



GBR HOSPITALITY QUARTERLY NEWSLETTER

Greek Hospitality Industry Performance

2025 Q1

Greece top-ranked market for hotel investors

- Greece retained its 5th position as a top hotel investment destination in CBRE's 2025 Hotel Investor Intension Survey supported by strong tourism trends and a growing luxury hotel segment.

Greece registered 36.0 million international arrivals in 2024, up from 32.7 million in 2023, a growth of 9.8%, while travel receipts increased to € 20.6 billion in 2024 from € 19.7 billion in 2023 (+4.3%), excluding the cruise sector which contributed € 1.1 billion in 2024, an increase of 31.2% compared to 2023.

The number of 5-star hotels and hotel rooms in Greece increased during the period 2019 – 2024 by 37% and 22% respectively and the 4-star sector by 14% and 8% respectively. According to data released in March 2025 by the Research Institute for Tourism indicated that the hotel sector generated an estimated total net revenue of € 11.5 billion in 2024 of which 40% by the 5-star sector and 39% by the 4-star segment. Compared to 2023, revenue at the 4-5-star segments increased by 9.9%, while the 1 – 3-star hotel showed a rise of 5.0%. The 3 – 5-star segments represent 56% of all hotels, 77% of all rooms and 92% of turnover.

Cat.	Total est. turnover (net)	Share
5*	€ 4,581	40%
4*	€ 4,452	39%
3*	€ 1,584	14%
2*	€ 704	6%
1*	€ 172	1%
Total	€ 11,494	100%

Source: ITEP

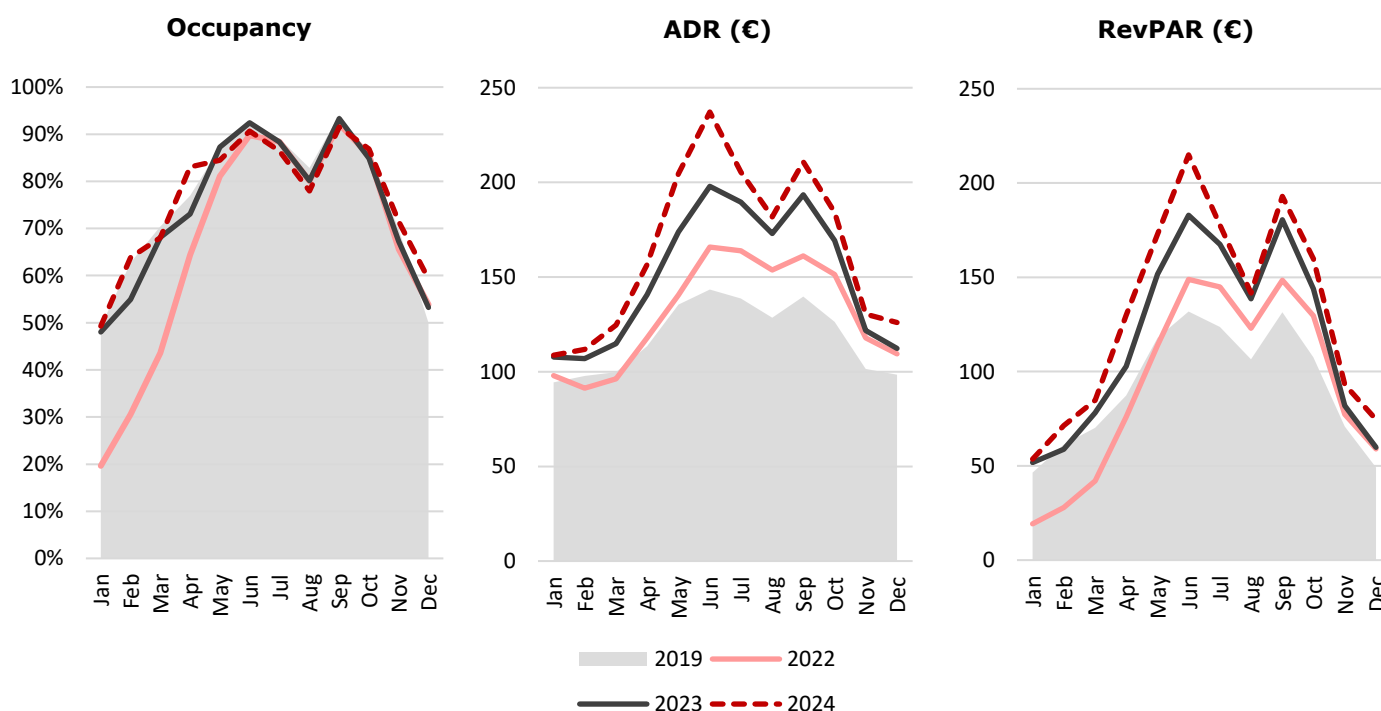
The CBRE survey also indicated that in terms of city destinations, Athens climbed to 8th place reflecting growing investor interests driven by strong tourism fundamentals and an expanding luxury hospitality sector.

