

EOT PROPERTY: Sitting on a bundle

The Hellenic National Tourism Organisation doesn't know what its property portfolio is worth.

Dr3 trillion. Maybe Dr4 trillion. "Appraisal is very subjective," says director of property and business operations **George Stratos**.

EOT owns the **Xenia** chain of hotels (23 of them). In addition it has 13 beaches (six with associated camp-grounds), seven more camp-grounds, three casinos, six marinas, 10 spas, four caves and a ski resort on Mount Parnassos. It has some 70 tourist enterprises that it runs itself and another 350 which it lets to private entrepreneurs. Included in its portfolio is 18 square kilometres of "pure land" totally undeveloped.

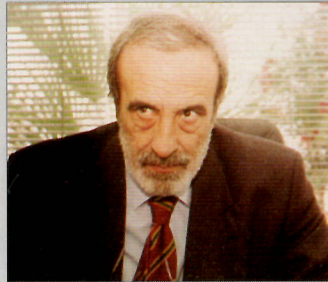
Some of its holdings were ceded to it by the state for "tourist protection". Some property it gained by expropriations under the junta, some through bequests, and some it only holds on 99 year leases.

Stratos says he has applied to chartered accountants and real estate agents for an appraisal.

"But sometimes the business is worth peanuts while the plot is worth billions."

For example, EOT has a 78,000 square metre camp ground at Voula in Attica.

"If you turned it into a marina it would be worth something. The worth is in the land not the business. If you



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director of property and business
operations, EOT:

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take into account the investment that could be done, the value of EOT's holdings is very big."

EOT enterprises produce balance sheets but they are not published. They are presented to the Ministry of Finance as an internal document and the Ministry rebates a certain amount of what profits there are to EOT to supplement its budget allocation.

There is no public accountability for this vast wealth and the Minister of Tourism, **Dionyssios Livanos**, declined to answer questions about why.

"If the EOT portfolio were a land company run by a private entrepreneur," says Stratos, "he could make much more out of it than we do, because 70 per cent of our costs are in employees.

"We are overburdened with staff because we hire within the framework of trying to eliminate unemployment.

"Our role at EOT is not just profit oriented. It has a social orientation as well.

"The ski resort has taken billions in investment. We could have done without it as a business. But it has led to development of the area. There have been spin offs in businesses selling food and souvenirs and in the construction of houses nearby.

"We are trying to save Greek culture as well. We have restored traditional houses as rooms to let. We hope Greeks will build around us in the same style."