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ACQUISITION OF
IMMOVABLE
PROPERTY BY ALIENS

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A / INTRODUCTION

In Cyprus like most democratic states, the right of ownership in immovable property is constitutionally protected as one of the fundamental human rights. Article 23 safeguards the right of each person to acquire, possess, enjoy or dispose of any movable or immovable property and to demand of others to respect this right. It is not an absolute right and certain restrictions may be imposed on grounds of public safety, health or morality, or for town planning purposes, public utility or the protection of third parties. The Constitution affords protection to the right of ownership to everyone which includes non-Cypriots who have legally acquired property in Cyprus.

Further the right of property is protected by international treaties to which Cyprus is a party and by the Charter of Fundamental Rights of the European Union.

RELEVANT LEGISLATION

1 . Legislation under this section comprises mainly:

- **T h e S t a m p L a w 1 9 6 3**

Contracts concerning real estate assets in Cyprus are subject to stamp duty which is imposed in accordance with the following table:

CONTRACTS WITH FIXED AMOUNT	
Up to 28 February 2013	
-for amounts up to € 170,860	1.5‰
-for amounts over € 170,860	2‰*
As from 1 March 2013	
-for amounts up to €5.000	0
-for amounts up to €5.001 - €170.000	1.5‰
-More than €170.000	2‰*
Contracts without fixed amount	€34.17

**The official rate set by the Minister of Finance applicable as of 1.1.13 is 4.75% (5% for 2011-2012; 5.35% for 2010; 8% for 2007-2009; previously 9%)*



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• VAT Law

The acquisition or construction of property to be used as the primary and permanent residence is from 1st October 2011 subject to the reduced rate of 5%.

Qualifying property is property for which an application has been submitted for the issue of planning permission after 1st May 2004 and the total covered area do not exceed 275m². The reduced rate of 5% is applied only on the first 200m² (extended for families with more than three dependants).

The reduced rate is imposed after obtaining the commissioner's approval by submitting the relevant application form, accompanied by a number of documents which demonstrate the ownership rights and the fact that the property will be used as the primary and permanent place of residence. Eligible are persons who are citizens of the Republic of Cyprus or of any other EU Member state who reside permanently in Cyprus, have reached the age of 18 at the date of the application and do not possess any other property which is used as the primary residence in the Republic.

Further to the above, from 8 June 2012, residents of non-EU member states are considered eligible persons provided that the property will be used as their primary and permanent residence in the Republic.

Within six months from the date the property is inhabited, eligible persons must submit documents (copy of a utility bill, municipal taxes etc.) supporting the fact that the property is used as the primary and permanent residence.

If within a period of 10 years a person ceases to use the property as his primary and permanent residence he must notify the commissioner within 30 days of ceasing the use and pay the difference resulting from between the standard and the application of the reduced rate, attributable to the remaining period that the property will not be used as the primary and permanent residence.



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- **The Capital Gains Tax Law**

Capital gains tax is imposed on gains from the disposal of immovable property situated in Cyprus including gains from the disposal of shares in companies which own immovable property in Cyprus unless these are listed in a recognized stock market. The tax is imposed on the net profit from disposal at the rate of 20%.

- **The Immovable Property Tax Law**

Immovable Property Tax is imposed annually at the following rates on the market value as at 1 January 1980 of immovable property situated in Cyprus and owned as at 1st January each year:

Up to	€120.000			0%
From	€120.000	to	€170.000	4%
From	€170.001	to	€300.000	5%
From	€300.001	to	€500.000	6%
From	€500.001	to	€800.000	7%
Over	€800.000			8%

- **Transfer fees payable to the land registry department**

Transfer fees are payable by the purchaser to the District Land Registry Office based on the market value of the property at the time of purchase as follows:

VALUE OF PROPERTY	€	RATE %
Up to	85,430	3%
85.431 -	170,860	5%
OVER	170,860	8%

Please note that the Cyprus Government as an incentive for the purchasing of immovable property due to the economic crisis has passed legislation by which the purchaser depending to the type of the immovable property should not pay any transfer fees or pay only 50% of such fees if the contract of sale is signed, and submitted to the land registry duly stamped until the 31/12/2014.



