



ATHENS MARKET REPORT

2021 was the year that the vaccination programs created a new defence system against the ongoing health crisis. Through out the year vaccination programs were racing, governments were trying to ease the restrictions of the COVID-19 amidst new variants and new challenges. However 2021 was a year, that the Economy did manage to restart and the macro variables definitely recorded increases and improved performance.

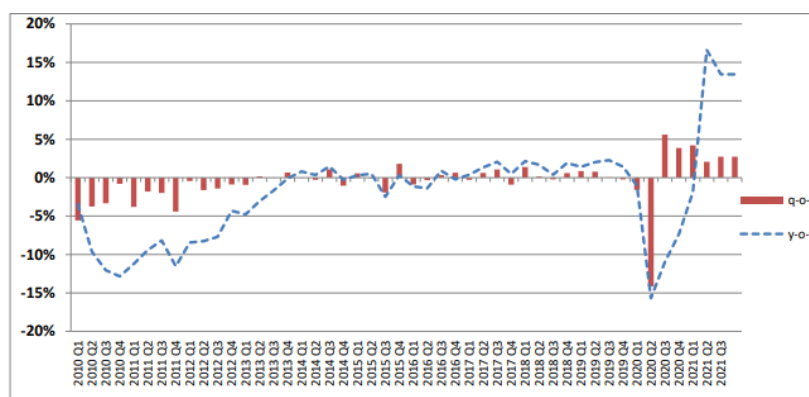
MACRO FIGURES

Massive vaccination across the globe fuelled hope and the economy against the stagnation impact of COVID-19 recorder in 2020. Forecasts for 2022 are even more optimistic although the energy crisis and the inflation recorded in most countries at the last quarter of 2021 might slow down the positive results.

Greek Economy Overview

2021 was a year with very good outcomes for the Greek economy although the pandemic bounced back with new variants and with increases in human losses and hospitalizations. The economy did not slow down and instead the investor appetite is strong and many new foreign and domestic investments kicked off. Growth exceeded expectations and reached 7% and the economic expansion is expected to continue in the following years marking a new era for the Greek Economy. 2022 will be the day after the pandemic and although optimism is depicted in the market the energy price increases create insecurity for the coming year.

**GDP in Volume Terms/Seasonally adjusted figures
(q-o-q) and (y-o-y)**



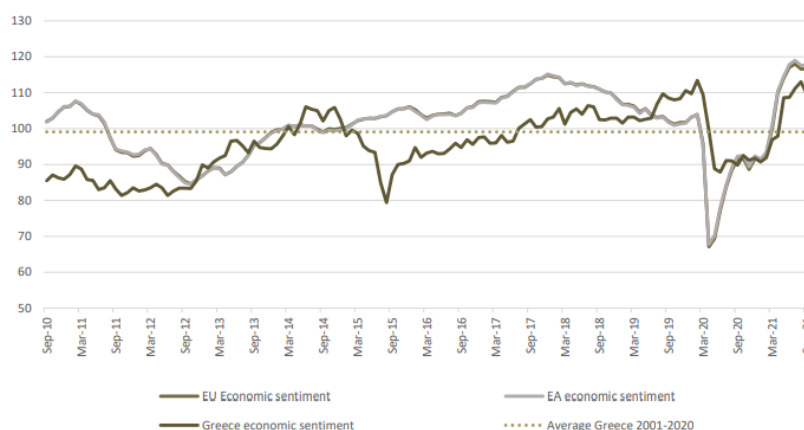
Source: Elstat

EUROPEAN COMMISSION FORECASTS				
ECONOMIC INDICATORS	2020	2021	2022	2023
GDP (%)	-9	8,5	4,9	3,5
Inflation (%)	-1,3	0,6	3,1	1,1
Unemployment (%)	16,3	15,3	15	14,5
Public Budget Balance (% GDP)	-10,1	-9,9	-3,9	-1,1
Gross Public Debt (% GDP)	206,3	202,9	196,9	192,1

Source: ec.europa.eu

The coronavirus pandemic took a strong toll on the Greek economy. However 2021 recorded as strong bounce back in 2020. The services sector and especially tourism sector which has a strong contribution to the Greek economy, has shown impressive increases. Greece enjoyed the vote of confidence among other countries and the Income from Tourism was well above its 9 billion target. The appearance of new variants created a level of turbulence, that wasn't enough to significantly affect the market. The Economic Climate up turn has slowly started by the end of 2021 and is expected to further grow in 2022.

Economic Sentiment Indicator

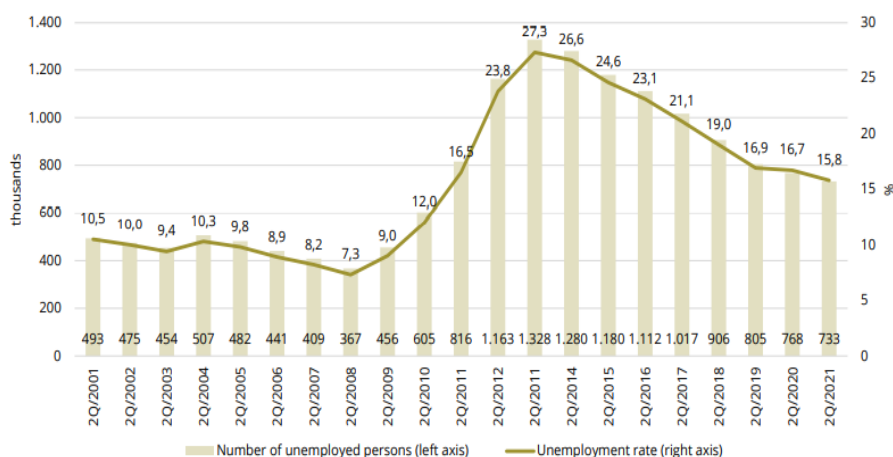


Sources: IOBE, European Commission

EU support measures are expected to continue as the energy crisis is expected to influence the economies further and as the impact of COVID-19 eases. The Energy plan as Commission states will try to absorb the increase so as to control inflation and help European Households.