Athens

- More specifically, as presented in February 2025 during an joint event of the Athens-Attica Hotel Association, GBR Consulting and the Athens International Airport, demand at Athens International Airport surged over the past two years. In 2024, international non-resident arrivals reached 7.9 million, up from 7.1 million in 2023 and 6.4 million in 2019, marking increases of 12% and 24%, respectively.

At stable occupancy levels, ADR at Athenian hotels achieved record levels with an increase in 2024 of 10% compared to 2023 and 42% compared to 2019.

Performance of the Athens hotel sector 2019 & 2022 - 2024



Source: GBR Consulting, Athens' Tourist Satisfaction Survey & Hotel Sector Performance 2024

Athens just surpassed Madrid and is decreasing the gap with Barcelona, which increased its ADR by 8% compared to 2023 and 33% compared to 2019. Over the past 20 years Rome has consistently outperformed Barcelona, Madrid and Athens, widening the ADR gap. This trend has been largely driven by the expansion of the city's luxury hotel segment.

- Since 2017, 11 additional international hotel chains have entered Attica, bringing the total to 23 hotel chains operating 40 brands in 2024. International brand penetration remains strongest in the 5-star segment, where 43% of hotels and 52% of rooms belong to an international chain. In the 4-star category, these penetration rates stand at 12% and 25%, respectively.
- At the same time, we note that non-hotel accommodation sectors continue to expand. The short-term rental market in Attica increased by approximately 16% between 2023 and 2024 attracting primarily international guests. In December 2024, a new law was enacted prohibiting the issuance of new short-term rental licenses for the center of Athens (municipal units 1,2 and 3). Additionally, starting October 1st, 2025, new operational standards for short-term rental properties will come into effect.
- In addition, it was revealed at the event that the number of rooms-to-let units in Attica based on data of the Ministry of Tourism increased by 37% in Attica, from 896 in 2019 to 1,231 in 2024. So 335 new tourist accommodation units were added during this period, mostly without a categorization but also 125 units carrying one of the 1 - 5 keys.
- The increased demand did not negatively affect overall satisfaction levels. Visitors continue to rate their experience in Athens highly, with an average score of 8.3 out of 10, following an upward trend over the 20 years this survey has been conducted. While facilities continued to receive strong ratings, the perceived value for money has declined, primarily due to rising prices.
- Key areas of concern remain public cleanliness, safety, and the condition of roads, pavements, and squares. While overall satisfaction ratings have remained stable, certain areas in central Athens fall below the city's average standards, requiring improvement for both residents and visitors.