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2. LEGISLATION RELATED TO IMMOVABLE PROPERTY

Historically legal regulation of immovable property issues date back to the time Cyprus was under the Ottoman rule. The legal rules later evolved when Cyprus was a British colony. The modern legal framework is set out in the Immovable Property (Tenure, Registration and Valuation) law. It was enacted in 1945 and in its last amended form prior to Cyprus' independence it was compiled into Chapter 224. The law abolished certain categories of immovable property which were still governed by an Ottoman code and codified the contemporary law. The Immovable Property law is a comprehensive legislative measure governing the most important aspects of immovable property and is regularly amended to provide for new developments.

According to the definition in section 2 of CAP 224 immovable property includes

- > land,
- > buildings and other structures affixed to land,
- > trees, plants and their produce,
- > springs, wells and water rights whether held together with or independently of land
- > easements and other rights appertaining to land or building
- > undivided share in property
- > land created by depositing soil in the sea

Private ownership of immovable property extends to the surface of land, beneath the surface and above the surface to the extent that it is reasonably necessary for enjoyment of the land. However ownership does not extend to minerals.

Apart from Cap 224, a series of sectoral laws regulate specific issues concerning immovable property, such, as sale of land, compulsory acquisition of property and trusts. Sectoral legislation:

- **The Sale of Immovable Property (Specific Performance) Law, Law 81(1)/2011.**

This law offers protection to buyers who cannot transfer the title of the property to their name upon purchase and opt for depositing the contract of sale with the competent land registry office. The main conditions for a valid deposit of a contract are the following: (a) the purchaser deposits the contract of sale with the land registry department of the district where the property is situated within 1 year from the date that the contract is signed; (b) the original contract and the copy are duly stamped; (c) the contract is deposited together with Form Δ.E. 129 which states the parties name and address and is signed by the purchaser; (d) the property is registered in the vendor's name. A valid deposit of a contract creates an encumbrance on the purchased property preventing the vendor from selling, transferring or charging the property, and if certain conditions are met, the contract has priority over other encumbrances submitted prior the submission of the contract. In case the vendor refuses to comply with the contractual obligations, the purchaser may obtain a court order directing the registration of the property in his name.



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- **The Compulsory Acquisition of Property Law No 15/1962**

Any property may be subject to compulsory acquisition by the Republic, a municipal authority, a legal entity of public law, or a public utility organization on which a right to acquire property compulsorily is conferred by law. Property may be acquired compulsorily for a purpose which is to the public benefit. An authority needing to acquire property in this way should follow the procedures prescribed by the law. An offer is made to the owner concerning the compensation that may be granted to the full and final settlement of his / her claims relating to the property in question. If the compensation is rejected or accepted with reservation, an application to the Court may be initiated for the determination of the final amount.

The law contains detailed provisions in relation to the amount of the compensation which is generally assessed on the basis of its current market value.

- **The Rent Control Law**

Rent agreements come within the sphere of contract law. In addition tenancy relationships are regulated by the rent Control Law which aims at protecting the tenant. It applies to dwellings and shops to be let in designated areas. The increase of rents is subject to very restrictive limitations, whereas the safeguards for tenants against eviction limit substantially the enjoyment of property by owners. According to the definition of a "tenant" the term does not include non citizens or legal entities controlled by foreigners. Thus the law does not cover foreign tenants.

- **Energy Performance of Buildings law 142(I)/2006**

This law provides for minimum energy performance requirements for buildings and sets out the system and the methodology for the inspection and control of these standards. Buildings which are constructed, sold or rented out should be subject to assessment of their energy performance. An energy performance certificate is issued by qualified accredited surveyors which the owner is required to present to a potential purchaser or tenant. The categorization of the building as stated in the certificate will have an effect on height of the purchase price or rent accordingly.

It is worth noting that a new EU directive has been adopted for the purpose of further enhancement of sustainable utilization of energy. Member States shall transpose the new EU directive 2010/31/EU of the European Parliament and of the Council on the energy performance of buildings by July 2012 the latest. When new legislation is enacted the existing law will be repealed.



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• The Acquisition of Immovable Property (Aliens) Law, Cap 109

As regards the acquisition of immovable property by foreigners, special procedural requirements and certain limitations are set out in the Immovable Property Acquisition (Aliens) Law Cap 109. The law regulates the acquisition and ownership of immovable property by foreigners and imposes certain restrictions on the size of immovable property to be purchased and its use.

