# OPINION STATEMENT

## Kolymbithres: swap the resort for homes in Parikia

*ΚΛΕΑ on the EKTER S.A. resort project, Paros — with attachments A–Q*
*Second edition, 26 October 2026. It replaces the first edition of 25 October 2026 and keeps its text, updated where facts have changed, with new Attachments M to Q, Q being the business plan. Revision of 26 October 2026: the lesson of neighbouring hotels, and the swap presented as an outlook rather than the payback of a fair value.*

*To the Municipality of Paros, the Citizens' Movement of Paros and the Friends of Paros & Antiparos — and for public information.*

### Key message

**Swap the resort for a project Paros needs, and keep money off the table.**

Legal pressure on Kolymbithres continues, and one objection is strong: **alternatives exist and the need for the resort is not established**. Nearby Porto Paros, a 199-room hotel, needs refurbishment. Buying the land is no better answer: any price would be difficult to justify and would put public money on the table.

ΚΛΕΑ proposes a **swap in construction**. EKTER gives up the resort, and the land joins the Paros Park. In exchange, EKTER builds a dense, Cycladic affordable-housing neighbourhood on three municipal car parks in Parikia: **about 10,500 m² of homes, more than the resort's 8,000 m², over an underground car park**. EKTER gains what Kolymbithres was meant to give it: a construction contract of ≈€37 million, and an investment in a parking concession whose return rests on demand that already exists. Not a five-star hotel with a doubtful future, but a social residence and a car park of over 350 places that will be full. No fair value is paid: a decree without a feasible project is worth little more than nature land.

ΚΛΕΑ's position is that no compensation for lost profit is due: replacement construction work takes its place, and a settlement releases all claims. The swap takes no new land, where the resort would seal a hillside. A listed company that claims sustainability would find a refusal hard to explain.

Since the first edition, two facts have sharpened the case. EKTER's cheap EU money is gone: the Recovery Fund closed to new loan contracts on 29 May 2026, nothing had been drawn, and a smaller resort must now be financed at commercial rates. And the Municipality still runs parking as a village would: it rents private plots in Parikia for about €184,000 a year and leaves them as dusty, partly unlicensed lots inside a declared archaeological site and next to a protected traditional settlement. The swap answers both, and is a first step from village-scale administration to the management a town receiving over 1,000,000 visitors a year needs.

**One move, four problems solved, without a euro from the municipal budget:** the contested resort is abandoned; workers get homes, a need the Municipal Council itself has expressed; Parikia gets sustainable parking that supports a calmer, cleaner traffic plan; and the car parks that blight a protected town give way to a neighbourhood that follows the rules.

## Management summary

- **Four problems, one solution.** The swap ends EKTER's contested resort, provides housing for island workers, a need the Municipal Council has itself expressed in its plan to reuse the old airport site, and turns surface car parks into sustainable underground parking with EV charging, and replaces lots that blight a protected town, without a euro from the municipal budget. (Sections 7–9)
- **Legal pressure continues, but will not settle the matter alone.** The decree (ΦΕΚ Δ' 859/12.10.2026) zones 327.84 stremmata for a 240-bed resort, approved once the plan was reworked. ΚΛΕΑ keeps the

legal routes open: annulment by ≈11 December 2026 on alternatives, the coefficient error and the Important Bird Area, and every future permit. (Attachments A, C, L)

- **The main objection still stands: alternatives and need.** EU law requires the developer to set out the reasonable alternatives it studied, and, where Natura 2000 may be harmed, to show that none exists. Porto Paros, a 199-room hotel nearby, is idle and needs refurbishment: an alternative exists, and the need for 240 new luxury beds has never been shown. On that basis alone the project could be overruled. (Section 2)
- **Land take.** The EU aims at no net land take by 2050, and its 2025 Soil Monitoring Directive asks Member States to limit new soil sealing. Sealing a coastal hillside now runs against that direction; the swap builds only on land already sealed. (Section 2)
- **The site is wrong, and the neighbours prove it.** Porto Paros, just below the site, stands unused; Astir of Paros, further south on the same bay, well away from the Kolymbithres rocks, struggles to live up to its ambition. Neither has a beach guests can really swim from: Porto Paros has a fine view but no real beach, and Astir's shore is beautiful but hardly swimmable. The EKTER site has no beach either, and is also uphill and exposed to the Meltemi. Good architecture does not make a destination: location, shelter, beach and way of life do. (Section 3)
- **The money does not match the project.** EKTER still publishes the €53.3 million budget and €42.64 million EU-backed loan set in 2023 for the rejected 440-bed scheme; its own Pounta hotel, indexed, points to ≈€19–26 million. Nothing has been disbursed. ΚΛΕΑ asks EKTER to reconcile its budget with the approved scheme. (Attachments D, E, I)
- **New: the cheap EU money is gone.** The Recovery Fund accepted no new loan contracts after 29 May 2026 and had to pay out by 26 August 2026; with no building permit, nothing was drawn. EKTER will find other money, but dearer: replacing the €21.3 million RRF share costs ≈€0.48–0.58 million more a year. Its expected profit shrinks twice: a smaller project, and dearer money. (Section 4, Attachments E, I)
- **Buying the land is not the answer.** EKTER's audited accounts give **€7.48 million for all its investment land**; Kolymbithres is only a part of it, and EKTER does not say which part. Any price would be difficult to justify and would put public money on the table. (Attachment G)
- **Expropriation is a risk for EKTER too.** A court would value nature land with a contested right to build, possibly far below the €7.48 million in EKTER's audited accounts, and a listed company would have to write the difference down in public. The swap spares both sides that dispute. (Section 6)
- **A hand held out.** Instead of a resort that risks becoming a ghost resort, EKTER is offered useful work: homes for people in need and for those who keep the island running, a car park of over 350 places, and the end of open-air lots that blight a protected town. That fits a listed company with ESG ambitions far better. (Section 7)
- **The swap: construction for construction.** EKTER builds ≈10,500 m² of homes and ≈9,800 m² of underground parking in Parikia, a construction budget of ≈€37 million before VAT, against ≈€19–26 million for the downsized resort on EKTER's own benchmark. (Attachment Q)
- **An outlook, not a payback.** EKTER finances the underground car park and holds its concession for about 30 years; Parking Paros operates it. In the reference business plan that leaves ≈€0.45 million a year after debt service on a €2 million equity stake. The homes stay with a municipal and philanthropic housing company and earn no commercial return. The land passes at the value of nature land, settled in kind; only EKTER's documented outlay can be recovered, on proof. No lost profit is paid. (Section 9, Attachment Q)
- **Homes Paros needs.** About 280 studios, first for people working in Parikia without the means to live further away or to commute, and for residents in need. Reference rent €150 a month plus at most €30 of charges; better-paid tenants pay more on a progressive scale, up to an income ceiling: high earners belong on the private market. (Section 8, Attachment Q)
- **New: homes for staff without cars, and full-cost leases for the State.** The homes are car-free: tenants are island staff who live and work within walking distance. About 50 homes can be leased at full cost to public employers (health, police, coast guard, fire service) for staff posted to Paros. (Section 8)
- **A car park for Paros residents.** Charging points for electric vehicles at a fair tariff, long-term rental or purchase of places for residents, and a mix of public paid parking and shared, app-based use of the remaining places. (Attachment K)
- **No municipal cash.** The Municipality grants land rights on its car parks for about 33 years from opening; at their end, homes and car parks pass to it by accession. A housing grant, donors and a concessional

loan finance the homes; EKTER, presold parking rights and loans finance the car park. Law 5229/2025 (social antiparochi) and the concession rules provide the contract forms. (Section 9, Attachment Q)

- **New: a business plan.** The reference plan (Attachment Q) costs the scheme at ≈€37 million before VAT, ≈€43.7 million with non-recoverable housing VAT and reserves. Homes: housing grant targeted at 85%, €2 million of donors, a €3.1 million concessional loan. Car park: €2 million of EKTER equity, €2 million of presold parking rights, €8.3 million of loans; ≈€1.09 million of annual receipts and debt cover of about 2.0 times. The figures are preliminary: surveys, a parking study and a grant route must confirm them.
- **New: the rent the Municipality pays becomes project income.** The Municipality rents ≈2.8 hectares of private land in Parikia as car parks for ≈€184,000 a year. Its March 2026 decision to buy land for parking is the land route; once the land is bought, the rent no longer paid services the land loan. A municipal, VAT-registered operator, Parking Paros, runs all car parks; the land stays municipal. (Section 9, Attachments N, O)
- **New: planning allows it; the ΤΠΣ must designate it.** All three sites lie in the ΓΠΣ 2012 zone of Parikia with an average building coefficient of 0.80, where housing is the main use. The Local Urban Plan (ΤΠΣ) now being prepared, and not yet approved, must designate them for housing over public parking. (Section 8, Attachment M)
- **New: archaeology is the real risk, and worth taking.** The Archaeological Cadastre maps the whole of Parikia as a declared archaeological site, and all three car parks lie inside it. Excavating the parking level is the swap's real risk. ΚΛΕΑ considers it worth taking: if the trial trenches find nothing, all the better; if they find something, Paros gains more of its ancient glory, shown where it was found. (Section 8, Attachment M)
- **New: a management upgrade.** The Municipality still runs Paros as a village of 17,000 inhabitants: it reacts and bears the consequences, rather than operating and controlling costs. A town that receives over 1,000,000 visitors a year needs operational management. The swap and Parking Paros are a first step. (Section 9)
- **New: a timetable that moves early.** All procedures start now, in parallel: ΤΠΣ submission, trial-trench permits, land purchase, Parking Paros, the housing company. Settlement with EKTER signed by February 2027 and closed by May 2027; first homes in 2029. The annulment application is filed before 11 December 2026 and can be withdrawn once the settlement is signed. (Section 10)
- **Legally, an expropriation compensated in kind.** The Constitution (art. 17 §2) allows expropriation compensation to be paid in kind, with the owner's consent, as rights over another property. The swap can take that form: lost profit is then excluded by law, the value is capped by what a court would set, and the compensation is tax-free (art. 17 §4). If EKTER refuses, cash expropriation or acquisition remains the fallback. (Section 7, Attachment G)

## 1. The planning battle: legal pressure continues, but will not settle the matter alone

The objections were real and repeated: the Municipal Council (2018 onwards), the Ephorate of Antiquities, ELLET in the 2022 consultation, a citizens' petition, a parliamentary question by five MPs and a report by a governing-party MP for the Cyclades (2025). In 2023 the Council of State rejected the first draft (109/2023). The result was not the end of the project but a reworked one: 240 instead of 440 beds, ≈7,967 instead of 12,046 m². In 2026 the plenary of the Council of State found the revised draft lawful (68/2026), and the President of the Republic signed the decree. (Attachments A, C)

This is not new: in 2013 ELLET's positions against the tourism spatial framework were co-signed by 28 island municipalities, Paros among them, and the framework was adopted nevertheless. The lesson is that a Special Urban Plan for a "strategic" private investment, once backed by the Ministry and the central planning council, moves forward: the Council of State reviews legality, and a rejection can be cured by a smaller plan. Legal avenues remain — annulment within 60 days, the coefficient error, the Birds Directive, every future permit — and ΚΛΕΑ will support them. ΚΛΕΑ keeps every one of them open, starting with the annulment application due by ≈11 December 2026. Their outcome is uncertain and they take years, so they will not settle the matter alone. But they keep EKTER's project in doubt, and that is what gives a negotiated swap its weight: the offer below is made alongside the legal pressure, not instead of it.

**Is an annulment still possible?** Yes, until about 11 December 2026, but with limited chances: the Council of State has already cleared the draft, so only new grounds can succeed. Who can file, on which grounds and how is set out in Attachment L.

## 2. The main objection: alternatives exist, and the need is not proven

One objection has lost none of its force, and ΚΛΕΑ considers it the main one. European law does not let a project go ahead simply because the land has been made buildable.

- **Environmental impact assessment.** Under the EIA Directive (2011/92/EU, as amended by 2014/52/EU, art. 5(1)(d) and Annex IV), the developer's report must describe the reasonable alternatives it studied and the main reasons for its choice, comparing their environmental effects. The Court of Justice confirmed this duty in Holohan (C-461/17, 2018). EKTER's environmental impact study for the building permit is still to come: this is the moment to require it.
- **Strategic assessment of the plan.** Under the SEA Directive (2001/42/EC, art. 5 and Annex I(h)), the environmental report on the Special Urban Plan had to evaluate reasonable alternatives. Whether it looked beyond variants on the same hillside should be checked for the annulment application.
- **Natura 2000.** The sea in front is a Natura 2000 site and the land lies in an Important Bird Area. If an appropriate assessment cannot exclude harm to the site, the Habitats Directive (92/43/EEC, art. 6(4)) allows the project only if **no alternative solution exists** and imperative reasons of overriding public interest apply. A private luxury resort can hardly claim either.

**An alternative exists.** Porto Paros, a 199-room hotel with 69 bungalows on the same peninsula, was sold in 2022 for over €55 million and has stood unused for years; it needs refurbishment and offers everything a top location can. Upgrading existing capacity is the obvious alternative to sealing a new hillside. **The need is not established either**: no study shows that Paros requires 240 more luxury beds, while existing beds lie idle. On this basis the whole project could be overruled.

**Land take.** The European Union aims at no net land take by 2050, and the Soil Monitoring Directive adopted in November 2025 ((EU) 2025/2360) asks Member States to mitigate new land take and soil sealing in their planning. Projects rushed through now will be built, and judged, in that new context. It would be a serious mistake for Paros to seal a coastal hillside today without anticipating it. The swap proposed below takes no new land at all: it builds on car parks that are already sealed.

ΚΛΕΑ will press this objection. But it is also EKTER's best reason to negotiate: a swap gives it certainty where the resort faces it with a contest it could lose.

## 3. Why this should not be built here

Calling a project prestigious does not make its location suitable; calling it green does not make its burden disappear. The site is a north-facing hillside above a cliff coast, exposed to the Meltemi, with no beach, on steep terrain cut by three ravines, reached by the road that serves the Naoussa wastewater-treatment plant. The decree recognises the sensitivity: the land lies in an Important Bird Area, the sea in front is Natura 2000, the whole island is a landscape of particular natural beauty, and nothing may be visible from the Mycenaean acropolis of Koukounaries.

This may not be the most spectacular landscape of Paros. That does not make it expendable. Protection is not a beauty contest. Open land has value through its continuity, its drainage, its habitats and its contribution to the island's remaining capacity to absorb people, cars and water demand. Nearby Porto Paros, a large hotel, has stood unused for years. Before another hillside is sacrificed, the authorities should explain why new capacity needs public support while existing capacity lies idle.

EKTER tells two stories. To the authorities it presents "a mild-form tourism unit designed to protect the natural, cultural and archaeological environment". To investors it presents "100 ultra-luxury villas/suites" and "~€20 m expected annual turnover". Both cannot be the measure of the same hillside. (Attachment H)

**A lesson from next door.** The Kolymbithres hillside is not the first place on this coast where a prestige hotel was planned. Porto Paros, 199 rooms and 69 bungalows directly below the EKTER site, was sold in 2022 for over €55 million and has stood unused since. Further south, on the same bay and about 900 metres south of the Kolymbithres rocks and beach, Astir of Paros was built as the island's most prestigious address, in the middle of a landscaped park, and today struggles to live up to that ambition. Both share the same weakness: no beach guests can really swim from. Porto Paros has a fine view but no real beach; Astir's shore is beautiful, but hardly swimmable. Porto Paros at least sits by the water and is sheltered from the Meltemi. The EKTER site has neither advantage: it lies uphill, on a north-facing slope exposed to the wind, with no beach, at the end of the road that serves the wastewater plant.

The lesson for investors is simple: fine architecture and a good concept do not make a destination. Success comes from a combination of location, access, shelter, beach and way of life, and this site lacks most of them. A resort that cannot fill its rooms becomes the next empty building on a coast that already has one. Paros does not need a ghost resort; EKTER does not need a stranded asset.

## 4. Public money: the budget does not match the project

On 3 April 2023 EKTER signed a €42.64 million bond loan with Piraeus Bank, co-financed by the EU Recovery and Resilience Facility, for a €53.3 million investment under the "Extroversion" pillar. That budget was set for the 2022 project: 12,046 m² and 440 beds. Two months later the Council of State rejected that project. The approved scheme is ≈7,967 m² and 240 beds — about 100 keys according to EKTER and the press.

EKTER's announcement of 22 July 2026 and its 2026 investor presentations still cite €53.3 million. We do not conclude from EKTER's silence that the budget is unchanged: the old figure may be repeated on purpose, or a revised one kept out of view. Either way, the public is entitled to the figure that actually underpins the EU-backed loan, and it should be tested against EKTER's own experience.

| **Benchmark: EKTER's Summer Senses, Pounta (5*, 100 rooms, Paros)** | **Value** |
|---|---|
| Total project (construction contract 2017) | €13.45 m — ≈€134,500 per room; ≈€1,828 per m² (7,358 m²) |
| Indexed to 2026 (ELSTAT construction-cost index 2018→2026, ≈+29%) | ≈€173,500 per room; ≈€2,360 per m² |
| Applied to Kolymbithres (100 keys / 7,967 m²) | ≈€17.4–18.8 m |
| +10% for off-site infrastructure and difficult terrain | **≈€19.1–20.7 m** |
| +25% sensitivity for an "ultra-luxury" specification | **≈€25.8 m** |
| EKTER's published budget | **€53.3 m — 2.1 to 2.8 times more** |

A gap of €27–34 million cannot be explained by land, equipment or inflation. Public money cannot rest on a number nobody has reconciled. Nothing has yet been paid out: EKTER's half-year report of 29 September 2026 states that no disbursement has been made and that drawdowns follow construction progress. This is precisely the moment to demand the revised investment plan, the independent evaluator's certification and the cost breakdown. (Attachments D, E)

The downsizing also weakens the investment itself: beds −45%, floor area −34%, but the access road, junctions, water, wastewater, energy, reception, restaurants and spa do not shrink in proportion. At €53.3 million, the cost per bed rose from €121,000 to €222,000. A suboptimal project is one more reason for EKTER to accept a negotiated exit.

Cheap public credit is valuable in itself. With the published 40/40/20 split and the Recovery Fund's 1% rate instead of a commercial 4.75%, EKTER would save roughly €5.7 million over twelve years (≈€9.9 million over twenty) — or, equivalently, need ≈€4–6 million less equity. Public support of that size calls for public justification. (Attachment I)

**A reconciliation is due.** ΚΛΕΑ asks EKTER to reconcile, item by item, the €53.3 million budget and the €42.64 million loan with the approved 240-bed scheme and with its own Pounta costs, and to state what it has actually spent so far. The request should go to EKTER, with copies to Piraeus Bank and to the managing authority for the EU-backed loan. Either the figures are evidenced, or the gap is admitted. The same exercise documents EKTER’s actual outlay, which is what the swap would repay.

**Update, second edition: the cheap money is gone.** The Recovery Fund accepted no new loan contracts after 29 May 2026, and RRF loan money had to be paid out to borrowers by 26 August 2026. With no building permit there were no works and no drawdown, so the RRF share has lapsed; unused RRF loans pass to the Hellenic Development Bank on its own terms. Whether EKTER’s RRF tranche was cancelled, rolled over or transferred is to be confirmed by information requests (Attachment E). EKTER will find replacement money, but at a higher price, and rates have risen since 2023:

| Replacing €21.32 m RRF at 1% over 12 years with bank debt at | Extra debt service per year | Extra cost over 12 years |
|---|---|---|
| 4.75% (first-edition assumption) | ≈ €0.48 m | ≈ €5.7 m |
| 5.50% | ≈ €0.58 m | ≈ €7.0 m |

**Two reasons the expected profit shrinks.** First, a smaller project: beds fall from 440 to 240 (−45%) and floor area from 12,046 to ≈7,967 m² (−34%), while land, access roads, water, wastewater and the long approval process remain fixed costs. Second, dearer money: the advantage the first edition valued at ≈€5.7 million over twelve years is now a cost instead of a saving. EKTER's equity at risk, ≈€10.7 million, therefore faces a lower return and a longer wait. The swap offers the opposite: a construction budget of ≈€37 million at a normal margin, and a parking concession whose return rests on demand that already exists: ≈€0.45 million a year after debt service on €2 million of equity in the reference plan (Attachment Q).

## 5. Public infrastructure: who pays?

The decree states that it causes "no cost to the State budget or the budget of the Municipality". It places traffic works on the project implementer. It obliges EKTER to secure water from ΔΕΥΑΠ **before** submitting its environmental impact study, and makes connection to the Naoussa wastewater plant conditional on a **positive decision of ΔΕΥΑΠ** — otherwise a private desalination plant and private treatment unit must be studied, with brine discharged into a sensitive sea.

The Naoussa plant is being upgraded with ≈€5.9 million of Recovery Fund money for the population of Paros. That capacity must first serve residents, public health and existing users. It must not quietly become the subsidy that makes a private resort possible. ΔΕΥΑΠ belongs to the Municipality: no capacity, tariff or commitment should be granted without a reasoned, public decision and a full peak-season water and wastewater balance. (Attachment F)

## 6. Buying the land is not the answer

The obvious alternative to a long legal contest is to buy the land. ΚΛΕΑ examined that route (Attachment G) and concludes that it should remain the fallback, not the plan.

