



SPOTLIGHT

Savills Greece Research

Athens Residential Market

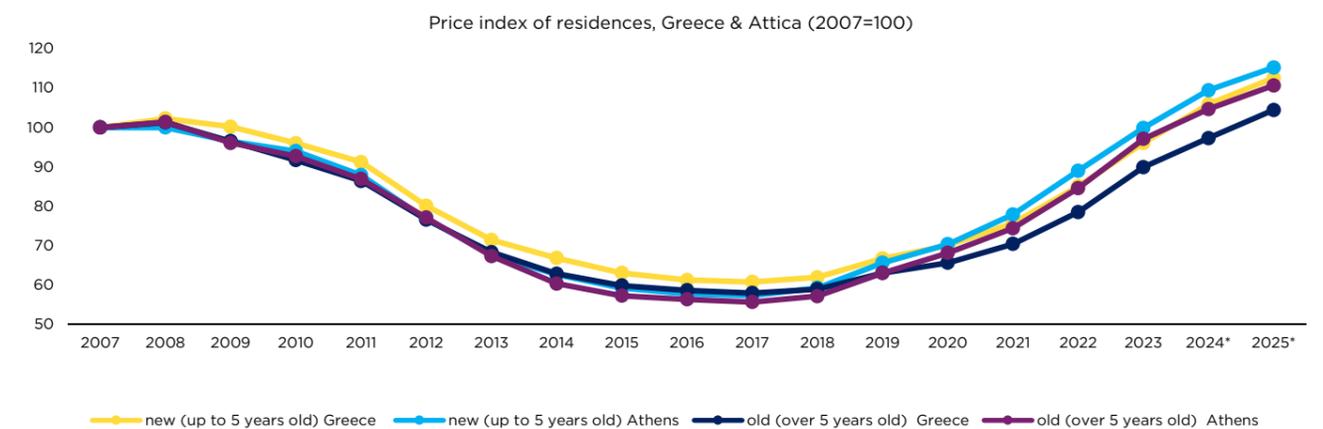
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The Greek residential real estate sector in 2025 maintained its steady performance, showing signs of a mature market cycle following the rapid expansion of previous years. Despite the environment of elevated interest rates, the market exhibited notable resilience, driven by a persistent supply-demand imbalance. A pivotal milestone was reached in 2025, as price indices across most categories have now fully recovered to and exceeded pre-crisis levels, although the pace of appreciation is normalizing. Specifically, the overall growth rate for residential properties in Greece is expected to settle at 7.0% for 2025, compared to 9.0% in 2024, reflecting the gradual absorption of previous price surges. The Greek economic landscape remains supportive, with GDP growth outperforming the Eurozone average and the investment-grade status mitigating the impact of high borrowing costs on domestic mortgage lending. The Bank of Greece's latest assessments (2025) confirm this strong upward trajectory. According to the updated price index (2007=100), new-built properties in Athens have surged

past the 115-unit mark, significantly higher than the 2008 peak. Notably, the growth rate for older properties in Athens has shown remarkable acceleration, effectively closing the gap with the new-built sector. More specifically, in 2025, while Athens new-built growth adjusted to a sustainable 5.3%, older assets demonstrated superior momentum with a 5.7% increase, a trend even more evident in Thessaloniki where the secondary market rallied by an impressive 10.1% compared to 6.0% for new developments. This trend highlights a strategic market shift: as new-built prices reach a plateau of affordability, investors and end-users are aggressively pivoting towards the existing building stock. Supported by energy-efficiency incentives and the scarcity of new land supply, this "catch-up" effect of older assets has become the defining characteristic of the 2025-2026 period, solidifying a more balanced but high-priced residential ecosystem.

