



ATHENS MARKET REPORT

The Greek economy grew by 2.1% y-o-y in the first quarter of 2024, from 1.3% in Q4-2023, regaining momentum after a subdued H2-2023, due to a temporary weakening in fixed capital investment and flood-related agricultural production losses.

The key drivers of growth were private consumption and, to a lesser extent, investment, while government consumption dropped markedly.

Net trade had a negative contribution to GDP, as exports of goods declined considerably and imports of goods and services increased.

Macro Figures

Following the pandemic and energy crises, the credibility of monetary policy and the rapid recovery of aggregate supply have driven down inflation, aiding the euro area economy rebound in Q1-2024 after posting negative growth in the fourth quarter of 2023.

Amid this environment, the Greek economy continues to grow in the course of 2024 at a satisfactory pace. Headline inflation keeps falling, the labour market remains strong and fiscal aggregates are improving. Annual HICP headline inflation in the euro area ticked down to 2.5% in June 2024 from 2.6% in May. Core inflation remained unchanged at 2.9%.

Greek Economy Overview

Following a very strong post pandemic recovery, in 2023, real GDP growth was still high at 2%. It remains well above Greece's long-term growth potential and the euro area average. Economic activity was driven by private consumption, that benefitted from rising real disposable incomes, by investment in construction, and by net exports, while inventories were a drag on growth.

Inflation, as measured by the HICP, averaged 4.2% in 2023, down from 9.3% in 2022. Strong disinflation is attributed solely to the energy component. According to available data for the first five months of 2024, food, non-energy industrial goods and services inflation has fallen considerably from the corresponding 2023 levels. Moreover, energy inflation remains in negative territory.

Indicators	2023	2024	2025
GDP growth (% yoy)	2.0	2.2	2.3
Inflation (% yoy)	4.2	2.8	2.1
Unemployment (%)	11.1	10.3	9.7
General government balance (% of GDP)	-1.6	-1.2	-0.8
Gross public debt (% of GDP)	161.9	153.9	149.3
Current account balance (% of GDP)	-5.8	-5.2	-4.8

Source: ec.europa.eu



Source: ELSTAT, year of reference 2015

📈 Private consumption increased at a steady pace of 2.2% y-o-y in Q1-2024, on the back of supportive labour market conditions, rising non-labour income, and accelerating consumer credit which rose to 4.5% y-o-y in March 2024, compared to 3.4% in December 2023.

↑ The total nominal compensation of employees was up by 5.6% y-o-y and by 2.5% y-o-y in CPI-deflated terms in Q1-2024, reflecting an increase in employment of 1.6% y-o-y in this quarter and an ongoing catch-up in real wages. The positive attribution of wealth rising effects related to real estate and financial asset prices was also significant, with house prices up by 10.4% y-o-y in Q1-2024 and 13.8% y-o-y in FY-2023.

✅ Business activity would have been even stronger, without the persistent drag from the flood affected agricultural sector, which resulted in a heavy 17.3% y-o-y fall in Q4-2023.

↑ Annual HICP headline inflation in Greece ticked up to 2.5% in June 2024 from 2.4% in May. The most important development in June 2024 was the significant increase in services inflation (to 4.4% from 3.3%) which offset the remarkable decline in unprocessed food inflation (to -1.7% from 2.2%). Core inflation increased significantly to 3.4% in June 2024 from 2.8% in May 2024 because of a higher annual rate in services.

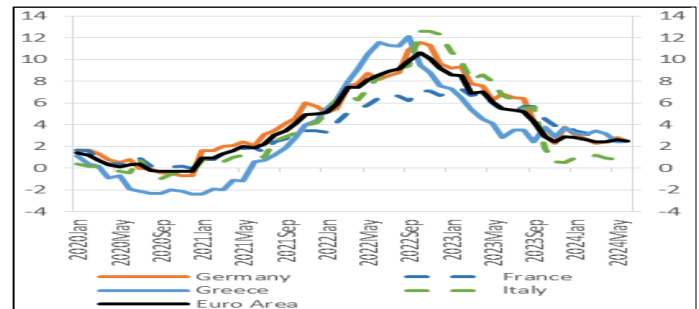
↑ The Economic Sentiment Indicator (ESI) edged further upwards to 109.8 in April-May 2024, compared with 106.9 in Q1-2024, and a FY-2023 average of 107.6. The improvement in sectoral confidence, as regards ESI components, was broad-based reflecting a positive assessment of current demand conditions, in most sectors, as well as prospects of higher business activity and export levels in the coming months.

↑ Conjunctural indicators have also shown signs of increasing Dynamism. Employment growth accelerated to 3.6% y-o-y in April from 1.6% in Q1-2023, with the number of job vacancies spiking to an all-time high. Business turnover surged by 16.1% y-o-y in April from +1.8% y-o-y in Q1-2024 and -3.8% in FY-2023, and International arrivals to the Athens International Airport rose by 22.3% y-o-y in April-May, from 19.4% in Q1-2024.

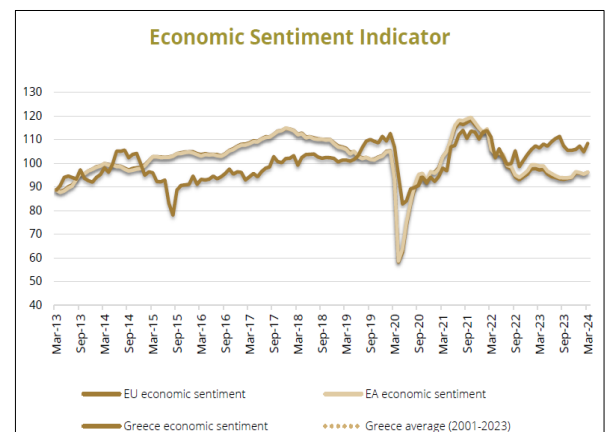
With geopolitical stakes still high because of the ongoing war in the Gaza district, positive dynamics in tourism, improved business environment and a declining differential cost of financing, kept the Greek economy moving in a satisfactory growth rate. Greek banks are in a better position than in the past to withstand potential shocks, with the liquidity and funding conditions significantly improved.