The price is the problem. EKTER is listed and reports its investment property at audited fair value: **€7.48 million for all its investment land** at 31 December 2025 and 30 June 2026. That figure covers several properties. **The Kolymbithres land is only a part of it**, and EKTER does not disclose which part. Whatever the share, it will always be difficult to justify. The decree gives a right to build, not an income; there is no permit, no water, no wastewater solution, and the building coefficient is disputed. A north-facing cliff site with no beach, exposed to the Meltemi, is badly chosen for a prestige project, and the uncertainty of a project is not a guarantee of future earnings. (Attachment G.9)

Even a modest price puts public money on the table: either in a negotiation in which the seller holds the documents, or in an expropriation in which the courts fix the price and the Municipality must pay within eighteen months. ΚΛΕΑ prefers a solution in which nobody writes a cheque.

**What an expropriation would mean for EKTER.** A decree is not a project. As long as there is no permit, no water and no evidence that a resort on this site can fill its rooms, a court valuing the land for expropriation would value nature land with a contested right to build, not a hotel. That value could fall well below the €7.48 million EKTER carries in its audited accounts, and a listed company would then have to write the difference down in public. A harsh expropriation dispute is therefore a real risk for EKTER, not only for the Municipality. ΚΛΕΑ prefers to avoid it, and believes EKTER's management should too.

## 7. The swap: the same work for EKTER, homes for Paros

ΚΛΕΑ proposes a **swap in construction**. EKTER exchanges a resort it may never build for a project it is certain to build, of comparable size, on municipal land in Parikia.

1. **EKTER transfers the Kolymbithres land to the Municipality.** It joins the Paros Park and stays open to the public.

2. **The Municipality grants land rights of about 33 years from opening on three car parks in Parikia**: to a housing company with municipal and philanthropic shareholders for the homes, and a parking concession to EKTER. It keeps ownership of the land.
3. **EKTER designs and builds** about 280 small homes there, over an underground car park of ≈350 places; today's ≈435 surface places are not fully replaced (see section 8).
4. **EKTER finances the car park and holds its concession; Parking Paros operates it.** The concession income is EKTER's return on its investment, in place of the doubtful income of the resort. The homes stay with the housing company.
5. **When the land concession ends, homes and car parks pass to the Municipality by accession**, free of charge and free of debt.

| | Resort at Kolymbithres | Swap in Parikia |
|---|---|---|
| Land | 327,840 m² of hillside above a cliff coast; Important Bird Area, Natura 2000 sea; new land take | Three existing car parks, ≈11,100 m², already sealed; no new land take |
| Floor area above ground | ≈7,967 m² | ≈10,500 m² |
| Units | ≈100 keys (240 beds) | ≈280 small homes |
| Total construction | ≈8,000 m² plus roads and networks | ≈20,500 m², of which ≈9,400 m² underground parking |
| Construction value | ≈€19–26 million on EKTER's Pounta benchmark (€53.3 million published) | ≈€37 million before VAT, fees and contingency included (≈€30 million of direct works) |
| Recurring income for EKTER | Hotel operation: seasonal, uncertain, never demonstrated | Parking concession: ≈€0.45 million a year after debt service, year-round (Attachment Q) |
| EKTER's own equity at risk | ≈€10.7 million (20% of €53.3 million) | €2 million in the car park, backed by existing demand; none in the homes |
| Planning risk | High: alternatives, Natura 2000, permits, water, archaeology | Low on planning once the ΤΠΣ designates the sites; archaeology: a declared site, trial trenches first (section 8) |

## How the swap works: who pays what

**1. The exchange.** EKTER hands over the Kolymbithres land, which becomes part of the Paros Park. The Municipality grants land rights of about 33 years from opening on three car parks in Parikia, to a municipal and philanthropic housing company for the homes and to EKTER for the car park, and keeps the ownership of the land. No cash changes hands for the land: legally, the swap can be an expropriation compensated in kind (art. 17 §2 of the Constitution).

**2. EKTER is paid as builder.** It builds ≈280 homes and ≈350 underground places, a budget of ≈€37 million before VAT, as much work as the resort or more. The housing company pays for the homes from a housing grant, donors and a concessional loan; EKTER earns its normal margin and puts no equity into the homes. **This replaces the resort's construction turnover.**

**3. EKTER earns a return from running infrastructure.** EKTER finances the car park with €2 million of equity, presold parking rights and loans, and holds its concession for about 30 years. Parking Paros operates it, collects the receipts and remits the net amount for a fee. In the reference business plan that leaves ≈€0.45 million a year after debt service, in place of a hotel income nobody has demonstrated. Only EKTER's documented outlay on Kolymbithres (studies, procedures) is recognised, on proof. **This is an outlook, not the payback of a fair value.**

**4. Lost profit: ΚΛΕΑ's position is that none is paid.** The new project does not match the profit a successful resort might earn, and is not meant to. That profit is speculative (no permit, no water, an open objection on alternatives, an undisbursed loan), and Greek expropriation law does not compensate expected profits either. In exchange for replacement construction work and its money back, EKTER signs a settlement releasing all claims over Kolymbithres.

**5. What it costs the Municipality.** No budget cash and no new debt. Its real contribution is the use of its

land and the parking income it gives up during the concession; today these car parks are free and earn nothing, while the Municipality pays ≈€184,000 a year to rent other private lots as car parks (Attachment N). Rents service the housing loan; the land rights run long enough for the 30-year loans and parking rights counted from opening. When the land concession ends, homes and car parks pass to the Municipality by accession, free of charge and free of debt.

**What EKTER gets, and what it does not.** The swap offers an outlook; it does not pay a price. EKTER gets a construction budget of ≈€37 million at its normal margin, and a parking concession of about 30 years on ≈350 places in the centre of Parikia, financed with €2 million of its equity and repaid from parking receipts. It does not get a fair value for the Kolymbithres land: without a permit, water or proof that a resort can fill its rooms there, the land is worth little more than nature land, and it passes to the Municipality as such, settled in kind. The only claim ΚΛΕΑ would recognise is EKTER's documented outlay on the project, such as studies and procedures, on proof. ΚΛΕΑ's negotiating position is that no compensation for lost profit is due either: the new project replaces the old one.

**A settlement with a release of claims.** The swap is concluded as a written settlement approved by the Municipal Council. In it EKTER transfers the land, releases all claims against the Municipality and the State over Kolymbithres, including any claim for damages should the plan be revoked, withdraws any legal action, and has the EU-backed loan cancelled or redirected. The Municipality grants the land concession and the construction and operating contracts. This release is what keeps money off the table for good.

**Legally, an expropriation compensated in kind.** The swap can be framed as an expropriation paid in kind rather than in cash. Article 17 §2 of the Constitution allows expropriation compensation to be paid in kind, if the owner consents, notably as ownership of or rights over another property; a land concession on the Parikia car parks is such a right. The Municipality declares the public purpose of Kolymbithres, which the resolution in section 11 already provides for, and offers EKTER its compensation in kind instead of in cash. This framing has three advantages. Expropriation compensation is the market value of the land and excludes expected profits, so the exclusion of lost profit rests on the law, not only on ΚΛΕΑ's position. If EKTER refuses, a court fixes the value, which caps its claim. And compensation is free of any tax or levy (art. 17 §4), an incentive a voluntary sale would not offer. Two limits remain: payment in kind needs EKTER's consent, so the swap is still negotiated; and the in-kind compensation covers the land value, while the building contract is paid work whose award without a tender must be cleared by counsel.

**A hand held out.** ΚΛΕΑ is not offering EKTER a price. It is offering what EKTER set out to obtain at Kolymbithres: an outlook on construction, a turnover, and a return from running infrastructure for years. The asset changes. Instead of a luxury resort that risks standing empty, EKTER builds, and invests in, something Paros needs: homes for people in need and for those who keep the island running, a car park of over 350 places, and an end to the open-air lots that blight a protected town. For a listed company with ESG ambitions, that is a far better story to tell shareholders and lenders than a hotel at risk of becoming a ghost resort.

**Why EKTER should say yes.** Construction is EKTER's core business, and the swap gives it work of the same scale, without the ≈€10.7 million of equity a resort would need, defending an annulment case or an expropriation, waiting for water and wastewater decisions, or selling a hundred luxury villas on a windy cliff. EKTER publishes sustainability claims (Attachment H). Turning down a swap that replaces its turnover, gives it a return from running infrastructure and houses the people who work on Paros would be hard to defend before its shareholders, its lenders and the European bodies that fund it.

## 8. What Paros gains

The swap solves four problems at once. **First**, the contested resort at Kolymbithres is abandoned and the land protected. **Second**, it answers a need the Municipal Council has itself expressed: housing for the people who work on the island. The Municipality plans workers' housing for public servants on the old airport site, once its ownership dispute with the State is settled; the swap delivers homes sooner, in Parikia, on land the Municipality already owns, and complements that plan. **Third**, it replaces surface car parks with underground parking that charges electric vehicles, serves residents and is shared efficiently, a building block for sustainable traffic in Parikia. Fourth, it removes car parks that blight a protected town (below). None of this needs a euro from the municipal budget.

The three sites are public car parks within walking distance of the harbour and the old town: **P3 by the Paros Arena sports ground, P4 on the ring road, and the Kormos car park** in the south-west. Together they cover about 1.1 hectares, all of it already sealed.

| Site | Area | Parking today | Homes | Underground places (one level) |
|---|---|---|---|---|
| A · P3, Paros Arena | ≈3,350 m² | ≈130 | ≈85 | ≈105 |
| B · P4, ring road | ≈4,850 m² | ≈190 | ≈120 | ≈155 |
| C · Kormos | ≈2,900 m² | ≈115 | ≈75 | ≈90 |
| **Total** | **≈11,100 m²** | **≈435** | **≈280** | **≈350** (a second level at A and B adds ≈260) |

**Parking capacity.** The three sites hold ≈435 places today; the funded one-level scheme provides ≈350. The scheme therefore does not simply replace today's surface places: the loss of ≈85 places must be covered either by the other public car parks of Parikia or by an additional underground level. ΚΛΕΑ proposes to keep the large public car park east of the ring road (≈7,500 m², no. 3 on the map in Attachment M) untouched as a surface car park: it absorbs the ≈85 places, so the second level becomes optional.

**A dense Cycladic neighbourhood.** Attached houses of one to three storeys along winding lanes, stepping down with the ground, which falls by three to four metres towards the west; small squares, courtyards and roof terraces; a community hall with kitchen, study rooms and a laundrette; technical rooms. Built to last and cheap to run: well insulated, with heat pumps feeding underfloor heating and cooling, solar roofs, grey-water reuse and waste sorted at source. A reception manages each site, from contracts to check-in, check-out, upkeep and refurbishment; units are furnished with reused furniture.

**A car park that serves Paros.** The underground car parks can bring public charging for electric vehicles to Parikia at a reasonable cost: every place pre-cabled, a first share equipped from the start, power partly from the solar roofs, and a tariff close to cost. Residents of Paros can rent a place on a long-term basis or buy one, preferably on the second level at sites A and B, so that the concession income from the first level is not affected. The rest is run as a public car park combined with shared, app-based use, as operators such as BePark do in Brussels, and others in Paris and many other cities: places rented by the month to residents and businesses are opened to visitors by the hour when their holders are away, so each place works harder and fewer places are needed. (Attachment K.7)

**For the people who keep Paros running.** Homes go first to people working in Parikia who lack the means to live further away or to commute: a registered employment contract on Paros, seasonal contracts included, a modest income and no car. That is also the income and transport-vulnerability test of the Social Climate Fund, so the island's priority and the grant's condition coincide. For limited periods, residents in need are housed too. The reference rent is €150 a month for a studio, plus at most €30 of shared charges; tenants with a higher declared income pay more on a progressive scale, up to an income ceiling. High earners are not served: the private market is theirs. Linking a home to a declared contract gives employers a reason to register their staff properly, and their staff a decent home in the low season too. The homes are car-free: tenants live and work within walking distance, so the underground places serve the public, not the tenants. About 50 homes could also be leased at full cost to public employers (the Health Region, the Police, the Coast Guard, the Fire Service) for staff posted to Paros. These full-cost leases and the higher rents of better-paid tenants are upsides not counted in the reference business plan; grant conditions may require the full-cost homes to sit outside the grant-funded share.

The public purpose is strong and already documented. Immediately south of the site stands the acropolis of **Koukounaries** — described by ELLET as "the oldest, largest and most enduring citadel in the Aegean", inhabited from the Late Neolithic to the Early Archaic period, with a Mycenaean palatial complex destroyed around 1150 BC and an early temple of Athena. In 2012–2014 ELLET, with the excavator D. Schilardi and sponsorship from the A.G. Leventis Foundation, prepared a study for its protection and presentation: paths respecting the landscape, information points and a visitor centre at the foot of the hill. Bringing the EKTER land into public hands would allow Paros to create **one archaeological and landscape park — Koukounaries, Kolymbithres and Agios Ioannis Detis —** managed by Paros Park, on the basis of a study that already exists. (Attachments C, G.2, G.5)

**Today's car parks: a blight in a protected town.** Parikia's historic core is a declared traditional settlement whose form and setting must be preserved; the whole of Paros has been a place of particular natural beauty under State protection since 1975; and the whole town lies within a declared archaeological site (below). In that

protected setting the car parks are a blight. Open-air parking is a permitted use in the ΓΠΣ zone, so the charge is not the use itself but the way the Municipality runs it: some lots have run without the operating licence every car park needs (licensing of the Γράβαρη, Πλάτανος and Ανάργυρος lots was only commissioned in 2024–2025), they are unpaved and unmanaged, they serve as storage for rental fleets, and they degrade the setting a traditional settlement must keep. The Municipality demands of private builders what it does not apply to itself. The swap replaces them with buildings and car parks that follow the rules.

**Planning allows it, once the ΤΠΣ designates the sites.** All three sites lie in the ΓΠΣ 2012 unit "town plan and delimited settlement" of Parikia, with an average building coefficient of 0.80; housing is its main use. The swap assumes floor area of about 1.0 times the site area, above that average, so the sites need their own terms: the Local Urban Plan (ΤΠΣ) for Paros, commissioned by the Ministry of Environment in 2023 and delivered in draft in March 2026, is still to go through consultation, the Council of State and a presidential decree. ΚΛΕΑ asks that it designate the three sites for "social housing with public parking below". Planning law already allows a higher coefficient for land set aside for housing programmes (ν. 1337/1983 art. 6), and one basement under the footprint does not count in the coefficient (Building Code, ν. 4067/2012 art. 11). Map, zones and rules: Attachment M.

**Archaeology: the real risk, and worth taking.** The Ministry of Culture's Archaeological Cadastre maps a declared archaeological site, "Παροικιά Πάρου" (243 hectares), over the whole of Parikia, from Livadia to beyond the Pounta road. All three swap sites, and every public car park in town except a small lot north of Livadia, lie inside it; listed monuments stand close by, with ancient pottery workshops beside site B. Building is not banned in a living town, but every excavation needs the prior approval of the Ephorate of Antiquities of the Cyclades and its supervision. Excavating the parking level is therefore the real risk of the swap: finds can delay a basement, reduce it or reshape the plan. ΚΛΕΑ considers the risk worth taking. If the trial trenches find nothing, all the better: the project proceeds. If they find something, Paros gains more of its ancient glory, shown where it was found, as the ancient cemetery uncovered by the harbour in the 1980s is shown today, or as the Acropolis Museum shows its excavation under glass. Either way the Ephorate should be involved from the start, with trial trenches before the design is fixed. (Attachment M)




*Site B (P4) as a dense neighbourhood over the car park: photomontage by ΚΛΕΑ on aerial imagery (Esri World Imagery). Illustrative, not a design.*

## 9. Financing without municipal cash

The Municipality puts no money on the table: it brings land rights and gives up the parking income of the swap sites. The investment, ≈€37 million before VAT and ≈€43.7 million with non-recoverable housing VAT and reserves, is carried by two separate activities, not by the Municipality. The homes are held by a housing company with municipal and philanthropic shareholders and financed by a housing grant, donors and a concessional loan; they earn no commercial return. The car park is financed by EKTER, presold parking rights and loans, and repaid from its own receipts. ΚΛΕΑ will help build the funding file. The full business plan is Attachment Q; its essentials follow.

### The business plan in brief

| Reference case (Attachment Q) | Homes (H) | Car park (P) | Total |
|---|---|---|---|
| Construction before VAT, fees and 15% contingency included | €25.0 m | €12.0 m | €37.0 m |
| Non-recoverable VAT on the homes (24%) | €6.0 m | — | €6.0 m |
| Total uses with reserves and loan fees | €31.5 m | €12.3 m | €43.7 m |
| Housing grant (target 85% of eligible cost) | €26.4 m | — | €26.4 m |

| Reference case (Attachment Q) | Homes (H) | Car park (P) | Total |
|---|---|---|---|
| Donors, without return | €2.0 m | — | €2.0 m |
| EKTER equity | — | €2.0 m | €2.0 m |
| Presold 30-year parking rights, net | — | €2.0 m | €2.0 m |
| Loans (concessional; commercial) | €3.1 m; — | €5.2 m; €3.1 m | €11.4 m |
| Annual receipts, stabilised | €0.57 m | €1.09 m | €1.66 m |
| Cash after operating costs and renewals | €0.24 m | €0.91 m | €1.14 m |
| Debt service, year one | €0.12 m | €0.46 m | €0.58 m |
| Debt cover | 2.0× | 2.0× | |
| Cash after debt | €0.12 m kept for housing | €0.45 m to EKTER | |

**Structure.** A housing company, Parikia Affordable Housing S.A., with the Municipality and philanthropic subscribers as shareholders, holds the homes under a binding social purpose: no dividends from housing. EKTER builds the homes as contractor and finances and builds the car park under a separate concession of about 30 years. Parking Paros operates the car park, collects the receipts and remits the net amount to EKTER for a fee. The concession must be awarded under the concession rules (ν. 4413/2016): naming EKTER as the proposed investor does not by itself allow a direct award, which is a first question for counsel.

**The homes.** 280 studios of about 30 m², at a reference rent of €150 a month plus €30 of shared charges; higher rents for better-paid tenants are an upside not counted. With an 85% grant, €2 million of donors and a €3.1 million loan at 1% over 30 years, they cover their running costs, renewals and debt, and keep ≈€0.12 million a year for the housing. The grant rate is a target to negotiate, through the Social Climate Fund (Greece's plan was approved in August 2026; Paros must be added) or a dedicated ESPA allocation; whether the non-recoverable VAT is eligible is a central term. At 80% the loan rises to ≈€4.7 million, at 90% it falls to ≈€1.5 million.

**The car park.** The three sites are prime locations, full nearly eight months a year today, while the cheaper outlying car parks take long-term users (Attachment O). Of 350 places, 100 are sold as 30-year rights, 50 let monthly to residents and 200 run for visitors. At a summer tariff of €5 an hour, receipts reach ≈€1.09 million a year and cover the debt about twice; the project return before financing is ≈7.9% and EKTER's equity return ≈22%, before tax and at flat prices. These are model results, not guarantees: the tariff, occupancy and presale price need a parking study. The plan still closes down to a peak tariff of ≈€3.64 an hour; at €4 an hour and 70% occupancy it needs ≈€2 million more capital.

**Cash during construction.** Grants, VAT refunds and presales arrive late, so a commercial bridge of up to ≈€4.1 million is needed during construction; its interest slightly exceeds the €0.5 million reserve. The land rights must run long enough for 30-year loans and parking rights counted from opening: about 33 years from opening, or about 35 years from signature.

Law 5229/2025 lets a municipality contract a private developer to build social housing on its land and pay it with operating rights or a fee: the contract form for the swap. Whether EKTER can be designated as part of a settlement over Kolymbithres, or must win a tender, is the first question for counsel; the same question arises for the parking concession (Attachment Q).

**The Recovery Fund is closed.** The first edition listed EU funds as candidates. The Recovery Fund has since closed to new contracts (29 May 2026); the Hellenic Development Bank takes over about €2 billion of unused RRF loans, to be deployed until about 2029. The other sources stand, and new ones are added in Attachment P: the EIB's affordable-housing lending and advisory (€6 billion in 2026), the Deposits and Loans Fund for municipal land, the State staff-housing programme of the Ministry of Interior, and the investment budget matched to the Climate Crisis Resilience Fee.

**Rent saved is project income.** The Municipality rents at least nine private plots in Parikia as car parks: ≈28,400 m² for ≈€184,000 a year in 2026, between €2 and €27 per m². Two leases run to 2029 under multi-year commitments, and over €725,000 of rent appears in the payment orders traced for four sites alone. On 19 March 2026 the Municipal Council voted unanimously to buy 8,000–13,000 m² within 150 m of the ring road for municipal parking. That decision is the land route: widened to "municipal car parks and social housing", it lets leased lots be

bought, and the rent no longer paid, redirected to the project, services ≈€3 million of land loan over 25 years. (Attachment N)

**One municipal operator: Parking Paros.** All municipal car parks, leased, bought or built under the swap, should be run by one municipal, VAT-registered operator holding the operating right, while land and structures stay municipal: no transfer of ownership, operation only. One operator means one tariff policy: prime central car parks priced to turn over, outlying ones kept cheap for long-term users and workers; one licence regime, residents' cards and a separate tariff for rental fleets; as a VAT-registered business it can recover the VAT on the parking works. On the swap sites EKTER holds the concession and the investment; Parking Paros operates, collects and remits the net receipts for a fee. (Attachment O)

**Public employers pay full cost.** Homes leased to public employers for staff posted to Paros are not capped: they pay full cost and can be financed against a public counterparty. The State already pays for such staff: allowances and accommodation for doctors on island posts, overnight costs for police on summer reinforcement. Paying rent to a Paros housing company instead of to the summer rental market keeps that money on the island and frees homes for residents. These leases are an upside, not counted in the reference business plan. (Attachment P)

**From reaction to operation.** As with waste, the Municipality does not yet think in terms of operation and cost. It acts after the fact and bears the consequences: rents paid for dusty lots, licences commissioned years late, a resort contested instead of steered. A municipality of 17,000 inhabitants that receives over 1,000,000 visitors a year needs an operational upgrade. Parking Paros, the purchase of the land it rents and the swap are concrete first steps.