EU and Greek government extend measures to support the households, that were directly affected by the pandemic and its aftermath, most measures are extended through 2022 and with the support of banks so that we do not face a new era of NPL's. In addition to that the Government has successfully issued bonds so as to ensure liquidity in the market and proceed with the investment programs. The strong performance of the bonds has been achieved despite the context of the global crisis.

Number of unemployed persons and unemployment rate in Greece



Source: ELSTAT

Employment was negatively affected by the crisis, but the authorities have implemented measures to cushion the decline and to facilitate the recovery. Data on hiring and firing from the ERGANI system shows that during the pandemic the labor market remained 'frozen', with very limited hiring and firing taking place. However the second semester of 2021 and the boost in tourism were recorded as an increase in employment levels.

After a successful management of the health crisis and a meticulously organised vaccination campaign projections surrounding the outlook appear to be very optimistic and show an actual redirection of the Greek Economy to Sustainable development and Digital Transformation. Greece 2.0 comes as a response to the pandemic and the new challenges that the country has to face after the health crisis. Greece new investment program wishes to increase digitalization of the state while promoting public investment and large infrastructure projects.

2021 MARKET INSIGHT REPORT



OFFICE MARKET REPORT

Demand for Grade A offices remains in high levels

OVERVIEW

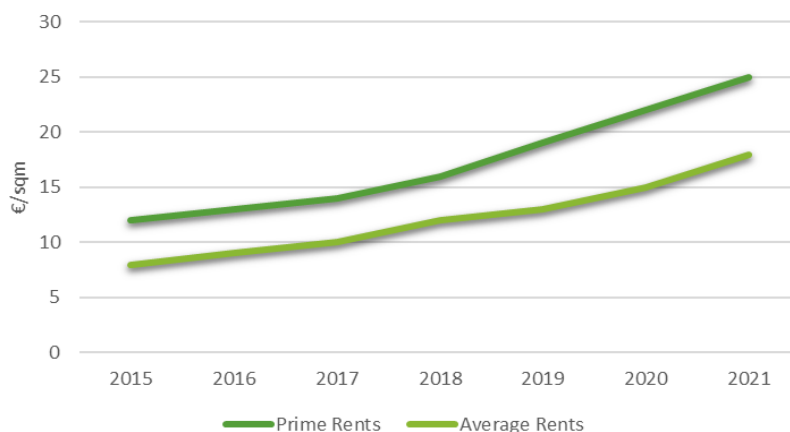
Athens Office Market remains in the investor radar despite remote working schemes and the scepticism, that followed.

ATHENS OFFICE MARKET

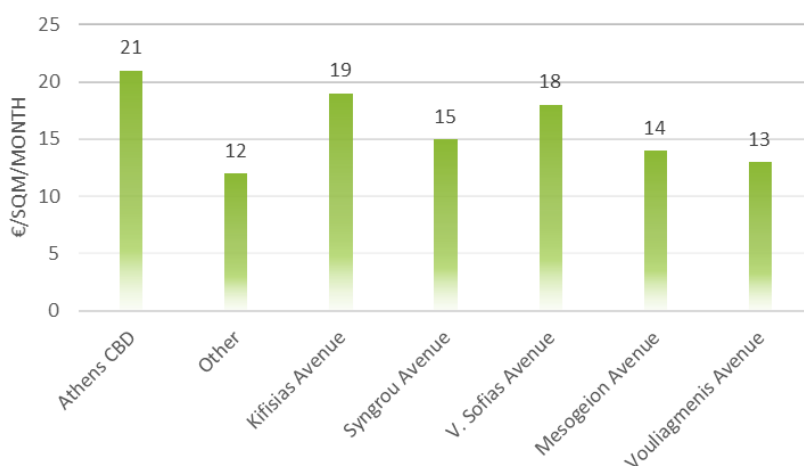
Office market appears to be holding on to good performance indicators. 2021 was a year, that modern office spaces have been in the investor eye and the development pipeline is being fueled with upcoming projects. Location and amenities have been the key drivers of demand and large-scale projects, which will change the office market overall, have been announced. Companies post pandemic eventually adopt new strategies and office will remain important for the businesses and the employees but at the same time the tenants require higher standards. The demand for Grade A office space still remains high and many potential investors are focusing on the asset class as seen in recent transactions.

Athens office market is still at growing stage, trying to find its pace and its prime products. Yields and rental values have performed even better in 2021.

Office Market Rental Values



MAIN MARKETS AVRG RENT

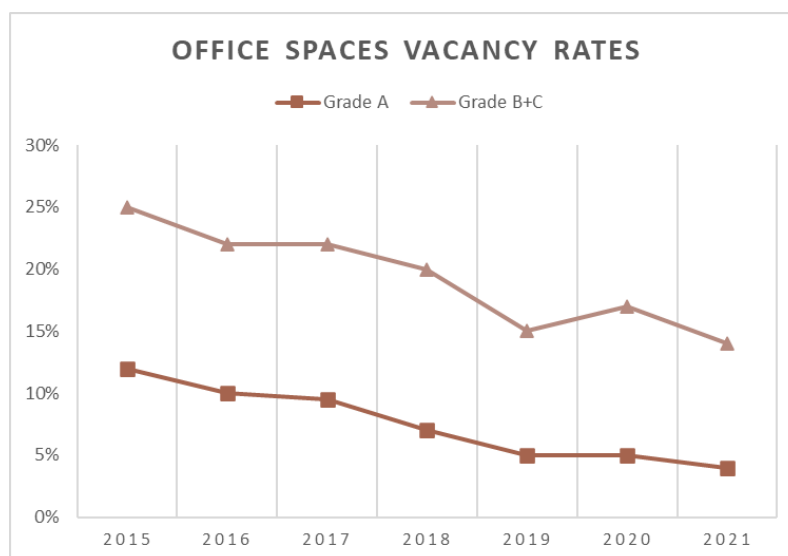


Source: Danos an alliance member of BNP Paribas Real Estate

The lack of Grade A office space still remains an issue to the market supply, since there is lack of quality spaces to meet investor demand, that appears to be persistent despite the pandemic. Athens is a prominent office market since here is room for investor profit compared to other European Office markets. There is a pipeline of new developments for Grade A office spaces, that will partly meet the current demand, however there are optimistic plans for the next 5 years in the sector since the economy is overall expanding thus attracting new players.