With pent-up demand largely exhausted, private consumption is now mainly supported by rising real income and it is set to increase at a slightly lower rate in 2024. The projected gradual easing of financing conditions and the accelerated implementation of RRP-related projects are forecast to stimulate gross fixed capital formation, which is expected to pick up from 4.0% in 2023 to 6.7% in 2024, with GDP expected to grow by 2.2% in 2024. In 2025, economic growth is projected at 2.3%, with investment being the key contributor to output growth, while household spending is likely to be further supported by a rise in real income.

↓ Annual HICP headline inflation in the euro area ticked down to 2.5% in June 2024 from 2.6% in May. This is due to declines observed in unprocessed food and in energy while the other three components remained unchanged. Core inflation (HICP excluding energy and food) remained unchanged at 2.9%.



HICP Headline inflation, annual changes %, Source: Eurostat, Latest observation June 2024



Source: IOBE, European Commission

Inflation slowed further in May, at +2.4% y-o-y from +3.1% in Q1-2024, and is expected to decelerate towards 2% in the coming months, supporting household's real disposable income growth.



OFFICE MARKET REPORT

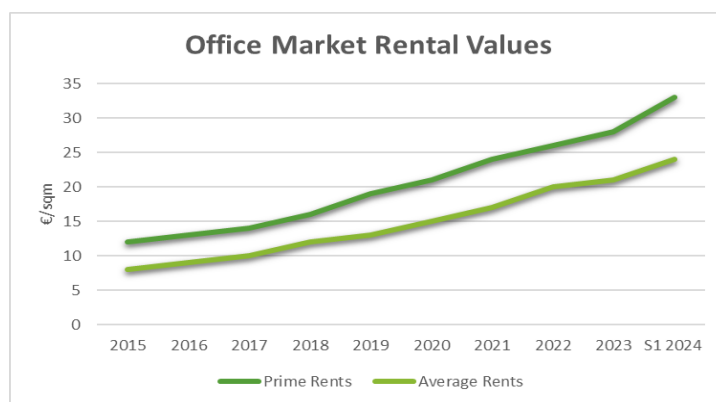
OVERVIEW

The market fundamentals in the office sector in Greece are still strong, moving in the opposite direction of other European markets.

The demand for Class A office space remains strong. In addition, there is a backlog of new projects for certified offices, which will partially satisfy the ongoing demand. The sector maintains optimistic projections for the next five years, driven by a growing national economy and an influx of new investors seeking assets that meet ESG criteria.

The prolonged economic crisis (2008-2017), coupled with the 2020 health crisis, has left the market with an unmet demand for modern, energy-efficient office buildings. This is due to a reduced stock of such spaces, while the demand for older office spaces continues to vary significantly depending on their location.

Green office spaces dominate the Greek Market 75% of rental agreements concern high-end buildings

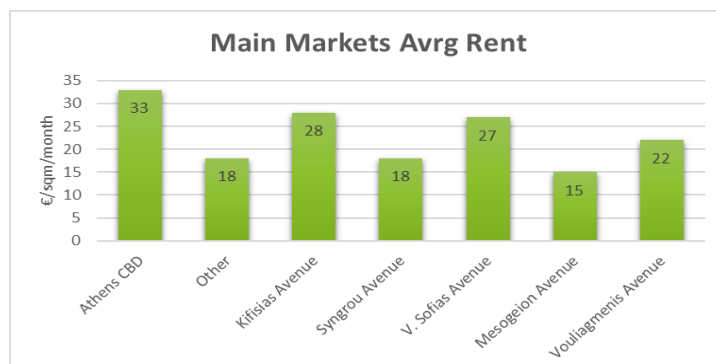


Source: Danos, an alliance member of BNP Paribas Real Estate

ATHENS OFFICE MARKET

Athens remains one of the most affordable capitals in Europe for renting modern office spaces. This affordability, coupled with significant investments in developing new, predominantly green office buildings and upgrading parts of the existing stock, creates substantial expectations for attracting foreign companies to establish their headquarters in the city.

Increasingly, office users, whether renting or owning their properties, are willing to pay higher rents or invest funds to comply with the EU's green sustainability requirements.



Source: Danos, an alliance member of BNP Paribas Real Estate

Additionally, companies aim to enhance their attractiveness to employees by improving the working environment of their office buildings, especially at a time when finding and retaining staff in most business sectors is a significant challenge.

According to Danos Group’s data, 75% of rental agreements concern high-end buildings, that usually offer quality facilities and high energy efficiency. By the end of 2024, it is estimated that an additional 125.000 sqm will be added to the existing green stock, and by the end of 2026, it is predicted that a further 210.000 sqm will have been developed in total.

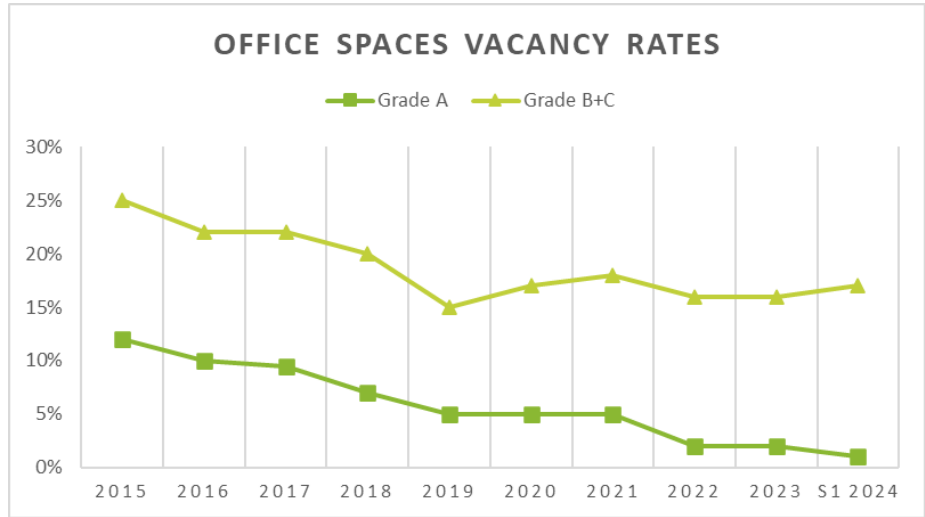
The volume of new investments for developing new office buildings is now significant, pushing sales interest upwards in primary markets and narrowing lower interest in secondary markets, as depicted in CPS’s survey data.