## 10. A timetable that moves early

The swap only works if it is agreed before EKTER sinks more money into Kolymbithres and before the Local Urban Plan is fixed. ΚΛΕΑ therefore proposes to start every administrative procedure now, in parallel, rather than one after the other, to sign the settlement with EKTER by February 2027 and to close it by May 2027. The legal pressure stays on meanwhile: the annulment application is filed before the deadline of 11 December 2026 and can be withdrawn once the settlement is signed.

| Phase | When | What happens |
|---|---|---|
| 0. Launch and early procedures | Nov – Dec 2026 | Annulment application filed before 11 December 2026, as a protective step. Swap presented informally to the Mayor, then to EKTER. Council resolution on the public purpose and a mandate to negotiate, before 31 December. Started at once, in parallel: ΚΛΕΑ's submission on the ΤΠΣ; request to the Ephorate for the declaration act of the Parikia site and for trial-trench permits on the three sites; widening of the March 2026 purchase decision to "car parks and social housing"; title and cadastre (ΚΑΕΚ) checks; decisions to set up Parking Paros and the housing company; information requests on EKTER's RRF tranche and the book value of Kolymbithres; approach to the grant authorities (Social Climate Fund, ESPA) and the EIB; parking survey. |
| 1. Settlement | Jan – Feb 2027 | Heads of terms in January; EKTER suspends its permit and water applications. Legal opinion on law 5229/2025, the concession award and expropriation in kind. Settlement signed by the end of February, subject to Council approval. It adjusts site by site after the trial trenches: a site that is stopped or reduced is replaced or scaled down, and EKTER's concession is adjusted to match. |
| 2. Closing | Mar – May 2027 | Council approval and legality check by the Decentralised Administration. EKTER's loan cancelled or redirected and Piraeus Bank's security released; Court of Audit review if required. Notarial deed: Kolymbithres land transferred, settled in kind, and added to Paros Park. Land rights and parking concession signed. Annulment application withdrawn as part of the release of claims. |
| 3. Ground truth, in parallel | Apr – Jun 2027 | Trial trenches before the summer season, site B first, then A and C. Leased lots bought under the widened decision. Parking Paros takes over and licenses the existing car parks for the 2027 season. Housing company incorporated; grant route and beneficiary confirmed. |
| 4. Permits and funding, site B | Jul 2027 – Mar 2028 | Design; Architecture Council, Ephorate and building authority (ΥΔΟΜ) approvals; grant and loan agreements. The ΤΠΣ goes through the Council of State and the presidential decree in parallel. |

| Phase | When | What happens |
|---|---|---|
| 5. Build in sequence | Spring 2028 – 2030 | Site B: excavation under archaeological supervision, then construction; opening in summer 2029. Sites A and C follow, in the order the trenches clear them, opening in 2030, within the ESPA (extended to 2030) and Social Climate Fund (July 2032) deadlines. Land rights run about 33 years from opening; homes and car parks then revert to the Municipality. |

**What sets the pace.** Two procedures, not the negotiation: the ΤΠΣ must designate the sites, and the trial trenches must clear them. Both start in phase 0 for that reason. If the ΤΠΣ slips, site B can start under the 2012 ΓΠΣ with fewer homes, or wait; the settlement should provide for both.

**Quick wins that do not depend on EKTER.** Parking Paros, the purchase of leased lots and the licensing of today's car parks save rent and show the Municipality can operate, whatever EKTER decides.

**The annulment application.** It must be filed by 11 December 2026, sixty days from publication on 12 October. Filing protects the position and does not prevent the negotiation; the application can be withdrawn as part of the settlement. Counsel should confirm the exact deadline and the cost of a withdrawal. (Attachment L)

## 11. What we ask — a coordinated action

1. **Municipal Council: mandate.** Before 31 December 2026, adopt a reasoned resolution declaring the public purpose of Kolymbithres (landscape, coastline, open space, a public park managed by Paros Park) and mandating the Mayor to open talks with EKTER on the swap, with acquisition or expropriation prepared only as a fallback. (Attachments G, K)
2. **Alternatives and need.** Require from EKTER, for its environmental impact study, a full assessment of reasonable alternatives, including the refurbishment of existing hotels such as Porto Paros, and a demonstration of need; ask the Ministry of Environment how the 2022 strategic assessment dealt with alternatives. (Section 2)
3. **Prepare the swap.** Confirm ownership, area and archaeological constraints of the three car parks; obtain a legal opinion on law 5229/2025, tendering, the land concession and a settlement with a full release of claims; commission a feasibility study for site B and an independent cost and parking study; ask EKTER for the book value it attributes to the Kolymbithres land, its valuer's assumptions and its documented outlay. (Attachment K)
4. **Budget reconciliation.** Require EKTER to reconcile its €53.3 million budget and €42.64 million loan with the approved 240-bed scheme and its own Pounta costs, and to document its outlay to date, and to state what became of the RRF tranche of its loan; copy Piraeus Bank and the managing authority. (Section 4, Attachments D, E)
5. **Funding file.** Approach the Hellenic Development Bank, the EIB, the Council of Europe Development Bank, the South Aegean regional programme, the Social Climate Fund and foundations. Seek a housing grant of 85% of the eligible housing cost through the Social Climate Fund or a dedicated ESPA allocation, and confirm the housing company as beneficiary. (Attachment Q)
6. **No public capacity for the resort.** No allocation of water, wastewater or road capacity, no tariff and no commitment without a public decision. (Attachment F)
7. **Keep the legal pressure on.** Formal requests on the EU-backed loan; counsel to file, before 11 December 2026, an annulment application on alternatives, the coefficient error and the Important Bird Area, to be withdrawn if the settlement is signed. (Attachments A, E, I, L)
8. **ΤΠΣ designation.** In the Local Urban Plan now being prepared, designate the three sites for "social housing with public parking below", with their own building terms, before the plan goes to consultation and the Council of State. (Section 8, Attachment M)
9. **Land: build on the March 2026 decision.** Widen the purpose of the decision to buy parking land to "municipal car parks and social housing"; amend the auction terms so that several smaller plots, including the leased ones, can qualify; confirm whether the three swap sites are municipal or leased, and buy them first if leased. (Section 9, Attachment N)
10. **Parking Paros.** Set up one municipal, VAT-registered operator for all municipal car parks, land remaining municipal; license every lot it runs, starting with those operating without a licence today. (Section 9, Attachment O)

11. **Archaeology first.** Ask the Ephorate of Antiquities of the Cyclades for the declaration act of the Parikia archaeological site and its terms, for an early opinion on the three sites and for trial trenches before the design is fixed; plan for any finds to be shown in place. (Section 8, Attachment M)

**Our proposal**

Paros does not need another resort on a fragile hillside. It needs homes for the people who keep it running, built where the land is already sealed, and parking that serves a sustainable traffic plan. One move solves all three, without a euro from the municipal budget. ΚΛΕΑ offers EKTER an honourable exchange: the same work, a turnover and a secure return from running infrastructure, instead of a resort that risks standing empty. It offers the Municipality a project it can be proud of: Kolymbithres protected for good, and a new Cycladic neighbourhood in Parikia where today there are only parked cars, without a public cheque, and the first step from village-scale administration to the management that over a million visitors a year require. If the excavations find nothing, all the better; if they find something, Paros gains more of its ancient glory. The Municipality must act, and ΚΛΕΑ stands ready to support it.

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**Attachments**

A. The presidential decrees explained
B. The site: map, zones, coordinates
C. The record: timeline and who questioned what
D. Cost analysis
E. Financing and the EU Recovery Fund
F. Water, wastewater and roads
G. Public acquisition: the fallback
H. EKTER's two stories and sustainability claims
I. Financial technicalities: the value of EU-backed financing
J. Sources
K. The swap: affordable housing on three car parks in Parikia
L. Annulment of the decree: is recourse still possible?
M. Planning allowance, archaeology and site map
N. Municipal parking leases in Parikia
O. Parking Paros: one municipal operator
P. Funding sources and public-staff allowances
Q. Business plan: homes and car parks in Parikia

ATTACHMENT A

# The presidential decrees explained

Three presidential decrees (π.δ.) govern the land at Kolymbithres, together with two older ministerial declarations. The new decree of 2026 does not replace the older ones entirely: for anything it does not regulate, it refers back to them.

| Act | What it does | Relevance today |
|---|---|---|
| Ministerial decision 24.11.1975 (Β' 1455) | Declares the whole of Paros a place of particular natural beauty requiring special State protection | Cited by the 2026 decree; grounds the landscape conditions |
| Ministerial decision 14.6.1979 (Β' 849) | Declares the Koukounaries hill and Plastiras beach (Naoussa bay) an archaeological site | Origin of the no-view rule from the Mycenaean acropolis |
| π.δ. 2.6.1988 (Δ' 533) | Zone of Residential Control (ZOE) "Kolymbithres", Naoussa: minimum plot sizes and building limits outside the town plan | Still governs zones XE2A and XE2B for everything the 2026 decree does not regulate; XE1 is the part of the property outside the ZOE |
| π.δ. 16.6.1993 (Δ' 732) | Land uses and building terms for all out-of-plan areas of Paros and Antiparos | Applies to XE1 for everything the 2026 decree does not regulate, together with the Building Code (ν. 4067/2012) |
| π.δ. 9.10.2026, ΦΕΚ Δ' 859/12.10.2026 | Approves the Special Urban Plan (ΕΠΣ) on 327.84 stremmata of EKTER land; sets uses, building terms and environmental conditions; approves the plan environmentally (Strategic Environmental Assessment) | The new framework for the hotel; in force since publication |

### What a Special Urban Plan (ΕΠΣ) is

An ΕΠΣ is a planning instrument that allows a large private landowner to obtain a tailor-made land-use regime for a strategic investment, outside the normal town plan. The owner prepares the plan and its Strategic Environmental Assessment; the Ministry of Environment and Energy reviews it; the Central Council for Urban Planning Matters (ΚΕΣΥΠΟΘΑ) gives its opinion; and because the result is a regulatory presidential decree, the draft must be examined ("processed") by the Council of State before the President of the Republic signs it. The decree is based on the new Spatial and Urban Planning Code "Nikolaos Tagaras" (ν. 5306/2026) and on π.δ. 90/2018.

### The procedure at Kolymbithres

| Date | Step |
|---|---|
| 2018 | Opinion 373/2018 of the Paros Municipal Council (cited in the decree) |
| 2019–2025 | Ephorate of Antiquities of the Cyclades: documents of 7.10.2019, 2.7.2021 and 17.7.2025; Directorate of Prehistoric and Classical Antiquities 18.7.2025 |
| 23.12.2021 | Ministry of Culture approves the SEA on heritage grounds after site inspection |
| Jul–Sep 2022 | SEA (Argyropoulos & associates, July 2022) in public consultation; ELLET comments 1.9.2022 |
| 21.12.2022 | Ministry's Environmental Licensing Directorate (ΔΙΠΑ) recommends environmental approval |
| 25.1.2023 | Ministry endorses the geological suitability study |
| 9.2.2023 | ΚΕΣΥΠΟΘΑ opinion (first) |
| June 2023 | **Council of State 109/2023: draft rejected** (capacity not documented, carrying-capacity study inadequate, "mild" character not shown) |
| 9.7.2024 / 26.7.2024 | Aegean Water Directorate document; revised environmental approval by the Ministry's Director-General |
| 22.1.2025 | ΚΕΣΥΠΟΘΑ opinion (second) |
| 2026 | Council of State 20/2026 refers the case to the plenary; **68/2026 finds the revised draft lawful** (440 → 240 beds, 12,046 → ≈7,967 m², ≈80% left unbuilt) |

| Date | Step |
|---|---|
| 9.10.2026 | Decree signed by the President of the Republic and three ministers |
| 12.10.2026 | Publication, ΦΕΚ Δ' 859 — in force |

**What the 2026 decree says, article by article**

- **Article 1 — Approval.** ΕΠΣ of 327.84 stremmata; boundaries on the 1:2000 map certified by the Ministry's Directorate of Topographic Applications (act 83604/2026), published with the decree with full coordinates.
- **Article 2 — Uses and building terms.** General use "Tourism – Recreation".
- *XE1 (217.06 str.)* — hotel, catering, small sports and cultural facilities, chapel, parking; terrain works, utility networks, EV charging; and desalination "for the supply of municipal networks". Building coefficient "τριάντα πέντε χιλιοστά (0,0035)"; coverage 5%; max. 1.105685 beds per stremma (= 240 beds); one storey, two on at most 20% of floor area; basements only under common areas (2.30 m); at least 50% local-stone façades, no visible concrete frame; 100 m from the shoreline (150 m where not yet defined); an unbuilt zone in the south so that nothing exceeds the skyline or is visible from the Mycenaean acropolis; buildings set 30 m below the ridge; pools only "if required" by the hotel classification rules; only the existing internal road may be improved.
- *XE2A (51.12 str.)* — no building, no new roads, no alteration of the ground, except widening the existing road continuing from the Naoussa wastewater plant; any intervention needs the Ephorate's consent.
- *XE2B (59.66 str.)* — luxury glamping only; coefficient 0.01; 150 m² accommodation + 120 m² catering; one storey, 3.5 m.
- *Whole site* — 20 m protection zones on both sides of the ravines (only "green infrastructure" and networks); no lawns or non-native plants; archaeological supervision of all earthworks; off-site infrastructure (power, water, sewage, treatment, desalination, access roads and junctions) only after its own environmental licensing, at least 10 m from plot limits.
- **Article 3 — Environmental approval of the plan and conditions for the projects.** The plan is approved environmentally (SEA). The actual projects must then meet conditions, notably:
- *Ecology* — because the land lies in an Important Bird Area, the sea in front is Natura 2000 and the island is a landscape of particular natural beauty, and "the projects are not depicted" in the plan, a **Special Ecological Assessment** must be submitted with the environmental impact study (ΜΠΕ).
- *Landscape* — every main and ancillary work requires approval of the **Architecture Council**; interventions limited to XE1 and away from ravine edges; building bases 30 m below the ridge; site installations within the plot; restoration after closure.
- *Traffic* — access is by the public road to the Naoussa wastewater plant; the ΜΠΕ must include a **traffic study**, with mitigation works **"charged to the implementer"**; legality and technical adequacy of the access must be secured; sufficient parking.
- *Water* — **before** filing the ΜΠΕ, ΕΚΤΕR must secure the required water from **ΔΕΥΑΠ**; failing that, a desalination plant (with special study of intake and brine discharge into the sensitive sea) or a borehole (with hydrogeological study).
- *Wastewater* — connection to the Naoussa plant **under a positive decision of ΔΕΥΑΠ**; failing that, a private treatment unit on site, effluent to urban-reuse quality.
- *Also* — no chemical or ecological alteration of soil and waters; flood and erosion protection; maximum retention of vegetation and a planting study; green-building measures; full surface archaeological survey before works and rescue excavation if antiquities are found (works may be stopped); solid-waste plan; construction impacts (dust, noise, trucks) to be specified in the ΜΠΕ.
- *Monitoring* — indicators on visitors, traffic, climate, waste, water and energy, reported in an **annual report published online**.
- **Article 4 — Entry into force** on publication.

**What the decree does not do**

- It does not approve any building, layout, road design, water source or wastewater solution.
- It does not oblige the Municipality or ΔΕΥΑΠ to supply water or accept wastewater: both require a decision.

- It does not make the project eligible for public money, nor validate the 2023 budget and loan.
- It does not override the archaeological law: works can be halted by finds.
- It does not prevent public acquisition of the land.

**What must still happen before any construction**

1. Environmental impact study (ΜΠΕ) with Special Ecological Assessment, traffic study, water and wastewater solution → **Approval of Environmental Terms (ΑΕΠΟ)**, after public consultation.
2. ΔΕΥΑΠ decisions on water supply and wastewater connection (or licensing of desalination / private treatment).
3. Architecture Council approval of every building and ancillary work.
4. Surface archaeological survey; Ephorate consents.
5. Building permit (e-Άδειες), which must comply with the decree and the ΑΕΠΟ.
6. Licensing of off-site infrastructure (roads, junctions, networks).

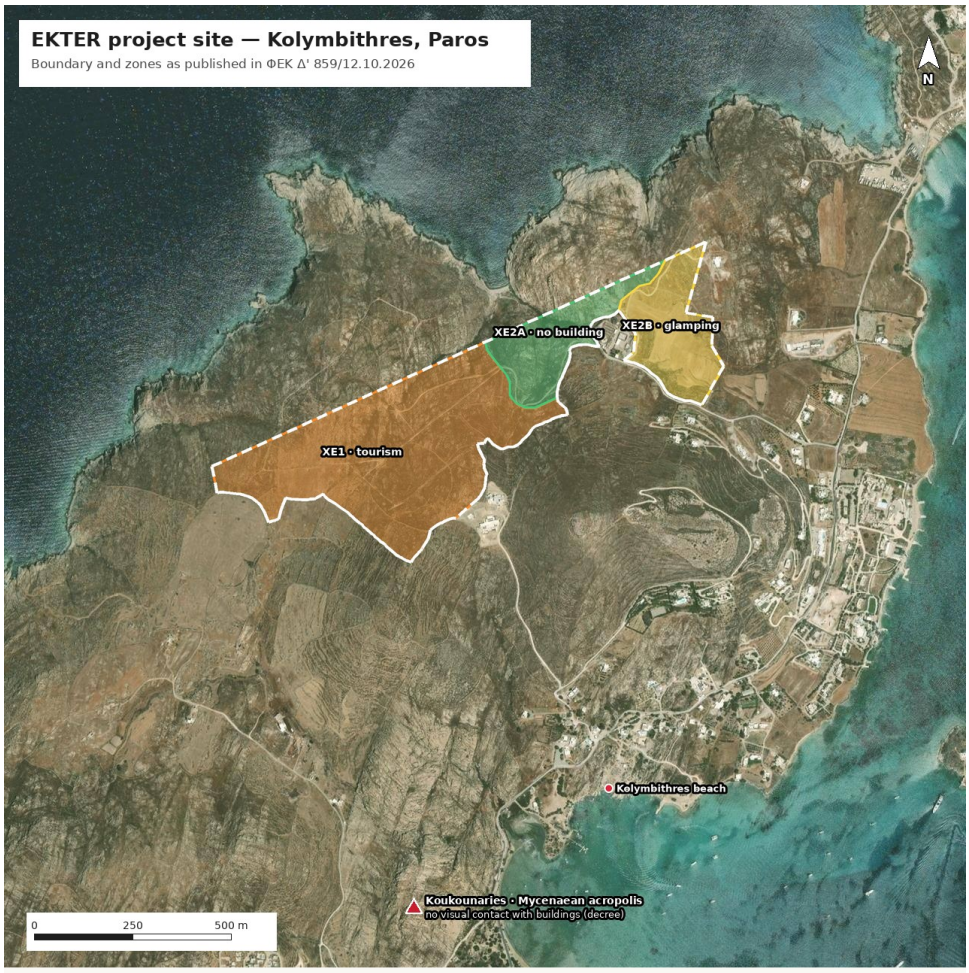
Each step is a public act that can be followed, commented on and, if unlawful, challenged.

**Challenging the decree itself**

- A presidential decree is a regulatory act. It can in principle be challenged by an **application for annulment** before the Council of State within **60 days of publication** — counted from 12 October 2026, by **11 December 2026** (deadline and standing to be confirmed by Greek counsel). Prospects are limited because the plenary of the same court already examined the draft (68/2026), but new grounds — and the coefficient error — may be raised.
- **The coefficient error.** Article 2 A.2(a) reads "τριάντα πέντε χιλιοστά (0,0035)". The words mean 0.035 (≈7,600 m² on XE1); the figure means 0.0035 (≈760 m²). The map legend reads 0.035. Most likely a typing error — but in the binding text. Its correction requires a formal correction in the Government Gazette; until then, any permit computed on 0.035 rests on a contested reading. Counsel should advise.
- **The Important Bird Area.** The decree acknowledges that the land lies in an Important Bird Area. If that area has not been classified as a Special Protection Area under the Birds Directive, the strict regime of art. 4(4) may apply directly (see Attachment G.6) — a ground to raise in any challenge and before the European Commission.
- **Older decrees remain applicable.** For XE2A/XE2B, the 1988 ZOE decree governs everything not regulated; for XE1, the 1993 Paros/Antiparos decree. Any permit must comply with both layers.