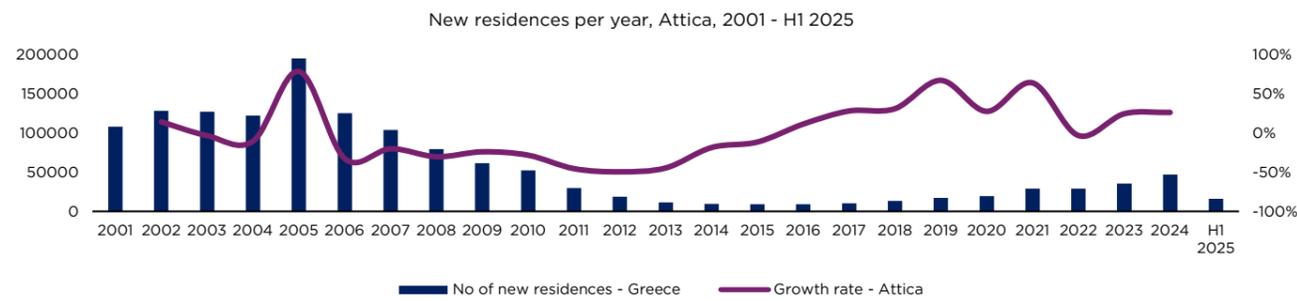


Source: Bank of Greece

Construction

Construction activity in Greece reached a cyclical peak in 2024, with the number of new residences added to the stock marking the strongest performance since 2011. Data for the full year 2024 confirm that the industry successfully navigated high construction costs, with the growth rate in Attica maintaining a robust trajectory of approximately 25%. As we move through 2025, preliminary H1 data indicate that while the pace of new

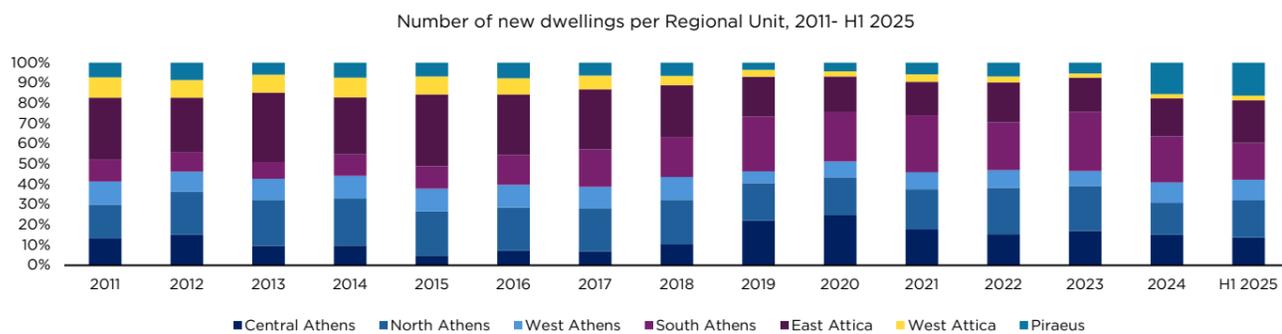
permits is finding a sustainable equilibrium, residential activity remains at its highest levels in over a decade. This resilience is underpinned by the Production Index in Construction Index, which continues to hover above pre-crisis benchmarks (surpassing the 150-unit threshold in H1 2025), supported by investor appetite for high-specification, energy-efficient assets that meet modern ESG standards.



Source: Hellenic Statistics Authority

Geographically, while South Athens and East Attica continue to command a significant share of development due to their premium appeal, the landscape is evolving due to land scarcity and high entry costs in these sub-markets. A strategic pivot is now evident toward Central Athens and, increasingly, Piraeus, which has emerged as a key focal point in the 2025 data. The resurgence of Central Athens is fueled by large-scale urban regeneration and the demand for “yield-intensive” small apartments, while Piraeus is benefiting from enhanced connectivity and more competitive land values.

This shift indicates that developers are proactively diversifying their portfolios, moving away from the saturated southern coastal front toward urban areas offering higher regeneration potential and attractive capital appreciation prospects for the 2026 horizon. It is noted that this shift is further influenced by the temporary deceleration in new permitting observed in early 2025, following the Council of State’s (StE) rulings on the New Building Regulation (NOK) incentives, which triggered a strategic recalibration across the development sector.



Source: Hellenic Statistics Authority

& Residential Activity



The 2026 Regulatory Landscape (NOK & StE)

The Greek residential market has entered a phase of enhanced legal predictability following the landmark rulings by the Council of State (StE) regarding the New Building Regulation (NOK). This transition from administrative uncertainty to a clear framework serves as a major catalyst for institutional investment for the 2026 horizon.

More specifically, following the StE’s decision in late 2024 which ruled key building bonuses unconstitutional, the market experienced a significant “permit freeze”. This was reflected in early 2025 data, where new residential permits saw a sharp decline of up to 51% as developers awaited legal clarity (Foundation for Economic & Industrial Research, 2025). To resolve the deadlock, mid-2025 legislation introduced a corrective “environmental offset” fee. Projects that had commenced works before December 11, 2024, are permitted to proceed by paying a fee equal to 8% to 15% of the additional built area’s value into a dedicated green fund.