Adapting to hybrid workplace concepts will be a key management task

Office investment volumes recorded € 58 million in Q1 2024, with only one transaction involving an institutional investor, reflecting their cautious approach due to high interest rates. Most transactions were for self-occupation purposes.

Notable transactions included the sale of Cecil in central Kifissia to Laskaridis Shipping Company, the acquisition of a 1,681 sqm office building at 7 Irakleitou Street by Trastor, and Prodea REIC's purchase of a land plot in Marousi.

Investor sentiment is improving across the market, driven by growing optimism about the economic outlook and expectations of declining interest and swap rates.





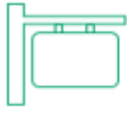

Source: Danos, an alliance member of BNP Paribas Real Estate

Yields	Locations
5,7%-6,5%	Grade A Prime Locations
7%-7,5%	Grade B Prime Locations
8%-8,5%	Grade B Secondary Locations

MARKET TRENDS GRADE A' OFFICES

RENTALS	➔
YIELD	➔
VACANCY RATE	➘
ABSORPTION	➔

KEY FIGURES S1 2024

			
2.590.000 SQM- TOTAL SUPPLY	18.350 SQM- NEW OFFICE SUPPLY	8% AVRG VACANCY RATE	€58 MIL INVESTMENTS IN S1 2024



ATHENS RETAIL MARKET REPORT

OVERVIEW

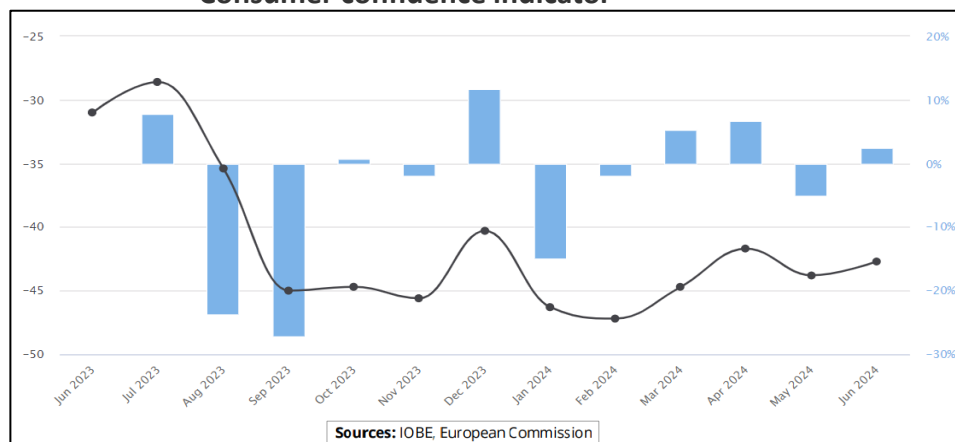
Consumer confidence

Consumer confidence in Greece for 2024 showed a fluctuating yet generally improving trend: starting at -46.3 points in January, dipping to -47.2 in February, then rising to -44.7 in March, -41.7 in April, -43.8 in May, and -42.7 points in June. Historically, from 1985 to 2024, Greece's consumer confidence averaged -32.57 points, peaking at 0.50 points in April 2000 and hitting a record low of -81.30 points in February 2012.

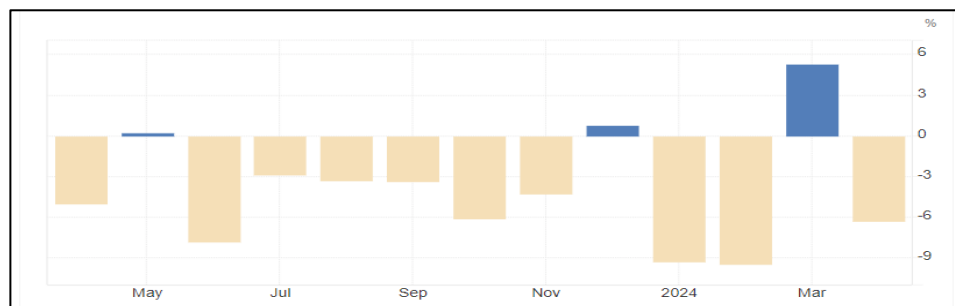
Retail Sales in Greece

Retail trade in Greece dropped by 6.3% in April 2024, following a 5.3% gain in the previous month. Declines were recorded in sales of food, beverages & tobacco (-23.6% vs 14.2% in March), furniture, electrical & household equipment (-9.7% vs -12.3%), supermarkets (-8% vs 10.2%), books, stationary & other goods (-4.3% vs -5.4%), automotive fuel (-1.5% vs 8%), and clothing & footwear (-0.5% vs 9.4%).

