BUYER'S HOUSING FINANCE GUIDE

A Step-by-Step Practical Roadmap for Mortgages via Bank of Cyprus

Welcome to your official buyer's guide for the premier residential properties at **Aradippou Residences**, developed by Blue Sea Dream Real Estate. As part of our commitment to delivering a premium, trustworthy, and seamless home-buying experience, we have established a dedicated communication channel with the **International Business Unit (IBU) of the Bank of Cyprus**. This guide details the step-by-step procedure, interest rate models, required documents, and associated fees for securing your holiday or primary residential home mortgage.

GREEN HOUSING LOAN BENEFIT (CLASS A ENERGY RATING):
Because Aradippou Residences are built with state-of-the-art green materials and certified with an **Energy Performance Class A** rating, our buyers are entitled to a specialized interest rate discount. The Bank of Cyprus provides a **0.15% to 0.20% discount** on the variable interest rate for qualifying Class A properties. This Green discount is automatically applied to both the variable and converted-fixed rate schemes.

1. Core Mortgage Characteristics

The Bank of Cyprus offers customized mortgage facilities for non-residents purchasing holiday or permanent homes with the following key terms:

Key Characteristic	Standard Mortgage Terms	Aradippou Project Details
Maximum Repayment Period	Up to 20 years	Enables affordable, structured monthly payments.
Borrower Age Limits	Age at maturity cannot exceed 60 to 65 years	Calculated on a case-by-case basis.
Minimum Contribution (Equity)	Minimum 30% of sale price (40% recommended)	For non-residents, bringing less than 40% contribution may incur higher interest rates and bank fees.
Capital Grace Period	Up to 12 months on capital repayment	Available while the Aradippou Residences property is under construction.
Minimum Loan Duration	10 years (Variable Rate) | 15 years (Fixed Rate)	Protects interest rate stability for buyers.

2. Interest Rate Structures

The Bank of Cyprus offers buyers both variable and initial fixed-rate options. Indicative interest rates (as of 14/11/2025) are detailed below, assuming a **standard 40% equity contribution**. Reference benchmarks: **ECB Rate is 2.15%** and **BOC Base Rate is 1.4919%**.

Rate Scheme	Standard Margin / Rate	Green Discounted Rate (Aradippou)	Post-Fixed Term Conversion Options
Variable Option A (BOC Base Link)	BOC Base + 3.20% *(Total: 4.6919%)*	**BOC Base + 3.05%** *(Total: 4.5419%)*	Remains variable throughout the term.
Variable Option B (ECB Link)	ECB Rate + 2.20% *(Total: 4.3500%)*	**ECB Rate + 2.05%** *(Total: 4.2000%)*	Remains variable throughout the term.
3-Year Fixed Rate	3.10% Fixed	**3.10% Fixed** *(Green discount on conversion)*	Automatically converts to Variable Option A or B (with 0.15% Green discount applied, e.g., BOC Base + 3.15% or ECB + 2.10%).
5-Year Fixed Rate	3.20% Fixed	**3.20% Fixed** *(Green discount on conversion)*	Converts to Variable Option A or B (with 0.15% Green discount applied, e.g., BOC Base + 3.15% or ECB + 2.10%).
10-Year Fixed Rate	3.60% Fixed	**3.60% Fixed** *(Green discount on conversion)*	Converts to Variable Option A or B (with 0.15% Green discount applied, e.g., BOC Base + 3.15% or ECB + 2.10%).

Important Notice on Early Repayments: In case of full or partial repayment during a fixed interest period, the bank's compensation is calculated using the official mathematical formula as provided by Table IV (Article 25) of the Law on Credit Agreements for Consumers Relating to Residential Immovable Property of 2017. During a variable interest period, the bank may only charge standard administrative costs.

3. Set-Up Fees & Governmental Charges

A clear breakdown of the standardized fees established by the Bank of Cyprus for physical persons under International Business Unit (IBU) management:

Fee Category	Amount / Rate	Notes & Regulatory Conditions
Documentation Fee	€75 Fixed Charge	Applies to physical persons for credit facilities exceeding €20,000.
Property Valuation Fee	€238 Fixed Charge	Applies to properties valued up to €300,000. For properties exceeding €300,000, the fee increases incrementally based on value.

