



CENTRAL BANK OF CYPRUS

EUROSYSTEM

RESIDENTIAL PROPERTY PRICE INDEX

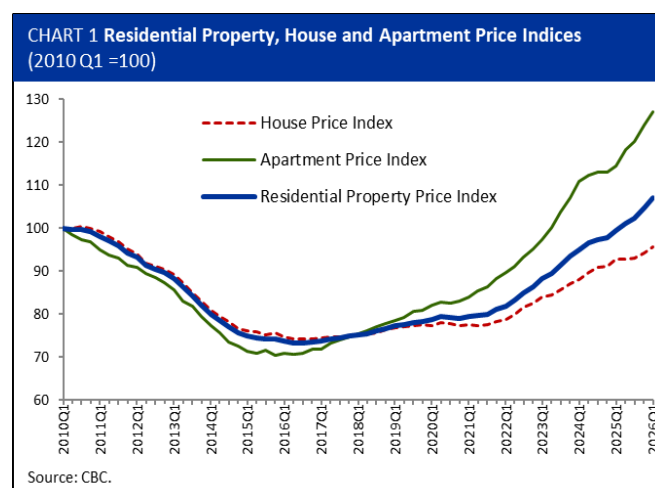
2026 Q1

Overview

The Residential Property Price Index (RPPI)¹ continued its upward trend in 2026Q1 (Table 1 and Chart 1). This is attributed to the ongoing strong demand for housing, mainly from foreign buyers and to a lesser extent from local buyers, rising construction costs, amid a gradual increase in housing supply.

- In 2026Q1, the RPPI of the Central Bank of Cyprus (CBC) recorded an accelerated annual increase (Table 1). In terms of the individual categories, the Apartment Price Index showed stronger annual growth during the same period, while the House Price Index continued to rise at a steady pace (Table 1).
- Regarding demand for real estate properties, data from the Department of Lands and Surveys (DLS) show a significant annual increase in the number of sales contracts in 2026Q1. This increase was mainly driven by foreign buyers, while domestic demand also rose, albeit to a lesser extent.
- In terms of supply for real estate properties, the upward trend in the number of approved building permits continued. According to the latest available data, a significant increase was recorded in January–February 2026 compared with the corresponding period in 2025. A gradual increase in supply is also indicated by the Business and Consumer Surveys (BSC) of the European Commission (March 2026), with the index for construction activity over the previous three months remaining at a positive level in the last two and a half years.

| TABLE 1 Overview | 2025 Q1 | 2025 Q2 | 2025 Q3 | 2025 Q4 | 2026 Q1 |
|--|--------------|--------------|--------------|--------------|--------------|
| Residential Property Price Index (2010Q1=100) | 99,6 | 101,1 | 102,3 | 104,7 | 107,1 |
| Quarterly change | 1,9% | 1,5% | 1,2% | 2,4% | 2,3% |
| Annual change | 4,8% | 4,7% | 5,0% | 7,1% | 7,5% |
| 1. (a) Property Price Index Houses (2010Q1=100) | 92,8 | 92,7 | 93,1 | 94,2 | 95,6 |
| Quarterly change | 1,8% | -0,1% | 0,4% | 1,2% | 1,5% |
| Annual change | 5,6% | 3,4% | 2,6% | 3,4% | 3,0% |
| 1. (b) Property Price Index Apartments (2010Q1=100) | 114,6 | 118,2 | 120,3 | 124,1 | 127,0 |
| Quarterly change | 1,4% | 3,1% | 1,7% | 3,2% | 2,4% |
| Annual change | 3,5% | 5,3% | 6,4% | 9,7% | 10,8% |



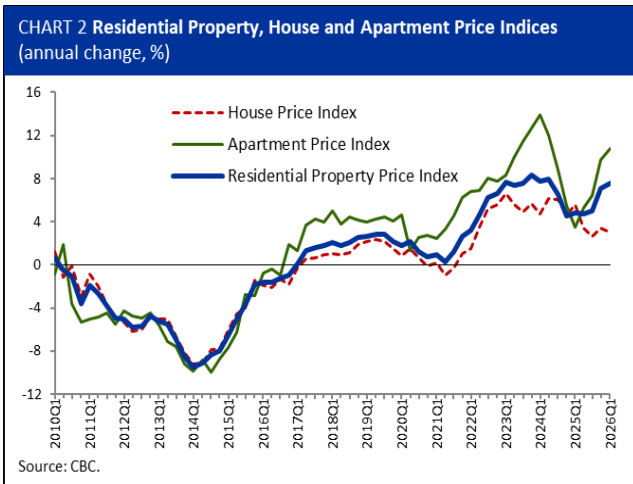
¹ The CBC RPPI is calculated by the Real Estate Unit of the Division of Economic Analysis and Monetary Policy, based on market valuations of real estate prices and a statistical methodology widely used in the international literature. It partly reflects developments in previous quarters through smoothed regression coefficients (see relevant methodology:

https://www.centralbank.cy/images/media/pdf/Methodology_EN_lates_t.pdf). Therefore, there may be a short time lag in fully capturing the pass-through of developments in the Index's turning points, both in terms of timing and the magnitude of changes in market trends.

