



AMERICAN-HELLENIC  
CHAMBER OF COMMERCE



REAL ESTATE  
& DEVELOPMENT  
COMMITTEE

# Property Market Outlook for Greece

Insights for 2024 H2 and a Brief Forecast for 2025 H1

powered by the Real Estate & Development Committee

# Executive Summary



In the latter half of 2024, Greece's real estate market maintained its recovery, bolstered by moderate GDP growth and robust foreign demand for prime residential properties. Retail and office markets experienced price increases, while affordable housing remained a persistent challenge. Government initiatives provided partial relief, with the market further benefiting from political stability and sustained foreign investment.



The property market performed well across the hotel/residential sectors, offices, and storage spaces, while residential properties were deemed overvalued, and industrial spaces faced a decline. Key drivers included strong demand for residential properties, tourism growth, and a steady influx of foreign capital. However, rising construction costs, geopolitical tensions, and labor shortages continued to pose significant challenges.



Looking ahead to the next six months, the hotel/residential sector, storage spaces, and vacation homes are expected to perform well, while industrial spaces are likely to underperform. This positive outlook is driven by sustained occupier demand, tourism growth, technological advancements, and a shortage of quality stock. However, challenges persist, including cost-of-living and affordability issues for locals, along with the slow reform of the legal and town planning framework.



# Economic Outlook

## Economy

Economic activity is projected to grow by 2.1% in 2024, with similar growth expected in 2025 and 2026, driven by the implementation of the Recovery and Resilience Plan (RRP). While unemployment, now below 10%, is expected to continue declining, the pace will be slower than in the past. Inflation is forecasted at 3.0% in 2024, gradually moderating to around 1.9% by 2026. The general government deficit is expected to decrease further, supported by restrained expenditure growth. Combined with strong nominal GDP growth, this trend is anticipated to steadily reduce public debt-to-GDP to nearly 140% by 2026.

[https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/greece/economic-forecast-greece\\_en](https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/greece/economic-forecast-greece_en)

According to the latest data from the Bank of Greece, net Foreign Direct Investment (FDI) inflows in 2024 reached €1.7 billion under residents' external assets and €6.0 billion under residents' external liabilities, reflecting non-residents' direct investments in Greece. In December 2024 alone, net flows amounted to €204.5 million under residents' external assets and €1.2 billion under residents' external liabilities. These figures highlight strong foreign capital inflows, demonstrating sustained investor confidence in Greece's economic outlook.

[https://www.bankofgreece.gr/en/news-and-media/press-office/news-list/news?announcement=193c4e27-1e7b-469d-88e8-7a67e43d6573&utm\\_source=chatgpt.com](https://www.bankofgreece.gr/en/news-and-media/press-office/news-list/news?announcement=193c4e27-1e7b-469d-88e8-7a67e43d6573&utm_source=chatgpt.com)

GDP growth (2023)	2.3%
FDI, net inflows (% of GDP) (2023)	1.9%
World Bank: <a href="https://data.worldbank.org/country/greece">https://data.worldbank.org/country/greece</a>	
Apartment Prices (2024 vs 2023)	7.8%
Office Prices (2024 vs 2023)	2.3%
Retail Prices (2024 vs 2023)	4.8%



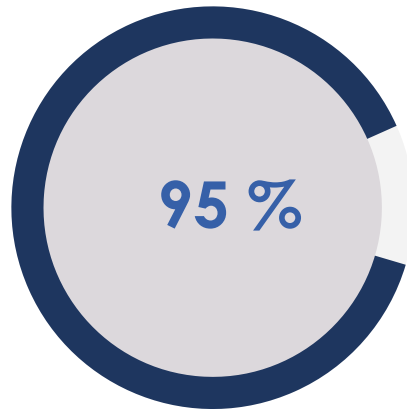
Bank of Greece: <https://www.bankofgreece.gr/en/statistics/real-estate-market/residential-and-commercial-property-price-indices-and-other-short-term-indices>



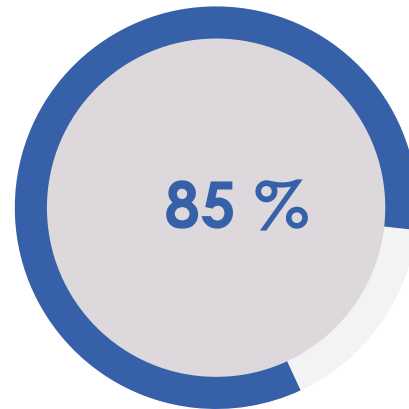
# H2 2024: Real Estate Market Performance

7,5/10\*

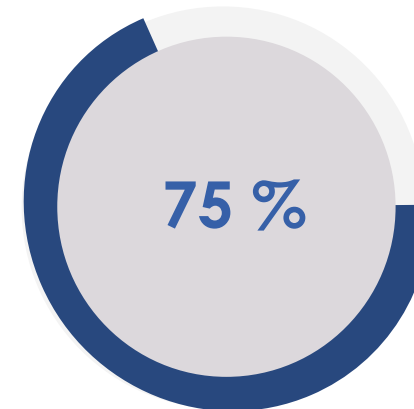
Sectors with strong performance



Hotels



Offices



Residential & Storage Spaces

\*(rating 1 to 10, poor to excellent)

