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Exclusive
Holiday High End
Luxury Escape Privacy
Return Investment Income
Profit Asset Real Estate Yield

Holiday home in Greece: “Ride the Momentum” 2016





Holiday home in Greece: “Ride the Momentum”

The Mediterranean has always been an attractive destination for buying a holiday home. The mild climate, the cuisine, the quality of life and the infinite coastline have attracted many buyers, especially from northern Europe. In recent years the Mediterranean has emerged as an investment destination, offering competitive asking prices and high rental yields. The latter has spurred the interest of buyers from the US, Australia and the Middle Eastern countries such as UAE, Lebanon, Israel, Egypt, Kuwait and Saudi Arabia who are searching both for a holiday home for their vacation but also are keen to exploit the current market situation.

According to the latest report published by a Greek economic research institution, the holiday home market in Southern Europe is considered to be the most dynamic industry at the moment. Estimates account for more than 2 million holiday home sales in the region to Northern European citizens up to 2020, confirming the region's untapped potential in the holiday home sector.

Based on the above, and for a second consecutive year, Algean Property has compared the

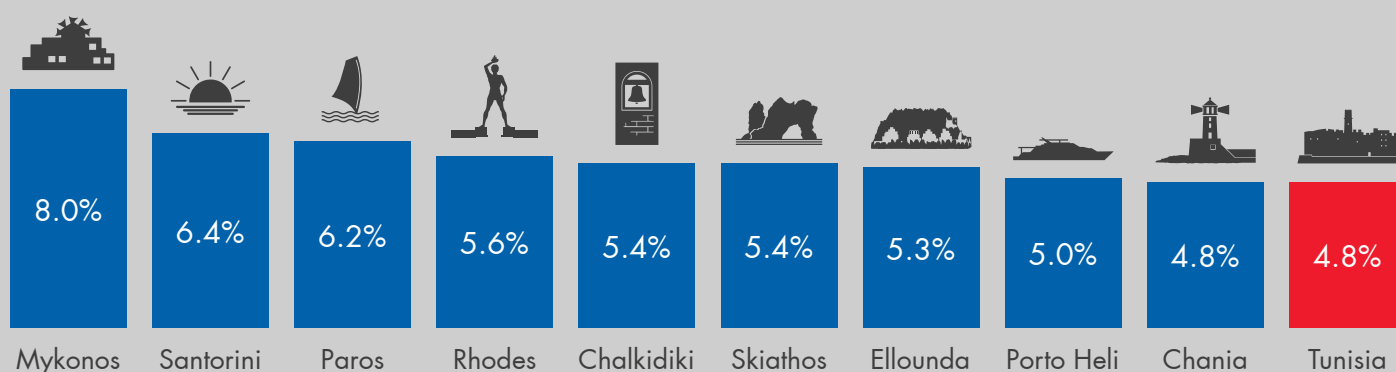
gross average rental yields for prime holiday homes across the Mediterranean. The approach at Algean Property is that every holiday home owner should consider the property as a potential investment as well as a holiday home. In addition we expanded our research to all the main tourist destinations in Greece in order to fully display the course of the holiday home sector in the country, compared to competing destinations in the Mediterranean. Our analysis shows that Greek destinations remain the top performers in the Mediterranean Sea. Compared to last year there was an increase in asking prices and rental rates in the more established destinations - Nice, Ibiza, Sardinia, St.Tropez, Mallorca, Mykonos, in contrast to the secondary markets - Turkey, Tunisia, Dalmatian Coast, Montenegro, where a small decline was recorded. Holiday home rental yields based on 12 week rentals are higher than the yields earned in major European cities such as London and Paris, circa 3%.