While new permits from 2025 onwards are issued without the previous bonuses, this regulatory shift acts as a supply stabilizer. By limiting future density, the framework effectively protects the capital appreciation of existing stock and projects that secured their rights under the transitional rules. Thus, moving into 2026, the focus has decisively shifted toward architectural certainty with investors now prioritizing projects with “locked” building terms and high energy ratings (A+), ensuring that portfolios remain resilient against future zoning adjustments.

Market Activity



The Greek real estate market entered a phase of accelerated maturity in 2025, characterized by high liquidity and a notable surge in investment momentum.

According to the latest available data for 2024, market liquidity remained robust with an uplift of approximately 19.5% in notarized transactions recorded nationwide compared to 2023 (ELSTAT), representing the core volume of commercial “events”. The actual “market heat” and buyer appetite are more vividly captured by the 21.2% increase in digital tax filings compared to 2023 (IAPR).

Despite the high volume of notarized events nationwide, the market remains heavily residential-driven, as approximately three-quarters of total transactions concern housing assets, based on the structural composition of the property tax base and BoG estimates. This robust activity is maintained despite a notable contraction in household savings in early 2025, as result of the phasing-out of pandemic-era support measures, indicating that the demand for contemporary, energy-efficient units has become a structural feature of the

market rather than a temporary trend, persistently outstripping available supply.

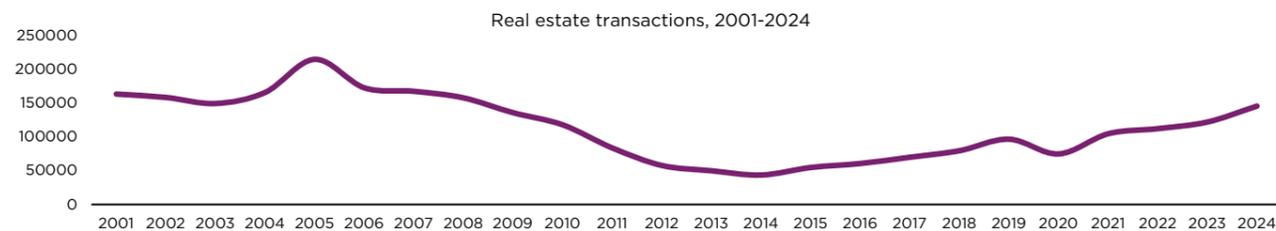
The most significant development of the period is the renaissance of mortgage lending. According to the Hellenic Bank Association, new mortgage disbursements in 2025 registered a staggering 46.3% year-on-year increase, marking the beginning of a new upward cycle after 15 years of deleveraging. In 2025 alone, disbursements reached €2.65 billion (up from €1.81 billion in 2024), with 45,000 households securing new financing. This trend is corroborated by the Bank of Greece’s Lending Survey, which reveals a sharp positive turn in demand for housing loans starting from Q2 2025, signaling a restoration of confidence among middle-income borrowers.

From Inflationary Caution to Supply-Driven Urgency

While inflationary pressures in previous years induced a period of buyer caution, the 2026 landscape is defined by a pivot toward strategic acquisition. With inflation stabilizing at 2.3% and interest rates on a downward trajectory, the previous trend of delaying purchases has been replaced by an urgency to secure assets amidst a visible supply squeeze. Investors and end-users alike are prioritizing “architectural certainty” and immediate availability, seeking to lock in value before the structural shortage of the 2026-2027 market, driven by the 51% reduction in 2025 building permits, fully manifests.

This resurgence is further fueled by a favorable macroeconomic environment, featuring falling inflation and the gradual reduction of ECB interest rates from mid-2025, thus making mortgages even more affordable and potentially further boosting market activity. Simultaneously, government initiatives aimed at broadening access to housing, including low-interest schemes similar to “Spiti Mou,” Sale & Leaseback programs, and new regulations on short-term rentals and the Golden Visa (all designed to increase the stock for primary use), are expected to further support residential market activity.

Concurrently, the short-term rental (STR) sector continues its powerful trajectory, acting as a significant catalyst for market activity. Data from INSETE reveals consecutive records in H1 2025, with available beds surpassing the 1 million threshold as early as April 2025—months ahead of the traditional tourism peak. By June 2025, available beds climbed to a historic high of 1,061,000 (an increase of 70,000 compared to June 2024), further intensifying competition for residential stock in high-demand urban centers and coastal zones.



Source: Hellenic Statistics Authority

Pricing

Athens has firmly established itself as an emerging investment hub, where the city’s historical identity meets modern residential requirements. This momentum, bolstered by the institutionalization of the market and a steady influx of foreign capital, has transformed the Greek capital’s residential landscape. Property values in Athens do not merely follow national trends, but are significantly superior, reflecting the city’s strategic position on the global map of prime destinations.