International Law recognizes the right of states to impose conditions on the acquisition of immovable property by foreigners, such restrictions may be necessary to serve their economic policies and their foreign policy objectives.

The degree of control over direct investment and acquisition of property is dictated by the local conditions. In the case of Cyprus, the restrictions are obviously dictated by the following main considerations:

- 1.** Avoidance of extensive and disproportionate alien ownership on an uncontrolled and unrestricted scale, which might lead to an artificial rise in prices and in all other relevant costs (including construction and consumption) to the detriment of the economy and the local population.
- 2.** Avoidance of alien individuals and firms entering into the field of competition and exploitation of immovable property to the detriment of the local industrial and agricultural sector.

Nevertheless, restrictions are gradually lifted in particular in connection with EU citizens in compliance with principle of non discrimination and with the fundamental freedoms of the EU.

By a large the government policy in this matter is encouraging in all bona fide cases. The implementation measures taken under this law by the competent authorities facilitate inter alia (a) the housing of companies' offices and directors, (b) the introduction of new technologies in the industrial sector and (c) acquisition of a home in Cyprus by private individuals.

The law should be read taking into account the predominant policy to attract foreign investors, promoting tourism and turning Cyprus into a financial centre. This is evidenced by the existence of tax incentives, the legal and administrative measures taken to facilitate the setting up of Cyprus companies and to increase the efficiency of the public sector services.



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Further the comprehensive laws on immovable property, on contracts and inheritance issues, coupled with the traditional hospitality of Cypriots provide the appropriate framework for an effective and reliable legal environment for investors.

In the following paragraphs we analyze the main provisions of the the Immovable Property Acquisition (Aliens) Law Cap.109. The origins of the law date back 1936 at a time when Cyprus was a British Colony, us. At the time the law aimed at controlling the acquisition of immovable property by enemies or by persons who were not British subject, i.e. an “alien” or foreigner. Subsequently however, since Cyprus gained it’s independence in 1960, the definition of ‘an alien’ has come to have a different meaning.

B/ RESTRICIONS IMPOSED

No foreigner may acquire immovable property in Cyprus, other than by reason of death without the prior permission of the Council of Ministers. Legal issues related to property acquired by reason of death are governed by inheritance law. The authority of the Council of Ministers to grant permits under this law was vested to the District Officers to whom the relevant applications are submitted.

2(a). Who is an alien?

In order to clarify the above restriction, it is important to interpret the word “Alien” as provided for in the present law. An alien is defined as any person who is not a Citizen of the Republic of Cyprus including:

- a company controlled by aliens
- foreign company and
- A trust the beneficiary of which is an alien

Further, according to section 2, the term “alien” does not include:

- Alien Cypriot
- Alien wife of a citizen who is not separated from her husband by virtue of an order of a competent court.
- A citizen of an EU member state whether s/he has permanent residence in Cyprus
- Companies incorporated according to the laws of an EU member state

At the accession of Cyprus to the EU a five year transitional period was granted regarding the acquisition of secondary residence. This was lifted in May 2009. Thus citizens of EU member states and EU companies can acquire and invest in any type of property and will be treated as ordinary Cypriots after May 2009.



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The term “Alien Cypriot” is further defined to mean a person, not a citizen of Cyprus, who was born in Cyprus at the time when his parents were ordinarily resident in Cyprus or whose father was born in Cyprus at the time when his parents were ordinarily resident in Cyprus and it includes an alien wife of alien Cypriot who is not separated from her husband by virtue of competent court. This provision is significant as it allows complete freedom of acquisition of immovable property in Cyprus by Cypriots who have emigrated years ago.

C / ACQUISITION

Acquisition under the Law, not only covers outright purchase of property but also the following transactions by foreigners:

- 1.** Leases of immovable property which extend for a term of more than ten years or which contain a provision lengthening such period through the exercise of a unilateral option of extension or renewal;
- 2.** Acquisition of shares in a Cyprus registered company which owns immovable property in Cyprus, if such acquisition itself or in conjunction with other shares already held by aliens in that company, would turn such company into an “alien controlled” company in the sense described above.
- 3.** The creation of a trust in favour of an alien beneficiary which relates, wholly or partly, to immovable property in Cyprus, leases as above or shares in an alien controlled company or in a company becoming alien controlled by the creation of a trust.