ATTACHMENT B

# The site: map, zones, coordinates




*Map prepared by ΚΛΕΑ from the decree's coordinate tables (219 perimeter vertices and two zone-divider lines), converted from ΕΓΣΑ '87 to WGS84, over Esri World Imagery. An analytical overlay, not a cadastral survey. Digital files (KML, GeoJSON, vertex list) available on request.*

### Location and character

- Agios Ioannis Detis peninsula, west side of Naoussa bay; centre ≈ 37.1379 N, 25.2105 E. Kolymbithres beach ≈1 km south (37.1294 N, 25.2144 E); Monastery of Agios Ioannis Detis to the north-east.
- North-facing slopes descending to a **cliff coast** — no beach on the property; fully exposed to the Meltemi.
- Steep terrain cut by three V-shaped ravines; slopes mostly 4–35%, locally above 35% (SEA 2022, §6.2); gneiss bedrock.
- Access only via the public road to the Naoussa wastewater-treatment plant.
- Important Bird Area; Natura 2000 sea in front.
- **Koukounaries Mycenaean acropolis** ≈ 37.1266 N, 25.2088 E, ≈0.9 km south of the plot, above the west shore of the Kolymbithres bay (red triangle on the map). The decree's unbuilt southern strip and 30 m-below-ridge rule exist so that no building is visible from its summit.

### Zones

| Zone | Area (decree) | Area recomputed | Rule |
|---|---|---|---|
| XE1 – hotel | 217.06 str. | 216,578 m² | Coefficient 0,0035 / 0.035 (see A); 240 beds; 1–2 storeys |
| XE2A – protected | 51.12 str. | 51,688 m² | No building, roads or ground alteration |
| XE2B – glamping | 59.66 str. | 59,579 m² | 150 + 120 m², 3.5 m |
| Total | 327.84 str. | 327,845 m² | |

### Floor area

At 0.035, XE1 allows ≈7,597 m²; with 270 m² glamping ≈7,867 m². The Council of State record cites ≈7,967 m² — a ≈100 m² difference still to be reconciled. At 0.0035, XE1 would allow ≈760 m².

### Layout

The decree fixes only the envelope. EKTER's August 2026 investor presentation (p. 10) shows a building-layout image. It is marketing material, not an approved plan; the environmental impact study and the building application must state which layout is to be built, including roads, terraces, pools, retaining walls, cut-and-fill and spoil — a small footprint can coexist with a large disturbed area.

ATTACHMENT C

# The record: timeline and who questioned what

| Date | Event | Source |
|---|---|---|
| early 2000s | EKTER assembles the land | Newmoney 18.10.2021 |
| 1975 / 1979 / 1988 / 1993 | Landscape declaration; Koukounaries archaeological site; ZOE Kolymbithres; Paros out-of-plan decree | See Attachment A |
| 2012–2014 | ELLET study for the protection and presentation of the Koukounaries acropolis (D. Schilardi, ALTERA PARS architects; sponsor A.G. Leventis Foundation) | ELLET annual report 2015, p. 39 |
| 2013 | ELLET opposes the tourism spatial framework; positions co-signed by 28 island municipalities incl. Paros; adopted nevertheless; ELLET and nine bodies appeal to the Council of State | ELLET annual report 2015, p. 20 |
| 2018 | Paros Municipal Council opinion 373/2018 | Decree preamble |
| 26.12.2021 | FoPA letter to the Ministers of Development, Tourism and Environment: ≈12,000 m² complex, overbuilding of Naoussa, archaeological site; asks for an EIA and public consultation | FoPA e-bulletin Jan 2022 |
| 2021 | Central Archaeological Council / Ministry of Culture approve with part of the land kept unbuilt; ≈12,000 m² presented | Decree; press |
| Jul–Sep 2022 | SEA in consultation (12,046 m², 440 beds); ELLET comments 1.9.2022 | SEA; ELLET |
| 3.4.2023 | €42.64 m bond loan with Piraeus Bank, RRF co-financing, budget €53.3 m, Extroversion pillar | EKTER/ATHEX |
| June 2023 | Council of State 109/2023 rejects the draft | Decree; press |
| 22.6.2023 | Capital Market Commission letter 1689 queries the April announcement; EKTER replies the opinion "does not imply cancellation" | EKTER 23.6.2023 |
| Dec 2023 | Split published: €21.3 m RRF + €21.3 m Piraeus + €10.7 m equity; delivery "summer 2025" | ered.gr |
| 2024 | Revised plan; environmental approval 26.7.2024 | Decree |
| Aug 2025 | Revised scheme: ≈8,194 m², 100 keys | Mononews 19.8.2025 |
| 19.8.2025 | Parliamentary question 8129 by five MPs to four ministers | Parliament |
| 24.9.2025 | Report 3176 by M. Kafouros (ND, Cyclades), registered 3.10.2025: 240 beds, €53 m incl. €21.5 m RRF; Municipality memorandum; citizens' petition | Parliament |
| 2026 | Council of State 20/2026 (referral) and 68/2026 (lawful) | Decree |
| 22.7.2026 | EKTER announces the favourable opinion | ATHEX |
| 28.7.2026 | Municipality of Paros publicly opposes and announces it will use all legal and political means | Municipality |
| Aug 2026 | EKTER investor presentation with layout image | EKTER |
| 29.9.2026 | H1 2026 report: loan not disbursed; €51.168 m pre-notation on the land | EKTER |
| 12.10.2026 | Decree published, ΦΕΚ Δ' 859 | ΦΕΚ |
| 23.10.2026 | No building application filed (as known to ΚΛΕΑ) | To be confirmed in writing by the building authority |

### Who has questioned the project

| When | Who | On what |
|---|---|---|
| 2013 | ELLET with 28 island municipalities incl. Paros | Tourism spatial framework; carrying capacity of islands |

| When | Who | On what |
|---|---|---|
| 2018 → | Municipal Council; Ephorate of Antiquities | Site, archaeology |
| Dec 2021 | Friends of Paros & Antiparos (FoPA) | Overbuilding of Naoussa bay, archaeology, need for EIA and consultation |
| Sep 2022 | ELLET | Roads in the ZOE, Natura assessment, carrying capacity, disguised residential use |
| Jun 2023 | Council of State 109/2023 | Capacity, carrying capacity, "mild" character |
| Jun 2023 | Capital Market Commission | Disclosure of the loan after the negative opinion |
| Aug–Sep 2025 | Opposition MPs; M. Kafouros (ND) | Natura, archaeology, landscape, water, waste, roads, flooding, lack of consultation |
| 2025–2026 | Municipality; citizens' petition | Site, consultation; public opposition 28.7.2026 |

ΚΛΕΑ found no public challenge so far to the **level of the budget** or to the size of the EU-backed financing.

ATTACHMENT D

# Cost analysis

Published figures only. The comparisons show where a reconciliation is owed; they are not a cost estimate of their own.

| | 2022 plan (financing basis) | Approved 2026 plan |
|---|---|---|
| Budget | €53.3 m | €53.3 m (still the only figure EKTER publishes) |
| Floor area | 12,046 m² | ≈7,967 m² |
| Beds / keys | 440 beds | 240 beds / ≈100 keys |
| € per m² | €4,425 | **€6,690** |
| € per bed | €121,000 | **€222,000** |
| € per key | — | **€533,000** |

### Benchmarks

| Benchmark | Value | Kolymbithres multiple |
|---|---|---|
| EKTER's Summer Senses, Pounta (Paros, 5*, 100 rooms) — total project | €13.45 m ≈ €135,000 per room | ≈ ×4 per key (all-in vs all-in) |
| Same — building contract (2017: structure, M&E, landscaping) | €7.91 m + VAT for 7,358 m² ≈ €1,075/m² | ≈ ×6 per m² (not like-for-like) |
| Ministry "Standard Cost of Investment Projects" (2017), 5* hotel | €1,300/m²; €52,000 per bed (≤100 beds) | ≈ ×5 per m²; ≈ ×4 per bed |
| Paris resort hotels, construction (Statista 2021) | ≈ €2,500/m² | ≈ ×2.7 |
| Xenia Kythnos (5*, redevelopment) | > €30 m, 46 rooms ≈ €650,000 per room | comparable — a high-cost outlier, island logistics |

The strongest comparison is all-in against all-in: same developer, same island, same category, same size. Kythnos shows that high per-room costs exist; it does not explain why EKTER would spend four times what it spent at Pounta.

### Rooms and beds — what remains

| Source | Date | Figure |
|---|---|---|
| SEA (original plan) | July 2022 | 440 beds; 12,046.20 m² |
| Constructionmag (revision under way) | Jan 2024 | ≈100 keys |
| Mononews (revised plan sent to the Council of State) | Aug 2025 | 8,194 m²; 100 keys |
| Kafouros parliamentary report | Sep 2025 | 240 beds |
| Council of State 68/2026 | 2026 | 240 beds (−45%); 7,967.10 m² (−34%); 80% of the land unbuilt |
| Powergame | 23.7.2026 | ≈100 rooms and suites; €53.3 m |
| EKTER announcement to Euronext Athens | 22.7.2026 | "mild-form" unit; €53.3 m; financing "secured"; no bed or room count |
| EKTER investor presentations | 2025–2026 | "100 ultra-luxury villas/suites"; €53.3 m; ~€20 m turnover |
| Decree ΦΕΚ Δ' 859 | 12.10.2026 | 1.105685 beds/str. × 217.06 str. = 240 beds |

The approved resort is therefore ≈100 keys / 240 beds (≈2.4 beds per key: villas and suites), against 440 beds in the plan on which the 2023 financing was based.

### What the downsized project should cost — derived from EKTER's own Pounta hotel

| Step | Per key (method 1) | Per m² (method 2) |
|---|---|---|
| Pounta total project €13.45 m; 100 rooms; 7,358 m² (contract 2017) | €134,500 | €1,828 |
| Indexation to 2026: ELSTAT construction-cost index for new residential buildings, cumulative 2018 → Q1 2026 ≈ +29% (ΚΛΕΑ approximation from published annual changes, to be verified) | €173,500 | €2,358 |
| × Kolymbithres size (100 keys / 7,967 m²) | €17.4 m | €18.8 m |
| +10% off-site infrastructure and difficult terrain (access, slopes, ravines, utilities) | **€19.1 m** | **€20.7 m** |
| Sensitivity: +25% "ultra-luxury" specification (on method 2) | | **€25.8 m** |
| EKTER's published budget | €53.3 m | €53.3 m |
| Unexplained difference | €34 m | €27–33 m |

- If the Pounta figures are taken as 2022 costs instead of 2017–2018, the indexation factor is ≈+14% and the derived budget lower still.
- Whether the Pounta €13.45 m includes land and VAT must be checked in EKTER's records; the comparison is all-in against all-in as published.
- The unit size is similar (Pounta ≈74 m² per room, Kolymbithres ≈80 m² per key), so the per-m² and per-key methods converge.

### A suboptimal investment after downsizing

Beds fell by 45% and floor area by 34%, but the fixed elements of a resort — access road and junction, water and wastewater solution, energy, reception, restaurants, spa, staff facilities, landscaping of a 33-hectare site — do not shrink in proportion. At €53.3 m, cost per bed rose from €121,000 to €222,000 (+83%). With fewer keys to carry the fixed costs and market revenues far below EKTER's investor claim, the project's return weakens (see the residual value test in Attachment G.9).

### Deducting the land

| Land deducted | Remaining | € per m² | € per key |
|---|---|---|---|
| none | €53.3 m | €6,690 | €533,000 |
| €7.48 m (all EKTER investment land, fair value) | €45.8 m | €5,751 | €458,000 |
| €14.3 m (whole portfolio at cost — upper bound) | €39.0 m | €4,895 | €390,000 |

### What must be reconciled

- Land, VAT, equipment, professional fees, financing costs, off-site infrastructure, excavation and retaining works, inflation 2023–2026.
- Who builds: EKTER is a construction company; if it builds its own hotel, procurement, cost certification and related-party contracts must be examined.
- The independent evaluator's certified eligible costs for the 2023 approval and any revision.

### EKTER's land in its accounts

| Year-end | Investment property (fair value) | Movement |
|---|---|---|
| 2005 | €18.53 m (land €12.81 m) | +€3.10 m additions |
| 2016–2017 | €8.13 m → €7.89 m | revaluation losses |
| 2020–2022 | €7.87 m (land €7.40 m) | flat |

| Year-end | Investment property (fair value) | Movement |
|---|---|---|
| 2023 | €9.02 m | +€0.91 m land purchase |
| 2024–H1 2026 | €7.98 m (land €7.48 m) | plot moved to own use |

Book value at cost (FY2023 report): ≈€14.0–14.3 m for the whole investment-property portfolio. The Kolymbithres land is part of it; its own acquisition cost is not disclosed separately — the title deeds would show it.

ATTACHMENT E

# Financing and the EU Recovery Fund

### What EKTER has disclosed

| Item | Content |
|---|---|
| Loan | Joint bond loan with Piraeus Bank, €42.64 m, signed 3.4.2023, RRF co-financing; investment €53.3 m; pillar "Extroversion" |
| Split (public sources) | ≈€21.3 m RRF + ≈€21.3 m Piraeus + ≈€10.7 m equity (ered.gr Dec 2023; Kafouros report: €21.5 m RRF) |
| Disbursement | In stages according to construction progress; "no disbursement has been made" (H1 2026, note 8.2, approved 29.9.2026) |
| Security | Mortgage pre-notation €51.168 m on the land and future buildings (120% of the loan) |
| RRF top-100 list | EKTER not among the 100 largest RRF final recipients (list of 27.5.2026) — consistent with no disbursement; does not prove non-approval |

### How Recovery Fund loans work in Greece

- Up to 50% RRF loan, at least 30% bank co-financing, at least 20% own funds. RRF interest from 0.35% (small enterprises) or 1% (others); State-aid rules may require more.
- Projects qualify under a pillar — green, digital, research, **extroversion** (incl. tourism), or consolidation. Green and digital shares are pillar thresholds, not a universal 20% green rule for every project.
- Every financed project must meet the **"Do No Significant Harm"** principle (Regulation 2021/241; Taxonomy Regulation art. 17) — irrespective of the pillar.
- An independent evaluator certifies eligibility, eligible costs, State aid and DNSH; banks administer; the Special Coordination Agency (ΕΥΣΤΑ) supervises; the Ministry of National Economy and Finance is responsible.

### The value of cheap public credit — summary (details in Attachment I)

Assumptions: €21.32 m RRF at 1% and €21.32 m bank debt at 4.75%, against €42.64 m wholly commercial at 4.75%; level annuities; no grace period. EKTER's actual terms are not public.

| Term | Annual debt service: private | Annual: blended | Annual saving | Total saving | % of €53.3 m | Present value at 4.75% |
|---|---|---|---|---|---|---|
| 12 years | €4.74 m | €4.27 m | €0.48 m | **€5.7 m** | 10.7% | €4.3 m |
| 20 years | €3.35 m | €2.86 m | €0.49 m | **€9.9 m** | 18.5% | €6.3 m |

A lower interest cost can also let a project carry more debt with less equity. The legal State-aid amount is calculated differently (reference and discount rates); these figures show economic materiality, not unlawful aid.

### Questions to be answered

1. On what budget, floor area and bed count was the loan approved, and was it recalculated after the reduction to ≈7,967 m² / 240 beds?
2. What are the certified eligible costs, and do they include land? At what value?
3. How was DNSH assessed — for a plan rejected two months later?
4. Who is the contractor, and on what terms?
5. What are the rate, maturity, grace period, recourse and drawdown conditions?
6. Will any drawdown be suspended until the budget is reconciled with the approved project?

### Where to go, in sequence

1. Information requests to ΕΥΣΤΑ, the Ministry of National Economy and Finance and Piraeus Bank (environmental information: one month, extendable to two — Directive 2003/4/EC; Law 2690/1999 art. 5).

2. Report to the **National Transparency Authority** (Εθνική Αρχή Διαφάνειας), the national RRF complaints point.
3. **European Commission** — Recovery and Resilience Task Force (SG RECOVER).
4. **OLAF** for irregularities affecting the EU budget; **EPPO** only on concrete evidence of fraud.
5. **European Parliament** — written question (Budgetary Control) or petition (PETI).

**Piraeus Bank**

Piraeus Bank lends €21.3 m of its own funds, administers the RRF loan and holds the pre-notation on the land. Unlike EKTER, it depends on retail customers and publishes sustainability commitments. A public letter with a 30-day deadline, followed by publication of questions and answers and, if needed, a call to review banking relationships, is lawful, factual pressure.

**Update, second edition: the Recovery Fund window has closed**

- No new RRF loan contracts after 29 May 2026; RRF loan money had to be paid out to final borrowers by 26 August 2026 (ministerial decision 47990 ΕΞ/2022 as amended); all RRF projects and milestones were due by 31 August 2026.
- EKTER had made no drawdown by H1 2026 (half-year report, note 8.2) and holds no building permit, so no works could be financed before the deadline.
- About €2 billion of unused RRF loans passes to the Hellenic Development Bank, to be deployed until about 2029 on its own terms.
- Questions added: was EKTER’s RRF tranche cancelled, rolled over or transferred, and on what terms is the project now financed?

ATTACHMENT F

# Water, wastewater and roads

### What the decree requires (Article 3 B)

| Topic | Rule | Who decides / pays |
|---|---|---|
| Water | Secure water from ΔΕΥΑΠ before filing the ΜΠΕ; otherwise desalination (special study of intake and brine in a sensitive sea) or borehole (hydrogeological study) | ΔΕΥΑΠ (municipal) decides; EKTER pays private solutions |
| Wastewater | Connection to the Naoussa plant subject to a positive ΔΕΥΑΠ decision, own storage and transfer, inflow quality; otherwise private treatment on site | ΔΕΥΑΠ decides; EKTER builds |
| Roads | Traffic study in the ΜΠΕ; mitigation measures and works "charged to the implementer"; legality and adequacy of access | EKTER pays |
| Cost to public budgets | Preamble: the decree causes no cost to the State or municipal budget | — |

### The Naoussa wastewater plant

ΔΕΥΑΠ is extending the Naoussa plant with ≈€5.94 million of Recovery Fund money: capacity approaching 20,000 population equivalents and at least 4,000 m³/day, with membrane treatment and reuse of more than 380,000 m³ a year for irrigation. Contract amendments were on the ΔΕΥΑΠ board agenda in March 2026. A project description does not show completion, commissioning, or spare summer capacity for a new resort.

### What the Municipality and ΔΕΥΑΠ should require

- A published peak-season water and wastewater balance for Naoussa, including drought, failure scenarios and all pending hotel projects.
- No allocation of capacity, preferential tariff or connection commitment without a reasoned, public board decision.
- A schedule of who pays, owns, maintains and bears overruns for every road, junction, power line, water and sewage connection and reuse installation.
- If EKTER opts for desalination: full scrutiny of brine discharge into the Natura 2000 sea.

ATTACHMENT G

# Public acquisition: the fallback

This attachment sets out how the Municipality could bring the land into public hands, who would hold and manage it, how it could be paid for, and roughly how much is at stake. It is a basis for preparation. Article references and procedures must be confirmed by Greek counsel and tax advisers before any decision; figures marked as estimates are ΚΛΕΑ's own orders of magnitude, to be replaced by official data.

## G.1 Routes to public ownership

| Route | How | Strengths | Weaknesses |
|---|---|---|---|
| 1. Purchase by agreement | Council decision; independent valuation; notarial deed. The Municipality is in principle exempt from property transfer tax. | Fast, no litigation; EKTER's "elegant way out"; price can reflect the unbuilt reality | Needs a willing seller; the loan pre-notation (€51.2 m) must be lifted with Piraeus Bank's consent |
| 2. Compulsory expropriation for the Municipality | Code of Compulsory Expropriation (ν. 2882/2001): declaration for a defined public purpose, with funds shown to be available; court-set compensation | Does not depend on EKTER's consent; price set by the courts on evidence, not by the owner | Must be fully funded within 18 months of the provisional court ruling or it lapses; a strong public purpose must be shown for land just zoned for tourism |
| 3. Expropriation by the State for heritage or nature | Ministry of Culture under the archaeological code (ν. 4858/2021) for the zone around the Koukounaries acropolis; or a State protected-area designation | Paid by the State; strong legal basis for the archaeologically sensitive southern part | Likely partial; depends on Ministry priorities |
| 4. Exchange of land | Swap for public land (State/ETAD or municipal) suitable for tourism elsewhere, with or without a cash balance | Lets EKTER keep its business case without this hillside; little cash | Requires suitable land and a legal basis for the exchange; State-aid and valuation scrutiny |
| 5. Transfer of building rights | Compensation partly in transferable development rights (Μεταφορά Συντελεστή Δόμησης) under the planning code | Reduces cash need | The Greek market for transferred rights has long been frozen; only as a complement |

## G.2 Compulsory expropriation step by step (ν. 2882/2001)

1. **Public-purpose decision of the Municipal Council**: protection of landscape, open space and coastline; prevention of overload of water, wastewater and roads; creation of a public nature and landscape park managed by Paros Park; link with the adjacent acropolis of Koukounaries (archaeological site since 1979), for which ELLET's 2012–2014 protection and presentation study provides a ready programme (paths, information points, visitor centre). The purpose must be specific, necessary and proportionate.
2. **Planning coherence**: since the 2026 decree zones the land for tourism, the public purpose is far stronger if the land is (re)designated for open space / protection — through a request to the Ministry to amend the ΕΠΣ, through the Local Urban Plan (ΤΠΣ) or through a protected-area designation (see G.6). Counsel to advise whether an amendment must precede the declaration.
3. **File**: cadastral diagram and table of the property (ΚΑΕΚ), valuation report (by a certified valuer / Body of Certified Valuers), and **proof that funds are available** to pay the compensation — the declaration is not lawful without it.
4. **Declaration** of the expropriation by the competent authority (for a municipal beneficiary, the Coordinator of the Decentralised Administration of the Aegean — to be confirmed) and publication in the Government Gazette.
5. **Provisional price**: fixed by the single-member Court of Appeal (Aegean) on the evidence of both sides; no appeal. The Municipality should bring its own valuer and defend a value well below EKTER's figure for all its investment land (G.9).
6. **Payment and taking of possession**: deposit with the Consignment and Loans Fund; possession once the compensation is paid or deposited.