Significant new deals are expected and/or have been finalised in the Office Sector.

Investor Profile remains the same, Greek REICs have been playing a major role in local transactions as well as multinationals seeking to relocate in view of future needs and development.



Source: Danos an alliance member of BNP Paribas Real Estate

Yields	Locations
6%-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 PIRAEUS - ATHENS	
RENTALS	↑
YIELD	↑
VACANCY RATE	↓
ABSORPTION	↑

KEY FIGURES S2 2021



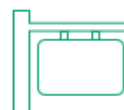
2.590.000
SQM- TOTAL
SUPPLY



49.000 SQM-
NEW OFFICE
SUPPLY



90.000 SQM
UNDER-
CONSTRUCTION



12% AVRG
VACANCY
RATE



€18/SQM
AVERAGE RENTS



RETAIL MARKET REPORT

The Retail Sector has faced a challenge in the previous years as a result of COVID-19 pandemic, prime locations and shopping malls still hold investors interest and the overall sector appears to find its pace again.

OVERVIEW

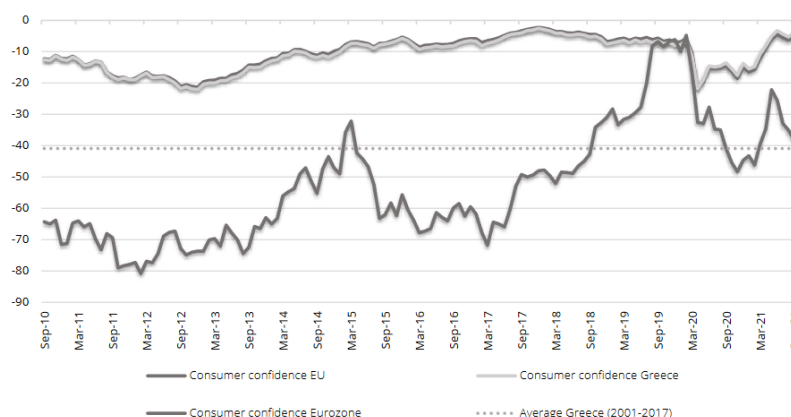
Retail has been challenged for the past couple of years because of the pandemic and the implemented lock downs. At this point as the pandemic is evidently slowing down and the public has adapted to new norms the retail sector also seems to have adapted to new conditions.

ATHENS RETAIL MARKET

After more than two years on hold the retail sector has now adapted to new conditions. Frenzy the retail sector is now showing an up turn in income of a level of 16% for the fourth semester of 2021 and notably consumption has increased especially in November 2021 reaching the levels of 2019. Consumer confidence has somehow stabilised in the second semester of the year and is expected to perform better in the coming months. Bricks and mortar retail has to face e-commerce and its rapid increase during the pandemic. According to the latest numbers the total increase of e-commerce for 2021 continued further at **26%**.

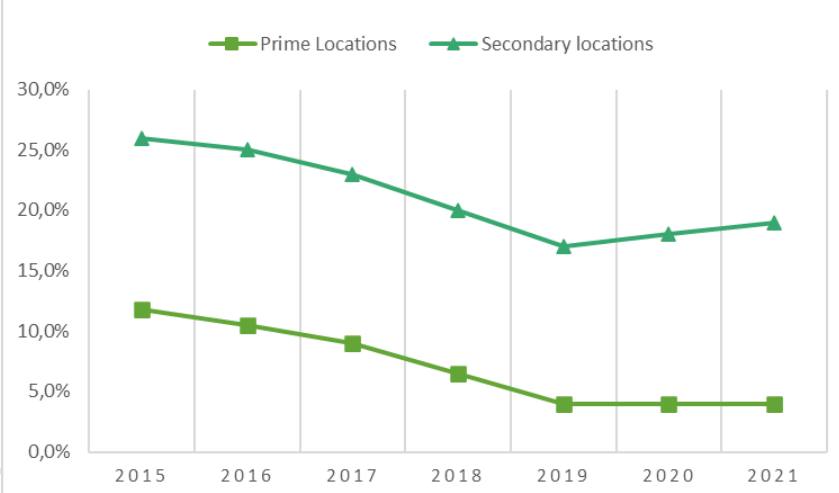
Prime retail and hypermarkets still gather the interest of investors and it remains to be seen how the prime locations will correspond to these changes combined with the post pandemic consumption habits.