1. Changes in the Residential Property Price Index (RPPI)

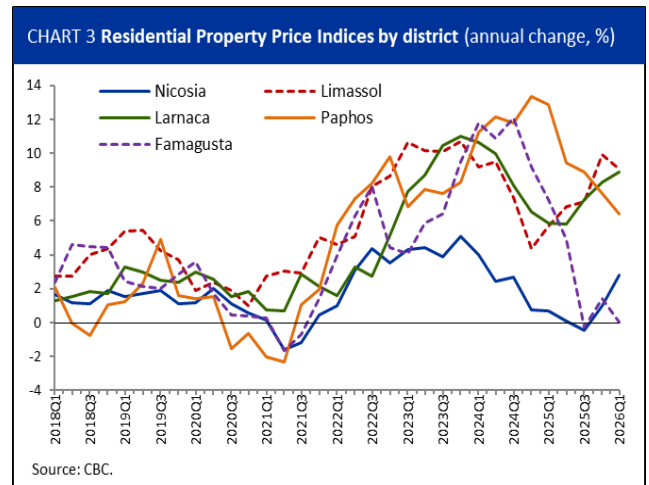
The **RPPI** (houses and apartments) recorded a quarterly increase of 2,3% in 2026Q1 compared with an increase of 2,4% in 2025Q4. This was driven by an accelerating quarterly rise of 1,5% in house prices and a moderating increase of 2,4% in apartment prices (**Chart 1** and **Table 1**, p.1).

On an annual basis, the RPPI increased by 7,5% in 2026Q1 compared with an increase of 7,1% in 2025Q4. Apartment prices recorded accelerated growth of 10,8%, while house prices showed a slight deceleration, reaching 3,0% during the quarter under review (**Table 1**, p.1 and **Chart 2**, p.2).



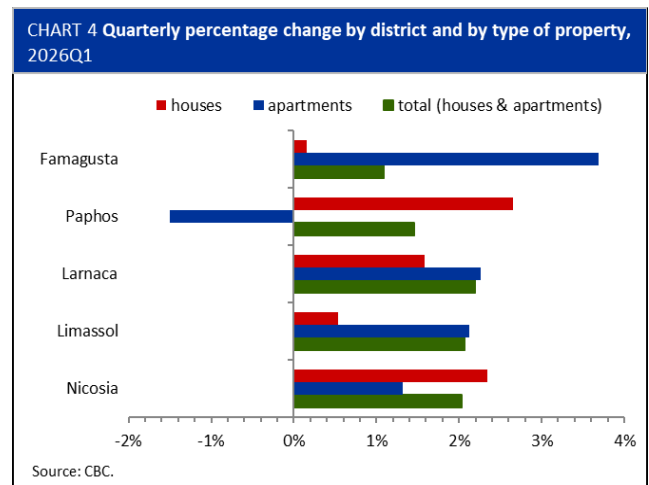
2. Price Changes by District

As regards annual changes in the Residential Property Price Indices by district, acceleration was recorded in Nicosia (2,8%) and Larnaca (8,9%), while a deceleration was observed in Limassol (9,1%) and Paphos (6,4%). In Famagusta, annual growth remained unchanged from 2025Q4 (0,0%) (**Chart 3**, p.2 and **Table 5**, p.7).



Across property types and on an annual basis, growth rate accelerated in the Apartment Price Index, while a deceleration was observed in the House Price Index. In relation to the House Price Index, annual growth slowed in Limassol, reaching 2,4%. At the same time, accelerated increases were recorded in Larnaca (5,1%) and Paphos (5,2%). In Nicosia, an annual increase was observed following consecutive declines (1,8%), while Famagusta recorded an annual decrease (-0,7%). Apartment prices exhibited accelerated growth only in Limassol (10,7%) during 2026Q1. A deceleration was observed in Larnaca (11,7%), Paphos (6,4%) and Famagusta (1,3%), while Nicosia recorded the same annual growth rate as in the previous quarter (3,0%).