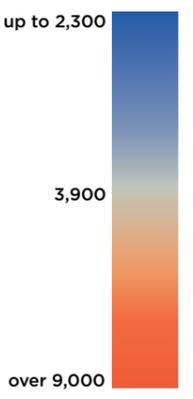
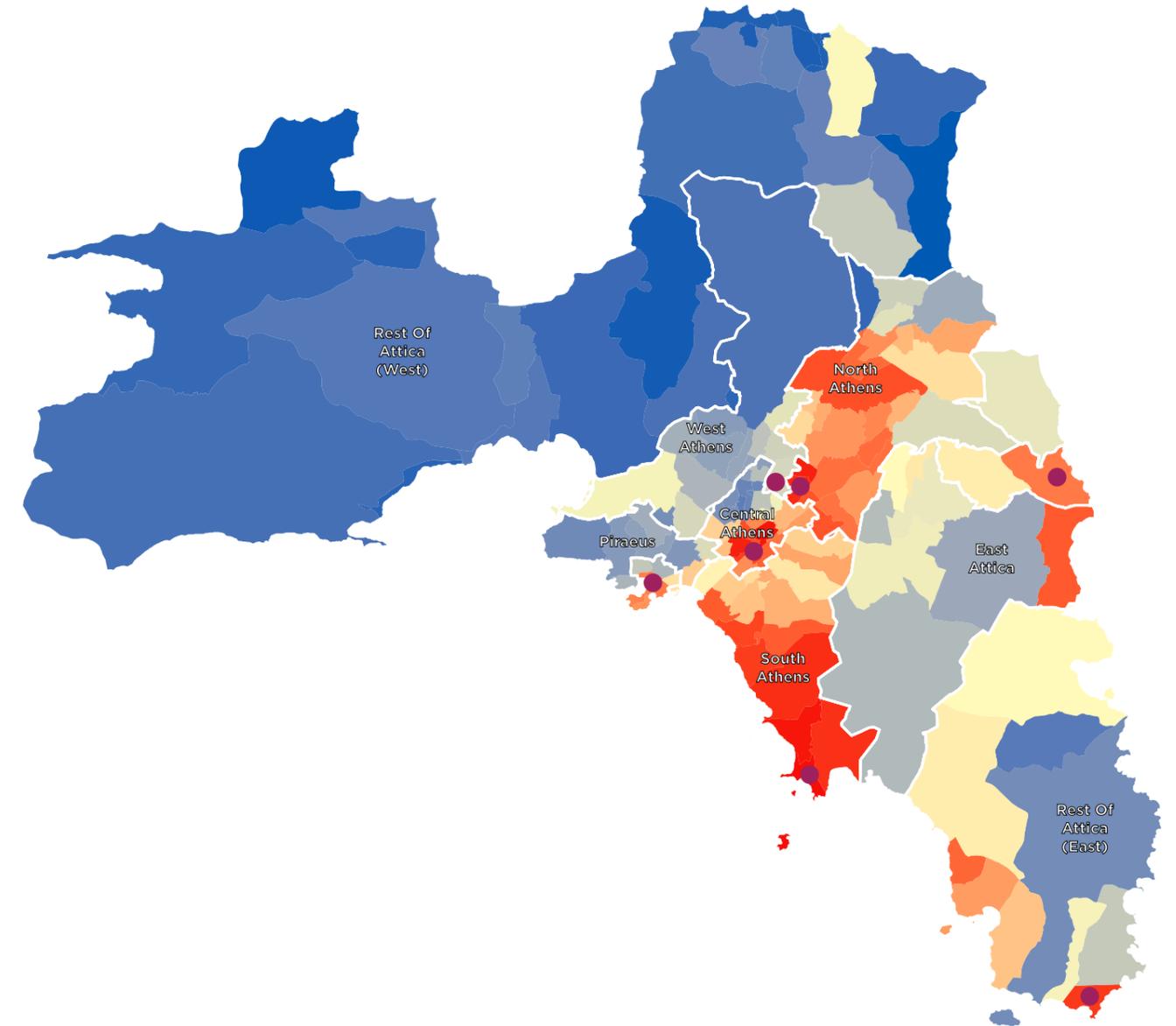
Our annual analysis records a market that is now showing clear signs of maturity, thus directly influenced by factors typical of a mature economic cycle, such as increased sensitivity to interest rates and the approach to the “affordability ceiling.” This maturity leads to the normalization of growth rates, as asking prices begin to test the upper limits of demand resilience.