Consumer Confidence Index



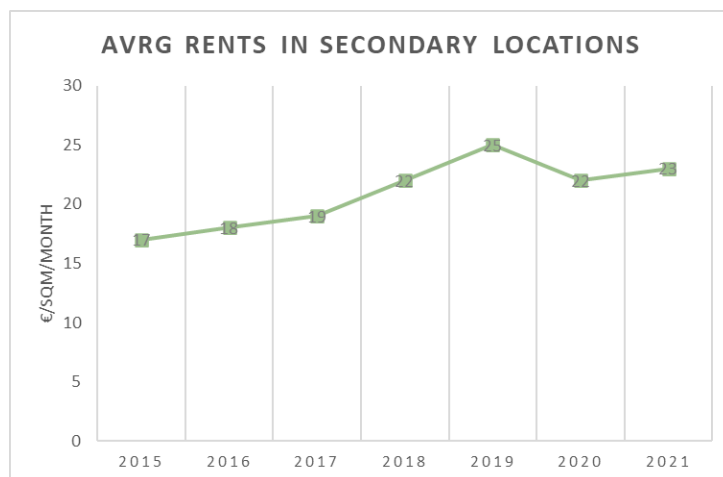
Sources: IOBE, European Commission

RETAIL MARKET VACANCY RATES

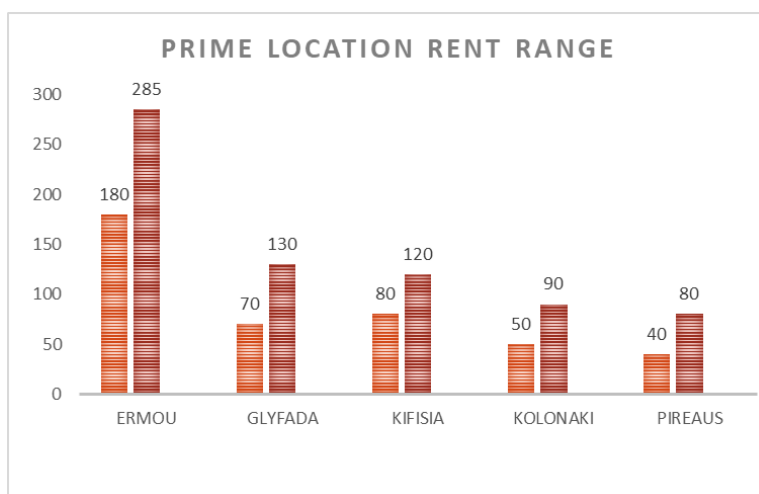


Source: Danos an alliance member of BNP Paribas Real Estate

Shopping Malls seem to be holding on to their former glory and there is still demand by anchor tenants, while in many cases there have been take ups during the pandemic. Primary locations like Ermou - Glyfada- Kifissia - Kolonaki and Piraeus have witnessed stability and are still considered as prime retail locations, characterized by lower vacancy rates, and prime tenants, thus gathering investor interest and Greek REICs have proceeded in relevant investments. Peripheral retail markets are experiencing a low down due as a result of the pandemic. Hellinikon project has announced their plans for its retail assets.



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



Source: Danos an alliance member of BNP Paribas Real Estate

Main yields: The yields in the high streets remained stable for 2021, with the higher rates in the shopping malls 6,75%-7,75% and the lower rates in Ermou street 5,75%-6%. They stabilized further in the second half of 2021 although fears for another wave of the pandemic in autumn are prevailing and the trend to e-commerce sales does not appear to be slowing down. Prime locations so far seem to be resilient and show stability in the short term the market will define whether the changes in consumption and retail activity will resume to previous standards.

Transactions: Up-turn in lease transactions since the retailers are able to see the end of the pandemic and they reposition or expand in the market.

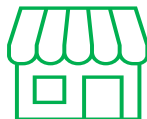
KEY FIGURES S2-2021



€30/SQM
MALLS
AVERAGE
RENTS



€13/SQM
SUPER
MARKET
AVERAGE
RENTS



€22/SQM
SECONDARY
HIGH STREET
AVERAGE
RENTS



15% AVRG
VACANCY
RATE



€17 MIL
INVESTMENTS
IN 2021



LOGISTICS MARKET REPORT

The industrial/ logistics market has been performing impressively in the past two years with an impressive increase in volumes of transactions as well as rental levels.

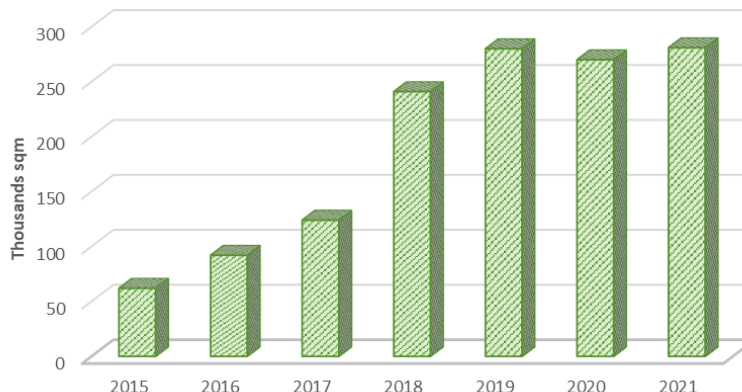
OVERVIEW

Major infrastructure works and the important investments scheduled by COSCO for the Port of Piraeus are creating an environment, where Athens could be placed as an important transit centre in Europe challenged to handle extreme volumes of goods, channelled from the East and Middle East to the EU market. The new challenges in the sector are mainly energy related since the energy crisis could affect transport services.

