, more than 20 private elementary and secondary schools are available to English, French, Russian and Italian students. Tertiary education is provided at the University of Cyprus, as well as at a number of private English language universities and 20 colleges offering more than 180 accredited study programs in diverse fields. Currently, there are three public universities in Cyprus, including a branch of the Open University, and three private universities.

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Cyprus is committed to broadening and strengthening its education system. The Ministry of Education and Culture is working hard towards the harmonisation of the education system, in line with the European Standards and Guidelines for Quality Assurance.

### **Some of the best International Schools in Cyprus include:**

#### **Limassol**

[American Academy \(Private\) Limassol](#)

[Foley's Grammar and Junior School](#)

[Logos School of English Education](#)

[The Heritage Private School](#)

#### **Pafos**

[International School of Paphos](#)

[American Academy Pafos](#)

#### **Larnaca**

[American Academy Larnaca](#)

[Med High Schools](#)

#### **Nicosia**

[American Academy Nicosia](#)

[American International School in Cyprus](#)

[Falcon School](#)

[Grammar School, Nicosia](#)

[PASCAL English School, Nicosia](#)

[G C School Of Careers](#)

[The Junior School Nicosia](#)

[The English School](#)

### **Quality Health Care**

The cost of medical treatment in public hospitals is very low, with EU citizens enjoying the same privileges as Cypriots at First Aid. Those wishing to consult privately will find a wide choice of state-of-the-art clinics and hospitals, operated by high skilled specialists, surgeon, doctors and technicians. The minimum charge for a private consultation is €35. The standard of medical treatment is high and continuously improving.

Additionally, a number of companies offer excellent insurance schemes guaranteeing immediate medical care. Diverse schemes are tailored to

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individual needs and budgets and can cover treatment at the hospital or clinic of your choice, outpatient consultation, medication and even home nursing.

### **Exceptional Cuisine**

The local Mediterranean cuisine, with emphasis on fresh local ingredients, olive oil, herbs and spices, is admired and preferred by many cultures. There are plenty of tavernas on the island serving delicious meze (large variety of local dishes), while some of them offer live Cyprus music and dance entertainment to their clients, as well as many fish taverns by the water, where one can relax while enjoying fresh fish. The island also offers international cuisine, from exclusive French restaurants to sushi bars.

Finally, apart from its delicious local sweets and desserts, Cyprus is famous for wines being produced locally, as well as for zivania (grape distillate) and commandaria (dessert wine).

### **Vibrant Nightlife**

Cyprus is justifiably popular for its nightlife, with a wondrous variety of bars and night clubs – many offering live music – in all of the island's cities. Tucked away in the quieter corners of mountain villages or within a few feet of the sparkling Mediterranean, you'll come across any number of little gems where you can slake your thirst and while away many happy hours. Don't miss, of course, the famous international playground of Ayia Napa, with its countless bars, pubs and nightclubs – or the bustling, spontaneous excitement of cities like Limassol, Paphos, Larnaca and Nicosia.

### **Beautiful Beaches**

The hundred miles of coastline in Cyprus provide plenty of choice for swimmers. The sunny weather of Cyprus keeps the sea warm for enjoyable swimming from early May until the end of October. Even during winter, when the temperatures drop, the sun shines for most of the day, making a swim both bracing and bearable!

There are more than 50 beaches in Cyprus with the exclusive eco-label Blue Flag award. Clean beaches, crystal-clear water and stunning views combine to create the perfect environment for relaxing, swimming windsurfing or sailing. Shipwrecks, archaeological treasures and teeming marine life also make the underwater world a must for scuba divers. And

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once you're done with the big blue, you're never more than a stroll away from a picturesque beach bar or waterside.

### **Wealth of Activities**

In Cyprus there are plenty of clubs for all ages and all interests. You can do just about anything imaginable – archaeological exploring, hiking, cycling, climbing, kite surfing, climbing, horse riding, golfing... you name it!

### **Property is 'Yours Forever'**

Your property in Cyprus will be freehold. That means there are no expiry dates or land rates, and that your property can be passed on to your descendants. In other words, it's your forever. Based on solid property law, partly a heritage of our ex-British colony status, ownership is straightforward. You control the property from the moment you sign a contract, a copy of which should always be deposited at the Land Registry.

### **Cost of Living**

A relatively low cost of living - when compared to European standards - allows you to maintain a lifestyle simply not possible in most European countries.

At the same time, visitors and locals alike benefit from all the services, facilities and commodities that bring ease and variety to modern life. Meanwhile, a state of the art telecommunications network keeps you in touch with family, friends, business... the world.

As far as your property is concerned, there are no hidden costs. You know exactly how much you will have to pay, safe in the knowledge that it will be a fraction of the price asked in most European countries.

### **Real Investment Opportunities**

Property prices in Cyprus are considerably less than the average in Western Europe. This makes it possible for you to own a second home for holidays or leisure, purchase a more luxurious retirement home, or simply take advantage of a lucrative investment opportunity. Despite being significantly cheaper than those of most European countries, properties in Cyprus are proven to appreciate steadily in value over time.

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Accompanied by a strong currency, that means your property's net worth is growing at an impressive pace!

Membership of the EU, a healthy and growing economy, a rising demand for overseas property, rights to multiple ownership and rent out granted to all member state citizens – all these have provided a firm foundation for a sustainable, healthy growth in property values for a good many years to come.