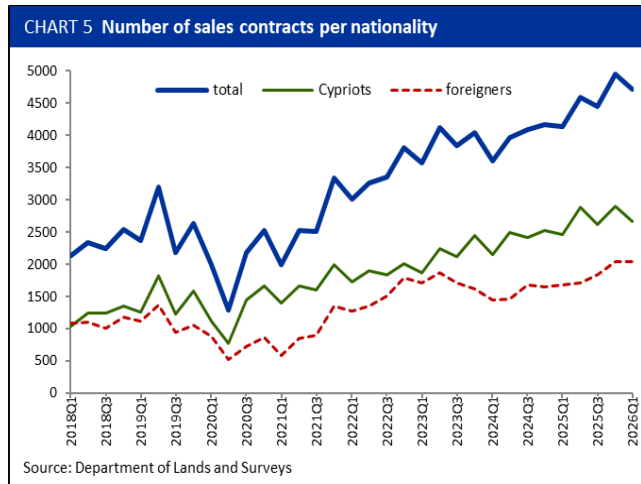
Quarterly changes in the Property Price Indices by district and property type for 2026Q1 are presented in **Chart 4**.



3. Other Market Indicators

Other real estate market-related indicators continued to reflect positive developments in demand during 2026Q1.

According to data published by the DLS, sales contracts, which cover all types of properties, recorded an annual increase of 13,8% in 2026Q1 (4.709 compared with 4.137 in 2025Q1, Chart 5 and Table 2).



The increase in sales contracts was mainly driven by foreign buyers, and, to a lesser extent, by local buyers. Specifically, during the quarter under review, the number of properties sold to foreign buyers increased by 22,3% on an annual basis (2.044 compared with 1.671 in 2025Q1, Chart 5), while the number of properties sold to local buyers recorded an annual increase of 8,1% (2.665 compared with 2.466 in 2025Q1, Chart 5).

Regarding the number of sales contracts by district, the highest number of transactions was recorded in Limassol (1.499), followed by Nicosia (1.065), Larnaca (994) and Paphos (919), while Famagusta (232) recorded the lowest number of transactions (Table 2). The share of local buyers stood at 84% in Nicosia and around 60% in Limassol and Famagusta. In Larnaca, the shares of local versus foreign buyers were broadly balanced, while foreign buyers predominate in Paphos (75%).

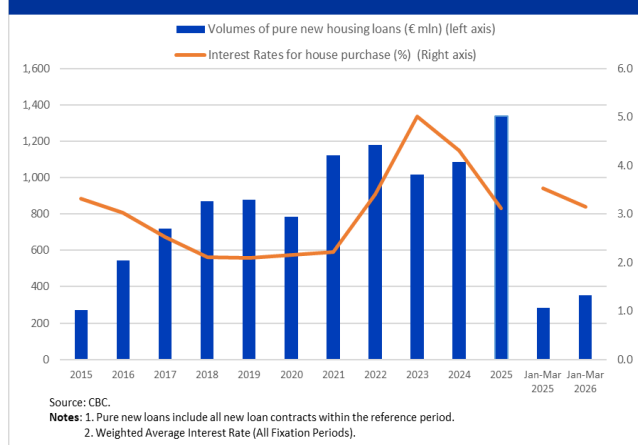
TABLE 2 Number of Sales contracts per district*, 2026Q1

| | Locals | Foreigners | | Total |
|--------------|-------------|------------|-------------|-------------|
| | | EU | Non-EU | |
| Nicosia | 891 84% | 82 8% | 92 9% | 1065 |
| Limassol | 899 60% | 163 11% | 437 29% | 1499 |
| Larnaca | 510 52% | 127 13% | 357 36% | 994 |
| Paphos | 229 25% | 264 29% | 426 46% | 919 |
| Famagusta | 136 59% | 39 17% | 57 25% | 232 |
| Total | 2665 | 675 | 1369 | 4709 |

*Percentages (%) refer to the shares of local and foreign buyers by district.

Loans to households for house purchases continued to increase at a steady pace during 2026Q1, maintaining a clearly strengthened upward trajectory. This trend was supported by the gradual decline in interest rates, which contributed to stronger demand in the real estate market. According to the latest *Monetary and Financial Statistics publication of CBC*², the volume of new housing loans increased by 24,5% on an annual basis in 2026Q1 (€353,6 million in 2026Q1 compared with €284,1 million in the corresponding quarter of 2025). The weighted average interest rate on housing loans³ dropped to 3,15% in March 2026, compared with 3,53% in March 2025 (Chart 6), reflecting the gradual easing of the ECB's monetary policy since mid-2024.