# H2 2024: Key Trends in the Real Estate Market

## Overvalued Sector

- Residential

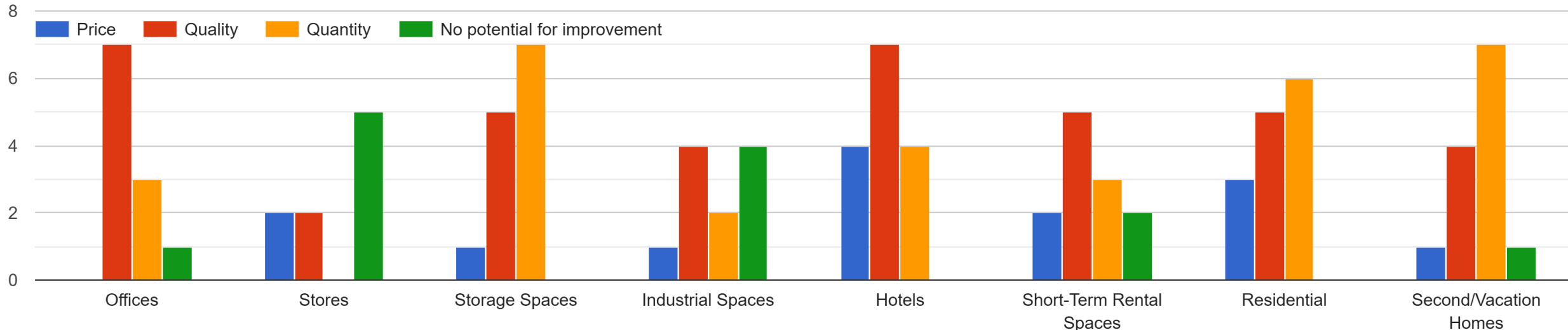
## Declining Sector

- Industrial Spaces

## Sectors with upward momentum

- Storage Spaces
- Hotels
- Second/Vacation Homes

Which sectors do you consider to have potential for improvement?



# H2 2024: Real Estate Market Drivers

## Strengths

- High demand for residential, short-term leased, and commercial properties
- Strong tourism growth
- Declining inflation rates
- Investment-grade credit rating
- Steady influx of foreign capital from investors and individuals
- Political stability
- Imminent changes to the Golden Visa program
- Anticipation of lower financing costs
- Limited supply of quality stock, including premium housing, commercial, and logistics properties
- High demand for scarce, sought-after properties
- Restricted land availability for large-scale developments
- Robust GDP growth and positive economic outlook

## Challenges

- Airbnb restrictions
- Rising construction costs
- Geopolitical tensions and demand slowdown
- Labor shortages driving up construction costs
- Limited bank debt availability and high borrowing costs
- Adverse town planning decisions
- Global supply chain disruptions
- Controversial planning regulations and frequently changing government policies
- High lending rates
- Global instability and slow progress in reducing interest rates



# H1 2025: Real Estate Market Performance Forecast

Sectors with the potential to strongly perform

poorly performance



Hotels



Residential



Second/  
Vacation  
Homes



Storage  
Spaces



Industrial  
Spaces



# H1 2025: Real Estate Market Drivers Forecast

## Strengths

- Strong foreign demand for residences
- Positive Greek economic performance
- Macroeconomic and political stability
- Continued GDP growth and foreign capital influx
- Reduced interest rates
- Stronger dollar
- Ongoing occupier demand and tourism growth
- Growth in technology and Protech
- Shortage of quality stock
- Stable planning legislation
- Continued demand from foreign investors
- Support programs and incentives
- Stabilized unemployment rate
- End of the Ukraine war

## Challenges

- Basel IV impact
- High inflation
- Gradual recovery of competitor markets and potential diversion of foreign investment funds
- Cost of living and affordability issues for locals
- Slow reform of legal and town planning framework
- Inadequate infrastructure, particularly in Athens and tourist areas
- Climate crisis and increased insurance costs
- Potential political instability
- Market uncertainty and geopolitical tensions
- Shortage of construction and specialized workers
- High construction costs
- Interest rate volatility







AMERICAN-HELLENIC  
CHAMBER OF COMMERCE



REAL ESTATE  
& DEVELOPMENT  
COMMITTEE

# Real Estate & Development Committee

[www.amcham.gr](http://www.amcham.gr)

DISCLAIMER 2024: The material in this report has been prepared for informational purposes only and cannot be regarded or construed as guidance or advice, investment recommendation or proposal. There is no obligation or commitment to update this report.

Recipients of this report including Investors shall conduct their own independent research, are advised to verify the accuracy and up – to date of the information contained and seek independent advice from professional advisors.

The members of the Committee participate personally and not on behalf of the legal entities they are employed by or engaged in. None of the members of the Committee or executive, employee or member of the AMCHAM is responsible for, or is making any representations, guarantees or warranties regarding, the accuracy, completeness or fairness of this report or the information contained therein. In addition, each member, executive and employee disclaims any liability in connection with this report or any investment made based on the information contained on this report.