

RICS Cyprus Property Index with KPMG in Cyprus

Quarterly publication of the property price and rental index, tracking property and rental prices across all Cyprus districts and main property types.

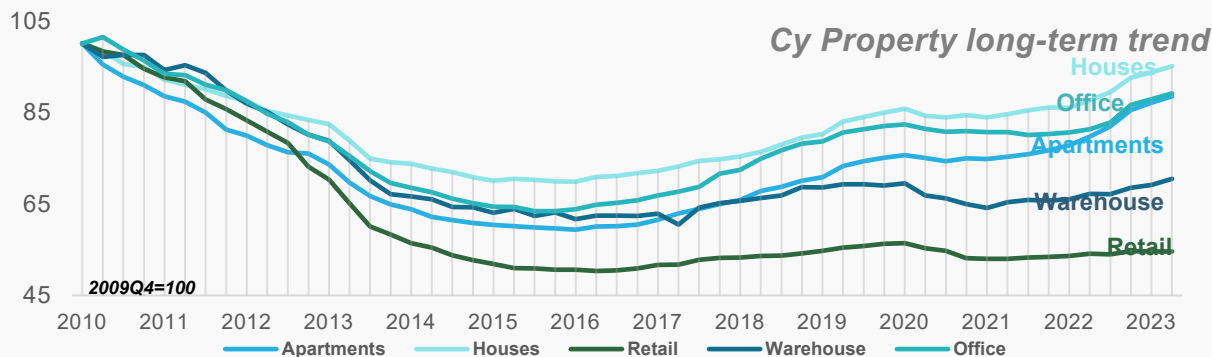
2023Q1



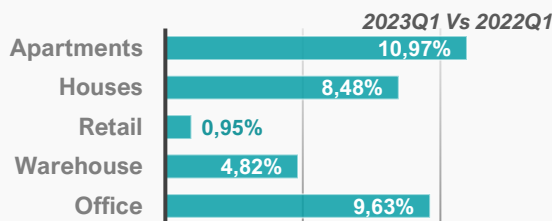
54th publication

Real estate price indices

The quarter saw a modest increase in the pricing of residential properties (Apartments and Houses), but significant ones in Holiday properties, in both holiday apartments and holiday houses. Offices and Warehouses recorded marginal gains whilst, in contrast, Retail prices continue to be relatively stagnant.

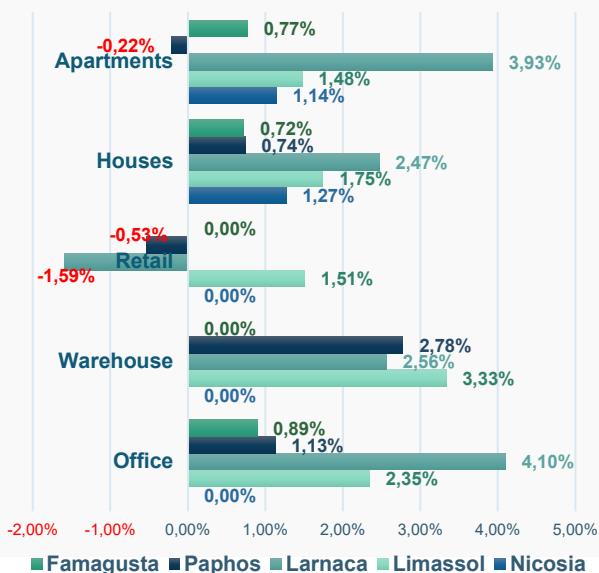


Market values - YoY% change (by sector)



A YoY comparison of values shows an increase in all asset classes, with the largest evident in Apartments, followed by Offices and Houses. Retail is exhibiting the lowest increase.

Market values - QoQ% change (by sector)



2023Q1 demonstrates increases in Houses in all areas, and notable increases in Warehouses and Offices in most areas. Larnaca shows overall the largest increases, whilst Nicosia and Famagusta equally the lowest.

The asset class with the best overall performance of the quarter is Warehouses, showing notable increases in Limassol, Larnaca, and Paphos. Offices on the other hand exhibited the highest increase of the quarter in Larnaca, following closely by Apartments, again in Larnaca.

