

REPORT

Greece Insights

Residential Market Update

COMMENTARY



Arbitrage
Real Estate Advisors

Q4 2020

Market Analysis

In 2020, as a result of shutdown measures to contain the coronavirus pandemic, economic activity experienced a massive plunge as domestic consumption, demand for trade and services and supply of finance were severely disrupted. This had a profound impact also in residential real estate market. The government restrictions to social mobility brought disruption in the transactional activity, which we anticipate continuing until mid of 2021, when solid signs of the end of the pandemic crisis are likely expected.

The economic disruption in 2020 came as a contrast to the 2019 outlook, when the residential market continued its stabilized recovery with a gradual increase in housing prices throughout the country, especially in urban centers. The sector of short-term leases had played a significant role in this price recovery and activity in the sector, especially in the center of Athens but also in areas of tourist interest across the country. As a result, the transactions of residential assets had increased even in less commercial areas, especially in the center of Athens.

In 2020, as a result of the pandemic crisis, there was a decline in residential property transactions, especially in the prefecture of Attica, which, in some Municipalities, exceeded 50% compared to 2019 transactions. Despite the negative impact on the housing sector, the quality housing stock retained its commercial value given the overall lack of modern and high-standard residential buildings. In specific cases, price increased based on design, location, quality, and wellness specifications.

The overall demand for short-term leases also decreased due to the impact of the pandemic containment measures on tourism and international arrivals. Consequently, many homeowners made their recently refurbished and furnished apartments available for long-term leases. This affected rental prices and generated quality rental opportunities in local markets, especially in Athens, Thessaloniki and other urban touristic destinations across the country.

Residential Housing Stock - Sale

The number of the available properties for sale increased compared to Q4 2019 mainly due to the following parameters:

- A larger number of assets had entered the market stock at the end of 2019 and the beginning of 2020 targeting the Golden Visa program or as an investment by individual or professional operators for short-term lettings.
- There was a lower number of transactions and generally reduced intention to transact as sellers and buyers were reluctant due to the economic impact of the pandemic crisis.

