



## The Real Costs of Owning a Property

Buying property is an exciting step, whether it's a future home, a holiday retreat, or an investment. Many buyers naturally focus on the purchase price, but owning a property involves a range of one-off and ongoing costs that are often overlooked. Understanding these costs upfront is essential for planning, budgeting, and ensuring that your investment remains both profitable and stress-free over the long term.

### 1. Understanding the Total Cost of Buying a Property

The property price is only the starting point. Buyers must also consider legal fees, taxes, registration costs, and other charges associated with completing the purchase. In Cyprus, legal fees typically cover contract preparation or review, due diligence, and registration. These are generally around 1% of the purchase price plus VAT. Transfer fees depend on the property value, and VAT applies to new builds, with reduced rates in certain cases.

**Tip for buyers:** Understanding all costs upfront ensures there are no surprises when completing your purchase. Working with an experienced lawyer is essential. We provide full transparency in all contracts and legal documents and can connect buyers with trusted independent lawyers who specialise in supporting both local and international clients.

### 2. Annual Taxes and Local Fees

Property ownership in Cyprus is relatively straightforward when it comes to taxation. There is no annual immovable property tax, which simplifies long-term budgeting. Owners are, however, required to pay municipal or local authority fees, which cover services such as waste collection, sewerage, and other local services. These fees are generally modest, usually ranging from around €300 to €400 per year depending on the property and location, considerably lower than in many other European countries, and should be factored into your annual property costs.

**Tip for buyers:** Understanding these ongoing obligations allows you to plan effectively and ensures your property remains financially manageable year after year.

### **3. Keeping Your Property in Top Condition**

Maintaining a property is necessary even if it is not occupied year-round. Routine maintenance such as plumbing, painting, and gardening helps preserve the property's value. For those who rent their property, additional costs arise for guest turnover, cleaning, utilities, and property management services.

**Our approach:** We work with reputable property management companies and can personally introduce buyers to trusted providers. This ensures that properties remain in excellent condition whether they are occupied by tenants or used only occasionally by their owners, giving peace of mind to every client.

### **4. Ongoing Utilities and Insurance Costs**

Utilities such as electricity, water, and internet vary depending on property size, location, and usage. Insurance is equally important, protecting your property against risks such as fire, theft, or natural events. These costs are often underestimated by buyers who focus solely on the purchase price.

**Our approach:** We provide guidance on realistic annual expenses for each property type and ensure buyers have a full understanding of what to expect, so there are no surprises after purchase. In addition, our properties are designed to be energy-efficient, with features such as Energy Efficiency Class A ratings and high-performance insulation. Solar panels are available through our dedicated solar entity, offering an option to further reduce energy costs if desired.

### **5. Managing Payments and Financial Planning**

While most buyers think primarily about the purchase price, planning for payments over time is just as important. Large property transactions often require banks to complete KYC (Know Your Customer) checks and compliance verifications, and funds may take several days to clear in the banking system. Preparing for this in advance ensures that each payment can be made on time without unnecessary delays. Currency fluctuations can also affect buyers coming from outside the eurozone, so planning ahead can make a meaningful difference.

**Our approach:** We provide a clear payment schedule linked to construction milestones, giving you visibility on exactly when each payment will be due. This allows you to organise your finances, manage currency exchange efficiently, and complete any required banking procedures in good time, ensuring a smooth and stress-free process.

### **6. Hidden Costs and Unexpected Expenses**

Unexpected costs, such as minor repairs, additional community charges, or delays in construction, are a common concern for property owners. These surprises can add stress and affect your budget if not anticipated.

**Our approach:** All our projects are fully self-financed, which means construction moves forward steadily without relying on pre-sales or external investors. With our in-house construction team, we oversee every stage of the build directly. This level of control allows us to maintain strict quality standards, reduce the likelihood of costly errors or delays, and keep costs predictable for buyers. In practice, this means fewer unexpected expenses and greater confidence that your property will be delivered on time and to the high standard promised.

## **7. Maximising the Value of Your Property**

Property ownership offers opportunities for rental income and long-term capital growth. Rental income in Cyprus is subject to taxation, but allowable expenses such as repairs, management fees, and insurance can be deducted. Capital gains are taxed at a flat rate on net profit when the property is sold.

**Tip for buyers:** By considering all costs upfront and planning your rental or personal use strategy carefully, your property can deliver both lifestyle benefits and financial returns.

## **8. Choosing a Developer You Can Trust**

Working with an experienced and reliable developer is crucial. With over six decades of experience, we combine full self-financing, in-house construction, and careful project planning to deliver properties that are reliable, high quality, and transparent. Self-financing ensures construction proceeds on schedule, while our in-house construction company allows us to maintain strict quality control, reduce costs, and offer buyers the best possible value. This combination gives buyers confidence that their investment is secure, construction will proceed smoothly, and the property will meet the high standards promised from day one.

## **Final Thoughts**

Owning property, whether locally or as an investment, is highly rewarding but comes with responsibilities. By understanding the full spectrum of costs, including legal fees, taxes, maintenance, utilities, and management, buyers can plan effectively, avoid surprises, and enjoy all the benefits of their property.

**Considering buying a property in Cyprus?** Contact our team today. We will provide a clear breakdown of all costs, discuss your options, and help you choose a property that fits your lifestyle and investment goals with confidence and peace of mind.