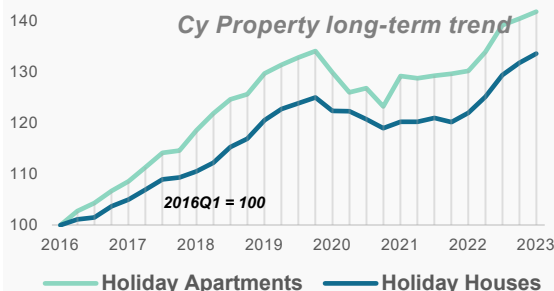
By way of contrast, Retailing is showing increases only in Limassol, and drops in Paphos and Larnaca, the latter being quite sharp.

2023Q1

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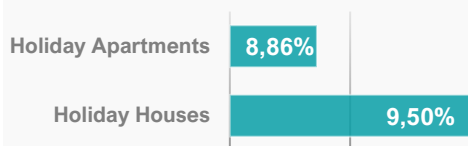


Holiday assets



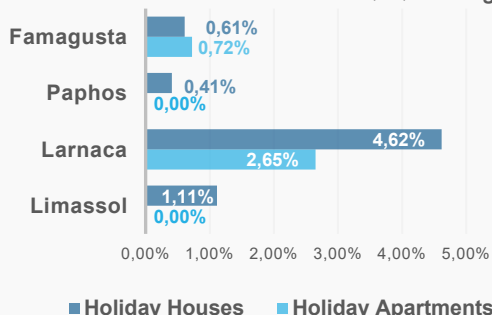
Holiday assets (Apartments & Houses) recorded the highest increases of the quarter, continuing their upward trend in values, with Holiday Houses exhibiting a larger increase than Holiday Apartments.

2023Q1 Vs 2022Q1



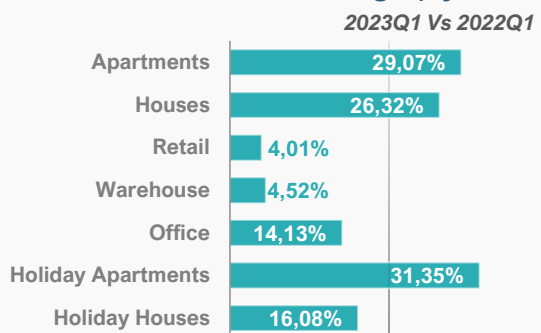
On a YoY comparison, both categories experienced growth with Holiday Houses leading the way.

QoQ% Change



Comparing QoQ changes at a regional level, Larnaca has shown the largest increase in both Holiday Apartments and Holiday Houses. Limassol and Paphos prices in Holiday Apartments remained stable, whilst remaining areas showed modest increases in both Holiday Apartments and Houses.

Rental values - YoY% change (by sector)



On a YoY comparison, rental values showed an increase, with the largest identified in Holiday Apartments, followed closely by the residential sector properties (Apartments, Houses). Retail and Warehouse asset classes are at the lower end of the increase, with Retail showing the lowest increase.

Yields

Asset Types - Cyprus	2023Q1	2022Q1
Apartments	5.37%	4.97%
Houses	2.86%	2.62%
Retail	5.77%	5.71%
Warehouse	4.30%	4.42%
Office	5.35%	5.27%
Holiday Apartments	5.71%	5.01%
Holiday Houses	2.71%	2.64%

Yields recorded increases since last year, the largest in Holiday Apartments followed by Apartments and Houses. Retail recorded marginal decreases, the lowest of the quarter.

2023Q1

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Index parameters and methodology

Methodology

The methodology underpinning the RICS Cyprus Property Index with KPMG in Cyprus was developed by the University of Reading, UK. The report is available upon request at ricscyprus@rics.org

Coverage and Variables Monitored

The RICS Cyprus Property Price Index with KPMG in Cyprus 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

Nature of Notional Buildings

The RICS Cyprus Property Price Index with KPMG in Cyprus 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.

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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 for more information.

Profile of KPMG in Cyprus

KPMG has been operating in Cyprus since 1948 and currently employs more than 800 professionals working from 6 offices across the island. It is a member of KPMG International Limited, a global organisation of independent professional services firms providing Audit, Tax and Advisory services. KPMG operates in 143 countries and territories and has approximately 265,000 people working in member firms around the world. Clients look to KPMG for a consistent standard of service based on high-order professional capabilities, industry insight, local knowledge and expertise.

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 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).

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