



Project highlights:

- ✓ Very low purchase costs from € 5,740
- ✓ Superb Location with easy access to Paralimni and local beaches
- ✓ Strong rental potential due to excellent location and facilities
- ✓ Large Communal swimming pool
- ✓ High specification – A/C units, white goods and parking inc in purchase price
- ✓ Superb mortgage product, 2 yrs pay nothing & 5 yr interest only repayments
- ✓ 100% finance
- ✓ Prices from € 112,000

Cyprus Economy

Generally the Cypriot economy has been very stable and secure over the last year of the global credit crunch. It has certainly fared much better than the UK and virtually all other European economies.

It is official that Cyprus has **not** gone into recession (technically defined as two quarters of negative GDP growth) and still has a positive Gross Domestic Product (GDP), the IMF recently predicted Cyprus 2009 GDP at 0.3%, the highest in the EU.

Unemployment has been rising across the EU zone with an average 9.5%, this is a direct result of the credit crunch and companies reducing their overheads with job loss. Cyprus only has 5.3% unemployment, almost half the EU average which is testament to how well it has coped with the credit crunch to date.

Tourism in 2008 remained constant to the levels of the previous 3 years, showing yet again that the Credit crunch does not seem to have affected Cyprus to a huge degree. This is especially important as Tourism accounts for the single largest part of the country's GDP.

A very interesting point is the exponential population of Cyprus; this has been predicted to increase by 66% by 2058 by Euro stat. This is when most western countries are facing population decline and aging. Cyprus will have a young and vibrant workforce which will keep its economy going from strength to strength. This will mean Cyprus will also have many more people looking for accommodation especially as the global trend of people remaining single for longer and thus living on their own continues to rise in Cyprus.

Location

The development is located in the Paralimni/Kapparis borders in a quiet residential area about 700 meters away from Paralimni and the town square with lots of restaurants, bars and shops. The area is experiencing huge population growth and this gives very strong rental and growth potential over the next 5 – 7 years.

Access to the main tourist centre of Protaras, Perna and Kapparis is extremely easy. The area has the island's most attractive and desirable beaches with many having achieved the EU 'Blue Flag' status for cleanliness and water quality.

The area has huge infrastructure developments occurring with a new road network, new enlarged airport at Larnaca (due for completion at the end of 2009), marina and golf courses planned. Budget airlines have truly arrived in Cyprus with Easyjet and Monarch now flying to both international airports. This has driven down flight costs especially in the peak season when reasonable flights costs can now be attained.

Paralimni is experiencing a large amount of infrastructure development as the main road is being widened and upgraded to improve traffic flow. There are several small business parks now being developed with IKEA, Lidl and many other well know blue chip companies starting to open up business in the area to service the growing population and consumption.

Specification

- High quality kitchen & bathroom fittings included
- Communal lift to all floors
- Aluminium double glazed windows and blinds
- Electrical sockets for telephone & TV in lounge and bedrooms with Sat TV point in lounge
- Built-in wardrobes to all bedrooms
- Air conditioning units to all bedrooms and living rooms
- All white goods included (Oven, hob, extractor, washing machine and fridge freezer)
- Solar panel heating, environmentally friendly
- Private verandas/balconies to all apartments
- Private car parking space per apartment

Finance

ProPropertyInvestor.com can help clients obtain financing from local banks in Cyprus as follows:

- Loan period of up to 35 years
- Up to 80% Loan to Value (LTV)
- Available in several different currencies Euro, Sterling and Swiss Franc
- Repayments can be switched to another currency for EUR 150 at any time
- Interest rates starting from 4.50% (variable rate) depending on the currency used
- 2 years of pay nothing (interest accrued) and then 5 years interest only repayments

Please note that approval for any mortgage product is subject to individual credit checks and are subject to change by the bank at any time.



Initial costs and return on Investment

All the calculations below are based on the average price of the available apartments, for full information on the available units please ask for appendix 1. £ Sterling figures use an exchange rate of (1 £ = 1.20 EUR)

Initial costs		EUR	£ sterling
Average Purchase Price		168,000	140,000
Finance value		168,000	140,000
Broker & Admin Fee		2,400	2,000
Solicitor costs & VAT		1,380	1,150
Bank costs & valuation	1.5%	2,520	2,100
Stamp Duty		420	350
Total Initial Buying Cost		6,720	5,600

Return on Investment (figures in EUR) = $\frac{\text{Equity in Property}}{\text{Total Initial Buying Costs}}$

Yearly Growth Rate	3 %	5%	7%
Value in 5 years	243,448	268,019	294,536
Total Equity in property in 5 years	75,448	100,019	126,536
ROI in 5 years (based on gross equity figures)	1,123 %	1,488 %	1,883%

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7. The customer(s) understands that the Reservation contract and Contract of Sale will be the binding document that the customer(s) signs with the vendor

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10. The reservation fee is non refundable and all clients should make themselves fully aware of the property particulars they are purchasing before paying this fee. This fee is only refundable in the following circumstances:

- If the client is refused a mortgage pre-approval/quote

The reservation fee is £2,000

11. If a client does not require a mortgage to finance the purchase of a property, they will be required to confirm (by signing this Reservation Contract), that they have sufficient funds to finance the project, make all stage payments as required and pay the balance on completion.

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