

DOMUS ISLAND FINANCIAL SHEET

PROJECT DETAILS		One bedroom, one bathroom luxury apartment	LOAN AMOUNT		Swiss Fr Option
Project Name	Tersefanou Village 4		Initial Loan	€ 126,320	
Property No.	C11 and C21		Bank Costs	€ 1,787	
Completion date	March 2010		Accrued Interest (approx)	€ 6,777	
PROPERTY PRICE	€ (euros)		Loan Value on Completion	€ 134,884	
Purchase Price	€ 146,000		COMPLETION RE-MORTGAGE		
Extras	Furniture	€ 11,900	Months to Completion	29	
Extras		€ 0	% Annual Capital Appreciation **	15%	€ 59,153
Total Purchase Price	€ 157,900		Revised Property Value	€ 205,153	
Deposit - up front	5%	€ 7,895	Final Completion Deposit 5%	€ 7,895	
Developer Guaranteed Rental	10%	€ 15,790	Cash Released	€ 0	
Deposit - on completion	5%	€ 7,895	Re-mortgage LTV % and value	70%	€ 142,779
Total Deposit contribution	20%	€ 31,580	REVISED INTEREST PAYMENTS	Swiss Fr Option	
Mortgage amount	80%	€ 126,320	Swiss Franc Mortgage Interest ***	4.50%	€ 6,425
UP FRONT COSTS			ANNUAL RENTAL YIELDS	€ (euros)	€ (euros)
Deposit - up front	5%	€ 7,895	Rental Yield Percentages	G'tee 5%	Var 9% **
Other up front costs:			Rental Yields	€ 6,348	€ 11,426
Stamp Duty		€ 206	Management & Communal Costs	€ 1,300	€ 1,300
Legal Fees		€ 1,475	Swiss Franc Mortgage Interest	€ 6,425	€ 6,425
Admin & Snagging Fees		€ 2,600	Net Rental income	-€ 1,377	€ 3,701
Broker Fees	1% (€1,750 min)	€ 1,750	Title Deed Tax (Transfer Tax)		
Documentation Fees		€ 450	Property Purchase Price	€ 157,900	
Total up front costs:	€ 14,376		Per Person	% Charged	One Owner
Other costs added to loan:			Band 1 up to £50,000 CYP	3%	€ 2,565
Bank Arrangement Fees	0.50%	€ 632	Band 2 £50,000 to £100,000 CYP	5%	€ 3,620
Exchange Conversion Costs	0.40%	€ 505	Band 3 £100,000 + CYP	8%	€ 0
Loan Stamp Duty and Valuations		€ 650	Total payable (two owners would pay €4,737)	€ 6,185	
Total bank costs *	€ 1,787		Payable by the owner when deeds are issued, approx 4 years after completion.		

All prices include VAT.

Using the above example, the buyer would have an equity stake of € 62,374 on completion for an investments of € 14,376. Return on investment = 434%.

* Not all banks allow the costs to be added to the loan. The buyer should therefore be prepared to pay these costs if necessary when the mortgage is finalised.

** These rates are an estimate only based on current data and should not be relied upon.

*** This is not a fixed rate and is therefore subject to fluctuations in the market.

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10 YEAR CAPITAL GROWTH AND CASHFLOW PROJECTION

Key data	Start	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property value on purchase	€ 146,000										
Property value on delivery	€ 205,153										
Mortgage on delivery	€ 142,779										
Property Growth		10.00%	10.00%	10.00%	7.50%	7.50%	7.50%	5.00%	5.00%	5.00%	5.00%
Mortgage interest rates		4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Cyprus inflation index		3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Running costs		€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300
Capital growth											
	Start	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property value	€ 205,153	€ 225,668	€ 248,235	€ 273,058	€ 293,538	€ 315,553	€ 339,220	€ 356,181	€ 373,990	€ 392,689	€ 412,324
Mortgage value	€ 142,779	€ 142,779	€ 142,779	€ 142,779	€ 142,779	€ 142,779	€ 142,779	€ 142,779	€ 142,779	€ 142,779	€ 142,779
Loan to value	69.60%	63.27%	57.52%	52.29%	48.64%	45.25%	42.09%	40.09%	38.18%	36.36%	34.63%
Comm. equity growth	€ 62,374	€ 82,889	€ 105,456	€ 130,280	€ 150,759	€ 172,774	€ 196,441	€ 213,402	€ 231,211	€ 249,910	€ 269,545
Guaranteed rental											
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Guaranteed rental	5.00%	€ 6,348	€ 6,570	€ 6,800	€ 7,038	€ 7,284	€ 7,539	€ 7,803	€ 8,076	€ 8,359	€ 8,651
Mortgage interest		€ 6,425	€ 6,425	€ 6,425	€ 6,425	€ 6,425	€ 6,425	€ 6,425	€ 6,425	€ 6,425	€ 6,425
Running costs		€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300
Net annual cashflow		-€ 1,377	-€ 1,155	-€ 925	-€ 687	-€ 441	-€ 186	€ 78	€ 351	€ 634	€ 926
Comm. cashflow		-€ 1,377	-€ 2,532	-€ 3,457	-€ 4,144	-€ 4,585	-€ 4,771	-€ 4,693	-€ 4,342	-€ 3,708	-€ 2,782
Variable rental											
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Variable rental	9.00%	€ 11,426	€ 11,426	€ 11,426	€ 11,426	€ 11,426	€ 11,426	€ 11,426	€ 11,426	€ 11,426	€ 11,426
Mortgage interest		€ 6,425	€ 6,425	€ 6,425	€ 6,425	€ 6,425	€ 6,425	€ 6,425	€ 6,425	€ 6,425	€ 6,425
Running costs		€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300	€ 1,300
Net annual cashflow		€ 3,701	€ 3,701	€ 3,701	€ 3,701	€ 3,701	€ 3,701	€ 3,701	€ 3,701	€ 3,701	€ 3,701
Comm. cashflow		€ 3,701	€ 7,402	€ 11,103	€ 14,804	€ 18,505	€ 22,206	€ 25,907	€ 29,608	€ 33,309	€ 37,010