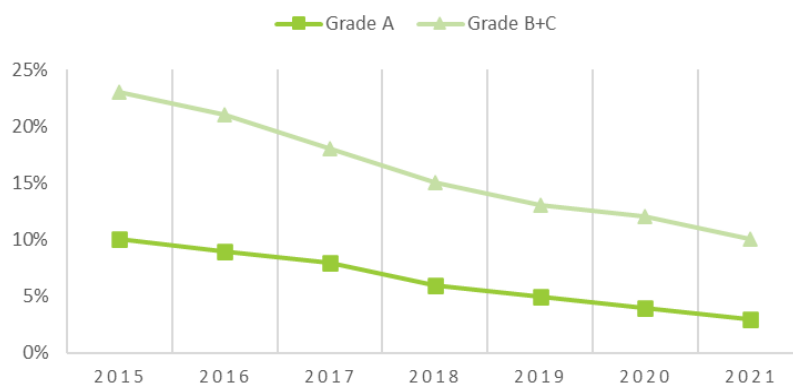
LOGISTICS MARKET

Logistics market is overperforming since 2020 and gathers the attention of investors. The lack of supply for modern Grade A logistics is triggering the investors' interest, who are looking to invest in spaces suitable for logistics developments. As far as demand is concerned, there has been significant activity on the market with new lease agreements, with surface sizes for rent ranging between 500-2.000 sqm in relatively urban areas and demand for larger surfaces up to 20.000 sqm in the regions, where 3PL companies are looking to develop new projects (with additional uses with office space). There have been new developments and significant deals finalized in the Logistics sector.

TAKE UP OF INDUSTRIAL PROPERTIES

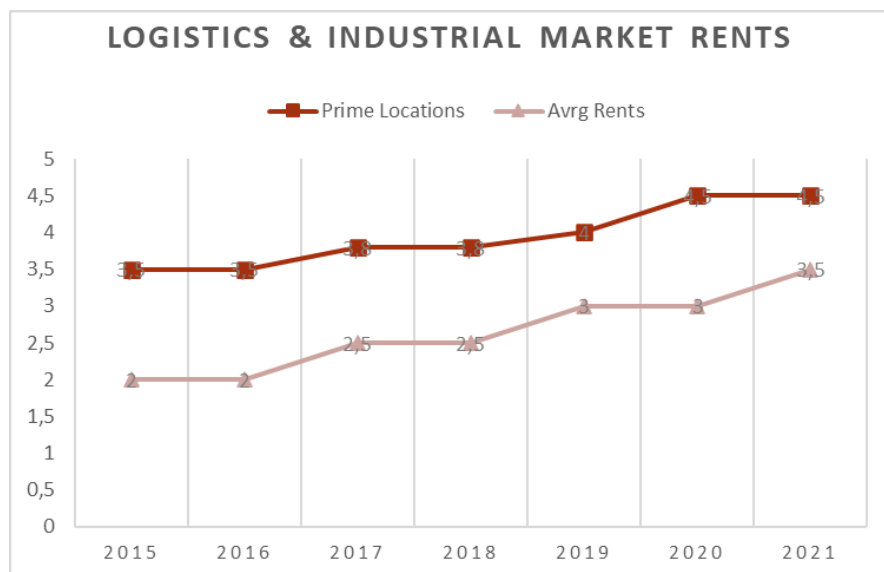


VACANCY RATES LOGISTICS & INDUSTRIAL SPACES











Source: Danos an alliance member of BNP Paribas Real Estate

The lack of a specialised logistics market was clearly depicted during the boom of e-commerce in the lockdown period and is still an issue since e-commerce is here to stay. Specifically it has been the target of most courier and transport companies to develop adequate logistic centres and last mile logistics. Important investments are expected also by the major transportation firms. Greater EU is also documenting a similar market trend.



Source: Danos an alliance member of BNP Paribas Real Estate

Prime Logistics areas such as Aspropyrgos and Magoula have been gathering the investors' interest and they are already drawing demand expected to increase even further in the coming year and demand has increased accordingly for secondary locations like Oinofuta and Markopoulo.

