

# DUNA HOUSE BAROMETER

The latest property market info  
from Duna House network

ISSUE 102  
Q4 2019 AND  
DECEMBER 2019



**DHS**  
**BÉT**

**PRIME  
MARKET**

Listed on the Prime Market of  
the Budapest Stock Exchange

## PRIVACY POLICY

Statistical information and estimates published in the Duna House Barometer are the intellectual property of Duna House Franchise Ltd. Statistical information and estimates presented in the Duna House Barometer are for information purposes only, for the completeness and accuracy of which Duna House Holding does not take responsibility.

Statistical information and estimates published in the Duna House Barometer can be used for private purposes and at the responsibility of any person under the following conditions:

- Statistical information and estimates published in the Duna House Barometer must remain unchanged when presented.
- Statistical information and estimates presented in the Duna House Barometer shall only be published with exact source indication, i.e. the words “Source: Duna House Barometer” must be indicated immediately before or following the text. If quoted in context, there must be a direct reference to the Duna House Barometer as the source.

Any use other than the above shall have legal consequences. Duna House is entitled to demand the termination of illegitimate use and compensation for the entire damage caused. In case of any breach of regulations pertaining to the posting of hyperlinks Duna House shall be entitled to instantly remove the link pointing to the webpage and claim compensation for any damage incurred.

## FORTHCOMING ISSUES

### Date of issue

### Content

12 February 2020	January 2020 data
12 March 2020	February 2020 data
13 April 2020	Q1 2020 data (including price indices and housing loan data)

Duna House Barometer is available from the 12<sup>th</sup> day of each month (or on the next weekday if the 12<sup>th</sup> falls on a weekend) at the following link: [www.dh.hu/en/barometer](http://www.dh.hu/en/barometer)

If you wish to receive the Duna House Real Estate Barometer or download previous issues please visit our webpage: [www.dh.hu](http://www.dh.hu)

## GENERAL INFORMATION CONCERNING THE CONTENTS OF THE PRESENT PUBLICATION

**Attention - The present publication must not serve as the basis of estimations or conclusions regarding the business profitability of Duna House.**

**All data, information, estimates and professional statements presented in this publication are developed based on data gained from the activities of the members of Duna House Holding, or, in some cases, are based on subjective experience. Application of those to the entire Hungarian property market may require additional corrections.**

Data sources – unless stated otherwise at the specific section – are derived from the database operated by Duna House Holding, the content of which is compiled by members of the network based on their individual judgement and information gained from clients. The publisher does not take responsibility for the comprehensiveness of the data. Data presented in this publication is mainly based on parameters of property transactions in major Hungarian cities supplied by Duna House branch offices and agents.

Our partner in connection with new construction market data are ELTINGA Centre for Real Estate Research and ECRS Magyarország Ltd., the authors of the Budapest Residential Property Report.





## CONTENT:

- 2.** Privacy Policy, Forthcoming Issues
- 4.** Executive Summary
- 5.** Duna House Transaction Estimate
- 6.** Transaction parameters in Budapest
- 7.** Transaction parameters regionally
- 8.** Residential property Indices - National
- 9.** Residential property Indices - Regional
- 10.** Residential property data
- 12.** Mortgage Data
- 14.** Data on new constructions
- 16.** Demand for individual districts
- 17.** Quality preference and Transaction time
- 18.** Client profile: buyers
- 19.** Client profile: sellers

## EXECUTIVE SUMMARY

Q4 2019 data indicate that the property market is in a state of change. For the first time in many years the majority of residential property indices of Duna House are falling, but the price index of brick and mortar apartments in Budapest is still on the rise. Concrete block indices decreased the most significantly: in the last quarter of 2019 prices of this type of property have fallen both in Budapest and in the Eastern and Western part of the country.

Looking at pre-owned apartment indices, apart from increasing prices a slower turnover speed, the reduction of investor activity and also the rising ratio of apartments on offer that were bought as an investment speak of a changing market environment.

The idiosyncrasies of the changes in prices may have been driven by the weakest demand of the past three years – as far as the Demand Index is concerned, the last time Duna House measured weaker demand was in 2013. New-built properties should be treated as a separate segment of the property market where – partly on account of the VAT change introduced at the end of last year – the figures of Eltinga and Duna House are still indicating increasing prices and a brisker demand than on the pre-owned market. In Q4 2019 the average price per sq. m. of newly built apartments in Budapest was HUF 883 thousand.

The property mortgage market was still gaining momentum, supported by the increased share of retail customers and some stable major credit market figures. Annual mortgage volumes speak of a growing credit market, too: in 2018 the total volume of residential mortgage contracts in Hungary was HUF 850.35 billion, while according to the combined factual data of the National Bank of Hungary (January–October) and the estimates of Duna House (November–December) it grew to HUF 903.33 billion in 2019.

