

## Real estate in Cyprus: trends, costs and how to buy a home

Cyprus's sunny climate, membership in the European Union (EU) and thriving business environment make it an attractive place to live. If you are thinking of buying, selling or investing, here is what you need to know about the Cyprus real estate market.

### Cyprus real estate stats and trends

Real estate plays a central economic role, and becoming familiar with Cyprus property market dynamics is recommended before investing. Here are some helpful data:

- According to the Department of Lands and Surveys (DLS), in 2024, more than a fifth of real estate transactions were conducted by foreigners.
- Cyprus homeownership is nearly 85%. People usually live in their own homes.
- Cyprus permanent residency by investment (the so-called Golden visa) has driven demand and supply and has attracted foreigners to the island.
- Construction output increased by 6,52% yearly in Q3 2024 (source: Cyprus Statistical Service).
- Residential property prices are increasing, and all major developers report several projects under construction.
- The average rental yield in Cyprus is 4-6% per year.

### Property prices in Cyprus

According to the Central Bank of Cyprus (CBC), the Cyprus residential property price index rose 0,9% QoQ and 6,5% YoY in Q3 2024.

Prices (in euros) for apartments in Cyprus can range from 110,000 to several million; for houses, from 120,000 to several million.

As of May 2025, the median apartment price in Cyprus is €500,000, with the median price per square meter at €4,034. The median house/villa price is €725,000, with the median price per square meter at €3,578 (data source - Cyprus property investment guide by DevelopersCyprus).

The median price in Cyprus real estate, the middle value in a sorted list, is less affected by extremely high and low values than the average price, which is the sum of all values divided by their count. The source uses the median as a more reliable indicator of the typical market value, as it better reflects the central tendency in a diverse Cyprus property market.

**Several important factors influence the value of a property, including:**

- Location in the city.
- Type of property.
- Town or village/ countryside.
- Is the condition of the property new or resale?

The most expensive city is Limassol, followed by Nicosia. Generally, properties in the centre and suburbs are more expensive than in the districts surrounding the city. Villages and country are less costly than city areas, though there can be expensive villages. Seafront properties are the costliest of all.

There is a luxury property market in Cyprus, with unique properties of every type.

Whether you want to buy, sell or invest, finding a real estate agent to navigate the process is essential. A knowledgeable local realtor will help you determine how much your house is worth or what types of property suit your budget. They will advise on the local market, list the home, and help with the buying, selling, or renting processes.

**Cyprus permanent residence for property buyers**

The Cyprus permanent residence program for investors allows you to live in a highly desirable part of the European Union, with all the benefits of a stable government and a pro-business environment. The permit does not expire and may cover a spouse and dependent children. Cyprus has created this program to attract business talent and boost the island's cosmopolitan community.

To get Cyprus permanent residence by investment, the applicant must:

- Invest €300,000 plus VAT in real estate. The real estate can be residential or commercial.
- Have a secure annual income from abroad amounting to €50,000. The amount is raised by €15,000 for the spouse and €10,000 for each child. It's possible to include financially independent adult children. In such a case, however, the investment amount is multiplied by each child.
- Have a clear criminal record from their own country.

After getting the permanent residence, the applicant must verify annually that they continue to maintain the property. Every three years, the applicant and adult members of their family must verify their clean criminal record and health insurance.

**How to buy a property in Cyprus**

It is easy to buy a property, and you only need a local bank account. However, it is highly recommended that you use the services of a professional property lawyer and real estate agent. The process and paperwork may be complex.

**Process of buying a property in Cyprus**

- Select a property.
- Foreigners need permission from the Council of Ministers. This is a straightforward procedure that our lawyer can carry out for you.
- Open a Cyprus bank account.
- Make an offer.
- If you want to reserve the property, you may sign a preliminary contract with the seller. Your lawyer can advise you on this.
- Sign the sales contract (sales agreement). The contract should include details of the property and a timeline for payment and transfer. You must not sign anything until your lawyer says so.
- Go to the Lands District Office to register the transaction and get the title deeds.
- Pay the rest of the price if this is outstanding.

**Cost of buying property in Cyprus**

When calculating the total cost of the transaction, you should factor in the following:

- Transfer tax. This depends on the value of the property and your share in it. There is also a 50% exemption to the transfer tax. The government has a calculator.
- VAT varies from 5% to 19% of the purchase price. If VAT has been paid, there is no transfer tax.
- The criteria for a reduced (5%) VAT are that the property is your primary dwelling place and its value does not exceed €350,000. The reduced VAT will apply to 130 sq m of property. To get the reduced VAT, you must apply to the Tax Department with a declaration. Our lawyers can prepare the application for you.
- Stamp duty. The rate begins at 1.5%, depending on the property's value. There can be no stamp duty over €20,000.
- Lawyer's fee. You will agree with your lawyer, as there is no fixed rate.