	MARKET TRENDS LOGISTICS			
	RENTS	YIELDS	DEMAND	SUPPLY
GRADE A				
GRADE B				

KEY FIGURES S2-2021



95.000 SQM
UNDER-
CONSTRUCTION



€4,5/SQM
PRIMARY
LOCATION
RENTS



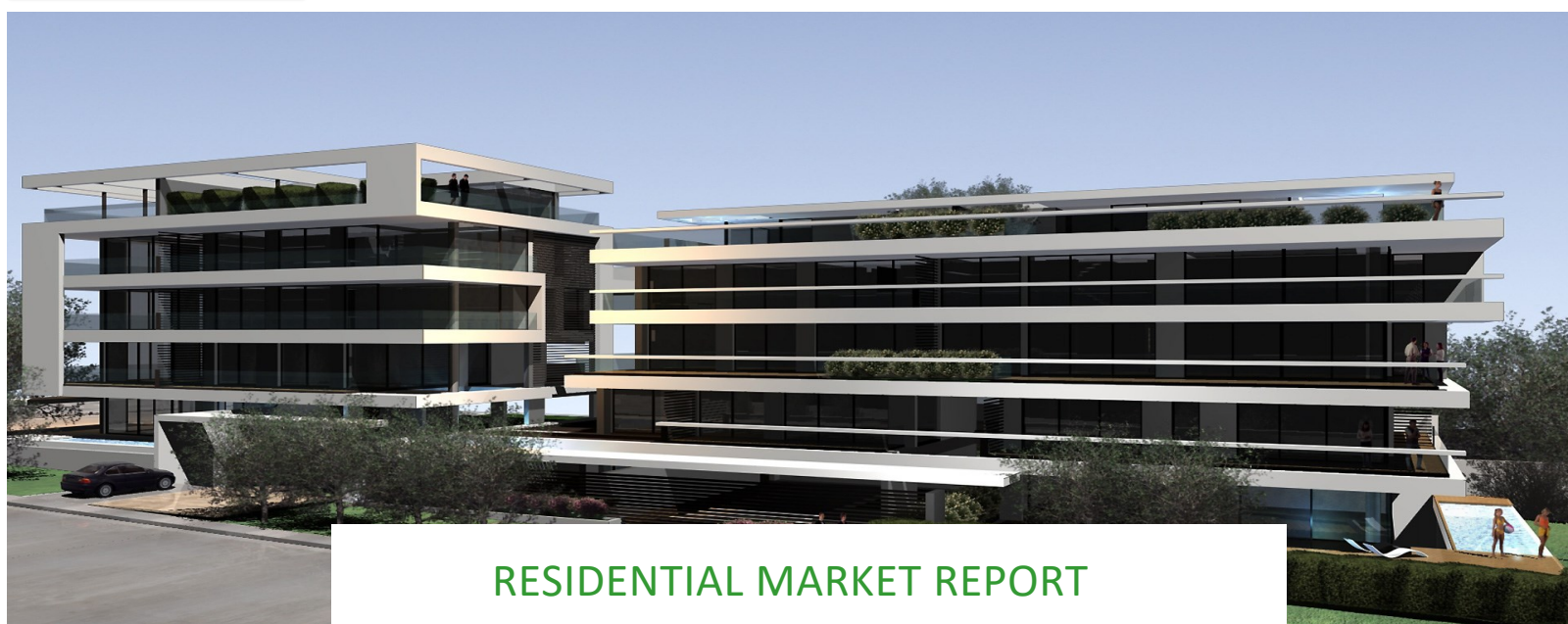
€2,5/SQM
SECONDARY
LOCATION
RENTS



7% AVRG
VACANCY
RATE



€42 MIL
INVESTMENTS
IN 2021

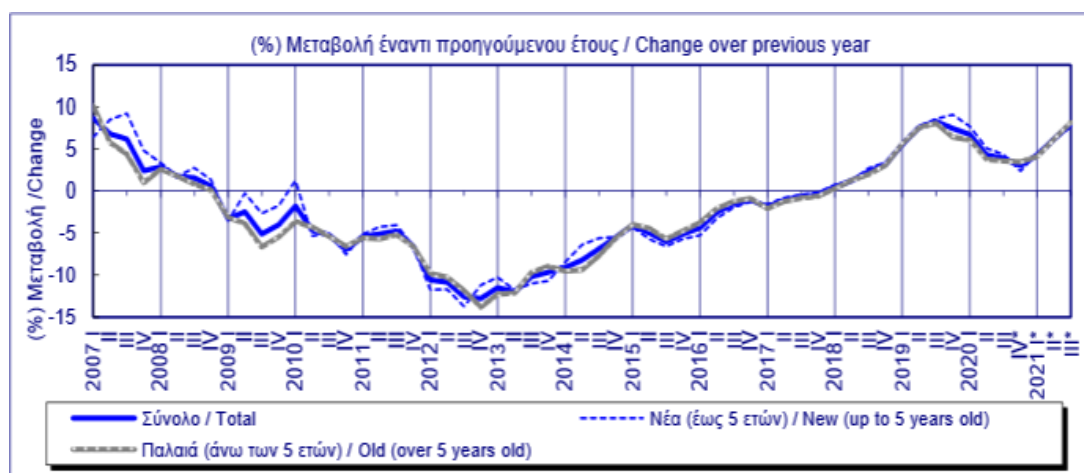


RESIDENTIAL MARKET REPORT

Residential Market has shown resilience to the impacts of the pandemic in Real Estate Sector and in most cases prices and demand have maintained their upward trend.

OVERVIEW

Transaction's activity in the Residential Market has shown increases in 2021 with development activity to be blossoming again in many Athens areas. Southern Suburbs remain at the top of the investor's preference along with the center of Athens. New infrastructure investments though, as announced by the government, are expected to switch demand also to other areas like the Western Suburbs, where the development activity appears to be bouncing back.



Source: Greek Central Bank

ATHENS RESIDENTIAL MARKET

Athens residential market has witnessed subsequent increase in prices both in sales values and rental values for the past years. According to the Bank of Greece real estate prices rose 3,6%, when compared to the prices of the previous year. 2021 has proven the resilience of Residential Real Estate, in terms of demand and transactions. The numbers for 2021 show an evident slow down in increase, but still holding a positive trend in the market. Transaction volumes increased further and are expected to remain high for the first semester of 2022 as the government changes transaction requirements and makes significant steps towards facilitating transactions through minimizing the time and documents required. The increase in construction activity, as presented in previous years, is expected to continue.

Golden Visa has been a significant market driver, that has supported the market for the past years. Cash injection and direct investment of foreign capital has been important to the market. Local Buyers have also been actively participating in the market especially since banks appear to eager to finance real estate and inject liquidity in the market.

House prices for sale

Area	Q4 2021 (€/sqm)	Q4 2020 (€/sqm)	Change %
Athens - Center	1,636	1,531	6.90%
Athens - North	2,500	2,316	8.00%
Athens - South	2,872	2,643	8.70%
Athens - West	1,467	1,333	10.00%
Athens - East	1,650	1,554	6.20%
Piraeus	1,591	1,467	8.50%
Piraeus suburbs	1,314	1,182	11.20%
Rest of Attica	1,667	1,636	1.90%

Source: Spitogatos.gr

House prices for rent

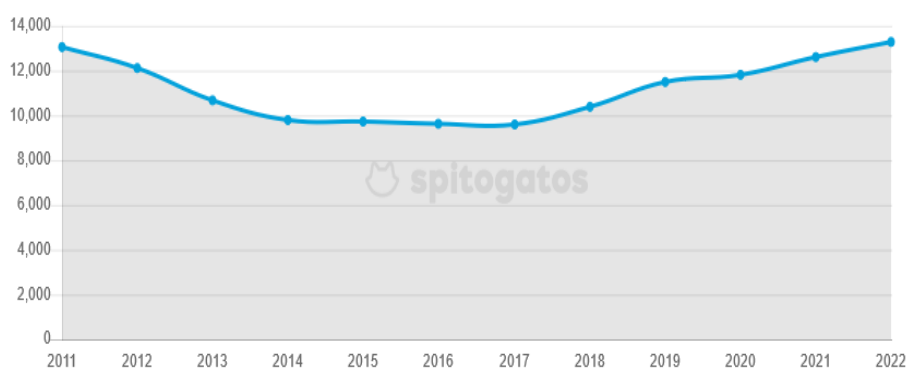
Area	Q4 2021 (€/sqm)	Q4 2020 (€/sqm)	Change %
Athens - Center	8.82	8.89	-0.80%
Athens - North	9.60	8.57	12.00%
Athens - South	10.33	10.00	3.30%
Athens - West	7.00	6.67	4.90%
Athens - East	6.86	6.41	7.00%
Piraeus	7.31	7.40	-1.20%
Piraeus suburbs	6.43	6.18	4.00%
Rest of Attica	7.22	6.43	12.30%