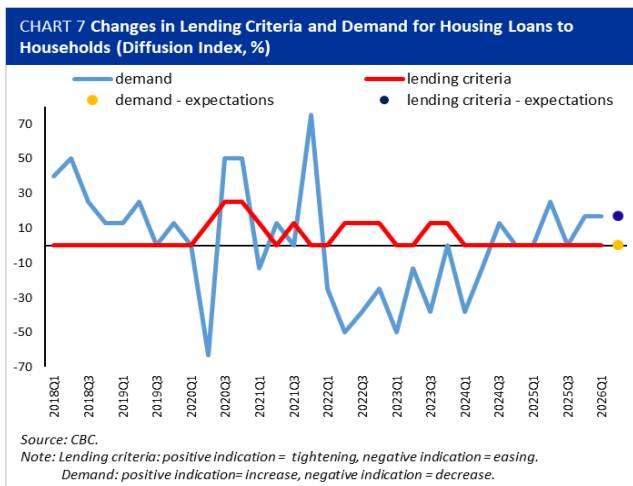
CHART 6 Volumes of pure new housing loans & Interest rates on new housing loans



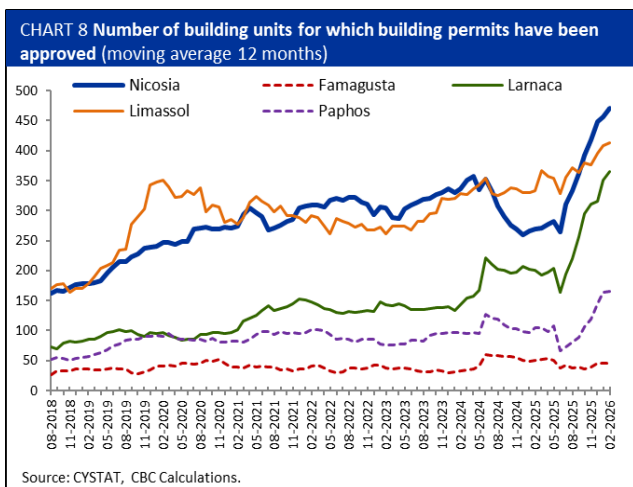
² <http://www.centralbank.cy/el/publications/monetary-and-financial-statistics%20>

³ Weighted average interest rate (All fixation periods).

A positive trend in housing loans is also reflected in the results of the *CBC’s Bank Lending Survey*⁴ (April 2026). Specifically, in 2026Q1, net demand for housing loans increased compared with the previous quarter, while the lending criteria for housing loans⁵ remained unchanged at the same strict levels (**Chart 7**). According to banks’ expectations for 2026Q2, net demand for housing loans is expected to remain at the levels observed in 2026Q1, while credit standards are anticipated to become slightly tighter.



Regarding the **supply of residential properties**, according to the latest available data from the Statistical Service of Cyprus (CYSTAT), **the number of residential units for which building permits were approved** – a leading indicator of construction activity – recorded an annual increase of 79,2% in the first two months of 2026 (from 1.932 units in



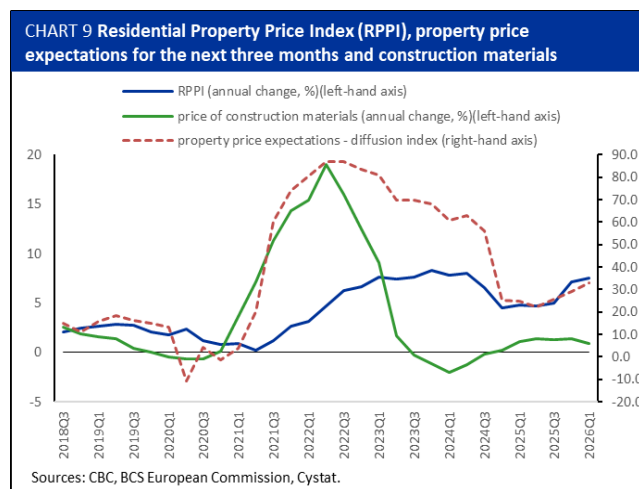
⁴ <https://www.centralbank.cy/el/publications/surveys/bank-lending-survey>

January–February 2025 to 3.463 units in the corresponding period of 2026, **Chart 8**).