7. **Final price**: fixed by the three-member Court of Appeal; adjustments either way.
8. **Deadline**: if compensation is not paid within 18 months of publication of the provisional ruling, the expropriation lapses automatically and the owner may claim damages.
9. **Amicable settlement** is possible at any stage, including during the court phase.

Compensation is "full" (Constitution art. 17 §2): the market value at the time of the court ruling, taking into account the lawful use of the land — including the 2026 zoning — but not the developer's expected profits, its subsidised loan or its studies. The price arguments in G.9 are built on exactly this basis. Acting before the environmental terms and building permit keeps it stable.

### G.3 The role of Paros Park

- **Paros Park** (Environmental and Cultural Park of Paros) is a municipal company, created in 2009, which already manages the Agios Ioannis Detis / Kolymbithres protected landscape next door. It is the natural manager.
- **Recommended structure**: the **Municipality acquires and owns** the land (as public property for common use), and entrusts its **management** to Paros Park by a programme agreement or a grant of use approved by the Municipal Council.
- **Why not transfer ownership to Paros Park?** Land acquired by expropriation must serve the declared public purpose; transferring ownership to a company risks a revocation claim by the former owner and complicates guarantees and State-aid analysis. A contribution in kind to the company's capital would also require valuation formalities. Ownership by the Municipality keeps the land inalienable and the purpose secure.
- **Could Paros Park be the expropriation beneficiary or the borrower?** Possible in principle for a public-benefit company, but the company is small (≈€90,000 capital) and municipal guarantees for company loans are restricted and count against the Municipality's own limits. Borrowing should be done by the Municipality.
- **Paros Park's contribution**: management plan, paths and access, visitor and parking fees, volunteers, partnerships with FoPA, ΚΛΕΑ and foundations (Bodossaki has supported the Park before).

### G.4 Borrowing

- **Legal basis**: the new Local Government Code (ν. 5314/2026, art. 439) and the Ministry of Interior's decision of July 2026: annual debt service may not exceed 20% × the municipality's coefficient × its central grant (ΚΑΠ). Paros: coefficient 4.5 → ≈90% of ≈€3.4–3.6 m ≈ **€3.1 m a year** of debt service.
- **Theoretical capacity**: ≈€42 m over 20 years or ≈€48 m over 25 years at 4% — **before existing debt** and subject to a second ceiling on total debt / total revenue. The real headroom requires the 2026 budget and debt schedule.
- **Lenders**: the Consignment and Loans Fund (Ταμείο Παρακαταθηκών και Δανείων, the usual lender to municipalities, including EIB-backed lines) or commercial banks — preferably not Piraeus Bank, given its role in the project.
- **Procedure**: Municipal Council decision; financial study of repayment capacity; opinions/approvals required by the Code; evidence of the loan serves as the "funds available" proof for the expropriation.
- **Bridge**: if grants are expected (G.5), a bridge loan can cover the 18-month deadline and be partly repaid when grants arrive.

### G.5 EU and national funding

| Source | What it can pay for | Conditions / limits |
|---|---|---|
| **LIFE programme** (Nature & Biodiversity, Standard Action Projects) | Land purchase for nature conservation, restoration, management plan | Land must contribute to the conservation of habitats or species of the Birds/Habitats Directives and be **permanently dedicated to nature conservation**; buyer a public body or NGO; EU co-financing typically 60–67%; competitive annual calls; partners (Paros Park, ΚΛΕΑ, FoPA, a university) strengthen the bid. The site's status as an **Important Bird Area** facing a **Natura 2000** sea is the hook. |

| Source | What it can pay for | Conditions / limits |
|---|---|---|
| **ERDF – Regional Programme South Aegean 2021–2027** (biodiversity, green infrastructure, climate adaptation) | Paths, restoration, signage, visitor facilities, stream protection | Land purchase is in principle limited to 10% of an operation's eligible cost (Common Provisions Regulation 2021/1060 art. 64), with exceptions for environmental conservation to be checked; best used for the park works rather than the land |
| **Green Fund** (Πράσινο Ταμείο, national) | Municipal environmental and landscape projects | Annual programmes; part of its resources comes from fines and regularisation fees for unauthorised buildings — an argument for returning part of Paros's own contribution to the island |
| **Ministry of Culture / ΟΔΑΠ** | Protection zone around the Koukounaries Mycenaean acropolis | State expropriation or co-funding for the archaeologically sensitive part; ELLET's 2012–2014 study as the basis for a Koukounaries archaeological park |
| **Foundations and donors** | Contribution to the purchase price or the park | **A.G. Leventis Foundation** (sponsor of ELLET's Koukounaries study and founding partner of the Europa Nostra/ELLET Costa Carras awards), Stavros Niarchos, Bodossaki, Latsis and others; a "Kolymbithres for Paros" public appeal with FoPA's international membership and visitors |
| **EIB / Natural Capital instruments** | Loans for nature-based solutions | Usually via national banks or the Consignment and Loans Fund; small tickets are difficult |

The EU Recovery Fund itself is closing (loan contracts by 2026); it cannot finance the purchase. Its role here is the opposite: the Municipality should ask that **no RRF money finance the resort** until the budget is reconciled (Attachment E).

### G.6 A legal lever to raise the public purpose: the Important Bird Area

The decree itself states that the land lies within an **Important Bird Area** (IBA) and that the sea in front belongs to Natura 2000. Under the Birds Directive (2009/147/EC, art. 4) and the case law of the Court of Justice (e.g. C-3/96 Commission v Netherlands; C-418/04 Commission v Ireland), IBA inventories are the scientific reference for classifying Special Protection Areas. An IBA that should have been classified but was not is subject to the strict protection regime of art. 4(4) — stricter, in principle, than for a designated site. ΚΛΕΑ should check whether the Paros IBA has been fully classified as an SPA. If not, a request to the Ministry and, if necessary, a complaint to the European Commission would both protect the land and give the Municipality a robust public-purpose basis for acquisition and for a LIFE bid.

### G.7 Local and national revenue possibilities

| Instrument | Who decides | Use for acquisition? | Assessment |
|---|---|---|---|
| **Climate Crisis Resilience Fee** (per room-night: 2025 April–October €2 (1–2*), €5 (3*), €10 (4*), €15 (5*); short-term rentals €8, detached houses >80 m² €15; lower in winter) | Parliament / Ministry of Finance; all revenue goes to the State | Only if the law gives islands a share | **Main ask**: a statutory share of the fee collected on Paros, earmarked for landscape protection and Paros Park. Precedent: cruise-fee distribution to 64 municipalities (Dec 2025). AADE holds per-property data, so the Paros amount can be known exactly. |
| **Overnight-stay charge** (τέλος διαμονής παρεπιδημούντων, 0.5% of accommodation price) | Law; collected for the Municipality | Yes, general revenue | Already municipal; rises with room prices; any increase requires a legal basis |
| **Property levy** (ΤΑΠ, 0.25–0.35‰ of property value, via electricity bills) | Council within the statutory band | Yes, general revenue | Small; uniform band; cannot by itself target second homes |
| **Cleaning and lighting fees** (per m², via electricity bills) | Council | No — reciprocal fees must match the cost of the service | Can be differentiated by use and zone; reductions for permanent residents possible on social grounds; cannot fund land purchase |
| **Water and wastewater tariffs** (ΔΕΥΑΠ) | ΔΕΥΑΠ board | No — reciprocal | Should be cost-reflective for pools, desalination, peak demand; protects ΔΕΥΑΠ, not a land fund |

| Instrument | Who decides | Use for acquisition? | Assessment |
|---|---|---|---|
| **Beach, public-space and parking fees** | Council / State (beach concessions) | Partly | Paros Park visitor and parking fees at Kolymbithres can contribute to running costs |
| **Voluntary contribution** | Hotels, visitors, residents | Yes | "Kolymbithres contribution" on bookings, partnerships with responsible hotels |

### G.8 A levy on second homes — analysis

The idea: dwellings on Paros that are not the main residence of people living on the island — holiday homes used a few weeks a year — would pay an annual contribution to protect the landscape that gives them their value. Permanent residents, and owners who rent long-term to residents, would be exempt.

- **Constitutional limit**: municipalities cannot create taxes; any tax requires a law (Constitution art. 78). A second-home levy therefore needs **a provision of national law**, possibly as an option for island municipalities under tourism pressure, with the Council fixing the rate within a band. It cannot be introduced by a municipal decision alone.
- **Not through reciprocal fees**: cleaning and lighting fees must match the cost of the service. A differentiated rate for seasonal homes may be defended if they cause higher seasonal costs, but the money cannot go to land acquisition.
- **The criterion matters**: "registered in Paros" (δημοτολόγιο) is the wrong test — municipal registration reflects origin, not residence, and many people registered on Paros live in Athens, while many residents are registered elsewhere. A defensible criterion is **use**: the dwelling is not declared as the owner's or a tenant's **main residence** (tax return / E9 declaration, electricity contract, long-term lease registered with AADE).
- **EU law**: a levy based on nationality or on residence abroad would breach the free movement of capital (TFEU art. 63). A levy based on the **use of the dwelling**, applying equally to Greek and foreign owners, is the model followed in France (surcharge of up to 60% on the residence tax for second homes in areas with housing pressure), Spain and others.
- **Interaction**: dwellings used for short-term rental already pay the resilience fee and income tax; they could be exempt or credited to avoid double charging — or included, since they also withdraw homes from residents. A design choice.
- **Housing benefit**: exempting long-term rentals to residents encourages owners to rent to teachers, doctors and workers — a second policy goal Paros badly needs.
- **Politics**: second-home owners are numerous, attached to the island, often FoPA members. The levy should be presented as a **contribution to protect what they love**, earmarked, time-limited (e.g. until the acquisition loan is repaid) and transparently reported.

### G.9 The price of the land: a fraction, difficult to justify

ΚΛΕΑ does not put a figure on the Kolymbithres land, and advises the Municipality not to: the aim of the swap (Attachment K) is precisely to avoid putting money on the table.

- **What EKTER's books show.** EKTER is listed and reports its investment property at audited fair value (IAS 40): **€7.48 million for all its investment land** at 31 December 2025 and 30 June 2026, the valuer keeping the 31 December 2023 values. That figure covers several properties, including land absorbed with its former subsidiary IFIKLIS and a plot at Agia Paraskevi. **Kolymbithres is only a part of it**, and EKTER does not disclose which part.
- **What it cost.** The historical cost of all EKTER's investment property was ≈€14 million (FY2023 report). The Kolymbithres land was bought in the early 2000s and was described in the press as non-buildable before the plan was approved.
- **Why any figure is difficult to justify.** The decree gives a right to build, not an income: no permit, no water, no wastewater solution, a disputed coefficient, an alternative (Porto Paros) that undermines the need, and a site badly suited to a prestige project (G.9 bis). Large tracts of which 80% must stay open trade far below the asking prices of small plots nearby. And at EKTER's own €53.3 million budget, the residual value of the land is negative.

- **What to ask EKTER.** IFRS 13 requires, for such Level 3 values, the valuation technique and key assumptions. The Municipality should ask for the separate fair value of the Kolymbithres land, the valuer's name and the highest-and-best-use assumption, and for EKTER's documented outlay on the project.
- **Expropriation compensated in kind.** Under art. 17 §2 of the Constitution, with EKTER's consent, the compensation for Kolymbithres can be paid in kind, as rights over another property: the land concession on the Parikia car parks (Attachment K). The value to be compensated remains the market value of the land as defined above, without lost profit, and is free of tax (art. 17 §4). Without consent, compensation is paid in cash, set by the courts and due within eighteen months (G.2).
- **How it is used in the swap.** Whatever value is agreed, it is repaid through the concession income of the new project, never by a municipal cheque; ΚΛΕΑ's position is that no compensation for lost profit is due, because the new project replaces the old, against a settlement releasing all claims (Attachment K).

### G.9 bis  Why the land does not justify a development premium

The arguments below explain why any price for the Kolymbithres land would be difficult to justify, and why it can only be a fraction of EKTER's figure for all its investment land.

| Factor | Effect on value |
|---|---|
| Coefficient error in the decree | "τριάντα πέντε χιλιοστά (0,0035)": words and figure differ by a factor of ten; the legally permissible floor area is uncertain until corrected. |
| No environmental terms, no ΔΕΥΑΠ decisions | Special Ecological Assessment, traffic study, Architecture Council, water and wastewater still to come; each may reduce or reshape the scheme. |
| Archaeology | Surface survey of the whole plot; finds can stop or relocate works (Koukounaries acropolis next door). |
| Physical constraints | North-facing cliff coast, no beach, Meltemi, slopes above 35%, three ravines with 20 m zones. |
| Most of the land unbuildable | ≈80% stays open by law; XE2A no building at all. |
| Infrastructure at the developer's charge | Roads, parking, possibly desalination and treatment. |
| Market and financing | Porto Paros idle next door; EKTER's €200,000 turnover per key is exceptional; the RRF loan is undisbursed and its value is not a land value. |
| EKTER's own budget | At €53.3 million and market revenues, the residual land value is negative — either the budget is inflated or the land is worth little. |

### G.10 What it would cost the Municipality

Under the swap, nothing: the Municipality contributes the right to use its car parks; the Kolymbithres land passes at the value of nature land, settled in kind, and only EKTER's documented outlay is recovered, from the new project's concession income (Attachment K).

**For information only.** Only if the swap fails would an acquisition have to be financed. The Municipality's own means are limited, which is one more reason to prefer the swap. The resources identified by ΚΛΕΑ for that fallback are: the Municipality's borrowing headroom, a statutory share of the Climate Crisis Resilience Fee collected on Paros, a second-home levy (which requires a national law), LIFE and regional funds, and donors. The amount would depend on a price that, for the reasons in G.9, should be a fraction of EKTER's figure for all its investment land.

### G.11  Next steps for the Municipality

1. Council resolution of principle (public purpose, mandate to prepare acquisition, request for data).
2. Commission an independent valuation and a legal opinion (expropriation route, planning amendment, Paros Park structure).
3. Request from AADE / Ministry of Finance the resilience fee collected on Paros, 2024–2026.
4. Approach the Ministry of Culture (Koukounaries zone) and the Ministry of Environment (IBA / SPA status, ΕΠΣ amendment).
5. Prepare a LIFE concept note with Paros Park, ΚΛΕΑ, FoPA and a scientific partner.

6. Ask the Cyclades MPs to table the resilience-fee return and an island second-home levy option.
7. Open talks with EKTER on the swap (Attachment K), with acquisition and expropriation prepared in parallel as the fallback.

ATTACHMENT H

# EKTER's two stories and sustainability claims

| To the authorities and the Athens Exchange (22 July 2026) | To investors (presentations 2025–2026) |
|---|---|
| "οργανωμένης τουριστικής μονάδας **ήπιας μορφής** … σχεδιασμένης με γνώμονα την **προστασία του φυσικού, πολιτιστικού και αρχαιολογικού περιβάλλοντος**" | "Development of a new **ultra-luxury 5*** unit in Paros"; "**100 υπερπολυτελείς βίλες / σουίτες**"; €53.3 m; 80% Piraeus Bank + RRF; "~€20 m expected annual turnover" |

€20 m turnover for 100 keys is €200,000 per key per year. EKTER's own 2022 SEA cites ≈€21,950 average room revenue per 5* room in the South Aegean (2013 data). The figures are not strictly comparable (room revenue vs total turnover, 2013 vs 2026), but the gap shows how far the investor case relies on exceptional assumptions — a question for a demand study, especially with Porto Paros idle nearby.

### Porto Paros

A large hotel on the same peninsula, recorded as not in use at the end of 2024 in the owner's (MHV) accounts; in December 2025 Prodea announced the acquisition of the remaining 30% of the owning company, with redevelopment envisaged. The issue is cumulative capacity and the risk of another underused or stalled hotel.

### Sustainability claims

EKTER's website claims alignment with CSRD and ESG criteria. As consulted on 23 October 2026 it publishes no sustainability report, no ESG data (promised "in 2026") and no policy on biodiversity, landscape or cultural heritage. Its Pounta loan carries an ESG-linked margin reduction from 2027.

ATTACHMENT I

# Financial technicalities: the value of EU-backed financing

This attachment explains what preferential Recovery and Resilience Facility (RRF) financing is worth to a hotel developer compared with wholly private funding. It separates the borrower's cash saving, the sponsor's equity and guarantee exposure, the tax effects and the legal State-aid amount. Figures are scenarios on stated assumptions, not findings on EKTER's loan agreement, whose terms are not public.

## I.1 Financing framework

- The Greek RRF loan programme allows up to **50% RRF loan**, at least **30% bank co-financing** and at least **20% own funds**. Published minimum RRF rates: 0.35% for small and very small enterprises, **1%** for other enterprises; State-aid rules may require higher pricing. Rate, maturity, grace period and drawdown profile are set in each agreement.
- Tourism qualifies mainly under the **Extroversion** pillar (bank guidance mentions a dedicated tourism quota). Green and digital thresholds qualify expenditure under their own pillars; they are not a universal requirement that every hotel spend 20% on green measures.
- Irrespective of the pillar, the **whole financed project** must satisfy **Do No Significant Harm** (DNSH). Environmental permitting and DNSH are separate tests; efficiency measures do not by themselves show the absence of significant harm from the whole development.
- **EKTER's case**: €53.3 m investment; €42.64 m joint bond loan; published split ≈€21.3 m RRF + ≈€21.3 m Piraeus Bank + ≈€10.7 m equity, i.e. **40 / 40 / 20** — not 50/30/20. EKTER is not a small enterprise, so the RRF rate is presumably at least 1%.

## I.2 Reference example (€10 m project, 50/30/20)

Blended: €5 m RRF at 1% + €3 m bank at 4.75% + €2 m equity. Private comparator: €8 m bank at 4.75% + €2 m equity. Both fully drawn at the start, level annuities in arrears, constant rates, no grace period; tax, fees, hedging and reserves excluded. The initial weighted coupon of the blended debt is 2.40625%.

| | 12 years (base) | 20 years (sensitivity) |
|---|---|---|
| Annual debt service — private | €889,921 | €628,404 |
| Annual debt service — blended | €777,965 | €512,728 |
| Annual saving | €111,957 | €115,676 |
| Cumulative saving (undiscounted) | **€1,343,484 (13.43% of cost)** | **€2,313,515 (23.14%)** |
| Including equivalent parent guarantees at 0.50–0.75% in both structures | €1,354,274–1,359,669 (13.54–13.60%) | €2,343,281–2,358,163 (23.43–23.58%) |
| Adverse: only the blended structure carries a guarantee | €936,660–1,072,268 (9.37–10.72%) | €1,636,889–1,862,431 (16.37–18.62%) |
| Present value of the annual savings at 4.75% | €1,006,444 | €1,472,630 |
| Equity release at equal debt-service cover | €1,006,444 | €1,472,630 |

## I.3 Applied to EKTER (40/40/20, €42.64 m debt)

Assumptions: €21.32 m RRF at 1% + €21.32 m bank at 4.75%, against €42.64 m wholly commercial at 4.75%; same conventions as I.2.

| | 12 years | 20 years |
|---|---|---|
| Annual debt service — private | €4.74 m | €3.35 m |
| Annual debt service — blended | €4.27 m | €2.86 m |
| Annual saving | €0.48 m | €0.49 m |
| Cumulative saving (undiscounted) | **€5.73 m (10.7% of €53.3 m)** | **€9.86 m (18.5%)** |
| Present value of savings at 4.75% | €4.29 m | €6.28 m |

| | 12 years | 20 years |
|---|---|---|
| Alternative expression: equity release at equal debt-service cover | €4.29 m | €6.28 m |
| Capital charge on that equity at 10% a year over the term (sensitivity) | €5.15 m | €12.56 m |

A mechanical scaling of the 50/30/20 reference example to €53.3 m would give €7.2–7.25 m (12 years) and €12.5–12.6 m (20 years). With the published 40/40/20 split the order of magnitude is **≈€5.7 m over 12 years, ≈€9.9 m over 20 years**. Note that the equity release and the repayment saving are **two expressions of the same advantage** — they must not be added together.

### I.4 Recourse, security and guarantees

- In **non-recourse** project finance, lenders rely on the project's assets and cash flow; cheaper debt then supports more debt and less equity. **Limited recourse** is more realistic for a hotel during construction and opening: completion and cost-overrun undertakings, equity commitments, debt-service support or a capped parent guarantee.
- A guarantee has an economic cost (fee × guaranteed exposure): at 0.50–0.75%, €1 m guaranteed costs €5,000–7,500 a year. It should follow the actual exposure (declining balance, cap, completion period).
- **EKTER borrows directly**: the parent is the borrower, so its repayment obligation must not be costed a second time as a parent guarantee. The security disclosed is a **mortgage pre-notation of €51.168 m (120% of the loan)** on the Kolymbithres land and future buildings — which also means any purchase or expropriation must deal with the lenders' security.
- Intragroup guarantee fees cancel on consolidation; the risk exposure does not.

