

# Cyprus Property Price Index Q3 2019 Prices as at 31/09/19

This is the fortieth publication of RICS' Cyprus Property Price Index, a quarterly price and rental index which is based on methodology produced by the University of Reading, UK. The Index tracks property and rental prices across all districts and main property types.

Across Cyprus, residential prices for both houses and flats increased on a quarterly basis by 1.1% and 1% respectively, with the biggest increase being in Larnaca, 2.5% for flats and 3.9% for houses.

Values for holiday homes on a quarterly basis across Cyprus increased by 1.1% for flats and 0.94% for houses. Famagusta showed the highest quarterly increase for holiday houses and Larnaca the highest increase for Holiday apartments with an increase of 2.39% and 2.16% respectively.

Across Cyprus, on an annual basis, prices increased by 7.1% for flats, by 6.9% for houses, by 4.9% for offices, by 3.9% for retail and 0.6% for warehouses.

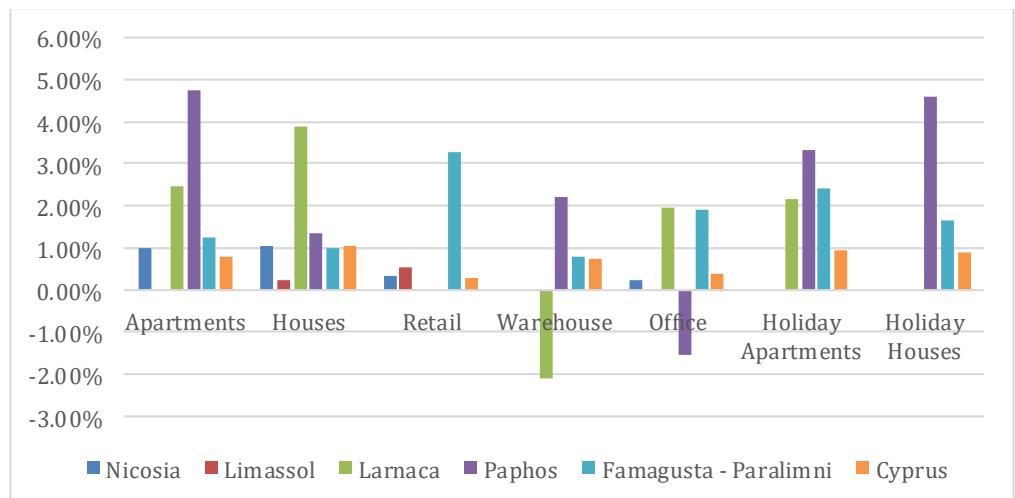
## Introduction & Commentary

During the third quarter of 2019, the Cyprus economy continued to grow, with a seasonally adjusted quarterly GDP growth of 0.5% and an annual seasonally adjusted GDP growth of 3.3%. Although the number of registered contracts of sale decreased by 32% from the previous quarter, compared to previous seasonal year, the total number of registered contracts increased by 4%. The number of properties sold to foreigners with registered contracts of sale also fell by 40% compared to the previous quarter, most likely due to the change in legislation of the Naturalisation scheme that was enforced in May 2019. The issue of NPLs and DFAS by most banks continues to be present in the market.

## Market Capital Values

The Property Price Index has recorded increases on an annual basis in all cities and asset classes, with significant increases being recorded in Limassol, whilst Nicosia, Larnaca, Paphos and Paralimni have shown smaller annual increases.

## Quarterly change in average prices



Cyprus  
Property  
Price Index  
Q3 2019  
Prices as at  
31/12/19

### Market Rental Values

Across Cyprus, on a quarterly basis rental values increased by 1.8% for apartments, 1.7% for houses, 0.8% for retail 0.1% for offices, and 0.7% for warehouses.