Consumer confidence indicator



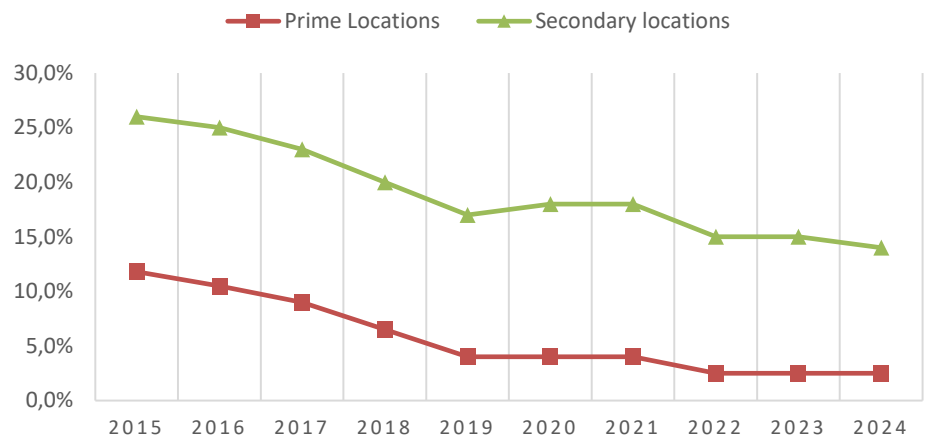
Retail Sales in Greece / (Apr 2023 - Apr 2024)



At the same time, sales grew for pharmaceutical products & cosmetics (4.4% vs 15.6%) and department stores (4% vs 4.4%).

retail market vacancy rates

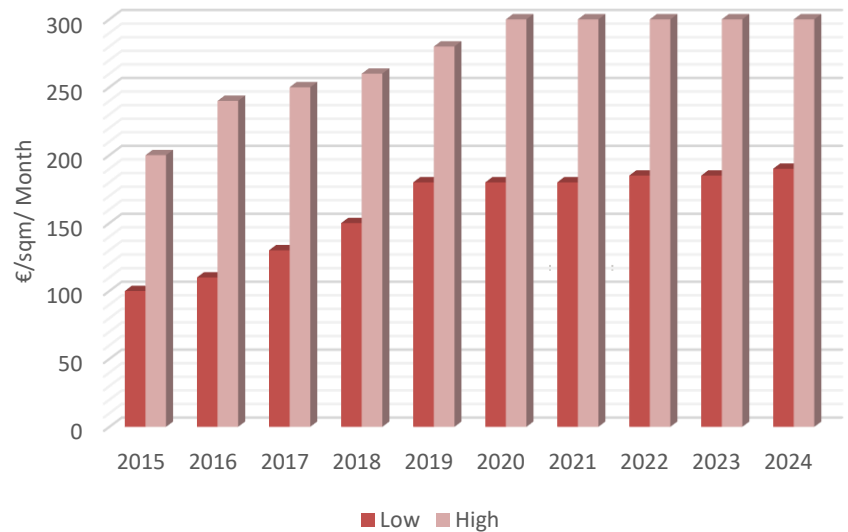
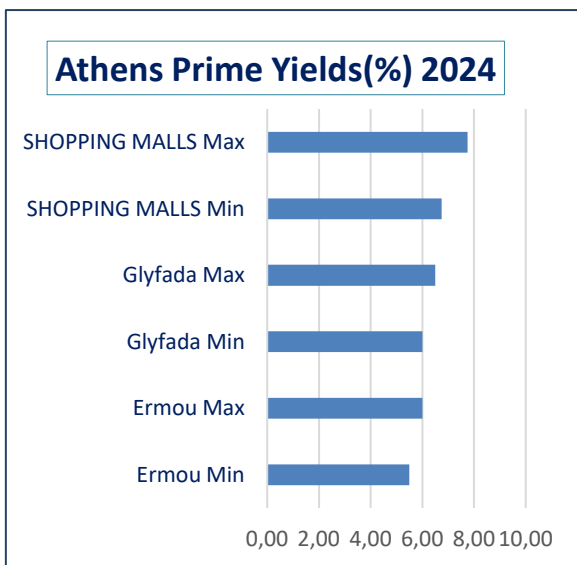
MARKET TRENDS PRIMARY RETAIL LOCATIONS	
RENTALS	➔
YIELD	➔
VACANCY RATE	➔
ABSORPTION	➔



Source: Danos an alliance member of BNP Paribas Real Estate

Main yields: Main yields: The yields in the high streets for 2024 in the higher rates in the shopping malls 6.75% -7.75% and the lower rates in Ermou street 5.5%-6%. Prime locations so far seem to be resilient and show stability in the short term.

Retail Average Rents



Source: Danos an alliance member of BNP Paribas Real Estate

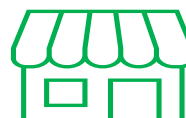
KEY FIGURES S1-2024



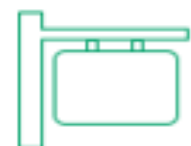
€40/SQM
MALLS
AVERAGE
MONTHLY
RENTS



€13/SQM SUPER
MARKET
AVERAGE
MONTHLY RENTS



€25/SQM
SECONDARY HIGH
STREET AVERAGE
MONTHLY RENTS



13% AVRG
VACANCY RATE



LOGISTICS MARKET REPORT

OVERVIEW

Greece's demand for logistics real estate is still very high due to the country's robust e-commerce and data center industries. Base rents for big, contemporary and sustainable assets are rising, while yields are becoming more condensed.

Investors are being forced to seek new developments due to the ongoing shortage of modern logistics stock. For the remainder of the year, we anticipate further yield compression due to the demand from investment funds, that focus on the logistics industry.

LOGISTICS MARKET

The e-commerce era has brought significant changes in the way we perceive the consumer experience. The Logistics sector and the overall transit industry have immense scope for development and growth in Greece.

The forecast for 2024 anticipates a continued rise in demand and rental rates, albeit at a slower pace, with yields expected to increase around 7%. Greece holds unique long-term potential, especially if it can establish itself as a transportation hub in Southeast Europe and a key link between Western Europe and Asia.