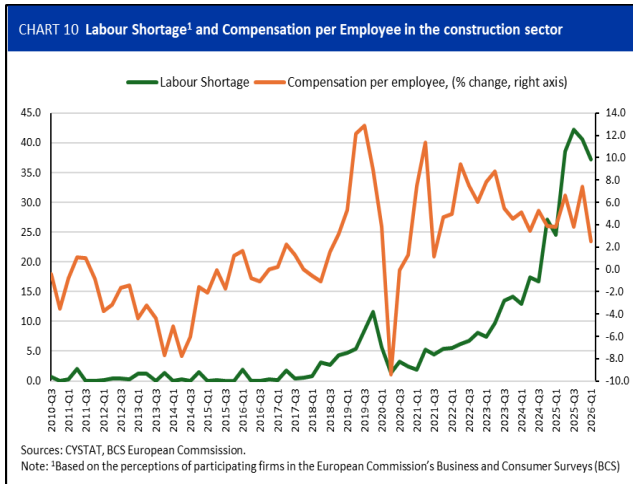
Therefore, the gradual increase in the supply of residential units is expected to continue in the medium term. According to data from the Business and Consumer Surveys (BCS) of the European Commission (March 2026), the **diffusion index for construction activity** over the previous three months remained at a positive level in 2026Q1, for the tenth consecutive quarter (3,2). This is in line with the aforementioned gradual increase in supply.

The **construction materials price index**, published by CYPSTAT, recorded a marginal annual increase of 0,9% in 2026Q1 (**Chart 9**), remaining at historically high levels in recent years, partly as a result of geopolitical developments that have also caused disruptions in the supply chain.

According to the BCS of the European Commission (March 2026), the index of **selling price expectations** over the next three months (which reflects the trend observed in residential property prices during the reference quarter), stood at a higher level in 2026Q1 (32,8) compared with the corresponding quarter of the previous year (24,6). This suggests that a larger share of respondents expect increases in property prices in Cyprus over the next three months (**Chart 9**).



⁵ Concerning the direction of changes in the credit standards, a positive value indicates a tightening of credit standards, while a negative value indicates an easing of credit standards.



Additionally, according to the same source (the BCS of the European Commission), labour shortages in the construction sector observed in recent years, based on the perceptions of participating firms, are exerting upward pressure on prices in the real estate market (**Chart 10**). These reported labour shortages are also consistent with wage increases in the sector, which have remained elevated in recent quarters compared with pre-pandemic levels (**Chart 10**).

TABLE 3 Residential Property Price Indices by type and by district
(annual and quarterly, 2010Q1 = 100)

| Year* | Quarter | Residences by type | | | Residences by district | | | | | Residential Property Price Index |
|-------|---------|--------------------|--------|-------|------------------------|-------|--------|-------------------|-------|----------------------------------|
| | | Apartments | Houses | N/sia | L/sol | L/ca | Paphos | F/sta | | |
| 2010 | - | 98,2 | 100,1 | 99,9 | 99,0 | 99,5 | 100,3 | 99,5 | 99,6 | |
| 2011 | - | 93,3 | 97,2 | 98,6 | 94,4 | 94,9 | 95,4 | 94,4 | 96,3 | |
| 2012 | - | 89,0 | 91,8 | 94,4 | 90,8 | 87,3 | 87,5 | 87,9 | 91,2 | |
| 2013 | - | 82,5 | 86,1 | 87,8 | 86,5 | 79,5 | 83,3 | 80,0 | 85,2 | |
| 2014 | - | 74,7 | 78,8 | 80,3 | 79,5 | 72,1 | 77,4 | 71,1 | 77,8 | |
| 2015 | - | 71,0 | 75,6 | 76,0 | 76,4 | 68,7 | 75,3 | 70,1 | 74,4 | |
| 2016 | - | 71,0 | 74,3 | 74,2 | 75,7 | 67,9 | 75,1 | 67,6 | 73,4 | |
| 2017 | - | 73,4 | 74,6 | 74,9 | 77,4 | 67,4 | 75,3 | 67,2 | 74,3 | |
| 2018 | - | 76,6 | 75,6 | 76,0 | 80,1 | 68,5 | 75,7 | 69,9 | 75,8 | |
| 2019 | - | 78,8 | 77,1 | 77,2 | 83,8 | 70,4 | 77,6 | 71,5 | 77,8 | |
| 2020 | - | 82,6 | 77,6 | 78,1 | 85,3 | 72,0 | 77,8 | 72,6 | 79,0 | |
| 2021 | - | 85,9 | 77,6 | 77,7 | 88,2 | 73,1 | 77,5 | 72,5 | 80,0 | |
| 2022 | - | 92,3 | 80,7 | 80,0 | 94,1 | 75,5 | 83,5 | 76,6 | 84,1 | |
| 2023 | - | 102,2 | 85,3 | 83,6 | 103,9 | 82,6 | 89,9 | 81,5 | 90,6 | |
| 2024 | - | 112,3 | 89,9 | 85,6 | 111,7 | 89,9 | 100,8 | 90,3 | 96,7 | |
| 2025 | - | 119,3 | 93,2 | 85,9 | 120,0 | 96,0 | 110,5 | 93,2 ^r | 101,9 | |
| 2026 | Q1 | 127,0 | 95,6 | 88,3 | 126,5 | 101,2 | 115,6 | 94,5 | 107,1 | |

Source: CBC.