On a biennial level, the market exhibits sharp internal differentiations reflecting this shift in velocity*. Piraeus, moving from an explosive 37% growth in the 2021-2023 period, is now pacing at 20% for 2023-2025. As of 2026, the area falls under the maximum €800,000 threshold for the Golden Visa program, thus already starting to balance the “investor frenzy” seen in previous years. In the South Suburbs, the growth rate decelerated from 26% to 10%, as the market enters a “wait-and-see/observation phase.” More specifically, investors are monitoring the completion of the initial residential phases at The Ellinikon, while high entry prices have narrowed demand exclusively to a wealthy demographic. The most notable slowdown is observed in the North Suburbs, where prices have possibly reached their ceiling after a steep post-Crisis/

post-Covid recovery. Demand there, traditionally driven by the domestic high and upper class, shows signs of fatigue as it is directly impacted by the level of prices coupled by the reduced attractiveness. Conversely, the West Suburbs and the Rest of Attica maintain their momentum, mainly because prices remained low in previous years, thus serving as the primary outlet for buyers seeking new-built quality at realistic prices, leading to a geographical dispersion of market activity. Notably, upward price pressure persists across prime districts and coveted locales. This is particularly evident in the luxury segment, where a chronic shortage of premium inventory has only just started to meet the robust buyer appetite.

Despite fluctuations in growth rates, the hierarchy of values remains steadfast, with prime areas retaining their status due to structural advantages. The coastal front of the South Suburbs continues to enjoy the highest premium, driven by the international prestige of the Athenian Riviera. In the North Suburbs, low residential density and a privileged natural environment ensure value preservation, despite the cooling in demand. Finally, the Athens City Center remains a timeless pole of attraction, with proximity to the Central Business District (CBD) and iconic landmarks creating a “price shield,” guaranteeing market stability and resilience heading into 2026.

**Note: The growth rates mentioned in this section are derived from Savills Greece’s annual analysis and refer to pricing estimates for new-build apartments.*



* The adjacent heatmap shows our 2025 estimated sale prices (€/sqm) for residential apartments in each Municipality of Attica. These are derived from regression models combining houses’ building characteristics as well as spatial variables based on asking prices of apartments for H2 2025.

Basis of analysis: a typical, new-built apartment of 90 sqm, with 2 bedrooms and parking space.

● Highest Price (Per Regional Unit)

	Average Growth (2023-2025)	Average Growth (2021-2023)	Average Price range (€/sqm)	Average Price range (€/sqm)	Upper market Price (€/sqm)
Central Athens	20%	26%	3,250-6,300	3,500-4,800	Kolonaki - Lykavittos (10,500)
South Athens	10%	26%	3,900-6,800	4,000-5,100	Vouliagmeni (15,000)
North Athens	8%	27%	3,500-5,100	4,100-4,600	Palaio Psychiko (10,000)
West Athens	27%	26%	3,150-3,850	3,300-3,600	Galatsi (4,200)
East Attica	14%	34%	3,200-4,000	3,350-3,950	Nea Makri (4,900)
Piraeus	20%	37%	3,600-4,450	3,950-4,750	Center-Port (5,100)
Rest of Attica	30%	24%	2,300-4,650	3,000-4,000	Sounio (8,000)

Investment Activity

The Greek residential sector has solidified its position as the primary engine of the national economy, demonstrating exceptional institutional depth and an increasing share of international capital. This leadership is best illustrated by the record-breaking performance of Foreign Direct Investment (FDI) in real estate, which experienced a 29% annual surge in 2024, reaching a total volume of €2.75 billion. More impressively, following a historic peak of 45% in 2023, the sector maintained a formidable 40% share of total FDI inflows in 2024, successfully consolidating its dominance. This sustained performance, even as the Greek investment landscape broadens, firmly establishes real estate as the most resilient and attractive gateway for international capital. Early 2025 data underscores the market's sustained maturity, with investment volumes maintaining their robust trajectory at €1.47 billion for the first nine months, showcasing the underlying appetite which remains robust, amidst shifting geopolitical conditions.