Analytically in the Mediterranean, Mykonos comes first with an average gross yield of 8.0%, followed by Santorini and Paros with 6.4% and 6.2% average gross yield respectively. The ranking continues

with Rhodes (5.6%), Chalkidiki (5.4%), Skiathos (5.4%), Elounda (5.3%), Porto Heli (5.0%), Chania (4.8%), Tunisia (4.8%), the Dalmatian Coast - Croatia (4.8%), Corfu (4.3%), Ibiza (4.2%), Kefalonia (4.1%), Nice (4.0%), Sardinia (3.9%), Saint Tropez (3.9%), Zakynthos (3.8%), Turkey - Mediterranean coast (3.8%), Marbella (3.8%), Mallorca (3.5%), Athenian Riviera (3.4%), Cannes (3.3%), Budva - Tivat (3.2%), Tel Aviv (3.1%), Capri - Amalfi Coast (3.1%), Paphos (2.9%), Turkey - Aegean coast (2.9%), and Malta (2.7%).

Holiday home rental yields in the Mediterranean showed a volatility compared to last year. In Greece, many destinations demonstrated positive growth, confirming that the holiday home market is one of the most promising sectors in the country. Greek destinations strengthened their position in relation to the competition in the Mediterranean. This trend is expected to continue as Greek destinations offer competitive prices – significantly discounted in the last years, and a growing overseas demand for rental of luxury holiday homes. Our conclusion on the Greek holiday home market is that there is money to be made, from rentals and the appreciation of values!

Top 10: Average Gross Rental Yield



Country & Region	Sale Price (€/m²)	Acquisition Price (€)	Weekly Rental Rate (€)	Annually Rental Income (€)	Average Gross Yield
Mykonos	6,000	1,500,000	10,000	120,000	8.0%
Santorini	6,000	1,500,000	8,000	96,000	6.4%
Paros	3,500	875,000	4,500	54,000	6.2%
Rhodes	3,000	750,000	3,500	42,000	5.6%
Chalkidiki	3,750	937,500	4,250	51,000	5.4%
Skiathos	4,000	1,000,000	4,500	54,000	5.4%
Elounda	5,000	1,250,000	5,500	66,000	5.3%
Porto Heli	5,000	1,250,000	5,250	63,000	5.0%
Chania	4,000	1,000,000	4,000	48,000	4.8%
Tunisia	1,000	250,000	1,000	12,000	4.8%
Dalmatian Coast	4,250	1,062,500	4,000	48,000	4.5%
Corfu	4,500	1,125,000	4,000	48,000	4.3%
Ibiza	7,500	1,875,000	6,500	78,000	4.2%
Kefalonia	3,500	875,000	3,000	36,000	4.1%
Nice	10,750	2,687,500	9,000	108,000	4.0%
Sardinia	8,000	2,000,000	6,500	78,000	3.9%
Saint Tropez	16,000	4,000,000	13,000	156,000	3.9%
Zakynthos	5,000	1,250,000	4,000	48,000	3.8%
Mediterranean Coast	2,500	625,000	2,000	24,000	3.8%
Marbella	6,250	1,562,500	5,000	60,000	3.8%
Mallorca	9,000	2,250,000	6,500	78,000	3.5%
Athenian Riviera	5,000	1,250,000	3,500	42,000	3.4%
Cannes	14,500	3,625,000	10,000	120,000	3.3%
Budva - Tivat	3,750	937,500	2,500	30,000	3.2%
Tel Aviv	8,500	2,125,000	5,500	66,000	3.1%
Capri - Amalfi Coast	11,000	2,750,000	7,000	84,000	3.1%
Paphos	5,000	1,250,000	3,000	36,000	2.9%
Malta	5,000	1,250,000	3,000	36,000	2.9%
Aegean Coast	4,000	1,000,000	2,250	27,000	2.7%

The above analysis is based on more than 3,000 comparable properties, selected by the Algean Property research team. Each property features a minimum of 3 bedrooms, a private pool, and high quality fittings in an average area of 250 m². The operational period is assumed at 12 weeks.