It should also be pointed out that the giving, otherwise than by will, or the sale and transfer of immovable property or shares, or the assignment of leases amounts to “acquisition” as far as the transferee or assignee is concerned and requires permission. However the law provides that the Council of Ministers in granting permission in the first instance may include a provision in the permit, to the effect that no further permission would be required for the transfer of the property to another foreigner, if the transfer is consistent with such conditions, if any, which might be inserted in the permit and in connection with transfers. A general condition relating to transfers of immovable property held by foreigners either to other foreigners or not, is that contained in regulations made under the Law. These provide that the minimum extent to which an alien may for purposes of sale, divide immovable property held by him, is into plots of not less than 1 ½ donums unless the Council of Ministers otherwise allows.

It is also noted that in case of a trust coming within the ambit of this law, the foreign beneficiary should be revealed when applying for a permit.



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D/ GOVERNMENT POLICY WITH REGARD TO PERMISSION FOR ACQUISITION:

(a) Business Investment Purposes

This may be granted only for industrial or tourist investment. In the case of immovable property to be used for industrial purposes, permit may be given if the industrial sector is beneficial to the economy and the industrial process will introduce new technology or new technical knowledge.

Permission is not normally granted for investments in agriculture or estate development. Acquisition of land for the creation of a farm would normally be refused if the farm is intended for commercial exploitation, but small farms for the use of the owners are borderline cases.

(b) Individuals

This will be granted as a rule, in all bona fide cases where foreign individuals acquire a flat or house or a piece of land for the erection of a house, intended for residence either regularly or when coming to Cyprus for holidays or other stays. The same individual cannot obtain permission for more than one property. Furthermore, no second permission will be granted to the other spouse or to their children unless in the latter case it is for their own actual residence or stay. In the case of unbuilt land, the area allowed would usually be between one to two donums, which is ample for the erection of a luxurious house or villa and its garages, swimming pools and other outbuildings.

An additional permission may be granted to a couple if due to their personal circumstances the acquisition of a second home is justified. As for the children of aliens they are eligible to apply for a permit if they are adults and have a family of their own.

(c) Company Uses

Permission will usually be granted to a company for the acquisition of property for its own uses, such as office space, stores, residences for its directors or employees.

Criteria

The criteria taken into account for the purpose of granting a permission to acquire immovable property include mainly the following:

- The financial standing of the applicant
- The applicant's professional activities
- The location and area of the property
- In the case of acquisition for investment in the industrial or tourist sector, the feasibility of completing the project outlined by the applicant
- Applications already submitted by other members of the family
- Applications for residence of foreign company directors



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(d) Generally

In keeping with these principles it follows that, save in the case of approved business investment purposes, the policy is that permission would be granted in the case of intended personal or company use and not for the purpose of letting to others, commercial exploitation, profiteering or speculation.

However, once the permission has been granted it is difficult to check or control the actual use, because though the policy is as described above, no conditions are imposed in the permit itself.

The demand by foreigners for property especially flats, is continually increasing eventhough the market of immovable property has been affected by the global economic crisis. At times of high demand the timeline for approval of applications by District Officers will be between six to nine months or even longer.

REASONS FOR INTEREST IN PURCAHSING

The reasons for the interest in acquisition of immovable property by foreigners are many. Cyprus has always been an attractive place for residency or merely for holidays and its attractions include:

- An exceptional climate with mild winters and long, dry summers.
- Fresh and flavorsome food.
- A civilized and pleasant environment boasting modern facilities
- Efficient services including medical and legal services
- A comparatively low cost of living as compared to some European countries
- Low crime rate
- A wide range of museums, antiquities and historic sites.
- Friendly and hospitable local population.
- Pristine beaches and picturesque countryside.

In addition, the removal of most restrictions since Cyprus's accession to the EU in May 2004 has resulted in a further influx of demand and market activity which reached its peak in 2007. In the last couple of years the real estate sector has been affected by the world economic crisis. The demand for holiday homes has slackened somewhat in certain areas of Cyprus. The prices in affected areas have fallen by 30% whereas in the locations which are unaffected the prices remain high. It is expected that public and private funding of large scale construction projects which are underway will contribute to the recovery of the real estate sector.



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LAND REGISTRY

Cyprus has one of the most efficient and well organized land registries worldwide ensuring that its procedures guarantee absolute ownership. All land is registered together with precise information and note is taken of all encumbrances and easements connected to the entries in the registry.