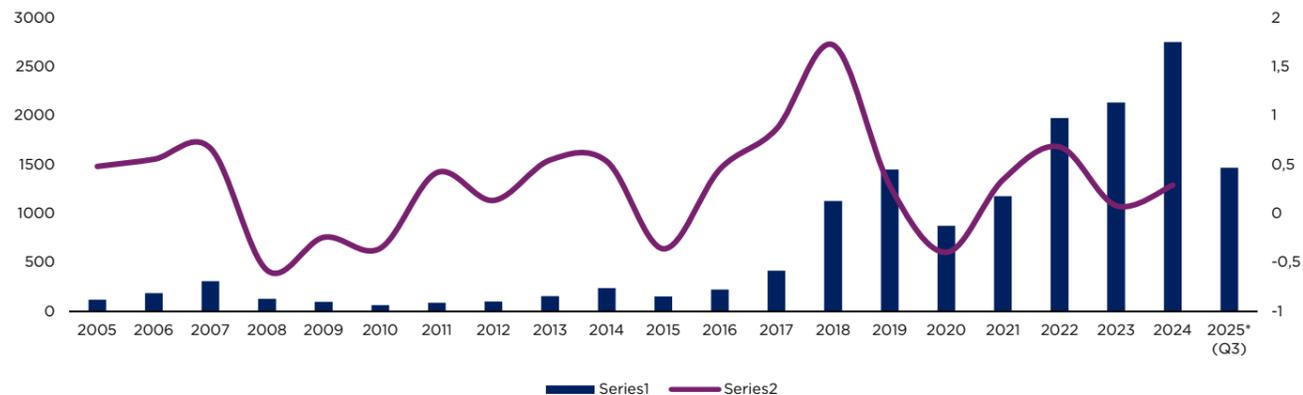
The dynamics of the residential market are most clearly reflected in the latest national accounts data, which reveal a significant upward revision in domestic housing investment. In 2024, total investment in dwellings reached €6.07 billion in current prices, representing a robust 12.8% real growth in volume terms, a momentum, that is not merely sustaining, but accelerating. More specifically, preliminary data for the first nine months of 2025 indicate a further intensification of activity, with investment volume expanding by an impressive 14% compared to the same period in 2024. This consistent double-digit growth underscores the sector's structural transformation and its increasing weight in the national economy. Despite this prolonged surge, housing investment as a percentage of GDP, estimated at approximately 2.4%, remains notably below the European average, signaling substantial untapped potential for further institutional capital absorption.

A major contributor to this sustained flow is the Golden Visa program, which defies expectations of a slowdown following the implementation of stricter criteria. Applications during the first four months of 2025 saw a remarkable 31.9% year-on-year increase, as investors rushed to secure positions in a market that is increasingly viewed as a safe haven for capital growth and residency security.

It is noted that the profile of residential investment is also undergoing a structural transformation, shifting from fragmented private acquisitions to large-scale institutional projects. Real Estate Investment Corporations (REICs), private equity funds, and family offices are increasingly targeting "niche" residential assets such as Purpose-Built Student Accommodation (PBSA) and Built-to-Rent (BtR) developments. This trend is particularly evident in central Athens and areas with high connectivity like Piraeus, driven by a growing demographic of digital nomads, students, and young professionals.

Simultaneously, the Prime Residential segment has matured into a sophisticated investment asset class. High-end developments, exemplified by the early success of The Ellinikon, are no longer viewed merely as luxury residences but as vehicles for competitive yields and long-term capital appreciation. The resilience of the Greek economy—consistently outperforming the Eurozone average, combined with the country's maintained investment-grade rating, has fundamentally altered investor psychology. As the market moves into 2026, the focus is shifting toward "architectural quality" and "ESG compliance," with institutional investors prioritizing projects that offer both operational efficiency and high absorption potential in a supply-constrained environment.

Foreign Direct Investment in Greek Real Estate, 20-year evolution



Source: Bank of Greece

Prime Residential: Athens Solidifying its Global Position

The prime residential market in Athens maintained its upward momentum in 2025, mirroring the global appetite for prime residences, outperforming several major European cities. A key highlight from the latest data is that Athens, with average prime prices at €11,700 per sq. m., has now surpassed cities like Madrid (€11,100), Amsterdam (€10,500), and Barcelona (€9,300), while remaining more competitive than Lisbon (€13,600). Average yields for prime assets in Athens remain among the most attractive in the index, hovering around the 4.0% mark.

Our analysis confirms that prime areas are solidifying at levels consistently crossing the €10,000 threshold. The Kolonaki – Lykavittos area in Central Athens, and Vouliagmeni area in South Athens, lead with upper market prices reaching and surpassing €10,500 per sq. m., following a robust growth rate during the 2023-2025 biennium.