Properties for Sale

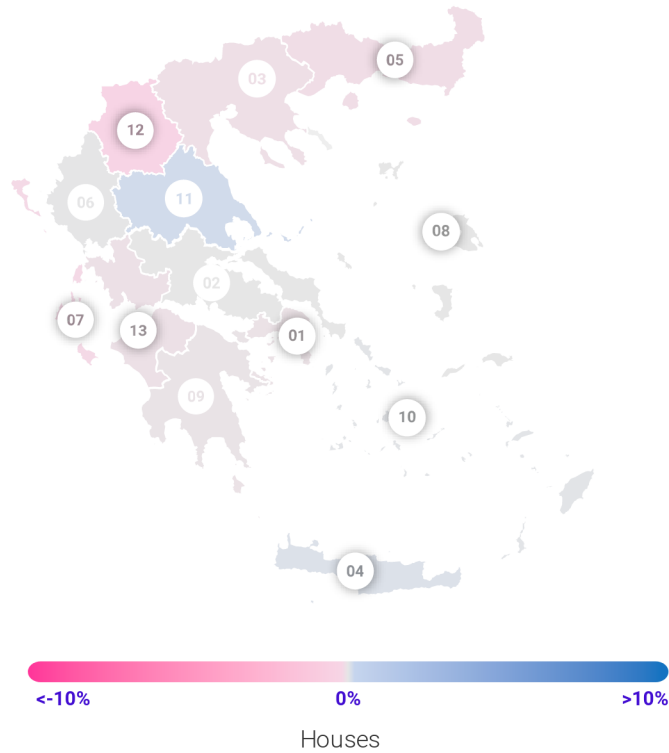
228,838

+7.61% from Q3 2020

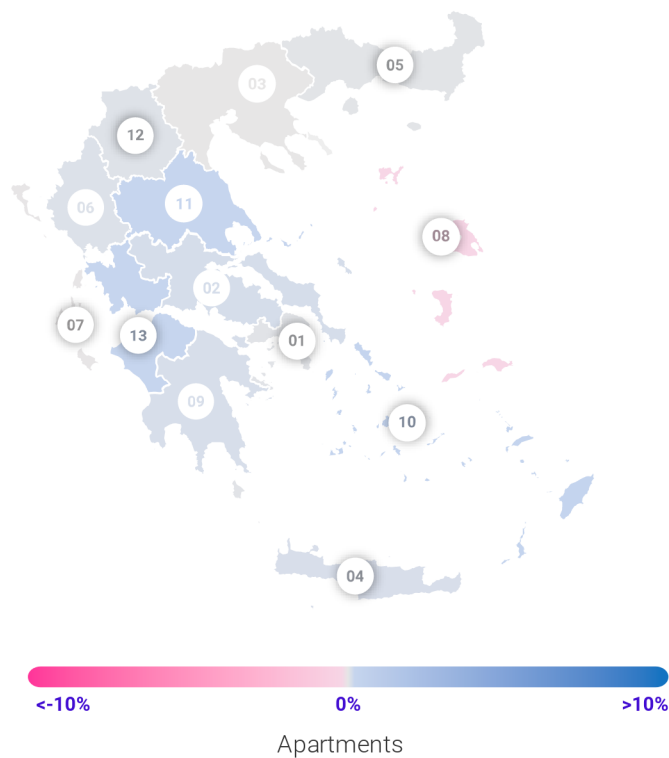
+9.67% from Q4 2019

Region	Avg. Aptmnt. Price/m ²	Avg. House Price/m ²	Avg. Aptmnt. Size	Avg. House Size
Attica	€1,827	€1,810	103	325
Central Greece	€1,189	-	114	208
Central Macedonia	€1,363	€1,238	96	250
Crete	€1,398	€1,401	115	196
East Macedonia and Thrace	€1,033	-	91	157
Epirus	€1,086	-	113	230
Ionian Islands	€1,704	€1,792	150	214
North Aegean	€1,172	€970	116	227
Peloponnese	€1,283	€1,285	117	211
South Aegean	€2,308	€2,602	114	207
Thessaly	€1,062	-	126	170
West Macedonia	€729	-	105	192
Western Greece	€1,004	-	102	224

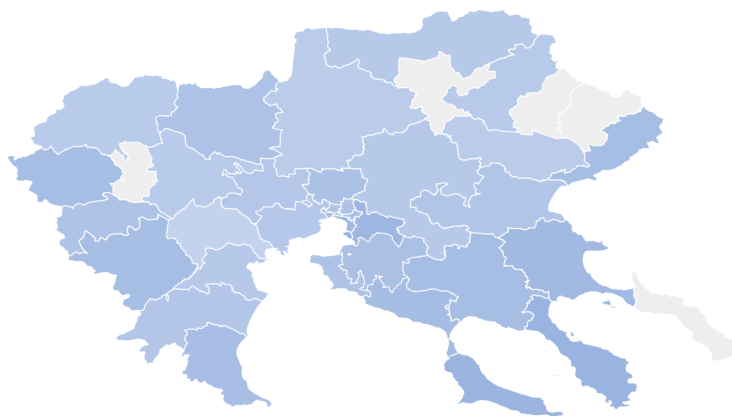
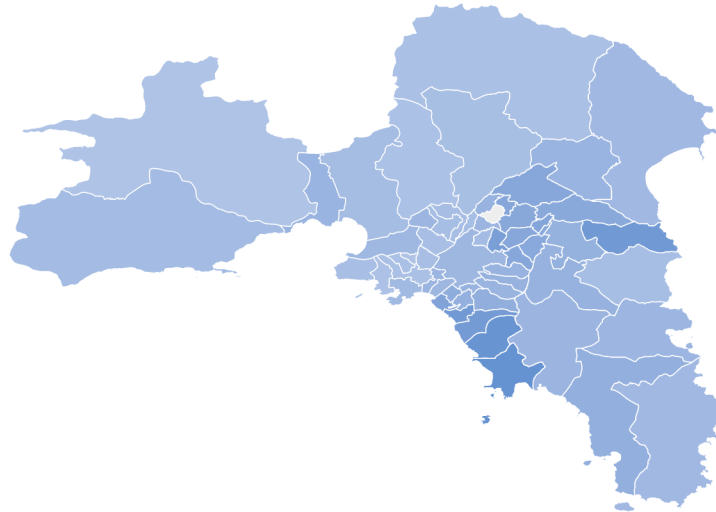
Percentage Change in Price/m² - Q4 2019 to Q4 2020