Main hotel transactions

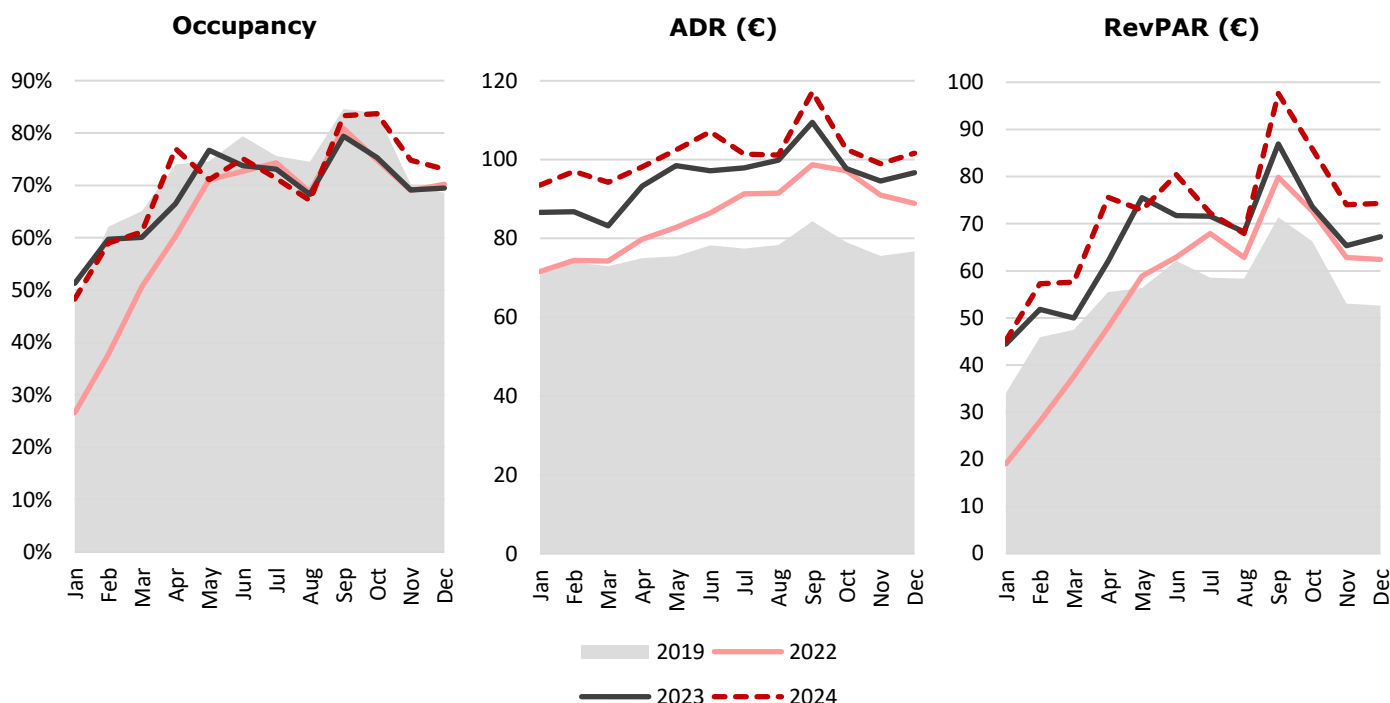
- In February 2025 **Domotel Hotel and resorts** acquired the 4-star 29-room **Golden Milos Beach hotel** located at Provatas beach on the Cycladic island of Milos. The revamped hotel will re-open on May 15th as the Golden Milos Beach House by Domotel. Milos is rapidly developing as a new luxury destination with currently two 5-star hotels, the Milos Cove and the Domes White Coast Milos, but numerous new 5-star projects being announced and two projects under construction: in the area of the Golden Beach, Kanava SA of Antonis Iliopoulos is constructing a 5-star hotel on a peninsula and foreign private investors are constructing a new 5-star 33-room unit located south of the Domes White Coast Milos. Some of the planned projects face resistance and the construction of a unit near the Sarakiniko Beach has been suspended by the Ministry of Environment and Energy.
- In March 2025 it was reported that **AccorInvest** sold the **4-star 196-room Novotel Athens** located in an area between Omonia Sq and the Larissa central train station. AccorInvest announced that in 2024, 160 hotels exited the portfolio, including the disposal of 89 hotels for a total sale price of € 720 million, two assets swaps involving 61 hotels and 10 lease termination. The group's portfolio currently includes 576 hotels located in 24 countries, with a refocus on Europe and the economy and mid-range hotel segments. The valuation of AccorInvest's portfolio is assessed at €7.8 billion as of December 31, 2024. At the end of April 2025 AccorInvest was rebranded into Essendi. The new owner – operator of the Novotel Athens is Kokari – Knossians of Yannis Daskalantonakis.
- On April 1st **Sani / Ikos Group (SIG)** announced the acquisition of the three **Goldman Sachs** hotels consisting of the **Athos Palace, Pallini Beach, and Theophano Imperial in Kassandra, Halkidiki**. The investment plans of € 108 million through Goldman Sachs' platform Ousia Hospitality did not proceed, although it had been marked as a strategic investment. The properties consisting of more than 1,000 rooms will be redeveloped into the largest Ikos Resort to date with 750 rooms, suites and villas and 30 restaurants & bars located at a 600-meter beachfront. After a total strategic investment in excess of € 400 million, the resort is scheduled to open in April 2029 as the Ikos Kassandra, the first Ikos Grand Resort.
- In February 2025, Greek shipping magnate **George Prokopiou** acquired the remaining stake of 66.25% held by **Jermyn Street Real Estate Fund** to become the full owner of the **Four Seasons Astir Palace**. Greek media mentioned that the transaction was valued at approximately € 700 million. It is noted that in 2016 Apollo Investment Holdco S.A., a special purpose vehicle set up by Jermyn Street Real Estate Fund IV LP, acquired 90% of Astir Palace Vouliagmeni S.A. through an international