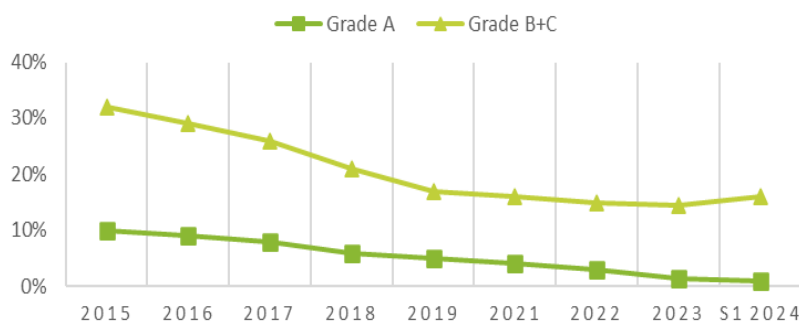
The pandemic, which emerged in March 2020, significantly catalyzed the sector's development.

Investments to Transform Greece into a Global Logistics Gateway - More than 250.000 square meters of new logistics buildings are estimated to be delivered by 2024.

TAKE UP OF INDUSTRIAL PROPERTIES

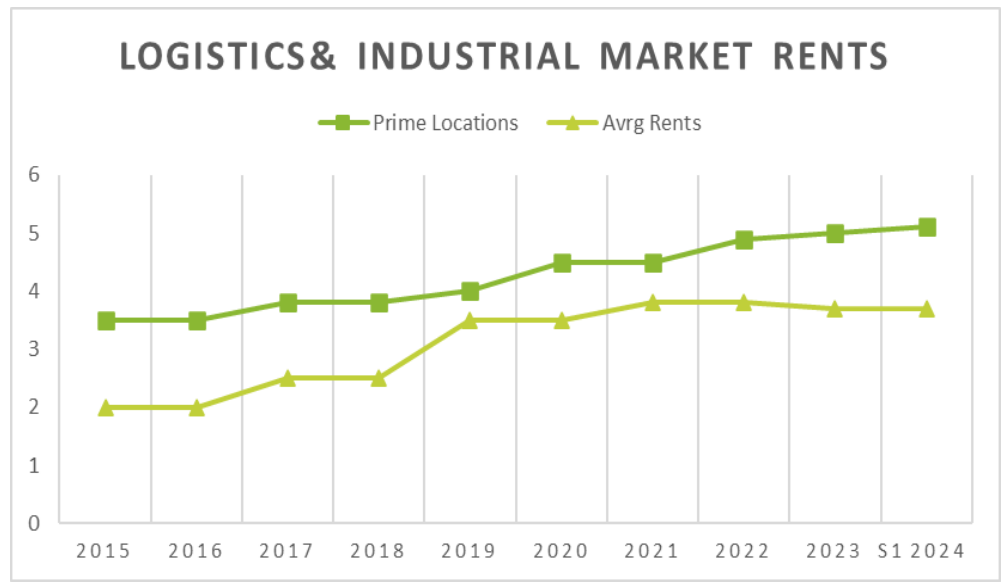


VACANCY RATES LOGISTICS & INDUSTRIAL SPACES



Source: Danos, an alliance member of BNP Paribas Real Estate

REICs in Greece are mainly interested in prime logistics, in locations such as Aspropyrgos and Magoula, which has been growing due to high demand. Secondary sites like Oinofyta and Markopoulo are now more in demand as a result of the ever-growing prices in the above mentioned major spots of interest. The port of Piraeus has outpaced other Mediterranean ports, while interest for ports in northern Greek ports such as Thessaloniki, Volos, and Alexandroupoli. Gradually, Piraeus is evolving into a key hub for the Balkans.




Source: Danos an alliance member of BNP Paribas Real Estate

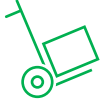
The number of 3PL warehouses is rising, and the 3PL businesses are investing heavily in new systems, technologies and facilities, that are both modern and environmentally friendly.

	MARKET TRENDS LOGISTICS			
	RENTS	YIELDS	DEMAND	SUPPLY
GRADE A				
GRADE B				


KEY FIGURES S1-2024




€5,2/SQM
PRIMARY
LOCATION
RENTS



€3,5/SQM
SECONDARY
LOCATION
RENTS



4% AVRG
VACANCY
RATE



€ 34 MIL
INVESTMENTS
IN S1 2024



RESIDENTIAL MARKET REPORT

OVERVIEW

According to the apartment price indices published by the Central Bank, the housing market across the country continues to exhibit robust annual price growth. However, there has been a noticeable slowdown in this growth during the last quarters of 2023.

In 2023, the housing market in the country is experiencing substantial price growth, with apartment prices rising by 13.4% year-on-year. This marks an increase from 11.9% in 2022 and 7.6% in 2021.

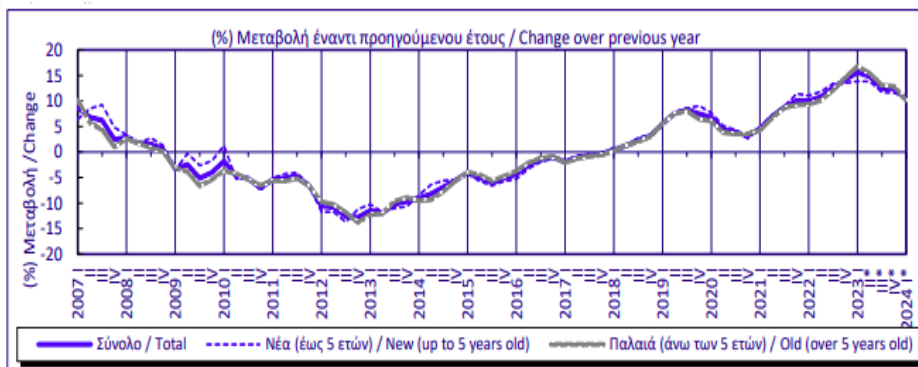
The prices of old apartments (over 5 years old) in 2023 increased at an average annual rate of 14.2%, slightly higher than that of new apartments (12.4%).

Residential rental prices have followed a similar trend, with the average asking price reaching €9.85 per square meter, reflecting a notable double-digit increase.