- 01 Attica 02 Central Greece 03 Central Macedonia 04 Crete 05 East Macedonia and Thrace
- 06 Epirus 07 Ionian Islands 08 North Aegean 09 Peloponnese 10 South Aegean 11 Thessaly
- 12 West Macedonia 13 Western Greece



Average Price/m² - Attica and Central Macedonia



Residential Housing Stock - Rental

As a result of the pandemic crisis and its impact on international and domestic tourism, there was a significant drop in the demand for short-term let bookings. As a result, a number of apartment or house owners, primarily of single assets, in Athens center and other popular urban destinations, chose to make their properties available for long-term leases. This led to an increase in available properties for rent in 2020.

The increased supply has also impacted rental values as these properties are generally and comparatively of higher quality standards usually new built or refurbished and also furnished.

Properties for Rent

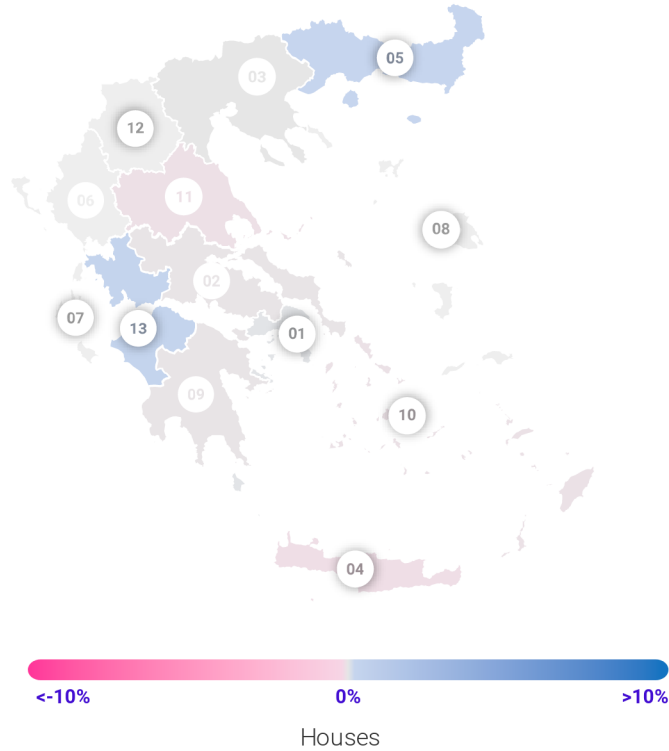
67,804

+2.27% from Q3 2020

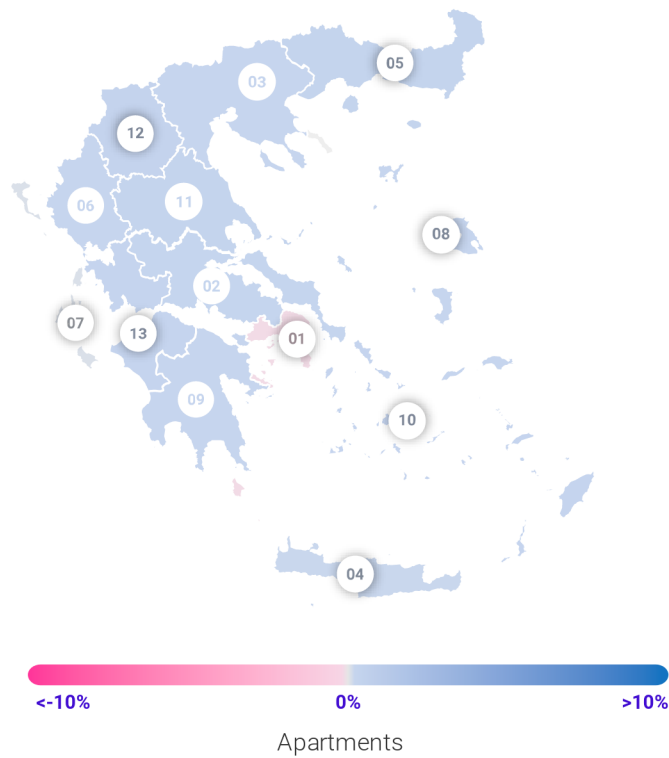
+63.04% from Q4 2019

Region	Avg. Aptmnt. Rent/m ²	Avg. House Rent/m ²	Avg. Aptmnt. Size	Avg. House Size
Attica	€8.90	€8.74	107	391
Central Greece	€4.94	€6.03	71	177
Central Macedonia	€7.12	€6.02	74	225