Source: Spitogatos.gr

Rental values are increasing in areas, that were before in lower levels, especially in the Northern suburbs of Athens. Many properties, that were operating as Airbnb have been marketed for longer term rentals, because of COVID-19, but are expected to return to their previous operations as restrictions ease and this may lead to further increases in rental values as supply will contract.

Southern Athens Suburbs show resilience and in view of major investment projects, like Hellinikon, have managed to perform in 2021 with positive results. Hellinikon development appears to have exceeded the pricing expectations and deals in Residential Real Estate finalise at price reaching up to €15.000/sqm, while pre sales have reached up to 700 mil € in the first semester of 2021 and were around 1,2 billion € by the end of 2021.

SPI - Residential properties for sale, Athens - South
Annual changes



Source: Spitogatos.gr

2021 MARKET INSIGHT REPORT



Tourism Industry has been one of the worst affected industries from the pandemic. 2021 was a year of bounce back of the industry since, despite the new COVID variants and restrictions, the targets were met and surpassed.

OVERVIEW

Tourism has always been one of the pillars of the Greek Economy with an important contribution to the country's GDP and macro figures. The industry has suffered tremendous losses in 2020 and the market players were hesitant for 2021 as the vaccination program was steadily taking place while new variants have created further turbulence. However the Greek Tourism Market has excelled and has met the targets for 2021, the expectation were for 5-6 bil € for the year and finally the turnover for the year reached up to 10 bil €, exceeding all expectations.

Greece was one of the most popular destinations world wide and has managed to attract a significant number of tourists although the overall number of tourists for 2021 was globally lower because of the restrictions in travelling and the insecurity caused by the new variants.

PASSENGER TRAFFIC	Domestic				International				Total			
	2021	2020	%2021/ 2020	%2021/ 2019	2021	2020	%2021/ 2020	%2021/ 2019	2021	2020	%2021/ 2020	%2021/ 2019
January	110,722	433,964	-74.5%	-75.4%	122,633	1,038,772	-88.2%	-87.0%	233,355	1,472,736	-84.2%	-83.2%
February	101,741	423,501	-76.0%	-77.0%	96,112	941,130	-89.8%	-89.1%	197,853	1,364,631	-85.5%	-85.1%
March	120,697	207,955	-42.0%	-76.6%	119,963	431,826	-72.2%	-89.4%	240,660	639,781	-62.4%	-85.4%
April	159,166	11,917	1235.6%	-72.2%	158,815	11,411	1291.8%	-88.8%	317,981	23,328	1263.1%	-84.0%
May	275,039	58,293	371.8%	-60.8%	304,383	25,728	1083.1%	-80.8%	579,422	84,021	589.6%	-74.6%
June	454,453	195,826	132.1%	-42.8%	641,366	119,823	435.3%	-64.7%	1,095,819	315,649	247.2%	-58.1%
July	676,937	400,368	69.1%	-26.1%	1,178,658	493,254	139.0%	-42.9%	1,855,595	893,622	107.6%	-37.8%
August	737,889	485,156	52.1%	-19.4%	1,372,593	718,365	91.1%	-35.4%	2,110,482	1,203,521	75.4%	-30.6%
September	614,801	340,993	80.3%	-24.2%	1,156,594	521,123	121.9%	-38.4%	1,771,395	862,116	105.5%	-34.1%
October	531,828	266,245	99.8%	-20.5%	1,086,247	453,691	139.4%	-33.5%	1,618,075	719,936	124.8%	-29.7%
November	418,638	99,425	321.1%	-15.8%	800,183	163,597	389.1%	-31.6%	1,218,821	263,022	363.4%	-26.9%
December	406,027	92,289	340.0%	-12.5%	700,593	143,742	387.4%	-40.3%	1,106,620	236,031	368.8%	-32.4%
Total Year	4,607,938	3,015,932	52.8%	-40.6%	7,738,140	5,062,462	52.9%	-56.6%	12,346,078	8,078,394	52.8%	-51.7%

Source: AIA

Athens Hotel & Tourism Market

The faster-spreading Delta Variant has put Greeks' holiday plans **on hold** with one in two opting to stay put, according to a nationwide study released by the Association of Business and Retail Sales of Greece (SELPE). Carried out in collaboration with ELTRUN, the E-Business Research Center of the Athens University of Economics and Business, the study found that **8 in 10 (83 percent)** people surveyed believe the economic impact of the pandemic will continue into 2022.

According to the **new EU Tourism Tracker**, tourism in Europe is gathering speed, up by 20 percent against 2020 levels and by as much as 36 percent at popular European destinations, mostly in Southern Europe. In June, estimates see total overnight stays in the EU coming to around 45 percent of pre-crisis levels and could reach around 75-85 percent in August, which translates into more than 60 percent against the same month last year. Oxford Economics analysts are quick to point out, however, that **tourist numbers will not reach pre-COVID-19 levels in 2021**, adding that **employment** in tourism hotspots such as Greece, Portugal, Spain, Italy, and Croatia will still be slow this year.