RESIDENTIAL MARKET

In the first quarter of 2024, apartment prices across the country experienced an annual growth rate of 10.4%. Regionally, this growth varied, with Athens recording a 9.4% increase, Thessaloniki seeing a 12.2% rise, other cities experiencing a 10.3% increase, and other areas of Greece registering a 12.1% growth.

During the second quarter of 2024, the prices increased by 12.45% and based on the data processing of the SPI price index of Spitogatos, the average asking price of residential sales was 2,410 euros/sqm, against 2,143 euros/sqm in the corresponding period of 2023.



Source: Greek Central Bank

In nominal terms during April – May – June 2024 the average price for houses for sale was highest in the southern suburbs of Athens, at €3,750 per sqm. The biggest increase in this quarter compared to the previous year was recorded in Piraeus with 28.9% .

More specifically, in the first quarter of 2024, the year-on-year rate of increase in prices was 10.8% for new apartments (up to 5 years old) and 10.1% for old apartments (over 5 years old).

In the first quarter of 2024, apartment prices in urban areas across the country are estimated to have risen by an average of 10.8% year-on-year. This compares to a revised average annual increase of 14.1% for the year 2023.



HOTEL & TOURISM MARKET REPORT

OVERVIEW

The year 2024 has seen Greece climb the ranks in terms of hospitality investments. The value of hotel investments in Greece rose to €3 billion in 2023, reflecting a 23% increase compared to the previous year. This growth is attributed to the robust tourism sector that has been developing in Greece over the past decade, which has consistently attracted a high influx of visitors, boosting the demand for quality accommodation.

Comparatively, Greece outpaces many of its European counterparts in attracting foreign investments into developing its hospitality industry. Countries like Spain and Italy, though traditionally strong in tourism, have seen slower growth in hotel investments – specially from foreign capital. Greece's proactive policies and investor-friendly environment have made it an attractive destination for international hotel brands and developers seeking a safe investment with a high yield. According to the Greek National Tourism Organization, significant investments have been concentrated in the capital, Athens, with over €500 million invested in new hotels and renovations,

Major hotel chains and luxury brands expanding their presence, recognizing the long-term potential of Greece's hospitality sector. Greece's tourism sector presents promising prospects for real estate investors in 2024. The country's appeal as a top travel destination continues to grow, as evidenced by the numbers from 2023, offering ample opportunities for property owners to generate significant profits. The tourism and hospitality sector plays a pivotal role in Greece's economy, contributing approximately 20% to the total GDP. The potential for high occupancy rates and attractive rental yields makes Greece an ideal market for real estate investments.

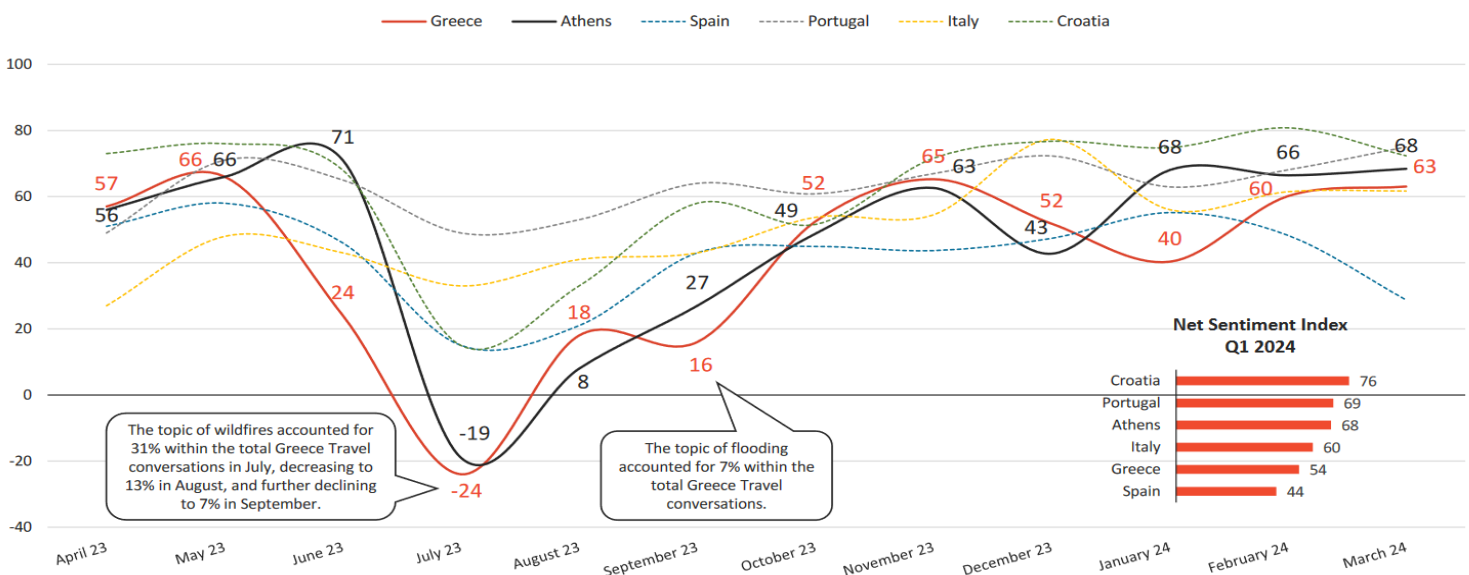
Athens Hotel & Tourism Market

In the first quarter of 2024, Greece's overall Net Sentiment Index remained relatively stable compared to the previous quarter, positioning the country fourth among the benchmark countries, behind Croatia, Portugal, and Italy. Athens saw a rise in positive sentiment, ranking just after Portugal.

Monthly trends indicate a decline in the NSI in January, dropping from 52 points in December 2023 to 40 points. This decrease was influenced by traveler reports of overcharging in restaurants and travel influencers highlighting high prices in Mykonos. However, Greece's sentiment rebounded swiftly, showing an improvement in February and continuing to rise towards the end of the first quarter.