Crete	€7.23	€5.65	61	118
East Macedonia and Thrace	€5.61	€4.42	55	216
Epirus	€6.67	€3.33	79	268
Ionian Islands	€6.53	€5.21	67	117
North Aegean	€6.01	€5.12	53	82
Peloponnese	€5.56	€4.67	72	146
South Aegean	€8.48	€7.67	63	129
Thessaly	€6.50	€4.24	67	151
West Macedonia	€4.87	€3.84	86	96
Western Greece	€5.84	€5.63	62	184

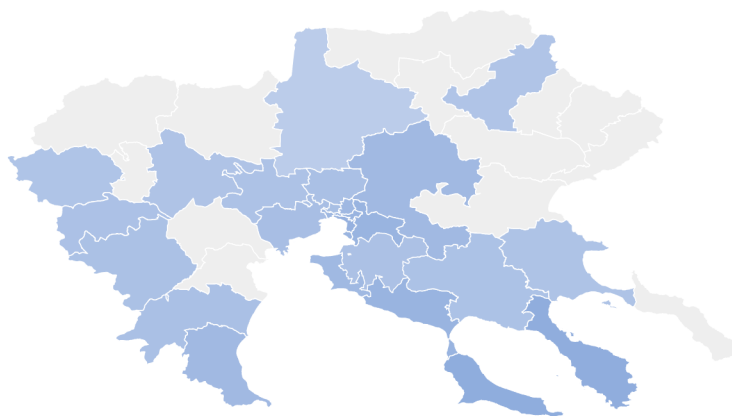
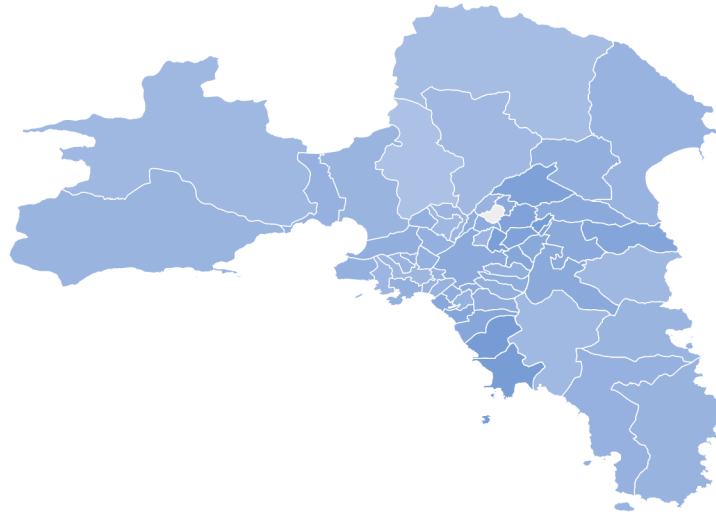
Percentage Change in Rent/m² - Q4 2019 to Q4 2020*



- 01 Attica 02 Central Greece 03 Central Macedonia 04 Crete 05 East Macedonia and Thrace
- 06 Epirus 07 Ionian Islands 08 North Aegean 09 Peloponnese 10 South Aegean 11 Thessaly
- 12 West Macedonia 13 Western Greece



Average Rent/m² - Attica and Central Macedonia



Residential Sales

The volume of residential transactions decreased throughout the country in 2020 as a result of the pandemic crisis. International or local investors, who intended to purchase an asset either as a holiday residence or to promote it in the short-term let market, postponed several intended transactions. At the same time, Golden Visa program related transactions were also significantly reduced as many non-EU buyers, especially from China, had difficulties visiting the country due to the imposed travel restrictions.