The title deeds issued by the land registry are a definite proof of ownership. As regards any benefits accruing from trusts concerning immovable property it should be noted that a trust is valid if: (a) the trust is created by a trust deed signed by the beneficiary, (b) the trust deed is registered with the Land Registry.

The Director of the Land Registry is authorized by the law to settle boundary disputes if s/he receives a request to do so. The decisions of the Director of the Land Registry are subject to appeal. However, no court shall entertain any action related to such dispute unless it has been settled at first instance.

E/ PRECAUTIONS TO TAKE

It is important to enumerate and consider the steps and precautions which a foreigner should take when acquiring immovable property in Cyprus.

- 1.** Reliable and expert advice should, as a rule, be sought, to avoid exploitation on the one hand and legal complications on the other. There is a tendency to overcharge foreigners whenever possible and Cyprus is no exception to this rule. Reliable estate agents, valuers and surveyors should be used in order to ascertain what the proper price to be paid is. Commissions are, as a rule, payable to the estate agents by the sellers, but in order to obtain satisfactory results the purchaser may be required to pay a fee for having employed an estate agent.
- 2.** The use of reliable legal services is also required in order to ensure proper contracts and that proper steps are taken for obtaining the necessary permissions and to safeguard one's interest, including securing registration of property in one's name. As regards contracts, it must be noted that developers or land dealers usually have ready-made standard contracts which are, of course, drafted to suit their own interests and a close scrutiny of such contracts is required. The same people usually volunteer to undertake obtaining the necessary permissions. However, it is advisable for the lawyer of the purchaser to look after this matter as the sellers, once they have got an advance payment and very often full advance payment, do not have the same interest as the purchaser in following the whole matter through as speedily and as safely as possible.
- 3.** Ownership in Cyprus is denoted by title deeds, issued by the District Lands Office. All contracts must therefore provide for the transfer and registration of the property in the purchaser's name and for obtaining a title deed.



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When one buys a piece of land or a house, the seller as a rule must have a title deed in his own name which can be transferred to the purchaser. However, if one buys a flat, especially one still under construction, there is no title deed in existence for the flat and sometimes the seller does not have a title deed even for the land on which the building is being built because it may still be in the name of the original owner from whom the developer has purchased the property and to whom he still owes money. These are matters which the purchaser's lawyer must consider and embody in the contract, as well as take such other steps as may be necessary so as to safeguard the interests of the purchaser.

F/ CHECKLIST OF REQUIREMENTS

- 1.** Obtain reliable and expert local advice.
- 2.** Before entering into a contract carry out a search at the District Lands office to check whether there is already a title deed in the name of the seller in respect of the property to be purchased or, if not, whether the issue of such a title deed is legally feasible, as well as, in either case, whether the property is encumbered in any way or not. In order to conduct a search, a written authorization is needed from the owner of the property. The owner should set therein the authorization's validity period.
- 3.** If the property to be purchased is a piece of land, check:
 - (a) Whether it has road access (without it, building is not possible);
 - (b) If the land is included in any zone or area where building is restricted and, if so, to what extent it is restricted;
 - (c) Whether it is subject to any street widening scheme;
 - (d) Whether the supply of water and electricity is possible and at what expense.
- 4.** If the property to be purchased is a house or a flat, check whether there is a building permit and, if completed, whether a certificate or approval for the building has been obtained from the appropriate authority.
- 5.** In any case, check the possibilities or eventual availability of a telephone connection.
- 6.** Do not enter into a contract before being assured by the lawyer that the case is one in which the relevant permissions from the authorities would, as a rule, be granted.
- 7.** When entering into a contract, check that there are ample and proper provisions ensuring:
 - (a) The eventual transfer of the property and the issue of a title deed free from any encumbrances;
 - (b) That the contract is subject to obtaining the relevant permissions from the authorities (this is presumed in law but it is advisable to refer specifically to it, inserting provisions for the return of money paid if permission is not obtained);
 - (c) That possession is delivered to the purchaser upon execution of the contract if the building is completed and, if not completed, upon completion;
 - (d) That, in the case of a flat, there are general conditions attached to the contract, applicable to and binding on all other purchasers and users of flats or shops in the building, regulating their respective rights and obligations.