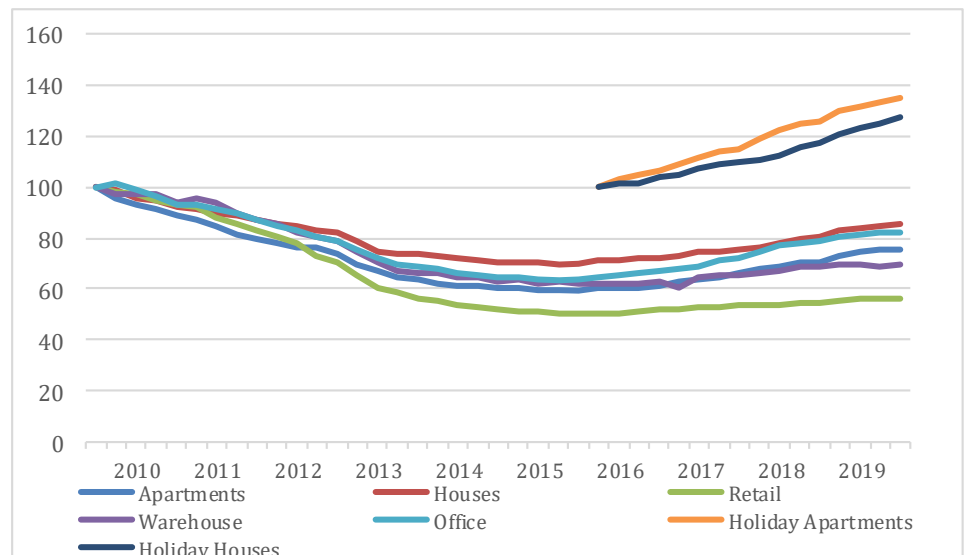
On an annual basis, rents increased by 14.9% for flats, 13% for houses, 6.5% for retail, 3.9% for offices and 3.1% for warehouses.

All asset classes have shown a consecutive quarterly growth apart from warehouses.

### Appraisal based initial yields

At Q3 of 2019 average gross yields stood at 4.9% for apartments, 2.5% for houses, 5.7% for retail, 4.2% for warehouses, and 5.0% for offices.

### Average price index (all types)



## Index parameters and methodology

### Methodology

The methodology underpinning the RICS Cyprus Property Price Index was developed by the University of Reading, UK. The report is available upon request at [ricscyprus@rics.org](mailto:ricscyprus@rics.org)

### Coverage and Variables Monitored

The RICS Cyprus Property Price Index monitors the urban centres of Nicosia, Limassol, Larnaca, Paphos and Paralimni-Famagusta. The Index only tracks prices in Republic of Cyprus' government controlled area and not in the occupied North.

In each of these centres, the index monitors the Market Value and Market Rent, as defined in the RICS Red Book, across the four main property sectors – office (CBD), retail (high street), industrial (warehouse) and residential (houses and apartments).

Recognising that there are sub-districts within these urban areas which operate and behave in a varying manner, a number of these is monitored in order to derive the composite index for each category per urban area.

The information provided in this publication is based on the average price and rent of the sub-districts monitored per urban centre per sector. The complete list of these sub-districts can be found in the University of Reading's report which is available upon request at [ricscyprus@rics.org](mailto:ricscyprus@rics.org)

### Nature of Notional Buildings

The RICS Cyprus Property Price Index monitors hypothetical or notional buildings, each having specific characteristics. Details of these hypothetical properties are provided in the University of Reading's report.

The provided price per sqm is based on the Gross External Area of the property (as defined in the RICS' Code of Measurement Practice 8th Edition), which includes the living area and covered verandas but excludes common areas.

### Frequency

The index is produced on a quarterly basis.

### **Monitoring Process**

The estimation of price levels is carried out by accredited RICS property professionals who are active in the relevant markets.

## **Contributing professional bodies**

### **Profile of RICS**

RICS is a global professional body. We promote and enforce the highest professional qualification and standards in the development and management of land, real estate, construction and infrastructure. Our name promises the consistent delivery of standards – bringing confidence to the markets we serve. The work of our professionals creates a safer world: we are proud of our profession's reputation and we guard it fiercely. RICS in Europe is based in Brussels and represents 17 national associations, with over 8,150 members in Continental Europe. Visit [www.rics.org](http://www.rics.org) for more information.

### **Profile of ΣΕΕΟΚΚ**

The Cyprus Association of Quantity Surveyors and Construction Economists (ΣΕΕΟΚΚ) is the association that represents Chartered Quantity Surveyors and Quantity Surveyors whose main area of work is in Cyprus and they permanently live in Cyprus. Visit [www.seeokk.org](http://www.seeokk.org) for more information.

### **Profile of Cyprus Association of Valuers and Property Consultants**

The Association was founded in 1972. At present there are about 100 members registered with the Association and concurrently with the Cyprus Scientific and Technical Chamber (CSTC), which is the official body that regulates the Valuation Profession in Cyprus. Our members are also members of RICS and are operating in accordance with the International Valuation Standards and the RICS Appraisal and Valuation Manual (Red Book).

For additional information please contact  
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