For 2026, the prime market is expected to sustain modest capital value growth in the range of >0% to 1.9%. This continued performance is anticipated to be underpinned by regulatory reforms unlocking previously stalled developments. The city's unique combination of historical heritage, coastal proximity, and urban vibrancy continues to attract High-Net-Worth Individuals (HNWIs) and international investors. Demand remains robust, particularly in the Athenian Riviera, which has matured into a global hotspot for waterfront luxury residences. With non-EU nationals showing continuing interest, led by buyers from the US, the Middle East, and other non-EU markets, the limited high-end, move-in-ready stock continues to act as a catalyst for value preservation and long-term growth.

Trends & Challenges

The Greek residential sector is currently navigating a sophisticated transition, where market performance is increasingly decoupled from macro-economic volatility and tied to structural supply constraints and ESG mandates.



The Supply-Demand Nexus & Structural Constraints

The defining challenge for 2026 is the persistent supply-demand mismatch. The robust demand, evidenced by the consistent double-digit growth in investment volumes, is colliding with a severely restricted pipeline following the 51% reduction in new residential building permits in 2025. While the legal uncertainty surrounding the New Building Regulation (NOK) acted as the primary catalyst for the decline, the production gap is deeply rooted in broader structural issues, such as sustained high construction costs which have increased delivery lead times and compressed developer margins. Furthermore, the scarcity of prime land and the ongoing understaffing of planning authorities have created a 'bottleneck' effect. This convergence of regulatory, financial, and operational hurdles has transformed the market into 'scarcity play,' where existing assets and projects with 'legal certainty' command a significant premium, while the lead time for new stock is expected to extend well into 2027.

Sustainability and the "Green Split"

Sustainability has evolved from a secondary preference into a primary driver of property valuation. The market is witnessing a clear "Green Split": on one hand, energy-efficient properties command a significant "Green Premium" in both sales prices and rental yields. Conversely, older, non-renovated assets are beginning to face a discount, as lenders and institutional investors increasingly de-prioritize properties with poor energy performance due to future "stranded asset" risks. This transition is accelerating the repurposing of underutilized buildings into high-specification residential units, while highlighting a growing gap between prime and secondary stock as the cost of energy upgrades remains a key consideration for the market.

The Silver Economy: Greece as a Senior Living Hub

A major emerging trend for the 2026-2030 cycle is the Institutionalization of the Silver Economy. Greece is rapidly transforming into a primary destination for "Active Aging" and European retirees, yet the market faces a

critical shortage of specialized residential products. The development of Senior Living communities and/or wellness-oriented residential projects represents an opportunity for institutional capital. Unlike the fragmented traditional market, these niche assets offer stabilized, long-term yields and are less sensitive to local economic cycles. The integration of high-quality healthcare services with residential hospitality is expected to become a key investment theme, especially in coastal Attica and selected regional hubs with favorable climatic conditions.