A recovery in transactions was noted in the last months of 2020, mainly due to the lifting of some strict lockdown measures and the derived increase in commercial activity, especially before the second wave of the pandemic in mid-November.

Resi. Transactions

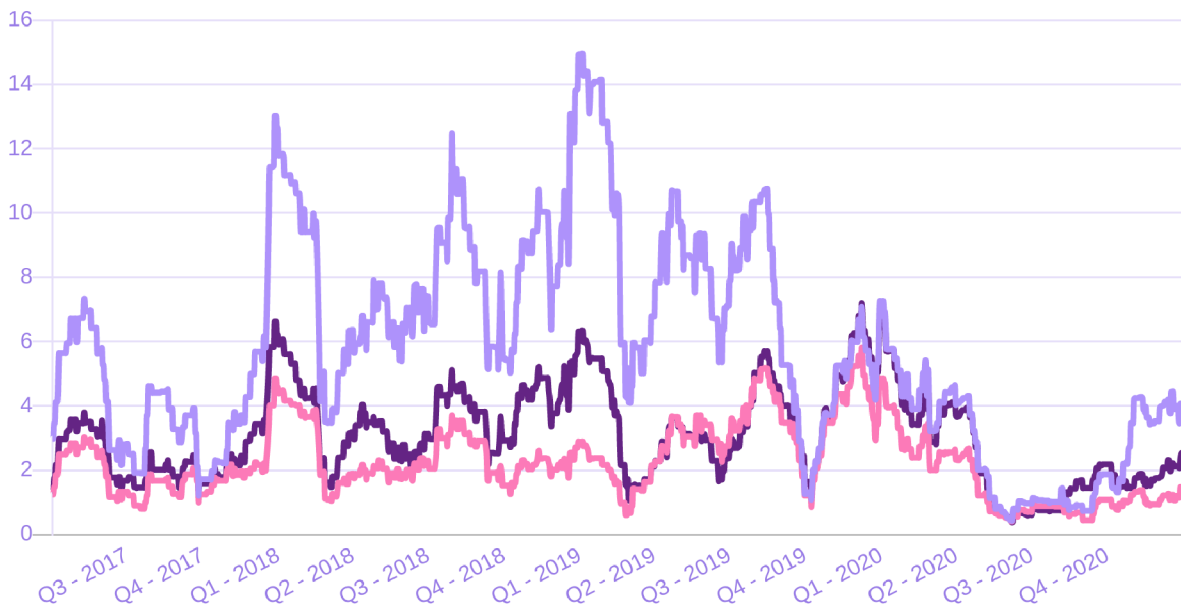
3,734

+52.78% from Q3 2020

-29.61% from Q4 2019

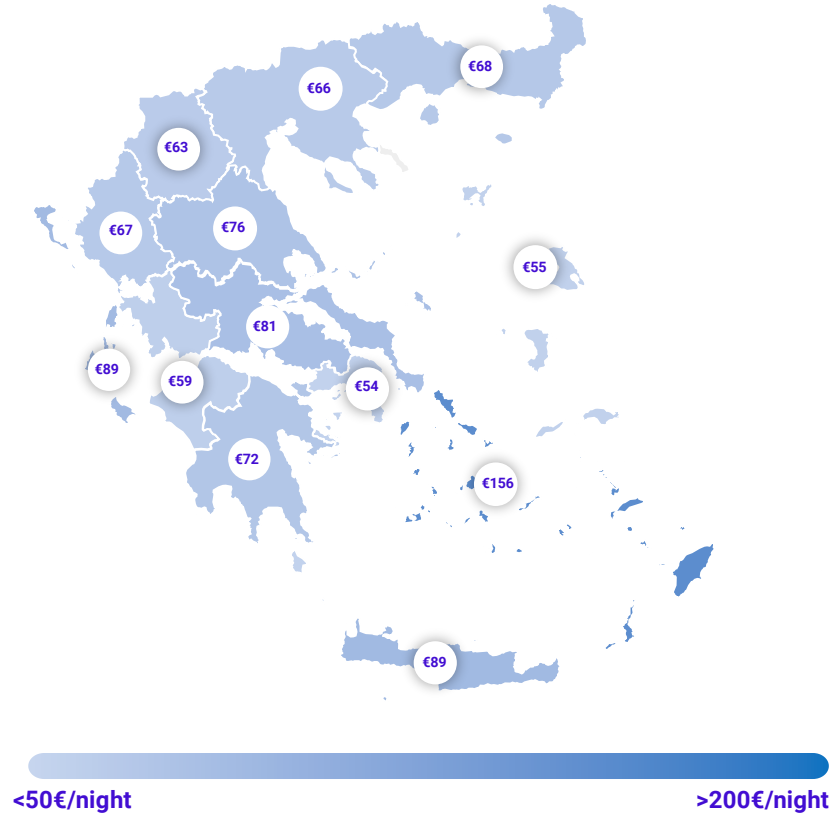
GSIS Daily Transactions

● Attica ● Central Macedonia ● Rest of Greece



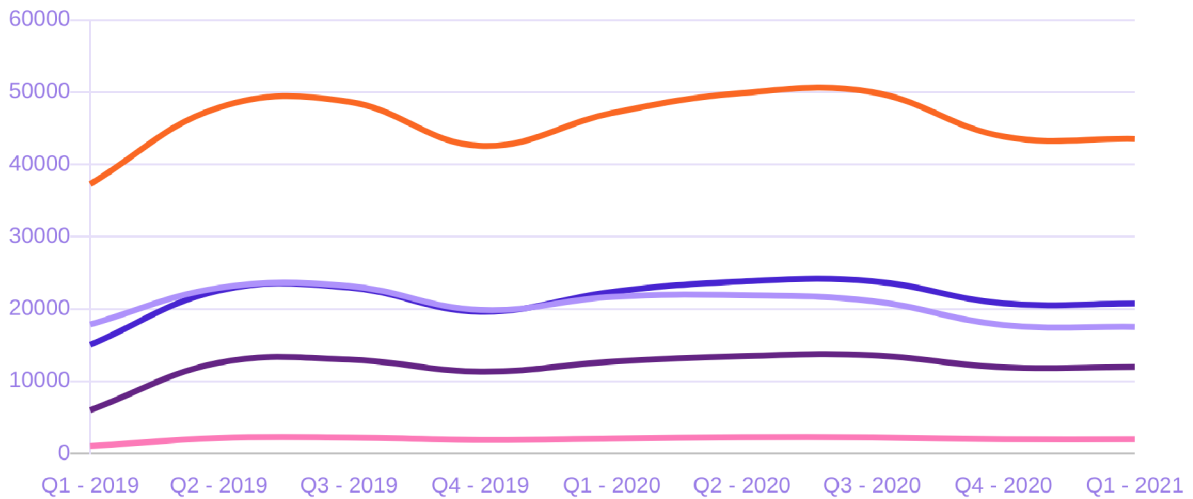
Airbnb Market

Average Daily Rate by Region



Airbnb Listings by Region

● Attica ● Ionian Islands ● North Aegean ● Rest of Greece ● South Aegean



Methodology

All information presented in this document is derived from data collected by Yuvoh Analytics from various public data sources.

- Sale and rental housing stock analysis is based on the listings present on the websites during Q4 2020 and Q4 2019 and as such figures may vary largely year to year in regions with a small number of listed properties (typically rural regions). Statistics for houses are only provided for Attica, Central Macedonia, and regions with a large number of holiday homes.

- Residential sales are entries in GSIS with an ownership percentage greater than 0 and a real estate category of 'Κατοικία ή διαμέρισμα πλήν μονοκατοικίας' or 'Μονοκατοικία'. Since GSIS records transactions based on Kallikratis Municipalities, we have mapped all the municipalities to the region they are within for consistency with the rest of the document.

- Average daily rate for Airbnb properties is the average price for days marked as not available in Q4 2020 (this means either that the property has been booked or that the owner has made the property unavailable for bookings on the given date) for all airbnb listings within the region. Number of Airbnb listings is the total distinct Airbnb listing IDs within a region that appeared on Airbnb for at least 1 day in that month.

Q4 2020

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