Net Sentiment Index

TRENDS FOR GREECE'S ONLINE REPUTATION



Source: INSETE –SETE INSTITUTE

Pipeline - Main transaction & development

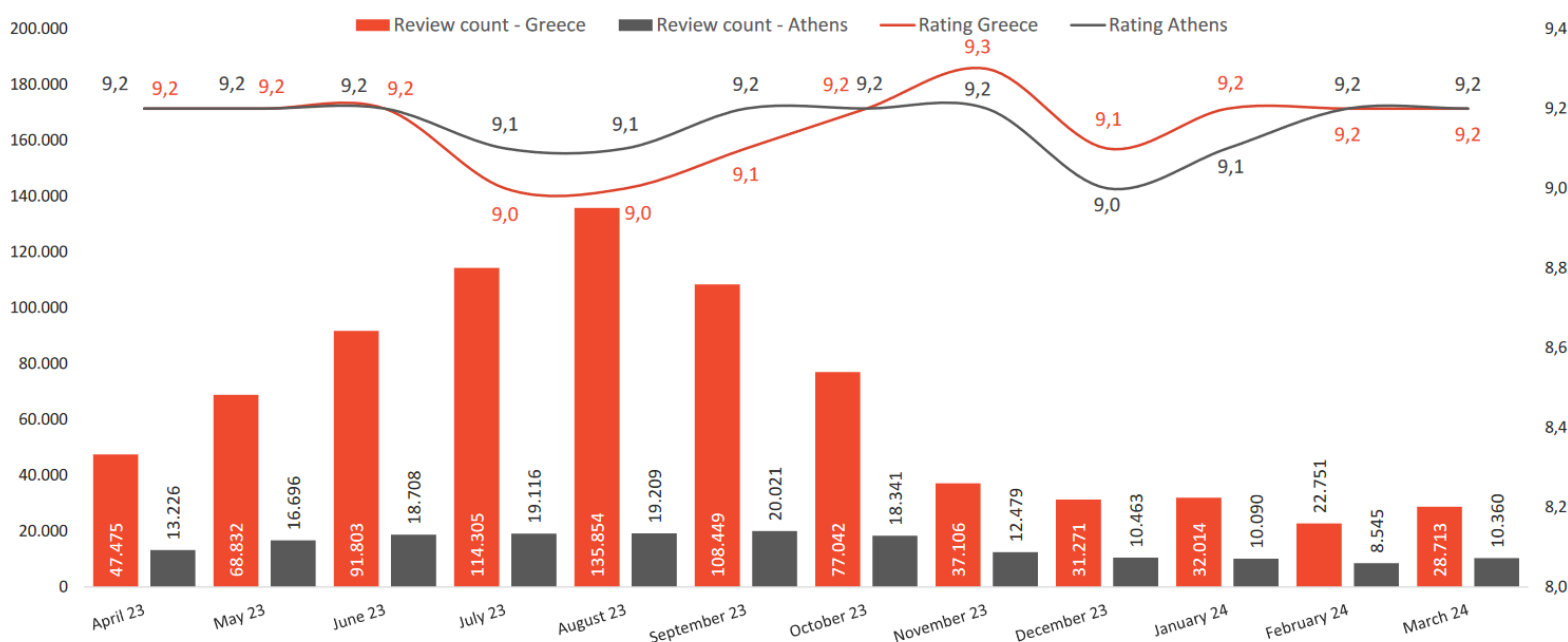
The expectations in the market remain high and there is vivid activity in the sector with new openings and new developments. Among others:

- ✓ Attica Group announced in April 2024 that it acquired the 3* Galaxy Hotel in Naxos offering 54 rooms for € 14 million, through its subsidiary Attica Blue Hospitality. The hotel is situated next to Naxos Resort Beach Hotel which was acquired in 2021 by the Group for € 6,5 million
- ✓ In February 2024, two hotels have been acquired by a new hotel group - G Hotel Collection. The group secured the 5-star Serita Beach Hotel in Crete with 276 rooms and the 5-star Roda Beach Resort & Spa in Corfu with 520 rooms for € 97 million.
- ✓ Following the acquisition of the 5-star Rhodes Bay Hotel & Spa (formerly the Amathus hotel) including Elite Suites Rhodes Bay in January 2024, total 357 rooms, G Hotels Collection (Hatzilazarou Group) announced in February 2024 the acquisition of the 4-star Titania hotel in Athens. Both properties were previously owned by London & Regional. The Titania hotel, located near Omonia Square in the heart of Athens and featuring 385 rooms, was purchased by L+R for €50 million in July 2019, as reported by the press at that time.
- ✓ Finally, insurance company InterLife acquired the 4-star Elite hotel. The property is located in Rhodes town and offer 46 rooms and 2 suites. No transactions details were revealed.

Overall Experience Reputation Trends

Overall Experience Reputation

MONTHLY BREAKDOWN OF REVIEW VOLUME & OVERALL RATING FOR RESTAURANTS, BARS & ATTRACTIONS



Source: INSETE –SETE INSTITUTE

PASSENGER TRAFFIC	Domestic			International			Total		
	2024	2023	%2024/2023	2024	2023	%2024/2023	2024	2023	%2024/2023
January	486,187	457,741	6.2%	1,115,815	989,806	12.7%	1,602,002	1,447,547	10.7%
February	493,307	441,221	11.8%	1,114,465	916,769	21.6%	1,607,772	1,357,990	18.4%
March	593,749	526,937	12.7%	1,413,072	1,143,637	23.6%	2,006,821	1,670,574	20.1%
April	687,485	660,968	4.0%	1,797,152	1,476,997	21.7%	2,484,637	2,137,965	16.2%
May	895,265	809,778	10.6%	2,115,240	1,728,956	22.3%	3,010,505	2,538,734	18.6%
June	994,350	925,029	7.5%	2,306,387	1,998,208	15.4%	3,300,737	2,923,237	12.9%
Year-to-Date	4,150,343	3,821,674	8.6%	9,862,131	8,254,373	19.5%	14,012,474	12,076,047	16.0%

