

# Invest in Cyprus property and get citizenship

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As the largest island in the eastern Mediterranean, yet the third smallest country in the European Union (EU), Cyprus offers attractive investment opportunities through its citizenship by investment programme for those looking for a good rand hedge and solid returns.

This is according to James Bowling, CEO of Monarch & Co, who says while many may be cautious of making an investment in Cyprus due to the previous financial ties it had with Greece, which is currently in the throes of a well-documented financial crisis, it is important for investors to note that the island of Cyprus is completely independent from Greece, and has no ties with it other than a common language and culture.

Bowling says there is no financial link between the two countries anymore, as Cyprus has given all the linked financial institutions back to Greece.

In contrast to Greece, the Cypriot economy is growing steadily and will be further boosted by the exploration of substantial gas and oil reserves that have recently been discovered in the region.

He says property investment in Cyprus is currently a prudent one to make, as investors would be entering the market at the bottom of the cycle, which is always the best time to invest in property.

The returns that investors who bought property at the bottom of the cycle are expected to make are always higher, as they will be able to take advantage of the capital appreciation as the market gains traction and prices increase.

“The Cyprus property market has been flat, but prices are starting to strengthen and we anticipate the current 8% annual escalation that is evident in the rental market to start reflecting in the property sales prices in the near future.”

Bowling says the residential and commercial markets are currently performing similarly well, and there is strong rental demand for both residential and commercial units.

In order to qualify for the citizenship by investment programme, applicants will need to buy residential or commercial property within the Republic of Cyprus to the minimum value of €2.5 million.

This investment amount can be made up of multiple properties to reach the required value. In addition to making a financial investment, applicants must also have a valid passport, have no criminal record and provide documents supporting the source and origin of the declared funds for investment.

Various application and professional fees are also payable by applicants.

He says what is appealing to many applicants of the citizenship by investment programme, are packages where the property that is bought already has a lease agreement in place.

“Investors can expect to achieve returns of between 3% and 5% on these properties, and some developments are even providing guaranteed rental returns for a fixed period of two years, with rental returns in the region of 5.5% paid up in advance. This gives investors a prime opportunity to reinvest.”

Bowling says aside from great property investment opportunities, Cyprus has a rich archaeological history and natural beauty, and can offer investors all the benefits of EU citizenship.



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“Another added bonus for investors is that the Cyprus citizenship by investment programme offers one of the fastest turnaround times of just three months for processing,” he says.