### **Genuine Tax Advantages**

Cyprus has the lowest corporate tax in Europe of 10%.

ALL dividends, dividend income and profits from overseas establishments are tax exempt.

There is NO withholding tax on dividend income or interest and royalties paid from Cyprus.

If you spend more than 183 days per year in Cyprus, you become a Cypriot resident and are taxed on your global income according to Cypriot tax regulations.

Individuals who become tax residents of Cyprus pay an annual 5% income tax. The first €3,417.20 are tax exempt on any funds remitted to Cyprus from pensions or from income arising from overseas investments. Moreover, double taxation treaties signed with over 40 countries assures that your income won't be double taxed (Russia, United Kingdom, Ireland, Netherlands, Italy, France to name a few).

For purchasers who are tax residents of the UK rather than Cyprus, rental income from property is taxable in Cyprus; however, this can be offset against the purchaser's income tax due in the UK at the levels stipulated by the double taxation treaty between the UK and Cyprus. Also, 20% of rental income may be deducted for expenses incurred in maintaining the property you are renting. If you are a Cypriot tax resident, rental income incurs a further small defense tax calculated as 3% of 75% of the total annual amount of your rental income.

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### **Strategic Location**

Cyprus' strategic location at the heart of busy shipping and air routes linking Europe, Africa and Asia has not only made the island a major trading post but also contributed significantly to its growth as a reputable international business and services centre.

### **Captivating History**

Steeped in myth, Cyprus' 11,000-year cultural legacy is infused with influences from both East and West. Here, modern travellers can retrace the footsteps of figures as diverse as St Paul, Alexander the Great and Leonardo da Vinci. And on this most romantic islands, once Anthony's gift to Cleopatra, you can visit the very spot where Aphrodite, Goddess of Love, first made her fabled appearance from the blue depths of the Mediterranean.

As one the world's oldest civilizations, Cyprus boasts a stunning variety of ancient monuments, some of which still play a leading role in modern Cypriot life, with amphitheatres and castles used for rock concerts, operas and theatrical productions. Of exceptional cultural value, many of these sites are protected and included on UNESCO's World Heritage List.

### **Thriving Culture**

With historical monuments dating back to 10,000BC, it's no surprise that Cyprus offers a wide variety of museums showcasing cultural treasures. The island's buoyant art scene is complemented by a number of top galleries supporting both local and international artists.

Performing Arts are becoming increasingly popular in all of the island's cities, with festivals, concerts and theatrical productions taking place throughout the year. Film festivals, classical music and opera events are now frequent items on the cultural agenda, while fashion is becoming big news, with many local and international designers and fashion gurus gathering in the capital Nicosia to attend regular shows.

### **Advanced Communications and Media**

Cyprus has an excellent telephone system, with the state-owned telecommunications company CYTA managing most telecommunications and internet connections in Cyprus. However, with the liberalisation of the sector a few years ago, a number of private telecommunications companies have emerged.

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Companies offering land-lines: CYTA, Cablenet, Telepassport, OTEnet Telecom and PrimeTel. Companies offering mobile cellular services: CytaMobile Vodafone and MTN Cyprus.

Companies offering internet connection: Cytanet, CableNet, LogosNet, Netway, OTEnet Telecom, Spidernet, Wavespeed, PrimeTel, Valicom, AvacomNet and ThunderWorx.

CyBC is the main broadcaster in Cyprus, with a host of other privately owned TV and radio stations operating on the island. The main local public TV channels are: Mega Channel, ANT1 TV, and Sigma TV, PIK1, PIK2, Fred TV (Nicosia), Vox TV(Larnaca), Extra TV (Limassol), Paphos TV (Paphos) and Omega (Paphos). There are also many subscription TV channels in Cyprus, including: LTV, Alpha, AthenaSat, Cablenet, NOVA, CYTAVision and PrimeTel.

### **Modern Transport Infrastructure**

Two international airports, a modern road network and a range of port and marina facilities form the heart of the island's constantly improving transport network. The newly renovated international airport at Paphos opened in November 2008, whilst the new international airport at Larnaca launched services in November 2009. The Government of Cyprus has recently given the go-ahead for four new marinas in Larnaca, Limassol (work on Limassol Marina is well underway), Pafos and Ayia Napa. Work is also about to begin on a major highway connecting Pafos with Polis.

### **Magnificent Scenery**

With majestic mountains stretching down to beautiful, secluded beaches, Cyprus offers you the unique opportunity of skiing on snow-covered slopes and swimming in the sea on the same day! There are very few countries in the world that have such a varied landscape within such a relatively small space.

The fact that Cyprus was 'born' out of a series of seismic events makes the island a geological showcase. It would still be buried deep beneath the sea had not tectonic movements forced the African and Eurasian plates to collide, forcing this extraordinary island into being.

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### **Paradise for Nature Lovers**

On the island of Cyprus, one can see many floral species, that are unique not only to the region, but in the whole world too! Specifically, in the EU protected Akamas Forest, there are more than 500 species of which about 30 are endemic. Besides, the island, due to its climate and soil has many herbs that give the island a fantastic aroma and at the same time are famous for their healing attributes, making Cyprus a botanist's paradise!

Same is the case with the rare species of animals being the unique worldwide Mouflon (wild sheep) and Caretta-Caretta and Green Turtles. There is a long list of beautiful reptiles, birds, mammals, sea creatures and amphibians found in different parts of the island that makes the island interesting for nature lovers.

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