### I.5 Tax effects — what they are and are not

- Depreciation of the buildings reduces taxable profit and tax losses may be carried forward (subject to the rules) — a **tax shield**, not a refundable tax credit. A closed or loss-making hotel does not generate cash from the tax authority.
- The RRF loan is not taxable income; repayment of principal is not deductible; lower interest **increases** taxable profit slightly. The financing advantage must not be presented as a tax windfall.
- Any separate investment incentive (development law aid, special depreciation) would have to be disclosed and is not assumed here.

### I.6 State aid is a different calculation

The RRF principal, the economic financing benefit (above) and the legal **State-aid amount** are three different figures. The State-aid gross grant equivalent is calculated with the Commission's reference and discount rates (2008/C 14/02), taking into account the beneficiary's rating and collateral, and must fit the aid basis used (de minimis, block exemption or approved scheme). ΚΛΕΑ's figures show economic materiality; they do not by themselves establish unlawful aid. The request to the authorities is for the **aid basis and gross grant equivalent actually calculated** for this loan.

### I.7 Cost reconciliation the authorities should demand

| Item | Question |
|---|---|
| Scope | Is the €53.3 m still for 440 beds / 12,046 m², or has it been recertified for 240 beds / ≈7,967 m²? |
| Land | Is land in the eligible cost? At what value — cost, fair value (€7.48 m for all investment land) or more? |
| Hard costs | €/m² for buildings, external works, pools, roads, utilities; compared with EKTER's own Pounta contract (≈€1,075/m²) and the Ministry standard (€1,300/m²) |
| Contractor | Is EKTER (or a related party) the contractor? Procurement method, margin, cost certification |
| Soft costs | Studies, fees, financing costs, contingencies — amounts and basis |
| Equipment | FF&E per key compared with the Ministry standard (€7–8k per bed) |
| Indexation | Inflation 2023–2026 claimed, and on what index |

| Item | Question |
|---|---|
| Drawdowns | Certification of works before each drawdown; independent engineer |

### I.8 Verification list

Borrower and guarantor identity; financing approval and agreements; separate RRF and bank amounts; rates and repayment schedules; grace period; security and release conditions; equity and reserve requirements; independent evaluator's eligibility, State-aid and DNSH assessments, initial and revised; drawdown certificates.

### Update, second edition: replacing the RRF share

Replacing €21.32 million of RRF money at 1% over 12 years with bank debt costs ≈€0.48 million a year at 4.75% and ≈€0.58 million a year at 5.50%: €5.7–7.0 million over 12 years, or a present value of ≈€4.3–5.0 million. This is the same advantage as the “value of cheap public credit” above, now lost rather than enjoyed.

ATTACHMENT J

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**Added in the second edition**

- ΓΠΣ Πάρου, approval decision of 24.04.2012 (ΦΕΚ 148 ΑΑΠ/2012), Table Π.2 and land-use map Π.2; Council of State 3616/2007 (Parikia town-planning study)
- ν. 1337/1983 art. 6; Building Code ν. 4067/2012 art. 11; ν. 4759/2020 (Local Urban Plans); ν. 5006/2022 as amended by ν. 5229/2025; ministerial decision 9919/2026 (ΦΕΚ Β 2653/2026); ν. 5314/2026 art. 550
- Ministerial decisions on traditional Parikia, ΦΕΚ 594 Δ/1978 and 345 Δ/1989
- Archaeological Cadastre of the Ministry of Culture (arxaiologikoktimatologio.gov.gr): archaeological site “Παροικιά Πάρου” (SPAEHP0IR01) and listed monuments, consulted 26.10.2026; antiquities code ν. 4858/2021
- Diavgeia, Municipality of Paros: leases and payment orders for Parikia car parks 2014–2026; purchase decision chain 9ΜΕΞΩΞΓ-Λ8Λ and 9ΥΝΓΩΞΓ-Ο79 (Committee decision 135/2026); management contract ΡΚ47ΩΞΓ-ΔΥΛ (237/2026); licensing Ψ8ΦΤΩΞΓ-Σ7Γ, ΨΝΜΗΩΞΓ-6Β7 (details in Attachment Ν)
- Ministerial decision 47990 ΕΞ/2022 as amended (RRF loan deadlines); Hellenic Development Bank, transfer of unused RRF loans (press, 2026)
- EIB affordable-housing lending 2026 (ered.gr); Ministry of Interior staff-housing call Π186_53; ν. 5177/2025 art. 44 (Climate Crisis Resilience Fee)

- Satellite imagery Esri World Imagery; car-park outlines OpenStreetMap contributors (ODbL)

*Facts are taken from the cited public records. Analysis and assessments are ΚΛΕΑ's own. Legal, tax and procedural points must be confirmed by Greek counsel before formal use.*

ATTACHMENT K

# The swap: affordable housing on three car parks in Parikia

This attachment develops sections 7 to 9. Figures are KΛEA orders of magnitude from public data, to be replaced by a feasibility study.

**Update, second edition.** The structure and figures below are the first edition's sketch. They are superseded by the business plan in Attachment Q: the homes are held by a municipal and philanthropic housing company, with a reference rent of €150 a month plus charges; EKTER builds them, and finances and holds the parking concession for about 30 years; Parking Paros operates the car park; the investment is ≈€37 million before VAT. The sites, design, environmental and parking-use proposals below remain valid.

## K.1 The three sites

The official Paros guide lists six public car parks in Parikia, five of them on the ring road towards Aliki. Three are proposed: P3 by the Paros Arena sports ground, P4 on the ring road, and the Kormos car park in the south-west, all within 150 to 750 metres of the harbour, the old town and Panagia Ekatontapyliani.




*The three car parks proposed for the swap. Map data © OpenStreetMap contributors (ODbL); Kormos outline traced by KΛEA from aerial imagery. Areas approximate.*

| Site | Location | Area | Distance to Ekatontapyliani | Parking today (est.) |
|---|---|---|---|---|
| A · P3 | Next to the Paros Arena sports ground, off the ring road | ≈3,350 m² | ≈170 m | ≈130 places |

| Site | Location | Area | Distance to Ekatontapyliani | Parking today (est.) |
|---|---|---|---|---|
| B · P4 | West side of the ring road towards Aliki | ≈4,850 m² (up to ≈6,600 m² on the aerial outline) | ≈320 m | ≈190 places |
| C · Kormos | South-west edge of town, along the Kormos road | ≈2,900 m² | ≈750 m | ≈115 places |

Places today are estimated at 25 m² per place, aisles included. Ownership, exact boundaries and archaeological constraints must be confirmed with the Municipality and the Ephorate; Parikia is an ancient city, mapped in the Archaeological Cadastre as a declared archaeological site that contains all three sites, and a basement may meet antiquities (Attachment M). The ground at site B falls by about three to four metres from the ring road towards the west, which suits a half-buried car park entered from the ring road.

### K.2 Two concessions, one end point

| Layer | Duration | Holder | Content |
|---|---|---|---|
| Land concession (surface right or long lease on municipal land) | At most 33 years | Project company (EKTER-led, with municipal and non-profit shares) | Right to build and operate homes and car parks; the Municipality keeps ownership of the land |
| Operating concession for EKTER | ≈12 years, longer only for a larger proven claim | EKTER | Runs the car park and manages the homes; the income is EKTER's return and covers its documented outlay |
| Public loan | 30 years | Project company | Serviced by rents and, after EKTER's concession, by the car-park income; repaid before the land concession ends |
| End of the land concession | Year 33 at the latest | Municipality | Homes and car parks pass to the Municipality by accession (the building follows the land), without compensation and free of debt |

The legal form (a surface right on municipal land, a long lease, or the operating right provided by law 5229/2025), the maximum duration it allows and the reversion clause are to be confirmed by counsel.

### K.3 The swap in figures

| | Resort at Kolymbithres | Swap in Parikia |
|---|---|---|
| Floor area above ground | ≈7,967 m² | ≈11,100 m² |
| Underground construction | Limited (basements under common areas) | ≈9,400 m² of parking |
| Units | ≈100 keys (240 beds) | ≈280 homes |
| Construction value | ≈€19–26 million (EKTER's Pounta benchmark, indexed); €53.3 million published | ≈€22.2 million homes + ≈€10.4 million car park = ≈€32.6 million |
| EKTER's construction margin (8–12%) | — | ≈€2.6–3.9 million |
| Recurring income for EKTER | Hotel operation, not demonstrated | Car park ≈€0.34 million + housing management ≈€0.08 million = ≈€0.41 million a year |
| Land take | ≈2–3 ha of hillside affected by buildings, roads and networks (ΚΛΕΑ estimate) | None: sites already sealed |

| Concession length | EKTER's operating income, present value at 4% |
|---|---|
| 6 years | ≈€2.1 million |
| 9 years | ≈€3.1 million |

| Concession length | EKTER's operating income, present value at 4% |
|---|---|
| 12 years | ≈€3.9 million |
| 15 years | ≈€4.6 million |

The concession income is EKTER's return on the swap: it replaces the hotel income nobody has demonstrated. The Kolymbithres land passes to the Municipality at the value of nature land, settled in kind; EKTER's documented outlay on the resort (studies, procedures) is the only amount recognised, on proof, and the concession length can follow from it. ΚΛΕΑ's position is that lost profit is not compensated: the construction margin and the concession income replace it, and the settlement releases all claims.

### K.4 What fits on the sites

| Assumption | Value | Why |
|---|---|---|
| Built footprint | ≈55% of the site | Attached houses along lanes; 45% for lanes, squares, courtyards and gardens |
| Height | One to three storeys, stepping with the slope (average ≈1.8) | The scale of the traditional settlement |
| Floor area | ≈1.0 × site area | Footprint × average storeys |
| Homes | 75% of floor area, ≈30 m² per home | The rest: community hall, laundrette, reception, technical rooms, walls |
| Underground parking | One level under 85% of the site, ≈27 m² per place | Ramps, aisles and structure included |

| Site | Floor area | Homes | Places, one level | Places, two levels |
|---|---|---|---|---|
| A · P3 | ≈3,350 m² | ≈85 | ≈105 | ≈210 |
| B · P4 | ≈4,850 m² | ≈120 | ≈155 | ≈305 |
| C · Kormos | ≈2,900 m² | ≈75 | ≈90 | ≈180 |
| **Total** | **≈11,100 m²** | **≈280** | **≈350** | **≈700** |

One underground level gives ≈350 places, ≈85 fewer than the ≈435 surface places today. The scheme therefore does not simply replace today's places: the loss of ≈85 places must be covered either by the other public car parks of Parikia or by an additional level. A second level at A and B adds ≈260 places, at about €9 million more.

## K.5 Design concept




*Site B (P4): about 110 attached houses of one to three storeys along winding lanes that follow the slope, a small square with a tree, a domed community hall, courtyards and roof terraces, and the ramp to the underground car park from the ring road. Photomontage on Esri World Imagery; illustrative, not a design.*

| Element | Choice | Purpose |
|---|---|---|
| Homes | Studios and one-bedroom units, ≈25–40 m², in attached houses of one to three storeys | Small private rooms, as in traditional island houses; low rents |
| Lanes, squares, courtyards | Winding pedestrian lanes 2.2–4 m wide, lime-washed, with steps where the ground falls | The fabric of the old town; shade and quiet |

| Element | Choice | Purpose |
|---|---|---|
| Shared spaces | Community hall with kitchen, study and meeting rooms; laundrette; a playground | Compensate for small units; build a community |
| Reception and technical rooms | One per site | Contracts, upkeep, storage and services |
| Car park | Underground, half-buried on the low side, entered from the ring road | ≈350 of today's ≈435 places; pays for the concession |

### K.6 Environmental design and operation

| Element | Choice | Why |
|---|---|---|
| Envelope | Thick, well-insulated walls and roofs; shaded openings; cross-ventilation | Cycladic logic brought to current energy standards |
| Heating and cooling | Heat pumps feeding a low-temperature underfloor system: heating in winter, cooling in summer | One system for both seasons; low running cost. Floor cooling needs dehumidifying ventilation to avoid condensation |
| Energy | Solar panels and solar hot water on the roofs | Covers part of the demand; lowers residents' bills |
| Water | Rainwater collection; grey-water reuse for toilets and gardens | Applies ΚΛΕΑ's water-saving proposal |
| Sewage | Connection to the town network; on-site treatment where capacity is short | No extra load on a stretched system |
| Waste | A sorting room per site, organic waste kept separate | Applies ΚΛΕΑ's landfill memo: separation at source |

**Semi-serviced management.** A reception manages each site: contracts, check-in and check-out, inventories, maintenance and refurbishment between tenants. There is no hotel service. **Second-hand furnishing**: units are furnished with reused furniture, repaired where needed, linking the project to the reuse network ΚΛΕΑ supports for Paros.

### K.7 The car park: charging, residents and shared use

The car parks are not only a source of income for the concession; they are a service to the island. Three features are proposed.

| Feature | Proposal | Effect |
|---|---|---|
| Public EV charging | All places pre-cabled; ≈20% equipped with 7–22 kW chargers at opening, a few fast chargers near the ramps; solar roofs and a grid connection sized with ΔΕΔΔΗΕ; tariff set close to cost by the concession agreement | Generalises charging in Parikia at a reasonable price, in line with the municipal charging plan required by law 4710/2020 and the EU AFIR Regulation (2023/1804); a modest extra income |
| Long-term rental or purchase by residents | Places offered to residents of Paros on long leases (e.g. yearly, renewable) or for sale, mainly on the second level at sites A and B (≈260 places) | Frees streets in the old town from residents' cars; sale proceeds reduce the loan; the first-level concession income stays intact |
| Mixed operation: classic and shared | Hourly and seasonal paid parking for visitors, combined with an app-based sharing scheme, as used in Brussels (BePark), Paris and many other cities: monthly holders release their place when away, and the operator rents it out by the hour | More use from each place, fewer places to build; holders may share in the extra income |

Indicatively, selling 100 second-level places at €20,000 each would bring ≈€2 million and replace part of the loan; the price would be set after a market test. Charging tariffs, resident discounts and the rules for sharing would be fixed in the concession agreement, so that EKTER's income stays predictable and residents keep priority.

### K.8 Who lives there and what they pay

Homes go to people with a registered employment contract on Paros, seasonal contracts included (teachers, health staff and public servants posted to the island among them), and, for limited periods, to residents in temporary hardship, allocated with the Municipality's social service. The homes are car-free. About 50 homes can be leased at full cost to public employers for staff posted to Paros; those leases are outside the income scale below. Rent follows declared income on a progressive scale from 15% to 25%; the bands below are an illustration, to be set by the Municipality.

| Declared net monthly income | Rent rate | Example rent |
|---|---|---|
| Up to €900 | 15% | €135 at €900 |
| €900 – €1,300 | 18% | €198 at €1,100 |
| €1,300 – €1,800 | 21% | €326 at €1,550 |
| Above €1,800 | 25% | €500 at €2,000 |

### K.9 Financing without municipal cash

| Item | Amount | Basis |
|---|---|---|
| Homes and shared spaces | ≈€22.2 m | ≈11,100 m² at €2,000/m² (island construction; national average ≈€1,900/m² and rising) |
| Underground car park, one level | ≈€10.4 m | ≈9,400 m² at €1,100/m² |
| Fees, studies, contingencies | ≈€4.9 m | 15% |
| **Total investment** | **≈€37.5 m** | |
| Rents | ≈€0.76 m a year | ≈280 homes, average rent ≈€240 a month (≈20% of €1,200), 95% occupancy |
| Car park | ≈€0.42 m a year gross, ≈€0.34 m net | ≈350 places at ≈€1,200 a year (seasonal paid parking, reduced rates for residents) |
| Housing running costs | ≈€0.33 m a year | €1,200 per home: reception, upkeep, insurance, reserve |

| Funding (indicative, 12-year concession) | Amount | Share |
|---|---|---|
| Grants (EU cohesion and climate funds, national housing programmes) | ≈€22.8 m | 61% |
| Long-term public loan (30 years, ≈2%), serviced by rents and, after the concession, the car park | ≈€12.7 m | 34% |
| Foundations, non-profits | ≈€2.0 m | 5% |
| Municipality | Right of use of the car parks; no cash | — |
| **Total** | **≈€37.5 m** | **100%** |

The grant share depends on the rents: about 72% at a flat 15% of income, 61% at an average of 20%, and 50% at 25%. It is high because the car-park income first goes to EKTER; after the concession it services the loan. Phasing the sites, starting with B, spreads the grant demand.

### K.10 Greek precedents and legal tools

| Precedent or tool | Date | What it shows |
|---|---|---|
| Law 5229/2025, social antiparochi (amending law 5006/2022) | Published 12 Sep 2025 | A municipality may contract a private developer to build social housing on public land at the developer's cost; the developer is paid in units, operating rights for a set period, or a management fee. The contract form for the swap |

| Precedent or tool | Date | What it shows |
|---|---|---|
| Social antiparochi bill: design of the scheme | Jul–Aug 2025 | At least 30% social housing per project; rents substantially below market; thresholds lowered for islands and tourist areas |
| Agathonisi: State plots given to the municipality for public servants' housing | Jul 2026 | Three plots transferred free of charge by joint ministerial decision, to be built on within five years |
| National plan for public servants' housing on islands | Sep 2024 | Over 3,000 public servants in 31 island areas struggle to find housing; Ios renovates municipal flats for them |
| South Aegean Region: housing for 40,000 island workers | Jul 2022 | The Regional Council approved dedicated housing zones and incentives for seasonal and public-sector workers |
| EIB talks on Greek social housing | Jul 2024 | Preferential finance discussed for housing civil servants on islands and tourist destinations |
| Paros teachers' housing protest (ΕΛΜΕ) | Dec 2019 | Substitute teachers could not find housing; a €15,000 allowance was shared among about 140 people |

What is new in ΚΛΕΑ's proposal is the link: a social-antiparochi project used as the way out of a contested tourism development. ΚΛΕΑ found no Greek precedent for that link.

### K.11 Funding sources

| Source | Status | Use here |
|---|---|---|
| EU Recovery Fund (RRF) | Closed to new loan contracts since 29 May 2026; payouts were due by 26 Aug 2026 | Not available for a new project. EKTER's own RRF loan for Kolymbithres matters: if it can be cancelled or redirected, EKTER is freer to accept the swap |
| Hellenic Development Bank | Received about €2 bn of RRF money in late 2025 | Possible long-term lender |
| Social Climate Fund | About €2 bn for Greece, 2026–2032, energy renovation and heating | Heat pumps, solar, insulation; eligibility of new social housing to check |
| EU cohesion funds (South Aegean programme 2021–2027) | The 2025 mid-term review opened a model for affordable housing combining grants and EIB finance | Grant share of construction |
| EIB, Council of Europe Development Bank | Discussed housing for civil servants on islands (2024) | Long-term, low-rate loan |
| Foundations | Already support the Paros Park | Equity at a nominal return; grants for community spaces |

### K.12 Risks and open questions

| Risk or question | How to handle it |
|---|---|
| EKTER refuses the swap | Press the alternatives objection; keep acquisition and expropriation as the fallback (Attachment G) |
| The Kolymbithres share of the €7.48 m is unknown | Ask EKTER for its IFRS 13 disclosures and its documented outlay |
| The swap can only be agreed, not imposed | A settlement approved by the Municipal Council, with a full release of claims by EKTER; legal pressure maintained meanwhile |
| Tendering rules | Legal opinion on whether EKTER can be designated as part of the settlement or must bid; the in-kind compensation (art. 17 §2) covers the land value, not the building contract |
| Ownership and archaeology of the car parks | Title search; the whole town is a declared archaeological site: early opinion and trial trenches with the Ephorate, finds shown in place (Attachment M) |
| Paid parking on today's free car parks | Reduced rates for residents; seasonal pricing for visitors, in line with ΚΛΕΑ's mobility position |
| Grant dependency | Phase the sites: start with B (P4), the largest |

| Risk or question | How to handle it |
|---|---|
| Grid capacity for charging | Early request to ΔΕΔΔΗΕ; load management; solar on the roofs |

## K.13 Sources

- Directive 2011/92/EU as amended by 2014/52/EU, art. 5(1)(d) and Annex IV; CJEU, Holohan, C-461/17, 7 Nov 2018
- Directive 2001/42/EC (SEA), art. 5 and Annex I(h); Directive 92/43/EEC (Habitats), art. 6(3)–(4)
- Directive (EU) 2025/2360 on soil monitoring and resilience (adopted Nov 2025); Commission Roadmap to a Resource Efficient Europe (2011) and EU Soil Strategy for 2030 (2021): no net land take by 2050
- ered.gr, “MVH has reportedly purchased the Porto Paros hotel”, 11 Jan 2022
- Law 5229/2025, art. 3 (social antiparochi): taxheaven.gr/law/5229/2025/arthro/3
- Powergame, “Κοινωνική αντιπαροχή: Όλο το σχέδιο”, 31 Jul 2025
- Alfavita, Agathonisi plots for public servants’ housing, 28 Jul 2026
- Powergame, plan for public servants’ housing on islands, 14 Sep 2024; housing for 40,000 island workers, 31 Jul 2022
- ered.gr, “The EIB backs up Greece in social housing financing solutions”, 23 Jul 2024
- Parianos Typos, ΕΛΜΕ Πάρου-Αντιπάρου on housing, Dec 2019
- Parianos Typos, “Ενημέρωση από τον Δήμο Πάρου για την πορεία διεκδίκησης και την αξιοποίηση της έκτασης στο παλιό αεροδρόμιο” (workers’ housing for public servants on the old airport site), 2021
- eucrim, end of the Recovery and Resilience Facility, 30 Jun 2025; To Vima, recovery loans exhausted, 20 May 2026
- newmoney.gr, Social Climate Fund, 6 Feb 2026; construction costs, 7 May 2026; European Commission, cohesion mid-term review, 1 Apr 2025
- Law 4710/2020 (municipal plans for EV charging points, ΣΦΗΟ); Regulation (EU) 2023/1804 (AFIR); BePark, shared parking operator, Brussels (partnership with ParkBee, 2023); similar app-based shared parking operates in Paris and many other European cities
- Municipality of Paros, “Public parking”; Open-Meteo elevation data; OpenStreetMap contributors (ODbL); Esri World Imagery

ATTACHMENT L

# Annulment of the decree: is recourse still possible?

This attachment sets out ΚΛΕΑ's reading of the remaining judicial route against the decree. It is not legal advice: counsel admitted to the Council of State should confirm it, including the exact deadline.