tender organized by the Hellenic Republic Asset Development Fund (HRADF) and the National Bank of Greece. Dogus Group had a 33.75% stake in Jermyn Street, which was sold in October 2024 to George Prokopiou. It is reported that George Prokopiou is now the sole owner of the Four Seasons Astir Palace, so it is likely that George Prokopiou acquired the remaining 10% over time.

Thessaloniki

- At an event of the Thessaloniki Hotel Association, GBR presented the results of the Thessaloniki Tourist Satisfaction Survey and Hotel Sector Performance. Compared to 2023, hotel occupancy improved by 3% in 2024, while ADR increased by 6% surpassing for the first time the € 100 mark. RevPAR increased by 9%.

Performance of the Thessaloniki hotel sector 2019 & 2022 - 2024



Source: GBR Consulting, Thessaloniki's Tourist Satisfaction Survey & Hotel Sector Performance 2024

- Stakeholders are optimistic with respect to the development of tourism in Thessaloniki. During the period 2019 – 2024 the number of 5-star hotels and rooms increased by 40% and 22% respectively and the 4-star segment by 19% and 7% respectively. Currently, 5 international hotel chains have a presence in Thessaloniki with 6 brands (all 5-star hotels), 13 national chains and 2 local chains.

Furthermore, numerous hotel projects are currently in development including the 5-star NYX Thessaloniki with 130 rooms of Group Fattal, the 5-star Electra with 165 rooms and the former Olympic Hotel, which was acquired by Israeli interest and will re-open as the 3-star Oscar Olympic offering 47 rooms.

In March 2025 the former Nikopolis, which is owned by Telis Mystakidis' Nimtenco and rented to Hotel Brain re-opened as a 5-star urban resort under the name September.

Other planned hotel projects are of among others a hotel planned as part of the regeneration of the International Exhibition & Congress Center with about 140 – 150 rooms and a hotel as part of the regeneration project at the former FIX brewery.

- The Short Term rental market has expanded further to approximately 4,600 units on average throughout 2024, an increase of 20 – 30% compared to 2023.
- Meanwhile, the new metro line has been in operation since November 2024 and this year 5 new stations towards Kalamaria will become operational. Also the Thessaloniki Flyover is under construction, a major infrastructure project that is expected to alleviate traffic congestion on the city's Eastern Inner Ring Road.
- The overall satisfaction of the experience in Thessaloniki stabilised at 7.8 out of 10, but 94% would recommend Thessaloniki to others, 92% would like to visit the city again and 85% feels that there is much more to see and do in Thessaloniki.