**Costs for property sellers**

If you are a seller, you should factor in:

- A capital gains tax of 20% and the real estate agent services.
- Property maintenance costs. It is recommended that you talk with an estate management and maintenance company: they can take care of the property for you, saving you a lot of trouble. Some real estate agents offer services and or advice on this.
- Tax on rental income (the rate depends on your total income deriving from Cyprus). See the rates at <https://www.mof.gov.cy/mof/tax/>.

**Utility costs for property owners in Cyprus**

In Cyprus, utility and lifestyle costs will vary depending on the type of property, maintenance plans, needs, and family size.

**An indicative list will include**

- Electricity bimonthly charges: €0,35 per kWh, with additional charges
- Water bimonthly charges: €22 fixed and maintenance charges, then a rate according to consumption and type of use.
- Families should expect about €400 bimonthly in electricity and water charges (increased costs for the summer when the temperatures are high).
- About €1,200 per month for food for a family of four.
- Average unleaded petrol is currently €1,58 per litre; see daily rates here: <https://cyprusfuelguide.com/>.
- Internet and phone: a variety of highly affordable prices exist.
- A meal for two at a restaurant costs about €35.
- Cinemas and gyms are reasonably priced.
- All the major European and US clotheslines operate in Cyprus, making clothes and apparel affordable.

**Advantages of buying a property in Cyprus**

- Property in Cyprus is a profitable investment. This is due to high demand, EU membership, and the island's natural and geographic beauty.
- Relatively low cost of living.
- Pro-business environment and favourable tax system.
- Property is the path to a permanent residence permit.
- Cyprus permanent residence does not give you a right to a Schengen visa. However, you should submit the residence permit card with the Schengen visa application; the card's validity must exceed the visa's validity by three months.

**The bottom line**

Natural beauty, closeness to the sea, entrepreneurship and a stable political environment make Cyprus a prime choice for property buyers, sellers or investors. Though the cost of living is rising, it is still lower than in other parts of the EU, and real property is available at a wide price range. In short, Cyprus is an excellent destination for living, retiring, or relocating.

## Frequently Asked Questions

### ***How many times should you visit Cyprus when buying a property?***

To open a bank account, you must visit Cyprus at least once. During this visit, you should ideally consult with a real estate agent and lawyer to explore the properties and locations of interest.

### ***What criteria should I use when selecting properties for purchase in Cyprus?***

The criteria for selecting properties in Cyprus are twofold: general and Cyprus-specific. General criteria include location, budget, proximity to amenities, cost of living in the area, property's physical appeal, age, condition, and availability of parking and storage spaces. Cyprus-specific criteria include title due diligence, researching and visiting various locations, deciding on the property type, inspecting the property, and working with professional realtors and lawyers.

### ***What are the advantages of participating in the Cyprus investment programme?***

The Cyprus permanent residence by investment offers benefits such as living in an EU Member State with political and social stability, a favourable tax system, a pro-business environment, a cosmopolitan community, affordable living, low crime, a relaxing lifestyle, an excellent education system with English-speaking institutions, and access to high-standard healthcare facilities.

### ***How much will it cost to take part in the Cyprus investment programme?***

Participation in the Cyprus investment programme requires an investment of €300,000 plus VAT in real estate (residential or commercial) and a secure annual income from abroad of €50,000, increased by €15,000 for a spouse and €10,000 per child. The investment amount is multiplied per child for financially independent adult children included in the application.

### ***What taxes do I need to pay when buying property in Cyprus?***

When buying property in Cyprus, you'll need to pay VAT of 19% or a reduced VAT of 5% for your first and main dwelling (up to 130 sq m). A transfer tax is required if VAT is not applicable, with a 50% exemption available. The amount depends on the property value and your share in it. Stamp duty is also payable based on the property's value. While there is no immovable property tax, various municipal taxes are applicable.

***What does buying a house in Cyprus give you?***

Buying a house in Cyprus offers the opportunity to live in a pro-business environment within the EU. It represents a good investment due to the high demand for real estate and the region's popularity.

***Why is it dangerous to buy a property in Northern Cyprus?***

Buying property in Northern Cyprus is risky because it may constitute unlawful land possession, potentially leading to criminal charges and a European Arrest Warrant. Governments like the UK, France, and the US advise against it due to potential ownership disputes with evicted Greek Cypriots and involvement in the unlawful occupation of significant archaeological or historical sites.

***How much are the utility payments in Cyprus?***

Utility costs in Cyprus depend on lifestyle and family size. Indicatively, expect about €400 bimonthly for electricity and water. Monthly food costs for a family of four are around €1,200. The average price for unleaded petrol is €1.43 per litre (see daily rates). Affordable internet and phone packages are available.

***Can I buy an apartment or house in Cyprus and get citizenship?***

Buying a house or apartment in Cyprus does not directly lead to citizenship. However, it can contribute to obtaining a residence permit. After eight years of residence within a ten-year period, including a continuous, legal 12-month stay before applying, one may become eligible for citizenship.