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- 8.** Ensure that the contract is signed by the seller in the presence of two witnesses, themselves competent to contract, who have signed as attesting witnesses.
- 9.** If the seller is a company, ensure that all corporate actions have been properly taken for the valid execution of the contract.
- 10.** As soon as practicable after the execution of the contract ensure that:
 - (a) An application is submitted to the local District Administration Office along with all necessary supporting documents for obtaining the permission;
 - (b) A copy of the contract is deposited with the District Lands Office within two months of its execution, thus ensuring that the contract becomes a charge on the property and that it may be specifically performed. In other words, the vendor is prevented from selling or charging the property and the purchaser is entitled to institute an action for specific performance of the contract of sale.
- 11.** As soon as practicable after the permission under 10(a) above has been obtained, ensure the earliest possible transfer of the title deed through the District Lands Office, and if a separate title deed has not yet been issued ensure with the seller that this is done as quickly as possible. In the case of any breach in the contract ensure that a legal action is brought within six months from the date of the breach, after written notice.

All the above matters should, of course, be looked after by the lawyer of the purchaser, but their enumeration and their following up by the purchaser himself is advisable and useful.



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Cyprus real estate Agents Circular buying property in Cyprus is now a safe proposition. Here is why:

Since May 1987, the government of the Republic of Cyprus has passed legislation whereby all professional Real Estate Agents have to register with the Board for the registration of the Real Estate Agents of the Republic of Cyprus.

In 2010 a new law was enacted harmonizing the Cyprus legislation with the *acquis communautaire* in this field. The law repeals the previous legislation and provides for the registration of real estate agents, the exercise of their profession and other related matters, No 71(I)/2010.

A Cyprus national or a citizen of an EU Member State may register with the Estate Agents Registration Council and carry a professional licence to deal in real estate, if he/she:

- > Is a university graduate in a subject concerning real estate and has completed the professional training as a registered trainee for at least 12 months.
- > Possess an absolutely clean civic and criminal record.
- > Has not declared bankruptcy and is not subject to legal restrictions on the basis of a court decision.
- > The Estate Agents Registration Council is obligated to check whether the applicants have the necessary qualifications by written exams.

Legal entities incorporated in Cyprus or other EU Member States may also apply for registration with the Council.

- > Any natural or legal person exercising these services is obligated to carry a professional insurance indemnity of a minimum € 200,000

The latter safeguards prospective buyers so that, in the remote case the real estate agent misinforms a prospective client, the client has the right to sue the agent to be compensated accordingly.

The law imposes a series of obligations on estate agents to ensure a high quality of service, notably it provides that the agent has to inform the potential purchaser of all data relating to the natural condition of the property and any encumbrances or other restrictions. The agent is bound to assess the status of the property irrespective of whether the agent was asked by the client to do so. If the agent is unable to carry out this duty he / she shall inform the client accordingly before the latter finalizes any transaction.

It is recommended to buy from members of the Cyprus Real Estate Agents Association (CREAA) as all members of CREAA are registered and licensed estate agents and they all carry professional insurance.



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Other relevant matters **Immigration permits / naturalization**

Third country nationals acquiring immovable property in Cyprus may under certain circumstances be eligible to apply for an immigration permit. Further, non-Cypriot investors may receive citizenship through naturalization if they meet the criteria of individuals providing services of high importance.

Applicants for immigration permit (Category E) are treated more favourably if they have purchased a house in Cyprus at a price of at least €300,000 to be used as their private residence. This category of immigration permit is equivalent to a permanent residence permit.

As regards the acquisition of citizenship by non-Cypriot investors it is worth noting that an investor having a permanent privately owned home in Cyprus and investing in immovable assets exceeding the value of €10m or 5 year fix deposit to a Cyprus Bank of at least €15m can apply to the Minister of Interior for naturalization.

Our expertise

Our office can offer you comprehensive services comprising legal and administrative assistance in activities related to immovable property. The professional qualifications and expertise of our lawyers in the corporate department and the litigation department can assist you with the various stages of the procedure involved in acquiring the permits, entering into transactions and completing the administration at the Land Office.