* The annual index is calculated as the average of the four quarters of each year.

TABLE 4 Apartment and House Price Indices by district
(annual and quarterly, 2010Q1 = 100)

| Year* | Quarter | Apartments | | | | | Houses | | | | |
|-------|---------|------------|-------|-------|--------|-------------------|--------|-------|-------|--------|-------|
| | | N/sia | L/sol | L/ca | Paphos | F/sta | N/sia | L/sol | L/ca | Paphos | F/sta |
| 2010 | - | 99,3 | 97,8 | 97,1 | 97,0 | 97,1 | 100,1 | 99,4 | 100,4 | 101,4 | 100,1 |
| 2011 | - | 99,0 | 91,8 | 88,7 | 82,7 | 83,1 | 98,5 | 95,1 | 96,8 | 99,1 | 97,2 |
| 2012 | - | 95,2 | 88,3 | 82,2 | 76,9 | 76,8 | 94,1 | 91,5 | 88,7 | 90,7 | 89,7 |
| 2013 | - | 89,0 | 82,8 | 71,7 | 71,7 | 71,8 | 87,3 | 87,5 | 82,1 | 86,7 | 81,4 |
| 2014 | - | 81,5 | 74,9 | 63,8 | 67,2 | 64,1 | 79,8 | 81,1 | 74,7 | 80,7 | 72,3 |
| 2015 | - | 76,6 | 74,0 | 61,0 | 64,2 | 60,3 | 75,8 | 77,2 | 71,9 | 79,3 | 71,8 |
| 2016 | - | 75,0 | 74,6 | 61,3 | 66,0 | 57,8 | 73,9 | 76,1 | 70,8 | 78,9 | 69,4 |
| 2017 | - | 77,0 | 78,6 | 61,8 | 64,2 | 57,4 | 73,9 | 76,9 | 69,5 | 80,2 | 69,4 |
| 2018 | - | 78,9 | 84,6 | 63,5 | 67,6 | 59,5 | 74,6 | 78,4 | 70,1 | 79,8 | 72,4 |
| 2019 | - | 80,3 | 90,8 | 69,0 | 69,5 | 61,7 | 75,9 | 81,3 | 70,9 | 81,3 | 73,8 |
| 2020 | - | 82,2 | 96,3 | 71,9 | 70,0 | 62,0 | 76,4 | 81,5 | 72,0 | 80,9 | 75,7 |
| 2021 | - | 84,0 | 100,2 | 75,7 | 71,7 | 65,2 | 74,9 | 83,6 | 72,4 | 79,7 | 74,5 |
| 2022 | - | 87,6 | 108,2 | 80,3 | 79,0 | 71,0 | 76,6 | 87,7 | 73,9 | 85,3 | 77,8 |
| 2023 | - | 91,8 | 122,9 | 91,6 | 92,4 | 72,7 | 80,0 | 93,7 | 79,0 | 88,7 | 84,2 |
| 2024 | - | 95,2 | 136,7 | 104,9 | 107,3 | 84,7 | 81,3 | 99,3 | 84,1 | 98,3 | 91,9 |
| 2025 | - | 97,9 | 144,1 | 114,6 | 119,7 | 88,7 ^r | 80,0 | 105,9 | 88,1 | 106,6 | 95,0 |
| 2026 | Q1 | 100,3 | 153,3 | 121,9 | 124,6 | 90,0 | 81,9 | 107,6 | 91,3 | 110,8 | 96,0 |

Source: CBC.

*The annual index is calculated as the average of the four quarters of each year.

r: Apartments in the Famagusta District have been revised for 2025Q4.

