

With Mr **Vaggelis Kteniadis**,
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HOW GREECE WILL BECOME A WORLD WIDE DESTINATION FOR REAL ESTATE AFTER THE PANDEMIC

This year the investments via the Golden Visa program were limited because of the pandemic. Due to the reduced volume of transactions, what was the reaction in the property market?

It is extremely difficult to know the exact decrease of applications for the Investors Permanent Residence Permit, bearing in mind that from the moment an investor shows interest in Golden Visa program until the sign of the contract and the acquisition of Permanent Residency card there is 6 months time. I estimate that the yearly turnover has been decreased 55% and the reduction of new deals – comparing to 2019 – is 70%. It should be pointed out than in March 2020, before the pandemic hit Europe, we experienced an increase of 20%. When the pandemic reached Europe, China closed its borders to all European citizens. Based on the principal of reciprocity, European Union closed the borders to Chinese citizens, who consist the 70% of the investors. Take into consideration that since March all embassies and consulates are not issuing visas to third country inves-



tors. In the year of the deepest recession in our country since World War II, investors are not allowed to visit the country that they wish to invest. I would also like to mention that Greek government tried to open the borders – specially to Chinese citizens – on the 15th of June and again on the 1st of July, however European Union was uncompromising.

What is your projection concerning the performance of the domestic real estate market next year?

2021 will be a complex year. It is logical to assume that there will be an increase of the turnover compared to 2020 in the domestic property market. What needs to analyze here is whether the recovery shape growth will be V, W, U, L or K. We wish that V recovery shape will prevail, meaning the abrupt but short recession will switch to a fast and strong growth. The Greek Permanent Residence Permit program is the most popular program in the world for the years 2018 and 2019 and I consider that 2020 will end with the same way, independent of Covid-19. Furthermore, it is necessary for some small corrective actions so that the program can continue to be on the top of the investors' preference worldwide.

Can the current conjuncture act as an indicator for purchasing property?

I consider that the property owners and the buyers estimated that the recession of 2020 is obviously because of Covid-19, given the fact that 2019 was an exceptional year for the domestic market. As a result, we all expect that till the mid of 2021 there will be a sustainable comeback to normality, which may stimulate the real estate market. Given the facts, the decline of the prices was unnoticeable.

What are the motivations that must be given to attract foreign investments?

Greece and particularly Athens, will constitute as a world destination place for the real estate sector. We experienced the indications in 2019 and will continue with the same intensity after the end of the pandemic. The most important action which should be accelerated is the enactment of a law that will grant passports to investors of over 2 million euros investment in real estate. This capability will launch the quality of investors in our country and simultaneously will empower all the economic sectors, taking into consideration that passport investors set up business in the countries they invest. At the same time, it will improve the quality of properties for sale, placing Greece in a privileged list with the most qualitative worldwide destinations for acquiring properties. Have no doubt about that.

Additionally, a few small modifications pertaining to operational issues of the residence-by-investment program must be implemented, such as:

A. Allow wire transfers from a third party, legal or natural person if the transaction is accompanied by a Solemn Declaration, in which the investor unequivocally and explicitly states that the money used to pay for the property belong to him/her and stem from legal activities.

B. Provide as an option the submission of biometric data to our embassies abroad.

C. The processing time of applications should be no more than 2 months – this was also the maximum processing time that we promised to the investors when the program was launched back in May 2013.

D. Immediate revocation of

company licenses of legal entities that are active in the program and are involved in illegal activities. There are currently 150 investors, of a particular company, that have not received their properties and of course, neither their PRs even though they have paid for it. No need to mention that the company responsible for this illegal scheme has changed its name and is continuing its operation in the Greek market, adversely impacting the reputation of the Greek PR program worldwide. We could say that other companies, in their overwhelming majority of foreign interests from countries that have similar programs as the Greek one, are acting as "Trojan Horses" in the domestic real estate market. The examples are many.

What are the plans of V2 Development?

The plans of V² DEVELOPMENT over the years remain unaltered:

A. Maintain our leading position as No. 1 development company in Greece.

B. Promote our country's investment programs around the globe. At this point, it needs to be mentioned that our company has established 7 branches abroad, providing constant support to our partners located in different places around the world.

C. Maintain high customer satisfaction with respect to the services that we provide and to continuously and uninterruptedly exceed their expectations.

D. Allow our company and our partners to constantly evolve, with the outer goal of achieving full potential.