Fee Category	Amount / Rate	Notes & Regulatory Conditions
Arrangement Fee	1% of Loan Amount	Charged upon loan setup. May be waived (0%) case-by-case if the customer is approved for specific lower rate schemes.
Mortgage Registration Fee	1.00% of Mortgage Amount	Government fee collected by the Land Registry. Note: the formal mortgage amount is registered at 10% over the actual loan amount.
Inward Transfer Fee	€25 Fixed Fee	Charged for international incoming wires to personal bank accounts exceeding €50,000.
Account Maintenance Fee	€35 Quarterly Charge	Standard fee for personal current accounts managed under the International Business Unit.
Currency Exchange Fee	0.40% of Transferred Amount	Charged if funds are transferred in non-EUR currencies (e.g., USD, GBP, ILS) and converted (Min: €5 / Max: €400).

4. Step-by-Step Application Roadmap

Stage & Step	Process Details & Operational Action Items
STAGE 1: **Eligibility Check**	The buyer submits their initial personal and financial documents for credit scoring. **No bank account needs to be opened at this stage.** The bank evaluates the client's repayment capability and issues an initial Approval-in-Principle.
STAGE 2: **Valuation & Account**	Once Stage 1 eligibility is confirmed, **the buyer must open a personal current account with the Bank of Cyprus.** This account is required before the bank will instruct its independent surveyor to carry out the Property Valuation (€238 fee).
STAGE 3: **Loan Approval & Legal**	Following a positive property valuation and final loan sanctioning, a licensed Cyprus attorney must sign specific legal letter-declarations prepared by the bank. Note: British citizens are required by policy to travel to Cyprus to execute all final loan paperwork in person.
STAGE 4: **Bimonthly Release**	Since the property is under construction, loan proceeds are released in stages. Release requests must be accompanied by: (1) Architect or Civil Engineer stage-completion certificate, (2) Valid Building Permit, (3) 5% VAT Reduction Approval (if applicable), and (4) District Officer Approval.

5. Required Documents Checklist (Stage 1)

Important File Rules: Every document submitted to the Bank of Cyprus must be in **PDF format**, fully **translated into English**, and saved with a clear English descriptive filename (e.g., 'Payslip July 2024.pdf').

Income Category	Specific Stage 1 Document Requirements
All Applicants (General Requirements)	• Fully completed and signed **Personal Financial Statement (PFS)** in the original income currency (no EUR conversion required). • Signed **Application for Credit Facilities**. • Passport Copy & Short Curriculum Vitae (CV). • Credit Search Report from country of residence (or letter from main bank confirming no outstanding debt if a credit registry is unavailable). • Proof of main residence ownership (Deed) or Rental Agreement (to verify monthly housing costs). • *Note: If married, the loan is joint or the spouse must sign as a guarantor, requiring identical documents.*
Salaried Employees (Employees)	• Signed Employment Agreement showing expiry date (main terms translated). • Salary Advices (Payslips) for the last 6 months (at least 1 month fully translated). • Personal bank statements showing direct salary deposits for the last 6 months. • Official Tax Declarations for the last 3 years (1 year fully translated). • Official employer's website address.

Income Category	Specific Stage 1 Document Requirements
Company Owners (Own Company)	• Audited Financial Statements of the company for the last 4 years (last year fully translated). • Company Tax Declarations for the last 3 years. • Official Shareholder Certificate from the company registrar. • Dividend Certificate signed by a certified accountant, and bank statements showing dividend payouts. • Company bank statements for the last 2 months showing operations, plus sample invoices matching bank entries. • Personal bank statements, payslips (last 6 months), and employment agreement (if drawing salary from own company). • Company's official website address.
Self-Employed / Entrepreneurs	• Comprehensive CV and certified professional/educational diplomas. • Written detailed explanation of business activities. • List of regular active clients, sample invoices, and bank statements showing business deposits. • Company's website (if applicable).
Property Rental Income	• Legal Rental Agreement for the property (showing parties, rent amount, expiry date). • Official Title Deed proving ownership of the rented property. • Bank statements showing consistent rental deposits matching the agreement. • Official Tax Declaration detailing declared rental revenues.

REQUIRED INSURANCE COVERAGE: Before any funds are released, the bank requires: (1) A new Life Insurance policy matching the loan amount and duration, assigned to the Bank of Cyprus. (2) A new House Insurance policy. While the property is under construction, the developer (Blue Sea Dream) will add a special bank-guarantee clause on the project's overall construction insurance for your unit. Upon completion of construction, the buyer will arrange their own independent house insurance and assign it to the bank.