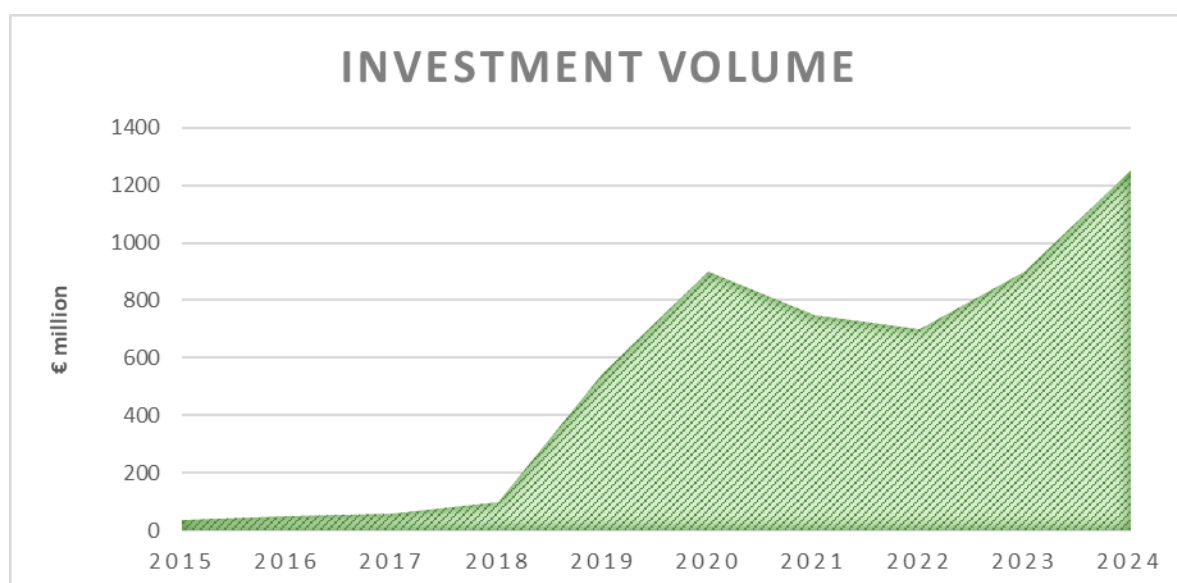
During June 2024, the airport's passenger traffic amounted to 3.30 million, i.e. 12.9% above June 2023. Domestic and international passengers surpassed the 2023 levels by 7.5% and 15.4%, respectively.

Overall, during the first six months of 2024, the airport's passenger traffic totalled 14.01 million, above the 2023 levels by 16%. Analytically, domestic and international passengers surpassed the 2023 levels by 8.6% and 19.5%, respectively.

Source: ATHENS INTERNATIONAL AIRPORT

MAJOR RE TRANSACTIONS S1 2024

Buyer	Asset Description	Price (in million €)	Date
Intracom Holdings	4 Star Koufonisia Hotel & Resort (Olvos Koufonisia)	4,26	January 2024
Black Sea Trade and Development Bank (BSTDB)	Standalone office building in Thessaloniki. 5,000 m2 with LEED Gold certification	16	January 2024
MIG	Office area of 1,128 sq.m. in a commercial building at 10, Stadiou and Omirou str. in Athens. The offices have been leased under a long-term lease agreement.	2,8	January 2024
Papadakis family	The G Hotel Collection has acquired Serita Beach Hotel in Anissaras Hersonissou, Crete, with a capacity of 276 rooms, and the Roda Beach Resort & Spa in northern Corfu, with a capacity of 520 rooms	97	February 2024
Trastor REIC	Logistic in Aspropyrgos	7,02	February 2024
TRASTOR REIC	Listed building 1.681 sq m in Kolonaki	5,8	March 2024
PRODEA	Land plot in Maroussi	7	March 2024
Attica Blue Hospitality	Galaxy Hotel Naxos	14	April 2024
TRASTOR REIC	Logistic in Aspropyrgos		May 2024
BRIQ REIC	Office Building in Glyfada, 2,824 sq m in total	4	Juny 2024



Source: Danos, an alliance member of BNP Paribas Real Estate

GREECE

Athens

15, Vouliagmenis Ave., 116 36
+30 210 7 567 567
office@danos.gr

Thessaloniki

4, Aristotelous Str., 546 23
+30 2310 244962-3
info.thes@danos.gr

Chania

3, Iroon Polytechniou Str., 731 33 +30
28210 50900
info.crete@danos-melakis.gr

Iraklio

67, Dimokratias Ave., 713 06
+30 2810 282822
info.crete@danos-melakis.gr

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 **BNP PARIBAS
REAL ESTATE**

www.danos.gr

CYPRUS

Nicosia

35, I. Hatziosif Av., 2027
Strovolos
+357 22317031
sales@danos.com.cy

Limassol

69, Gladstonos Str., 3040,
+357 25343934
limassoldanos@danos.com.cy

www.danos.com.cy

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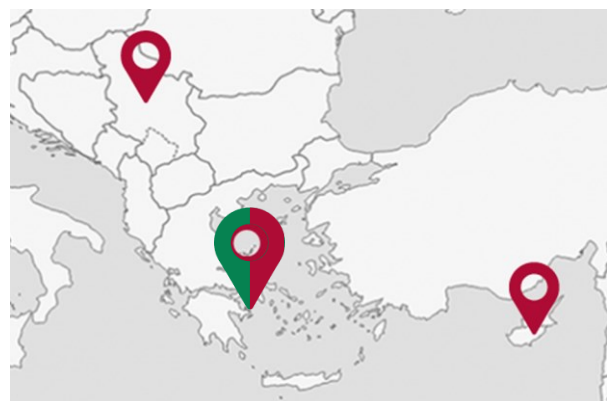
Belgrade

Milutina Milankovica Str. 9z/l,
New Belgrade
+381 0 11 2600 603
office@danos.rs

www.danos.rs



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