TABLE 5 Residential Property Price Indices by type and by district
(year on year change. %)

| Year* | Quarter | Residences by type | | | Residences by district | | | | | Residential Property Price Index |
|-------|---------|--------------------|--------|-------|------------------------|------|--------|------------------|------|----------------------------------|
| | | Apartments | Houses | N/sia | L/sol | L/ca | Paphos | F/sta | | |
| 2010 | - | -2,0 | -0,8 | -0,6 | 2,1 | -1,8 | -2,6 | -4,7 | -1,1 | |
| 2011 | - | -5,0 | -2,9 | -1,3 | -4,6 | -4,6 | -4,9 | -5,1 | -3,3 | |
| 2012 | - | -4,6 | -5,6 | -4,3 | -3,8 | -8,1 | -8,2 | -6,9 | -5,3 | |
| 2013 | - | -7,3 | -6,2 | -7,0 | -4,8 | -8,9 | -4,8 | -8,9 | -6,5 | |
| 2014 | - | -9,4 | -8,5 | -8,5 | -8,0 | -9,3 | -7,0 | -11,2 | -8,8 | |
| 2015 | - | -4,9 | -4,0 | -5,3 | -4,0 | -4,6 | -2,7 | -1,4 | -4,3 | |
| 2016 | - | -0,1 | -1,8 | -2,4 | -0,9 | -1,2 | -0,4 | -3,6 | -1,4 | |
| 2017 | - | 3,3 | 0,5 | 0,9 | 2,2 | -0,8 | 0,3 | -0,6 | 1,2 | |
| 2018 | - | 4,4 | 1,2 | 1,5 | 3,5 | 1,6 | 0,6 | 4,0 | 2,1 | |
| 2019 | - | 4,2 | 2,0 | 1,6 | 4,7 | 2,8 | 2,5 | 2,3 | 2,6 | |
| 2020 | - | 3,5 | 0,7 | 1,2 | 1,8 | 2,2 | 0,2 | 1,5 | 1,5 | |
| 2021 | - | 4,1 | 0,0 | -0,5 | 3,4 | 1,6 | -0,4 | -0,2 | 1,2 | |
| 2022 | - | 7,4 | 3,9 | 3,0 | 6,6 | 3,2 | 7,8 | 5,7 | 5,2 | |
| 2023 | - | 10,6 | 5,7 | 4,4 | 10,4 | 9,5 | 7,7 | 6,5 | 7,7 | |
| 2024 | - | 10,0 | 5,4 | 2,5 | 7,6 | 8,8 | 12,1 | 10,7 | 6,7 | |
| 2025 | - | 6,2 | 3,7 | 0,3 | 7,4 | 6,8 | 9,7 | 3,3 ^r | 5,4 | |
| 2026 | Q1 | 10,8 | 3,0 | 2,8 | 9,1 | 8,9 | 6,4 | 0,0 | 7,5 | |

Source: CBC.

*The annual index is calculated as the year-on-year change of the four quarters average of each year.

TABLE 6 Apartment and House Price Indices by district
(year on year change. %)

| Year | Quarter | Apartments | | | | | Houses | | | | |
|------|---------|------------|-------|------|--------|------------------|--------|-------|------|--------|-------|
| | | N/sia | L/sol | L/ca | Paphos | F/sta | N/sia | L/sol | L/ca | Paphos | F/sta |
| 2022 | Q1 | 3,4 | 6,9 | 2,4 | 10,2 | 8,3 | -0,2 | 2,1 | 1,3 | 4,0 | 2,4 |
| 2022 | Q2 | 4,5 | 6,5 | 5,3 | 10,3 | 9,8 | 2,4 | 3,4 | 2,5 | 6,2 | 4,8 |
| 2022 | Q3 | 4,9 | 9,0 | 7,2 | 11,9 | 12,9 | 4,1 | 6,7 | 1,1 | 7,4 | 6,5 |
| 2022 | Q4 | 4,3 | 9,3 | 9,4 | 8,6 | 5,1 | 2,9 | 7,1 | 3,3 | 10,4 | 4,2 |
| 2023 | Q1 | 4,4 | 10,4 | 12,3 | 10,3 | 2,4 | 4,2 | 9,4 | 5,8 | 5,7 | 5,0 |
| 2023 | Q2 | 4,2 | 13,9 | 13,1 | 16,3 | 2,5 | 4,8 | 6,5 | 6,3 | 4,7 | 7,4 |
| 2023 | Q3 | 4,6 | 14,9 | 13,4 | 18,5 | -1,8 | 3,8 | 5,1 | 8,3 | 3,1 | 9,5 |
| 2023 | Q4 | 5,7 | 15,2 | 17,2 | 22,2 | 6,5 | 5,0 | 6,5 | 7,7 | 2,6 | 10,9 |
| 2024 | Q1 | 5,1 | 16,5 | 18,1 | 21,4 | 16,5 | 3,6 | 3,9 | 6,6 | 7,1 | 10,6 |
| 2024 | Q2 | 4,3 | 13,3 | 16,8 | 17,7 | 16,5 | 1,3 | 7,7 | 7,0 | 10,1 | 9,4 |
| 2024 | Q3 | 3,3 | 10,2 | 15,1 | 14,4 | 19,2 | 2,1 | 7,4 | 6,1 | 11,4 | 8,5 |
| 2024 | Q4 | 2,6 | 5,5 | 8,7 | 12,1 | 14,2 | -0,4 | 5,1 | 6,1 | 14,7 | 7,8 |
| 2025 | Q1 | 3,1 | 2,6 | 7,1 | 13,8 | 7,2 | -1,2 | 9,1 | 6,0 | 12,7 | 8,0 |
| 2025 | Q2 | 2,6 | 4,8 | 8,2 | 8,0 | 4,5 | -1,6 | 6,0 | 4,2 | 9,8 | 5,7 |
| 2025 | Q3 | 2,6 | 5,0 | 9,6 | 10,5 | 5,9 | -2,7 | 5,5 | 4,2 | 7,4 | -1,6 |
| 2025 | Q4 | 3,0 | 9,3 | 12,2 | 13,6 | 1,5 ^r | -1,3 | 6,0 | 4,5 | 4,0 | 1,9 |
| 2026 | Q1 | 3,0 | 10,7 | 11,7 | 6,4 | 1,3 | 1,8 | 2,4 | 5,1 | 5,2 | -0,7 |