### L.1 The route remains open

The Council of State's 2026 review of the draft decree (Plenary, Processing Record 68/2026) was an opinion under art. 95 §1(d) of the Constitution (επεξεργασία), not a judgment. Once published, a presidential decree is a regulatory act that can be challenged by an application for annulment within 60 days of publication (P.D. 18/1989, art. 46). The decree was published on 12 October 2026 (ΦΕΚ Δ' 859), so the deadline falls on about 11 December 2026.

There is a precedent. The presidential decree for the Elliniko metropolitan pole was cleared in draft by the plenary of the Council of State (opinion 29/2018, February 2018); once it was published, residents of the southern Athens municipalities still filed annulment applications against it.

### L.2 The chances are limited

The same court, sitting in plenary, has already found the revised draft lawful. An application that repeats the arguments it has weighed is likely to fail. It has a real chance only on points the court did not or could not examine:

- **The coefficient error in the published text.** The decree reads "τριάντα πέντε χιλιοστά (0,0035)": the words mean 0.035 (≈7,600 m² on XE1), the figure 0.0035 (≈760 m²). If the discrepancy appears only in the published decree, the court never ruled on it. (Attachment A)
- **The absence of genuine alternatives.** Whether the 2022 strategic assessment considered real alternatives, such as the refurbishment of Porto Paros, or only variants on the same hillside, as the SEA Directive requires. (Section 2)
- **The Important Bird Area and Natura 2000.** New facts, or Natura 2000 points the opinion did not address, including the requirement to show that no alternative solution exists (Habitats Directive, art. 6(4)).

### L.3 Who can file, and how

- **Legal interest.** Residents, owners, or an association whose statutes cover the protection of Paros. ΚΛΕΑ, still being registered, may lack standing; the Friends of Paros and Antiparos, or individual owners and residents, are safer applicants.
- **Counsel.** The application must be signed by a lawyer admitted to the Council of State (δικηγόρος παρ' Αρείω Πάγω). Court fees and legal costs apply.
- **Effect.** Filing does not suspend the decree; a separate application for suspension would be needed. After the deadline, the decree can no longer be challenged directly; each later act (environmental terms, building permit) can still be challenged within its own deadline.

### L.4 Why it matters for the swap

A pending annulment keeps EKTER's project in doubt. That is what gives the swap its weight: ΚΛΕΑ offers EKTER certainty in exchange for the resort, alongside the legal pressure, not instead of it. Once the swap is agreed, the application can be withdrawn as part of the settlement and its release of claims; counsel should confirm the procedure and its cost.

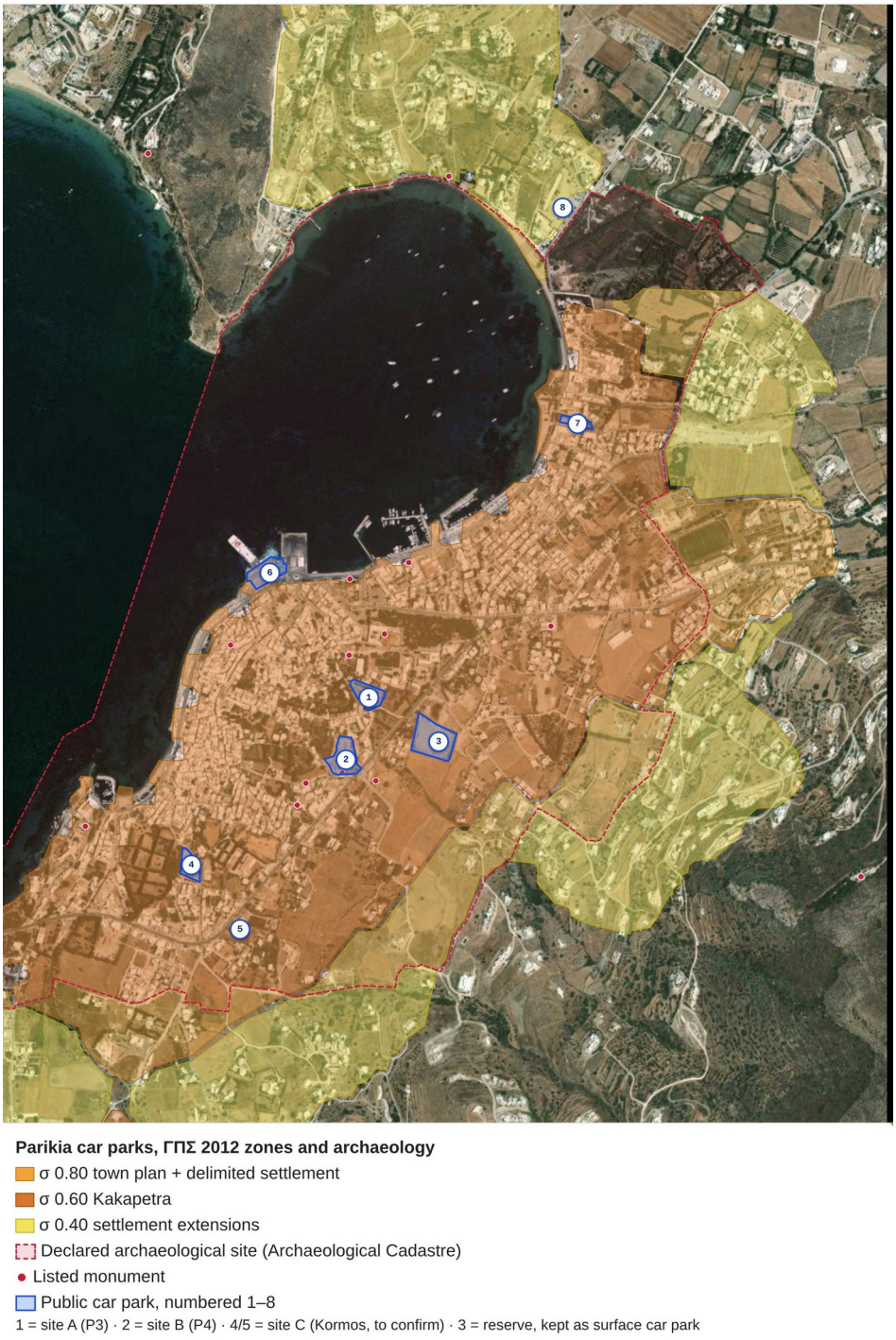
### L.5 Sources

- Constitution, art. 95 §1(d); P.D. 18/1989, art. 46; ΦΕΚ Δ' 859/12.10.2026; Council of State, Processing Record 68/2026
- To Vima, "Third annulment application for Elliniko", 2 May 2018

ATTACHMENT M

# Planning allowance, archaeology and site map

This attachment maps the public car parks of Parikia against the ΓΠΣ 2012 density zones and the declared archaeological sites, and sets out the rules that bind the swap. An interactive version of the map is published by ΚΛΕΑ.




**Parikia car parks, ΓΠΣ 2012 zones and archaeology**

- σ 0.80 town plan + delimited settlement
- σ 0.60 Kakapetra
- σ 0.40 settlement extensions
- Declared archaeological site (Archaeological Cadastre)
- Listed monument
- Public car park, numbered 1–8

1 = site A (P3) · 2 = site B (P4) · 4/5 = site C (Kormos, to confirm) · 3 = reserve, kept as surface car park

*Parikia's public car parks (1–8), the ΓΠΣ 2012 zones traced from the approved land-use sheet Π.2, and the declared archaeological sites and listed monuments of the Archaeological Cadastre. Satellite image Esri World Imagery; car-park outlines OpenStreetMap contributors (ODbL); zones georeferenced by ΚΛΕΑ. Positions can be off by 20–50 m.*

### M.1 The car parks

| No. | Car park | Area | ΓΠΣ σ | Archaeological site | Role in the swap |
|---|---|---|---|---|---|
| 1 | P3, by the Paros Arena | ≈0.33 ha | 0.80 | Inside | Site A |
| 2 | P4, ring road | ≈0.48 ha | 0.80 | Inside | Site B |
| 3 | Large lot east of the ring road | ≈0.75 ha | 0.80 | Inside | Kept as surface car park; absorbs the ≈85 places |
| 4 | Pounta road, north | ≈0.24 ha | 0.80 | Inside | Site C (Kormos), to confirm |
| 5 | Pounta road, south | not outlined | 0.80 | Inside | Site C (Kormos), to confirm |
| 6 | Port lot by the quay | ≈0.42 ha | 0.80 | Inside | Port land; not proposed |
| 7 | Livadia lot | ≈0.13 ha | 0.80 | Inside | Possibly private; not proposed |
| 8 | Dirt lot north of Livadia | ≈15 cars | 0.40 | Outside (≈40 m) | Not proposed |

### M.2 The ΓΠΣ 2012 zones

| Zone | Area | Average coefficient σ | Use class |
|---|---|---|---|
| Parikia town plan + delimited settlement (all swap sites) | 153 ha | 0.80 | General housing and town centre |
| Kakapetra delimited settlement | 38 ha | 0.60 | General housing |
| Extensions I, IIα, IIβ, III (Krotiri) | 166 ha | 0.40 | Housing; IIα recreation |

Rules that bind the swap: the average σ is not a plot coefficient; Parikia's 2002 town-planning study was annulled (Council of State 3616/2007), so plot terms must be confirmed with the building authority (ΥΔΟΜ Πάρου); the traditional-settlement rules cap height at 7.5 m and two storeys with Cycladic morphology; the ΓΠΣ allows parking buildings only in town-centre zones, while open-air car parks are allowed in housing zones; under the Building Code (ν. 4067/2012 art. 11) one basement under the footprint does not count in the coefficient; ν. 1337/1983 art. 6 already allows a higher coefficient, up to 2.4, for land set aside for housing programmes in extension areas.

### M.3 The Local Urban Plan (ΤΠΣ)

The ΤΠΣ is a State planning act (ν. 4759/2020), commissioned by the Ministry of Environment through the Technical Chamber in 2023. Scenarios were discussed in 2024 and a draft of about 500 pages was delivered in March 2026; the Municipal Council chose a mild scenario and objected to larger hotels and to building in Natura 2000 areas. Formal consultation, Council of State review and a presidential decree are still ahead, and until then the 2012 ΓΠΣ applies. This is the window to have the three sites designated for social housing over public parking, with their own terms.

### M.4 Archaeology

The Archaeological Cadastre of the Ministry of Culture records a declared archaeological site, "Παροικιά Πάρου" (code SPAEHP0IR01, about 243 hectares), covering the whole of Parikia and its bay. The same outline is registered as the site of the Asklepieion and Pythion and as an underwater site under the Ephorate of Underwater Antiquities. Two smaller declared sites lie nearby: the sanctuary of Delian Apollo and Artemis on Kastro Vigla, and Kounados Hill. Among the listed monuments near the swap sites are Panagia Ekatontapyliani, the Kastro and its churches, the Frangomonastiro and the ancient pottery workshops beside site B. The Cadastre draws no separate Zone A / Zone B around Parikia, and it does not show the declaration act or its terms.

| Question | ΚΛΕΑ's reading |
|---|---|
| Can one build? | Yes. The site covers a living town; building is not banned, but every permit and every excavation needs the Ephorate's prior approval and supervision (antiquities code, ν. 4858/2021). |

| Question | ΚΛΕΑ's reading |
|---|---|
| Where is the risk? | In the excavation for the parking level. Finds can delay the basement, reduce it or reshape the plan. Above-ground homes on a slab carry far less risk. |
| Is the risk worth taking? | Yes. If the trial trenches find nothing, all the better. If they find something, Paros gains more of its ancient glory, shown in place, as the ancient cemetery by the harbour is shown today. |
| How to manage it? | Involve the Ephorate from the start: obtain the declaration act and its terms, an early opinion on the three sites and trial trenches before the design is fixed; keep a design that can adapt (a smaller basement, a display area); phase the sites, starting with the one the trenches clear. |

The archaeological status also strengthens the case against today's car parks: dusty, partly unlicensed lots are hardly the setting a declared archaeological site and a traditional settlement deserve.

ATTACHMENT N

# Municipal parking leases in Parikia

Plots the Municipality of Paros leases as car parks in the Parikia community, from decisions and payment orders published on Diavgeia. The lease names are not yet matched to the numbered car parks of Attachment M; the cadastre (ΚΑΕΚ) check will do that.

| Location (θέση) | Area m² | Rent 2026 €/yr | €/m²/yr | Term | Key decision (Diavgeia) | Paid, traced orders |
|---|---|---|---|---|---|---|
| Καστροβούνι, near the ring road | 8,216 | 16,920 | 2.1 | Paid since 2014 at least; re-tendered 2017; €203,040 multi-year commitment to 2029 | 7ΖΓΩΩΞΓ-ΑΟ9, 9ΜΟΗΩΞΓ-Λ1Σ | €204,000 (2014–2026) |
| Καζανόβας | 4,469 | 13,800 | 3.1 | Since 2022, multi-year | ΨΩ3ΒΩΞΓ-ΑΨ3 | €66,000 (2022–2026) |
| Πλάτανος | 3,047 | 16,200 | 5.3 | Since 2015; after court ruling 89ΕΙΔΠΙΝ/2018, €194,400 commitment 2018–2029 | ΩΥΞ4ΩΞΓ-Β37 | €303,000 (2015–2026) |
| Φλόγα | 3,158 | 19,800 | 6.3 | Multi-year | Ε4ΡΘΩΞΓ-064 | Φλόγα plots: €154,000 (2015–2026) |
| Φλόγα – Σχολείο | 846 | 7,920 | 9.4 | Multi-year | ΕΟ7ΩΩΞΓ-4Ν7 | included above |
| Φλόγα – Σχολεία, by the Gymnasium | 1,000 | 15,180 | 15.2 | Extended by council decision 47/2026; €91,080 commitment | ΡΩΞΡΩΞΓ-4ΚΡ | included above |
| Θολάκια – Αγία Βαρβάρα, ring road (a) | 3,900 | ≈25,500 | 6.5 | To confirm | ΨΒΠ7ΩΞΓ-ΗΓ8 | to trace |
| Θολάκια – Αγία Βαρβάρα (b) | 2,490 | ≈34,200 | 13.7 | To confirm | 9ΘΦΧΩΞΓ-ΜΥΧ | to trace |
| Αγίας Θεοκτίστης | 1,245 | ≈34,200 | 27.5 | To confirm | ΡΛΣ1ΩΞΓ-Υ2Θ | to trace |
| **Total** | **28,371** | **≈183,700** | **≈6.5** | | | **€727,000 traced** |

Rents come from the 2026 annual commitments or, where none was found, from Q3 2026 payment orders × 4. Paid amounts sum the payment orders posted on Diavgeia; orders can include arrears. Landlords are private persons and are not named.

### Related decisions

- Purchase of parking land: council decision of 19 March 2026 to buy 8,000–13,000 m² within 150 m of the ring road; mayoral decision on the valuation committee (9ΜΕΞΩΞΓ-Λ8Λ); Committee decision 135/2026 on the auction terms (9ΥΝΓΩΞΓ-Ο79).
- Management contract for three municipal open-air car parks in Parikia, extended by Committee decision 237/2026 (ΡΚ47ΩΞΓ-ΔΥΛ).
- Licensing of the Γράβαρη, Πλάτανος and Ανάργυρος car parks, commissioned in 2024–2025 (Ψ8ΦΤΩΞΓ-Σ7Γ, ΨΝΜΗΩΞΓ-6Β7).

### Acquiring the leased land, step by step

**1. Ownership first.** Whether the three swap sites are municipal or leased is not yet known. The title and cadastre (ΚΑΕΚ) checks of phase 0 settle it; only leased sites need buying.

**2. Widen the existing decision.** The Council widens the purpose of its decision of 19 March 2026 to “municipal car parks and social housing”, and amends or reissues the auction terms of Committee decision 135/2026 so that several smaller plots, including those it already rents, can qualify. The current landlords are invited to offer.

**3. Price on the rent.** The valuation committee and an independent valuer value the plots on what they earn as car parks, €2–27 per m² a year, not as building land.

**4. Finance from the rent saved.** A Deposits and Loans Fund loan of about €3 million is serviced by the rent no longer paid; the municipal budget does not change.

**5. Expropriation as the fallback.** Where an owner refuses, the Municipality expropriates under ν. 2882/2001: a declared public purpose, supported by the ΤΠΣ designation for social housing over public parking; funds available, the loan above; compensation fixed by the court at market value. The prospect alone usually brings owners to sell by agreement. Leases running to 2029 continue until then.

**6. A long surface right as an alternative.** Where an owner will not sell but would grant a long right to build, that may suffice; social antiparochi and the grant authorities will probably want municipal land, so counsel must confirm it first.

ATTACHMENT O

# Parking Paros: one municipal operator

Parking should be run by one municipal, VAT-registered operator holding the right to operate all municipal car parks, while the land stays municipal. Working name: Parking Paros.

- **No transfer of ownership.** Land and structures remain municipal property; the operator holds a concession approved by the Municipal Council.
- **One operator, one tariff policy, one licence regime** for leased, purchased and swap car parks; residents' annual cards; a separate storage tariff for rental-car fleets.
- **VAT-registered.** Parking is a taxable activity, so the operator can recover the VAT on the parking works and equipment.
- **EKTER as concessionaire.** On the swap sites EKTER finances the car park and holds the concession for about 30 years; Parking Paros operates it and remits the net receipts for a fee.

### O.1 Legal form

| Option | For | Against |
|---|---|---|
| New municipal company (AE OTA), Parking Paros | Clean start, single purpose, clear accounts | Set-up time; council and supervisory approvals |
| Mandate to Αειφόροι Νήσοι AE, the existing development company | Exists, faster | Mixed purposes; parking accounts must be ring-fenced |
| Concession to a private operator | Capital and know-how | Revenue leaves the Municipality; harder to align with housing |

### O.2 Two tariffs: a prime centre and a cheap periphery

The three swap sites are prime locations: by the harbour, the old town and the ring road, they are full nearly eight months a year today, and every alternative is further away. They are priced to turn over, at the tariff of the business plan (Attachment Q). The outlying car parks stay cheap, so that long-term users, workers and residents park there rather than in the centre. That is the aim: the centre serves short visits, the periphery long stays.

| Tier | Car parks | Places | Tariff, including VAT | Revenue excl. VAT |
|---|---|---|---|---|
| Prime centre | Swap sites A, B and C, underground | 350 | Summer €5 an hour, shoulder €1.50, rest of year €1; 100 presold 30-year rights; 50 resident passes at €50 a month | ≈ €1,090,000 (Attachment Q) |
| Periphery | Outlying surface car parks | ≈ 300 | €3 a day in summer, €1.50 a day otherwise; monthly passes for workers and residents | ≈ €105,000 |
| **Network** | | **≈ 650** | | **≈ €1,190,000** |

Periphery: 300 places, 80% occupied for 120 summer days at €3 a day and 40% for the rest of the year at €1.50 a day. Prime centre: Attachment Q assumes 95% visitor occupancy over 12 hours for 120 summer days, but only 40% in the 60 shoulder days and 20% for the rest of the year; with the central car parks full nearly eight months a year today, those off-season figures are conservative. On the swap sites EKTER holds the concession and receives the net receipts after Parking Paros's operating costs and fee; the periphery's receipts stay with Parking Paros. A parking survey should confirm the figures before the concession is priced.