Legend

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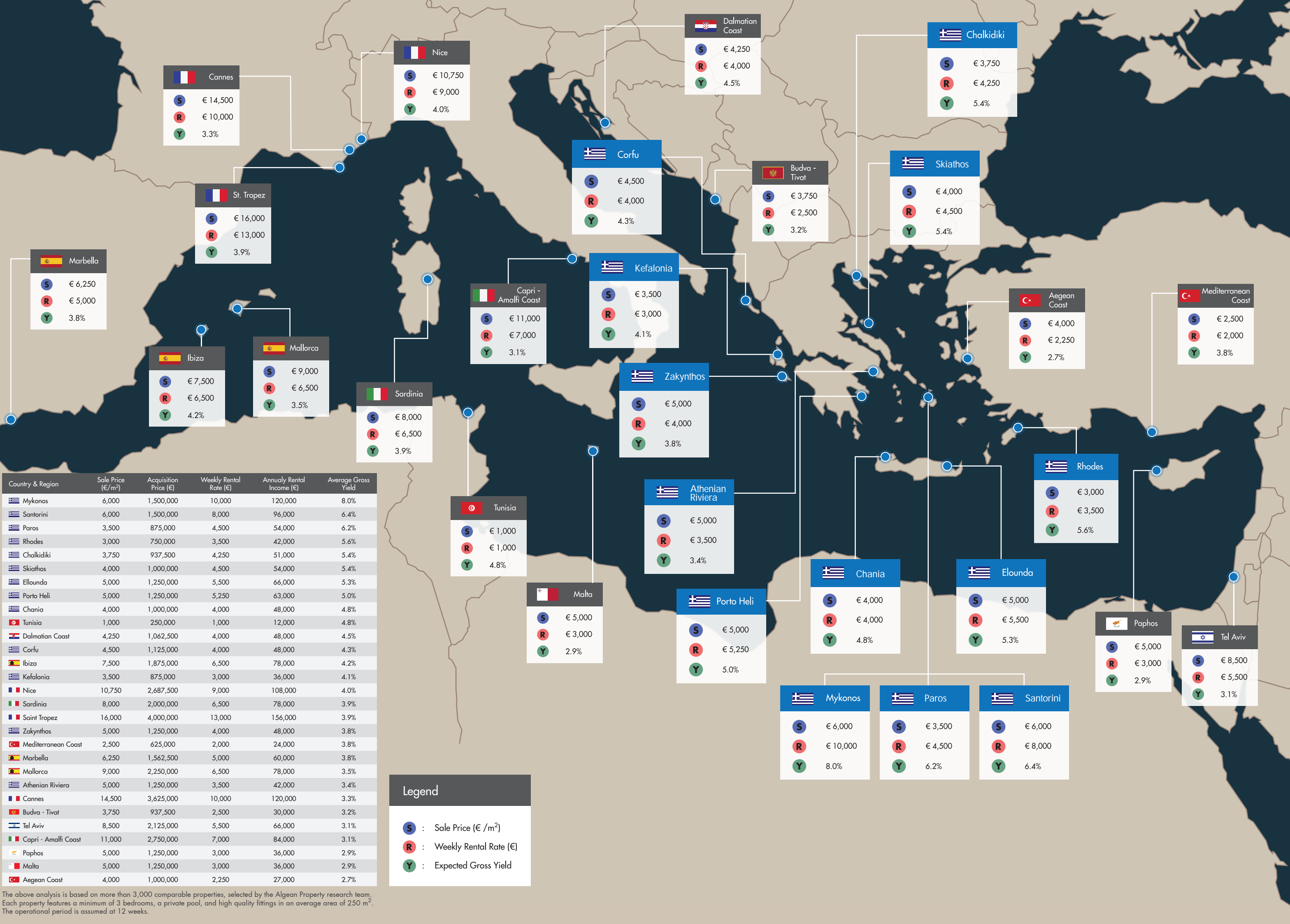
 : Sale Price (€ /m²)

R

 : Weekly Rental Rate (€)

Y

 : Expected Gross Yield



Reasons to buy property in Greece

DESTINATION

- Access:

A central location at the crossroads of three continents allowing for easy and direct access from most parts of the world (London & Moscow in circa 3.5 hours, and Dubai in circa 5 hours)