It is worth noting that our office has prepared the World Bank - Doing Business Report on immovable property issues for 2010 and 2011

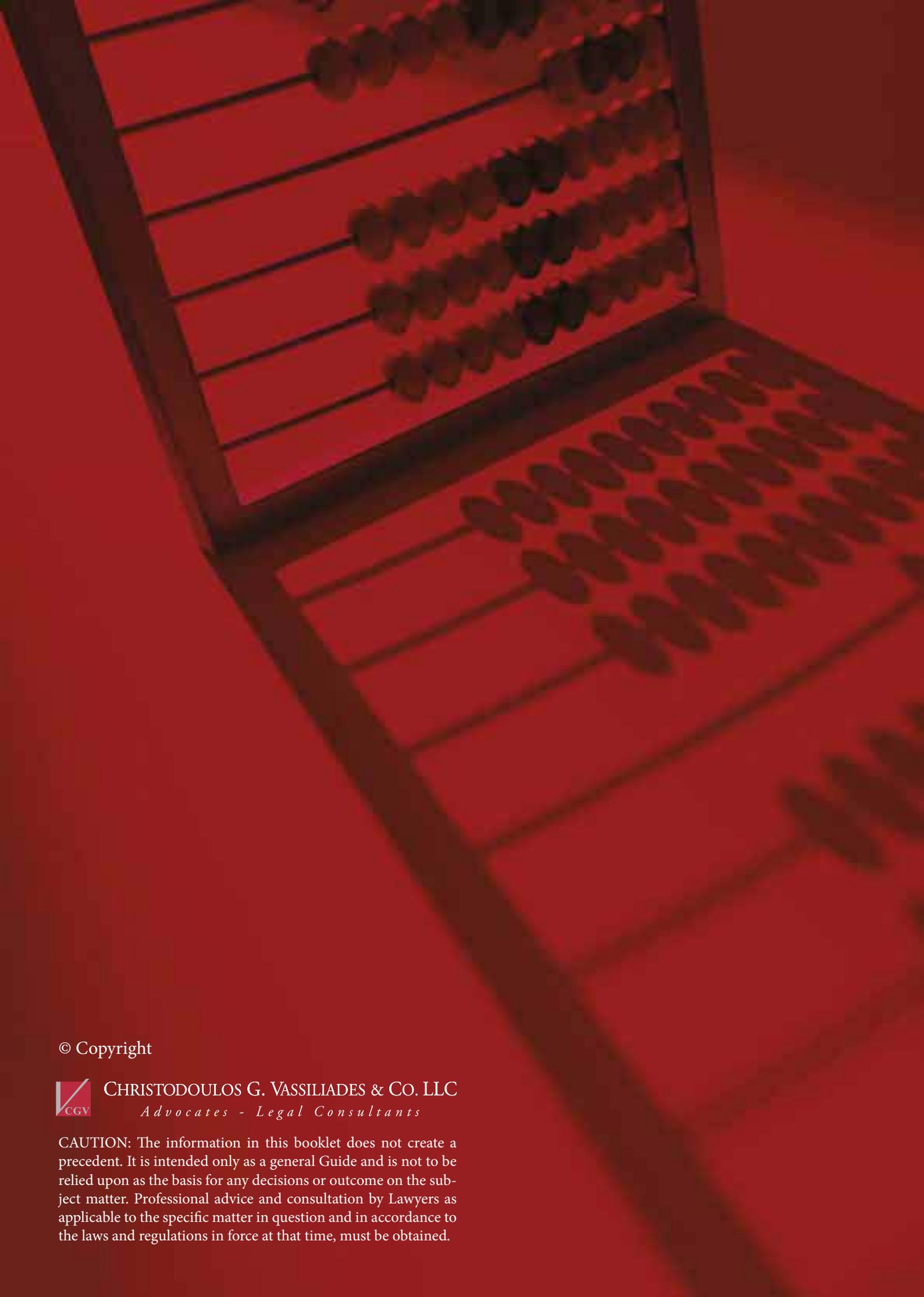
Concluding remarks

The evolution of the legal framework concerning immovable property has led to the creation of a comprehensive modern system regulating with precision and efficiency all aspects of real estate issues.

The land department runs an accurate registry of owners which guarantees ownership and ensures transparency regarding the status of property and any restrictions in the enjoyment thereof.

Further, the legal and institutional context relating to transactions in this field is enhanced by long existing laws in the area of contract, inheritance and taxation. In addition new elements were incorporated harmonizing the real estate field with EU laws and policies.

All of the above together with the incentives for foreign investors provide an effective and reliable legal system for investing in immovable property in Cyprus.



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