ATTACHMENT P

# Funding sources and public-staff allowances

This attachment updates K.11 now that the Recovery Fund is closed.

| Source | What it offers | Use here |
|---|---|---|
| Social antiparochi (ν. 5006/2022, ν. 5229/2025, ministerial decision 9919/2026; art. 550 of the 2026 Local Government Code) | A private builder funds construction on municipal land, paid in units, operating rights or a fee | The contract form, once the land is municipal |
| European Investment Bank | €6 billion for affordable housing in 2026; works with municipalities; blended grants and advisory | Advisory first, then long-term loan |
| Council of Europe Development Bank | Long-term social-housing loans to public bodies | Long-term loan |
| Hellenic Development Bank | Takes over about €2 billion of unused RRF loans, deployed until about 2029 | Transitional or long-term loans; check eligible instruments |
| Deposits and Loans Fund | Municipal loans | Land purchase, serviced by the rent no longer paid |
| Ministry of Interior staff-housing programme | Homes built or bought for doctors, nurses, teachers, security staff; call Π186_53, €7.3 million for five islands, land included | Paros not included; ask for the next phase |
| Climate Crisis Resilience Fee (ν. 5177/2025 art. 44) | Revenue to the State, matched by a budget for adaptation and tourism-infrastructure works | Claim a Paros parking project |
| South Aegean regional programme, Social Climate Fund | Sustainable mobility; energy renovation and heating | EV charging, heat pumps, solar; eligibility to verify |
| Full-cost leases to public employers | Rent at cost for ≈50 homes, ≈€5,550 a year each | Finances ≈€4 million against public counterparties |
| Recovery Fund (RRF) | Closed to new contracts since 29 May 2026 | Not available |

### What the State pays for staff posted to the islands (2026)

| Staff | What the State pays | Housing | Paros |
|---|---|---|---|
| Doctors on temporary island posts (2nd Health Region) | €2,100 a month extra, travel and accommodation, daily allowance | Paid | Not in the island list |
| Nurses moving to islands, June–September | €1,200 a month extra (bill) | Not covered | Not specified |
| Police and armed forces on summer reinforcement | Out-of-base daily allowance and overnight costs | Paid per night | Applies |
| Teachers | No State allowance; some Cycladic municipalities pay €200–300 a month | Municipal top-ups | Not found |
| State staff housing (Ministry of Interior) | About 100 homes rent-free on 12 small islands | Free | Not included |

Paying full-cost rent to a Paros housing company, rather than paying summer accommodation on the open market, gives public employers a stable home for their staff and keeps the money on the island.

ATTACHMENT Q

# Business plan: homes and car parks in Parikia

*This attachment develops section 9. It sets out the commercial rationale, the legal structure, the investment, the funding and the returns of the Parikia project offered to EKTER in exchange for the Kolymbithres resort. Figures come from the reference workbook "Parikia Social Housing Business Plan" of 26 October 2026. They are preliminary estimates, not quotations; no grant, loan or concession is committed.*

| Key figures (reference case) | |
|---|---|
| Studios / underground parking places | 280 / 350 |
| Construction before VAT, fees and contingency included | €37.0 million |
| Total uses with non-recoverable housing VAT, reserves and loan fees | €43.7 million |
| Housing grant sought | 85% of eligible housing cost (target) |
| Housing rent (reference) | €150 a month per studio + at most €30 of charges |
| Parking receipts, stabilised year, net of VAT | €1.09 million |
| EKTER parking equity / cash after debt service | €2.0 million / ≈€0.45 million a year |
| Parking debt cover / project IRR / EKTER equity IRR | 2.0× / ≈7.9% / ≈22% (pre-tax, flat prices) |
| Lowest summer peak tariff keeping 1.2× debt cover | ≈€3.64 an hour including VAT |
| Opening | Site B summer 2029; sites A and C 2030 |

## Q.1 Commercial rationale

The swap offers EKTER a replacement investment: a parking concession on prime central sites in Parikia, where the demand already exists, operated by the Municipality's own operator, Parking Paros. In exchange for abandoning the Kolymbithres resort, EKTER gains an investment with a lower planning, environmental and location risk than a resort on an exposed hillside. It is a negotiated alternative to the hotel, not a payment for lost profits nor a deferred compensation debt.

The programme also gives EKTER construction work of the same order as the resort: the preliminary construction and equipment budget is €37.0 million before VAT. The exact comparison must use the final scope of the downsized resort and the outcome of procurement; comparable turnover is a commercial objective, not a guarantee.

The homes earn no commercial return. They are held by a housing company with municipal and philanthropic shareholders and financed mainly by a housing grant. EKTER's return lies in the parking concession alone, while Parking Paros runs the operation, marketing and collection. EKTER can concentrate on building and investing; the island gains affordable homes and structured parking.

## Q.2 Structure

A project company, Parikia Affordable Housing S.A., with a binding social-housing purpose, holds the homes. The Municipality and private philanthropic subscribers take part in its capital, subject to the legal basis and approvals for municipal participation. A separate parking concession goes to EKTER, which finances and builds the car park; Parking Paros operates it, markets it and collects its receipts. No cooperative, parking subsidiary or share classes are needed.

| Party or activity | Role and economic entitlement |
|---|---|
| Parikia Affordable Housing S.A. | Housing sponsor and holder of the land and development rights for the homes. Social purpose and distribution restrictions; no commercial return from housing. |
| H — affordable housing | Grant-supported investment kept by the housing company. Social rents cover operations, renewals and the residual housing debt. |

| Party or activity | Role and economic entitlement |
|---|---|
| P — parking concession | EKTER finances and builds the car park and holds the concession for about 30 years; it receives the contractual net remittances. |
| Parking Paros | Municipal, VAT-registered operator: day-to-day operation, collection and remittance of the net receipts to EKTER, for a fee. |
| Municipality | Landowner and shareholder of the housing company; grants the land rights. Not the construction borrower nor the parking operator. |

**Legal form.** The reference vehicle is a public limited company (Ανώνυμη Εταιρεία, ν. 4548/2018), for its limited liability and familiar capital and lending arrangements. A mixed municipal and private company needs a legal basis in local-government law: the company form alone does not authorise municipal participation. Its articles, the grant terms and the land agreement must forbid commercial distributions from the housing and protect its social use. A formal public-private partnership under ν. 3389/2005 is a different route: its article 1(4) excludes public bodies from the private special-purpose company. If municipal shares in the same company are essential, the mixed-company route should be kept.

**Land rights.** Land or land-use contributions need lawful approval and an independent valuation; no free transfer is assumed and the model gives them no cash value. Title and the land agreement decide whether the concession is granted by the Municipality directly or by the housing company with express authority. The rights must run long enough for 30-year loans and parking rights counted from opening: about 33 years from opening, or about 35 years from a 2027 signature.

**Award of the concession.** The parking concession must follow the applicable award route, including the concession law (ν. 4413/2016) where it applies. Naming EKTER as proposed investor is not an entitlement to a direct award; how the settlement over Kolymbithres and the award fit together is a first question for counsel.

**VAT.** No ordinary company form exempts the construction of social rental housing from VAT. Residential rents are exempt, so housing input VAT is a cost; parking is taxable, so its input VAT is recoverable. The plan therefore carries 24% non-recoverable VAT on the housing (€6.0 million) and asks that it be grant-eligible.

## Q.3 Investment

| € million, before VAT unless stated | Homes (H) | Car park (P) | Total |
|---|---|---|---|
| Gross floor area | 10,500 m² | 9,800 m² | 20,300 m² |
| Building construction | 18.90 | 8.82 | 27.72 |
| External works and connections | 0.60 | 0.60 | 1.20 |
| Furniture, equipment, chargers | 0.84 | 0.30 | 1.14 |
| Direct cost | 20.34 | 9.72 | 30.06 |
| Professional fees (8%) | 1.63 | 0.78 | 2.40 |
| Contingency (15%) | 3.05 | 1.46 | 4.51 |
| Construction before VAT | 25.02 | 11.96 | 36.97 |
| Non-recoverable VAT on the homes (24%) | 6.00 | — | 6.00 |
| Initial liquidity and finance reserve | 0.40 | 0.25 | 0.65 |
| Loan arrangement fees | 0.03 | 0.08 | 0.11 |
| **Total uses** | **31.45** | **12.29** | **43.74** |

Unit assumptions: 280 studios of 30 m² plus 25% for walls, circulation and shared spaces, at €1,800 per gross m²; 28 m² per parking place, ramps and aisles included, at €900 per m² underground; €3,000 of furniture per studio. External works of €1.2 million assume no exceptional archaeology or ground conditions: the trial trenches this statement asks for must come first, and the 15% contingency is the only cushion. The parking VAT (≈€2.9 million) is recoverable and financed by a temporary bridge, not counted as a permanent cost.

## Q.4 Operations

| Stabilised year, € | Homes (H) | Car park (P) | Total |
|---|---|---|---|
| Receipts (parking net of VAT) | 574,560 | 1,087,645 | 1,662,205 |
| Cash operating costs | 280,000 | 151,753 | 431,753 |
| Operating result (EBITDA) | 294,560 | 935,892 | 1,230,452 |
| Renewal reserve | 56,000 | 30,000 | 86,000 |
| **Cash before financing and tax** | **238,560** | **905,892** | **1,144,452** |

**Homes.** 280 studios at €150 a month plus shared charges capped at €30, 95% occupancy and collection; no automatic rent increase. Running costs of €280,000 a year cover management (€130,000), maintenance (€70,000), common utilities (€45,000) and insurance and administration (€35,000).

**Car park.** Of the 350 places, 100 are sold as 30-year rights at €25,000 each (gross), 50 are let monthly to residents at €50, and 200 serve visitors. Visitor assumptions: summer, 120 days, 12 chargeable hours, 95% average occupancy at €5 an hour including VAT, with 90% tariff realisation; shoulder season, 60 days, 8 hours, 40% at €1.50; rest of the year, 4 hours, 20% at €1. Summer visitors bring ≈€0.99 million of the €1.09 million. The three sites are prime locations, full nearly eight months a year today, with every alternative further away; the shoulder (40%) and rest-of-year (20%) occupancies are therefore conservative. Outlying car parks stay cheap for long-term users (Attachment O). A parking survey should still confirm the figures before the concession is priced.

**Parking Paros.** The model allows a fixed budget of €130,000 a year (staff, administration, utilities, repairs, insurance) and a handling fee of 2% of net receipts (≈€21,750). An all-in operating fee of 5% would cost ≈€32,600 more a year. The operating agreement must fix the fee base, settlement interval, refunds, reporting, invoicing and VAT responsibilities, and identify the registered operator facing customers.

**Presales.** 100 parking rights at €25,000 gross bring ≈€2.0 million net once, assuming 24% VAT: funding, not annual revenue. The spaces then leave visitor income for the rights' term, which must end no later than the concession. The price is a modelling assumption, not a verified Paros value.

## Q.5 Funding

| Permanent funding, € million | Homes (H) | Car park (P) | Total |
|---|---|---|---|
| Housing grant (85% of eligible cost) | 26.37 | — | 26.37 |
| Donor capital without return | 2.00 | — | 2.00 |
| EKTER equity | — | 2.00 | 2.00 |
| Presold parking rights, net | — | 2.02 | 2.02 |
| Concessional loans | 3.08 | 5.17 | 8.25 |
| Commercial loans | — | 3.10 | 3.10 |
| **Total sources** | **31.45** | **12.29** | **43.74** |

Municipal land rights carry no cash value in the model. The €2 million of donor capital is a fundraising target. Loan terms are hypothetical: housing at 1% over 30 years; car park split 5 to 3 between 1% over 30 years and 5.5% over 20 years. No former RRF terms are assumed.

### Grant routes

**Social Climate Fund, the leading route.** Greece's plan was approved on 27 August 2026; its housing measure is expected to reach €490 million, with new apartments on former military sites and converted public buildings. Paros is not among the announced locations, so the request is to add the Parikia homes as an island housing scheme, through an allocation and, if needed, a plan amendment. EU rules allow delivery through public or private entities if the full benefit reaches vulnerable households: tenant selection must therefore rest on income and energy or transport vulnerability. Workers in Parikia with a modest income and no means to live further away or to commute meet that test, which is ΚΛΕΑ's first priority anyway. Investments must be completed by 31 July 2032.

**ESPA (regional development funds), the parallel route.** Housing priorities may receive up to 100% EU co-financing, but that is the EU share of the programme, not a project grant. The March 2026 revision makes affordable housing a priority, but its €500 million housing programme renovates existing private homes and cannot simply fund new studios. A dedicated new-construction allocation must be sought, with the South Aegean Region. Spending must end by 31 December 2029, or 2030 where the programme extension is confirmed. The two routes are alternatives, or must fund clearly separate costs.

| Housing grant scenario | Grant on €31.02 m of housing cost | Housing cost left to fund |
|---|---|---|
| 80% | €24.82 m | €6.21 m |
| 85% (reference target) | €26.37 m | €4.65 m |
| 90% | €27.92 m | €3.10 m |

These are negotiation targets, not published rates. They assume the non-recoverable housing VAT is eligible: if it is excluded, 85% of the housing cost before VAT is €21.27 million and ≈€9.76 million is left to fund. VAT eligibility is therefore a central term of the request. The car park assumes no grant; EIB and Council of Europe Development Bank facilities are lending routes, not grants.

### Combining grants and loans

Grants and loans can be combined in the same project (Regulation (EU) 2021/1060, art. 58), and the Hellenic Development Bank's guidance allows a grant and a supported loan on the same eligible cost within funding and State-aid limits. The sequence is: housing grant first, then donor and municipal capital, then loans sized on the remaining need and on cash flow. Total support may not exceed the cost; grants, loans and own funds are recorded separately; for State aid, a subsidised loan counts by its grant equivalent. If a scheme requires own funds free of public support, they must come from private equity, genuine donations or unsubsidised finance. A written joint confirmation from the grant authority and the lender should cover the beneficiary, eligible costs, VAT, grant rate, loan, aid calculation and drawdown timetable.

**Cash during construction.** Grants, VAT refunds and presales arrive after the spending. A supported loan may not pre-finance a grant, so a separate commercial bridge is needed: up to ≈€4.1 million at its peak in 2028–2029, with ≈€0.54 million of interest against a €0.5 million reserve, a gap of ≈€0.04 million. A monthly drawdown model and bank terms must replace this annual estimate before commitment.

## Q.6 Returns and sensitivities

**Homes.** Cash of ≈€238,600 a year before debt services a €3.08 million loan (≈€119,500 a year) and leaves ≈€119,000 a year for the housing: debt cover of 2.0 times. There is no commercial return or capital redemption on housing capital.

**Car park.** Cash of ≈€905,900 a year before financing services ≈€459,900 of debt in year one and leaves ≈€446,000 for EKTER's €2 million of equity: debt cover of 1.97 times. A 2% target return with full capital recovery over 30 years needs ≈€89,300 a year, leaving ≈€356,700 above that target. The project return before financing is ≈7.9% and EKTER's equity return ≈22.4%, before tax, at flat prices and over 30 years without terminal value. These are model results, not guaranteed returns.

**Extra parking capital needed to keep 1.2× debt cover (€)**

| Summer occupancy \ peak tariff | €2 / h | €3 / h | €4 / h | €5 / h | €6 / h |
|---|---|---|---|---|---|
| 70% | 6.26 m | 4.13 m | 2.00 m | 0 | 0 |
| 85% | 5.34 m | 2.76 m | 0.18 m | 0 | 0 |
| 95% (reference) | 4.74 m | 1.85 m | 0 | 0 | 0 |
| 100% | 4.43 m | 1.39 m | 0 | 0 | 0 |

**Housing loan needed, by grant rate and donor capital (€)**

| Donor capital \ grant | 70% | 80% | 85% | 90% | 95% |
|---|---|---|---|---|---|
| none | 9.80 m | 6.67 m | 5.10 m | 3.54 m | 1.97 m |

| Donor capital \ grant | 70% | 80% | 85% | 90% | 95% |
|---|---|---|---|---|---|
| €1 m | 8.79 m | 5.66 m | 4.09 m | 2.53 m | 0.96 m |
| €2 m (reference) | 7.78 m | 4.65 m | 3.08 m | 1.52 m | 0 |
| €3 m | 6.77 m | 3.64 m | 2.07 m | 0.51 m | 0 |

The car park closes at the reference tariff even at 70% summer occupancy, and at €4 an hour from about 90% occupancy. Presale prices between €25,000 and €55,000 and the interest rates tested do not change closure; an all-commercial loan with a 2% equity target would need ≈€0.14 million more, and an operating fee of 8% with 3% annual cost inflation ≈€0.26 million more. The homes depend on the grant: each 5 points of grant less adds about €1.6 million of housing loan.

## Q.7 Philanthropic participation

A share subscription, even without dividends, is an investment, not a gift, and earns no donation tax relief. A genuine gift must be documented separately, irrevocable, and made to an eligible recipient without shares or repayment in exchange.

For Greek individual taxpayers, qualifying ordinary donations can reduce income tax by 20%, on donations up to 5% of taxable income; gifts to qualifying public-benefit foundations or registered civil-society organisations can reduce it by 40%, on donations up to 40% of taxable income, subject to the statutory conditions. For example, a €10,000 qualifying gift under the 40% route can reduce Greek income tax by €4,000, if all conditions are met; a €10,000 share subscription does not.

ΚΛΕΑ therefore proposes two channels: supporters who want a say subscribe for non-return-bearing shares in the housing company; donors seeking tax relief give to an eligible public-benefit foundation or organisation, which then subscribes for shares or funds the project itself, if its objects and status allow it. Corporate donors follow the business-expense rules (Income Tax Code art. 22; AADE E.2107/2021); foreign donors need relief under their own country's rules.

## Q.8 Timetable and funding deadlines

| When | Milestone |
|---|---|
| Nov – Dec 2026 | Decisions to set up the housing company and Parking Paros; approach to the grant authorities (Social Climate Fund, ESPA) and the EIB; parking survey commissioned. |
| Jan – May 2027 | Settlement with EKTER signed (February) and closed (May); land rights and parking concession signed. |
| Apr – Jun 2027 | Housing company incorporated; grant route and beneficiary confirmed; trial trenches; independent cost and parking study. |
| Jul 2027 – Mar 2028 | Design, permits, grant and loan agreements, procurement; concession award route completed. |
| Spring 2028 – 2030 | Construction in phases: site B opens summer 2029, sites A and C in 2030; final eligible payments in 2030. |

Deadlines: the Social Climate Fund requires completion by 31 July 2032, Greek milestones may be earlier; ESPA spending normally ends on 31 December 2029, extendable to 31 December 2030 under the 2025 rules and the extension Greece announced in March 2026. A 2030 completion fits ESPA only if the extension applies to the chosen programme, with little room for delay. The Recovery Fund is closed to new contracts.

## Q.9 How this attachment fits the Opinion Statement

- **Structure.** It supersedes the first edition's sketch in Attachment K (K.2, K.3, K.9): EKTER no longer manages the homes for about 12 years; it invests in and holds the parking concession for about 30 years, and the homes stay with the housing company.
- **EKTER's return.** The concession is an investment with its own return, not the payback of a fair value for Kolymbithres; only EKTER's documented outlay can be recognised, on proof.

- **Rents.** The reference rent is €150 a month plus €30 of charges. Better-paid tenants pay more on a progressive scale, up to an income ceiling; high earners are not served and belong on the private market.
- **Tenants.** Workers in Parikia without the means to live further away or to commute come first; that is the income and transport-vulnerability test the Social Climate Fund requires.
- **Upsides not counted here.** Full-cost leases to public employers for posted staff, and the higher rents of better-paid tenants. Grant conditions may require the full-cost homes to sit outside the grant-funded share.
- **Parking tariff.** Attachment O applies two tiers: the prime central car parks at this plan's tariff, the outlying ones kept cheap for long-term users.
- **Land rights.** About 33 years counted from opening, rather than from signature.
- **Archaeology.** The budget assumes no exceptional finds; trial trenches come before design, and the settlement adjusts site by site.

## Q.10 Decisions to secure in 2027

- A written grant route and a housing grant target of 85% of eligible cost, non-recoverable VAT included; confirmation of the permitted tenant group and of the housing company as beneficiary.
- The housing land rights, the parking concession and its award route.
- An independent cost and parking study, then EKTER's concession investment and return negotiated against the resulting cash flow.
- Construction commitments released only once funding and procurement conditions are met.

## Q.11 Sources

- Parikia Social Housing Business Plan, reference workbook, 26 October 2026: separate housing and parking cash flows, housing VAT, grants and donor capital, concession borrowing, sensitivities and bridge timing.
- Ministry of Economy and Finance, approval of the national Social Climate Plan, 27 August 2026 (minfin.gov.gr).
- Regulation (EU) 2023/955 (Social Climate Fund), arts. 6, 9 and 20.
- ESPA mid-term revision announcement, 30 March 2026 (espa.gr); Regulation (EU) 2025/1914 on the extension of expenditure eligibility to 31 December 2030.
- Regulation (EU) 2021/1060, arts. 58 and 64; Hellenic Development Bank, ΤΕΠΙΧ ΙΙΙ guarantee fund Q&A.
- Greek VAT Code, ν. 5144/2024 arts. 35 and 45; AADE A.1046/2026 on mixed-use allocation; gov.gr guidance on VAT exemptions.
- ν. 4548/2018 (public limited companies); ν. 4412/2016 art. 2 (contracting authorities); ν. 4413/2016 (concessions); ν. 3389/2005 art. 1 (public-private partnerships).
- AADE, instructions for the individual tax return (donation reductions of 20% and 40%); AADE E.2107/2021 (corporate social responsibility expenses).
- European Commission, housing financing and the Pan-European Housing Investment Platform; Council of Europe Development Bank, social and affordable housing.
- EKTER annual report 2025 and half-year report 2026: construction and hospitality segments; no operating parking portfolio identified.

*Programme announcements set out available policy frameworks, not an award to this project. Legal, tax and funding points must be confirmed by Greek counsel and the funding authorities before formal use.*