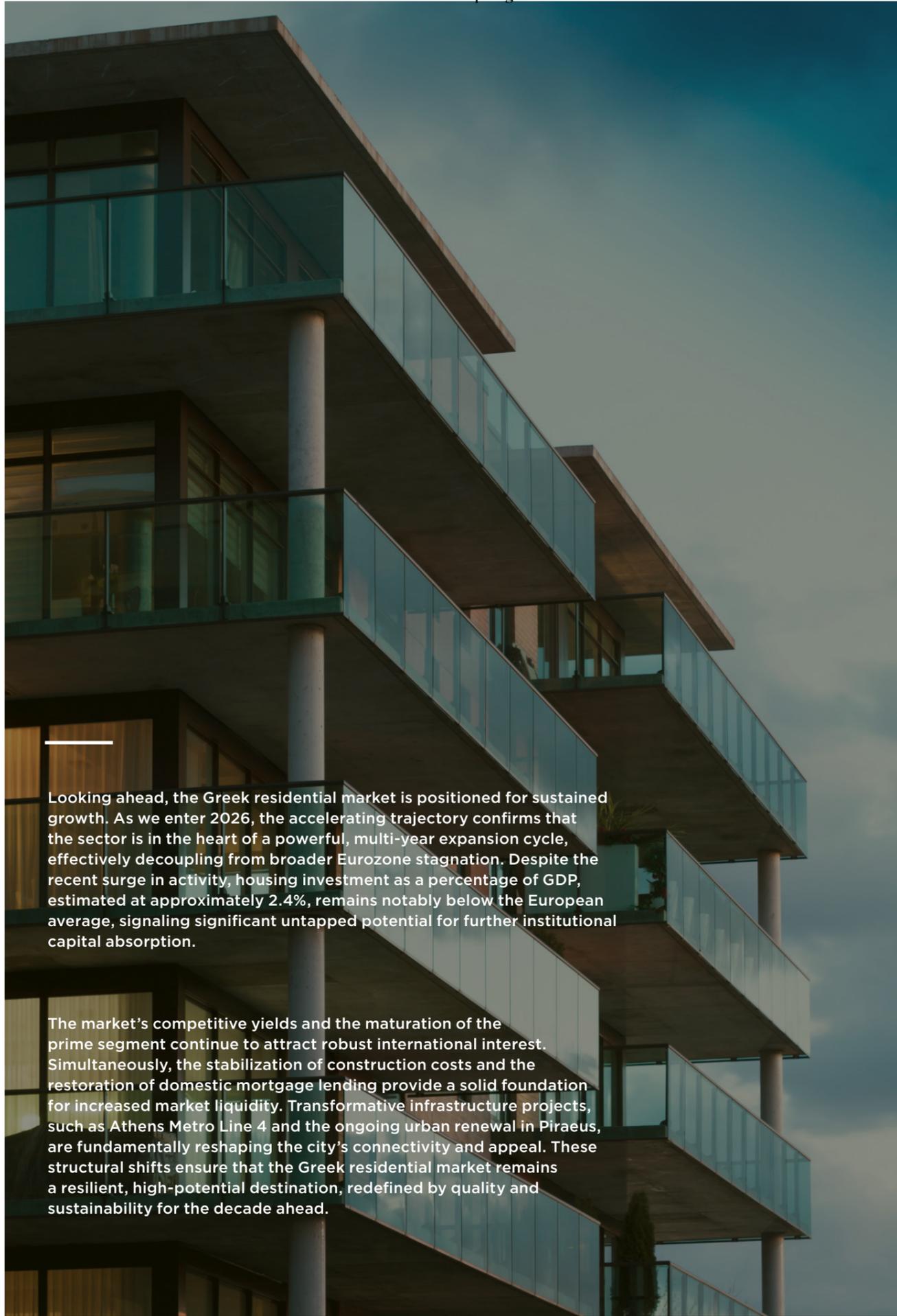
The Rise of Build-to-Rent (BtR) and Professional Asset Management

The Greek residential market is witnessing a fundamental shift, the transition from fragmented individual ownership to professionalized rental platforms. For investors, Build-to-Rent (BtR) represents a strategic shift toward stabilized, long-term cash flows and lower vacancy risks compared to traditional residential plays. For the broader market, it introduces a new standard of living and management, effectively bridging the gap between luxury prime residences and the outdated secondary market. The institutionalization of the rental sector

is expected to act as a stabilizing force in the coming years, offering "hospitality-driven" living solutions that cater to the growing demographic of young professionals and digital nomads who prioritize flexibility and quality over traditional ownership.

Strategic Regeneration and Metropolitan Connectivity

The geographical focus of investment is being reshaped by the Ellinikon-Piraeus Axis and the expansion of the metropolitan rail network. Piraeus has matured into a top-tier residential destination, serving as a more affordable but high-growth alternative to the Athenian Riviera. At the same time, the progress of Metro Line 4 is driving a gentrification wave in "CBD fringe" neighborhoods like Kypseli and Neos Kosmos. These regeneration initiatives are acting as a counterweight to the affordability crisis, intensified by the short-term rental sector, by unlocking previously untapped submarkets. However, the long-term success of these areas depends on the timely completion of infrastructure and the government's "Social Counterpart" initiatives, which aim to provide affordable housing options and maintain a diverse social fabric.



Looking ahead, the Greek residential market is positioned for sustained growth. As we enter 2026, the accelerating trajectory confirms that the sector is in the heart of a powerful, multi-year expansion cycle, effectively decoupling from broader Eurozone stagnation. Despite the recent surge in activity, housing investment as a percentage of GDP, estimated at approximately 2.4%, remains notably below the European average, signaling significant untapped potential for further institutional capital absorption.

The market's competitive yields and the maturation of the prime segment continue to attract robust international interest. Simultaneously, the stabilization of construction costs and the restoration of domestic mortgage lending provide a solid foundation for increased market liquidity. Transformative infrastructure projects, such as Athens Metro Line 4 and the ongoing urban renewal in Piraeus, are fundamentally reshaping the city's connectivity and appeal. These structural shifts ensure that the Greek residential market remains a resilient, high-potential destination, redefined by quality and sustainability for the decade ahead.



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