Figure 15: Hiring intentions in hospitality are improving, but mostly remain below 2019 levels

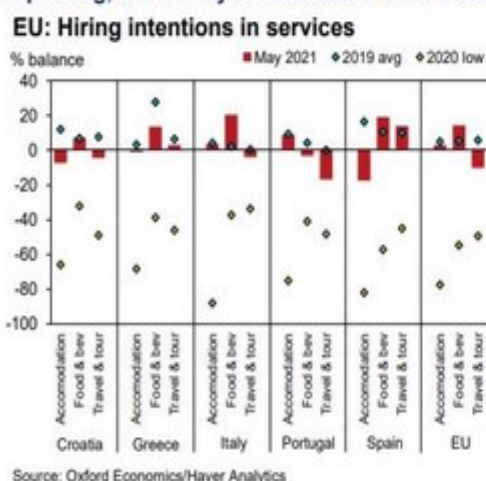
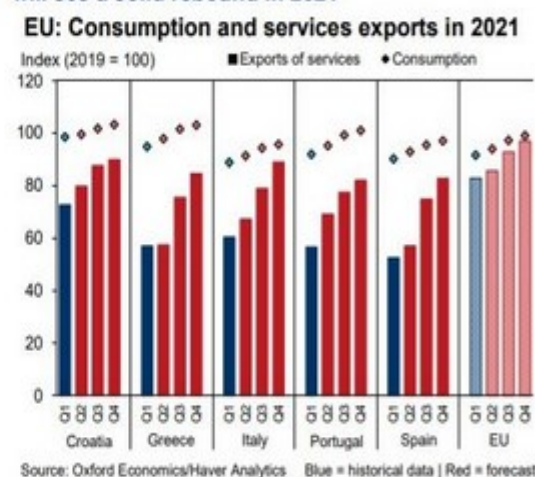


Figure 16: Consumption and services exports will see a solid rebound in 2021



New Hotel Openings

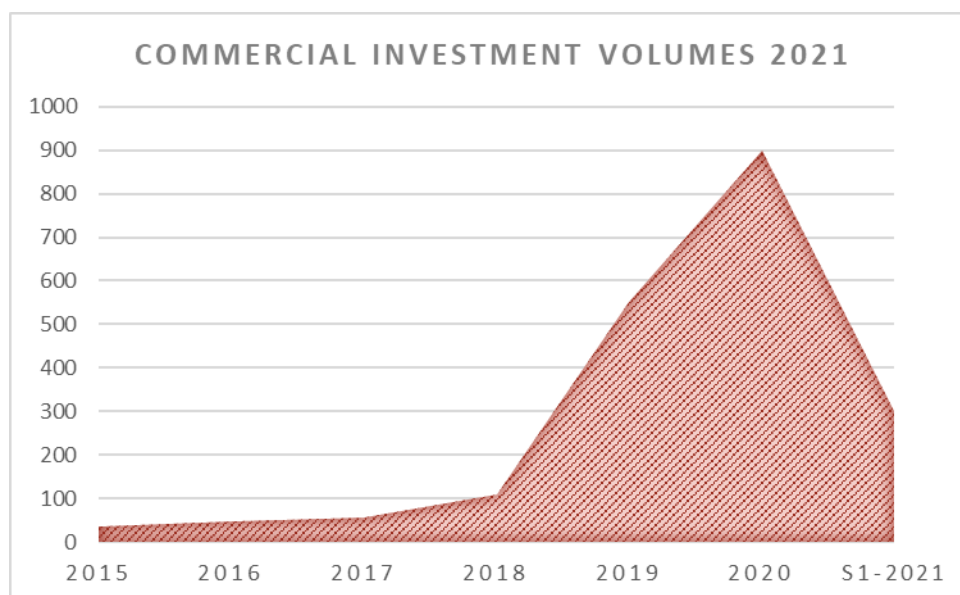
The expectations in the market remain high and there is vivid activity in the sector with new openings:

- ✓ «Lighthouse» by Brown Hotels recently opened with 220 rooms very close to Omonoia Square and the city Center.
- ✓ «Athens Ikon», a boutique hotel with 2 luxury suites and 45 rooms which welcomes visitors to 21 Mitropoleos Street, next to Syntagma Square and Plaka and Ermou streets.
- ✓ «The Modernist» in Kolonaki located in the former Canadian Embassy and within 600 of Museums and amenities, recently opened with 43 rooms.
- ✓ Utopia residencies with 28 rooms have recently opened on Ermou street.
- ✓ Conversion of the old District Court in Omonoia to a new modern hotel by Prodea Investments.
- ✓ Extension of Grand Hyatt Hotel in Syggrou by Hines.
- ✓ NLH Monastiraki with 36 rooms and a short distance from Monastiraki and Acropolis.

MAJOR RE TRANSACTIONS 2021

Buyer	Asset - Description	Price (in million €)	Date
Dimand	Minion Building- Athens CBD 16.000 sqm	26	December 2021
Prodea	Logistics Center in Aspropyrgos 23.800sqm	12,5	September 2021
Trastor REIC	Kronos Business Center in Maroussi (20% ownership)	2,35	December 2021
Eurobank	Office Building in Hellinikon Development Complex, around 38.000 sqm	140	December 2021
Piraeus Bank	Office Spaces in the Hellinikon Development Complex, 40.000 sqm	147	August 2021
Hines	Kapsis Hotels Crete	125	August 2021
Microsoft	Land bought by Lamda in Spata	14	July 2021

Overall, in 2021: around €790 million investments finalised with significant size/ deals pending are expected to be finalised in Commercial Real Estate during the first semester of 2022



Source: Danos an alliance member of BNP Paribas Real Estate

COVID-19 impact in the market has been prolonged due to Delta Variant and delays in vaccination. Real Estate is in a changing process, new trends emerge, and new challenges are faced, the Greek RE market, however, shows signs of resilience and adaptability.

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