- Temperate Climate:

More than 300 days of sunshine a year - the winters are short and mild while the summers are warm and dry with cooling breezes

- Infinite coastline:

The longest Mediterranean coastline (13,676km) - longer than the coastlines of Italy, Spain and Cyprus combined

- Geographical Diversity:

Over 250 mountains (Mount Olympus 2,917 m), 2,000 islands, 60 lakes and 25 rivers while 25% of the territory is covered with forests (the 4th largest in the EU)

LIFESTYLE

- Quality:

Al fresco living, social and healthy

- Culture:

232 archeological sites, 2/7 wonders of the ancient world, 17 UNESCO sites and numerous museums and historical sites

- Gastronomy:

Renowned Mediterranean cuisine - more than 100 PDO (Protected Designation of Origin) and PGI (Protected Geographical Indication) products

- Health:

Well developed private and public healthcare systems

- Education

High standard educational system offering good foreign private schools and top performing universities

- Convenience:

English is widely spoken, foreign newspapers and satellite television are available while satellite broadband internet covers 100% of the Greek inhabited territory

- Safety

One of the lowest crime rates in Europe with fewer than 60 recorded robberies per 100,000 people according to United Nations Office on Drugs and Crime

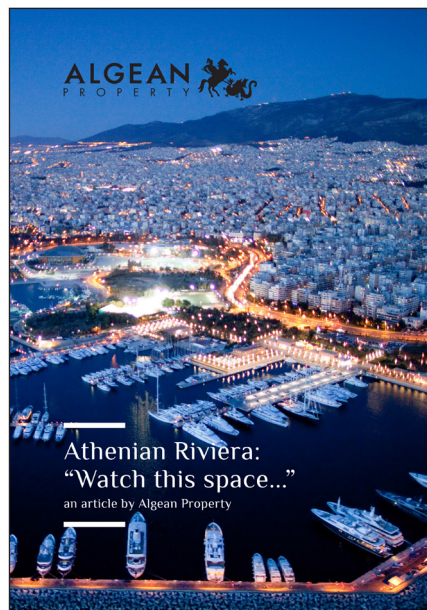
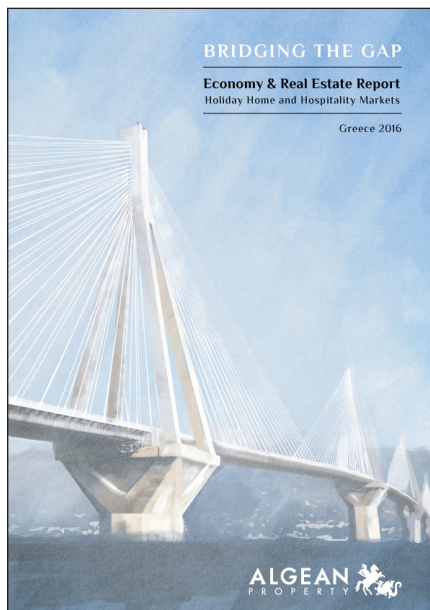
INFRASTRUCTURE

- 45 airports, of which 21 International, serve an adequate number of local and international flights. There are numerous airline companies intending to increase their flights to Greece
- Above 100 sea ports and harbors with an array of well serviced ferry connections
- More than 250 marinas for small and large yachts
- A modernized motorway network with 10 main routes throughout the Greek mainland
- 8 professional golf courses and innumerable sport, water-sport and spa facilities
- 150 Winning awards restaurants and many cafes, beach bars, open-air clubs, and local taverns

INVESTMENT

- Competitive prices compared to other Mediterranean destinations
- A residence permit is granted for investments in excess of €250,000 to non-EU residents and their families
- Overall low transaction costs
- Relatively low cost of living (about 20% lower than the UK)
- International tourist arrivals in 2015 reached 23,6 mil, recording a 50% cumulative increase in the last 3 years. Projected visits for 2021 are revised at 30 million visitors (previous estimation 25 million)
- High rental yields for quality holiday homes in prime locations

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