Source: CBC.

r: Apartments in the Famagusta District have been revised for 2025Q4.

Notes:

The Residential Property Price Index (RPPI) and related residential property price indices and sub-indices presented in this report are produced by the Real Estate Unit (REU) of the Division Economic Analysis and Monetary Policy of the Central Bank of Cyprus (CBC).

Data for the period 2006-2009 were collected retrospectively from a number of credit institutions. From 2010 onwards, the data have been collected by the CBC from member banks of the Association of Cyprus Banks (Bank of Cyprus, Eurobank, Alpha Bank, National Bank of Greece, Cyprus Development Bank, Société Générale, and Ancoria Bank), as well as the Cyprus Asset Management Company, in standardised form via an online data submission platform.

The partnered credit institutions obtain the relevant information from property surveyors in the context of mortgage lending, loan restructurings, and property revaluations. The valuations are sourced from more than 100 property survey offices across Cyprus, contributing to the impartiality of the indices. The data collected are representative of the residential property market in Cyprus, covering the whole of the government-controlled territory of the Republic of Cyprus (districts of Nicosia, Limassol, Larnaca, Paphos and Famagusta) and include all types of residential properties (houses and apartments).

All the estimated indices have been rebased so that the first quarter of 2010 equals 100. The aggregate RPPI is calculated as the weighted sum of the two indices by property type (houses and apartments).

Change in the weighting method to calculate the aggregate indices: In 2015Q1, the weighting methodology was revised. The House and Apartment Price Indices are now weighted based on the total value of properties included in the sample over the previous four quarters. This change provides a more representative allocation between houses and apartments in the Cypriot housing market. Previously, the indices were aggregated using the number of observations (valuations) over the last four quarters. Similarly, the aggregate RPPI is calculated using as weights for the residential property price indices by district the summation of the value of the observations of the last four quarters in each respective district. This change in the weighting method was suggested by the IMF as part of an evaluation exercise of the RPPI, in the context of the implementation of the Memorandum of Understanding. The evaluation was carried out in the context of the possible use of the indices for updating the property values of the General Valuation (1 January 2013) undertaken by the Department of Lands and Surveys.

As a result of the change in the weighting methodology, the RPPI has been revised for both the historical series (2006-2009) and the new series (from 2010 onwards). In the new series, the aggregated house and apartment indices, as well as the residential property price indices by district, have also been revised. It is worth noting that the change in the weighting methodology did not significantly affect either the level of the indices or their growth rates.

Furthermore, in 2019Q1 the indices were revised from 2017Q1 onwards, following the exclusion of certain observations from the sample. These observations were examined and assessed as not reflecting open market values. This adjustment ensures consistency in the construction of the indices in accordance with international standards. These revisions did not materially affect the indices or their growth rates.

The hedonic methodology is used for the construction of the indices. In cases where the number of observations per quarter in a particular district is insufficient for the implementation of the hedonic method, the simple average method is applied. Further details about the methodology and other relevant information are available on the CBC's website, at http://www.centralbank.cy/images/media/pdf_el/Methodology_GR_.pdf.

The current report is available at: <https://www.centralbank.cy/el/publications/residential-property-price-indices>.

For further information and/or clarifications please contact the Real Estate Unit of CBC at RealEstate@centralbank.cy.