### *Further information*

**Károly Benedikt** • Head of PR and analysis • +36 30 811 0690 • [benedikt.karoly@dh.hu](mailto:benedikt.karoly@dh.hu)

### **Investors' share – remarks**

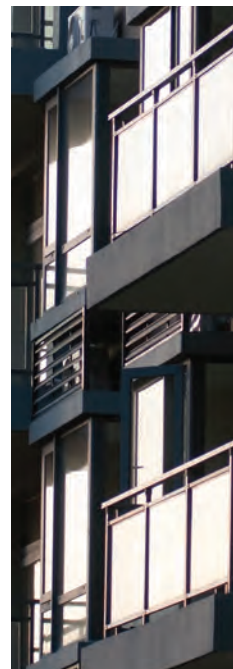
**In the past few months Duna House experts have been seeing a significant decrease of investment-motivated property purchases which was partly caused by the issuance of the Hungarian Government Bond Plus (Magyar Állampapír Plusz). However, this decrease of investment-motivated sale and purchase transactions that was apparent in the market was not reflected in the share of investors within the buyer profile recorded by Duna House because, according to an internal investigation carried out by the Duna House Group, investors are over-represented in the clientele of the Duna House network. The rate of such over-representation can be significant (as high as 50-70 per cent), therefore we would like to stress here that the data pertaining to the share of investment-motivated buyers should primarily be used for reviewing long-term trends and not as a direct indicator of the absolute market share of investor buyers.**

## 3 INTERESTING FACTS:

In December 2019 Duna House recorded the lowest demand of the past three years

The National Residential Property index fell compared to previous quarters; nominally, it is at 186 percentage points while in real terms it closed at 132 points.

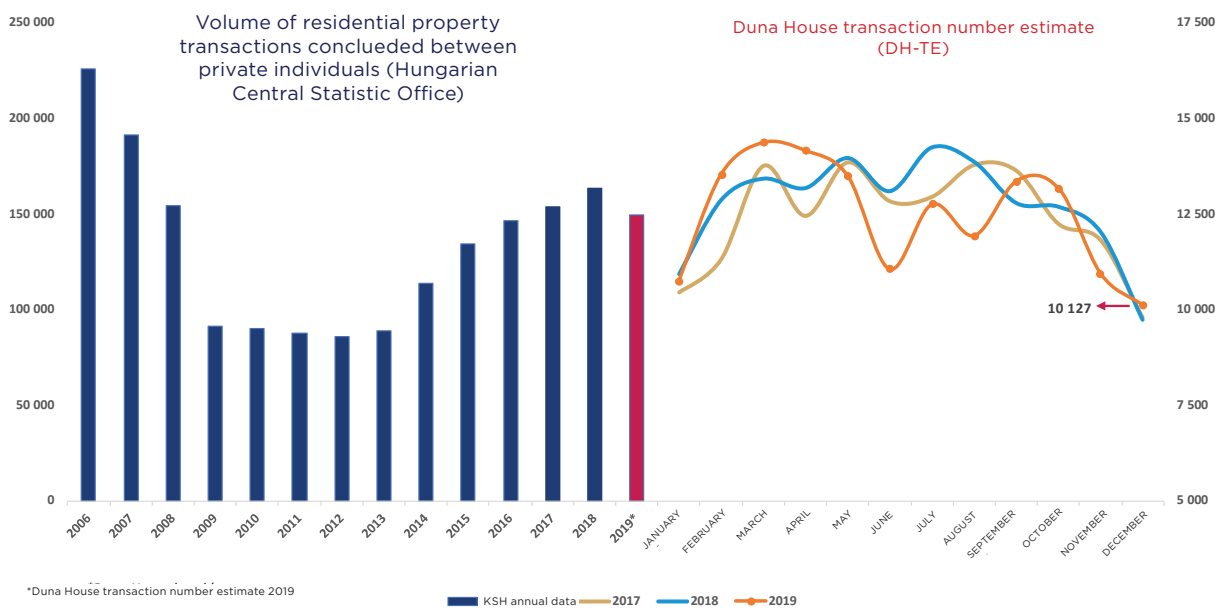
Zugló (District 14) overtook District 13 on the list of most popular districts of Budapest.



## TRANSACTION DATA

### Duna House Transaction Number Estimate (DH-TE)

Property markets tend to show the lowest transaction volumes in December every year and 2019 was no exception. That said, December turnover was still 4 per cent higher than in previous years. Therefore, according to the Duna House Transaction Estimate, there were approximately 150 thousand sale and purchase transactions concluded on the Hungarian property market in 2019, which is roughly the same as the volume noted in 2017. According to figures published by the Central Statistical Office of Hungary there were 153,770 and 163,695 property transactions in 2017 and 2018, respectively, while Duna House forecasts 149,720 transactions for 2019. The network of property agents expects a transaction volume between 130 and 150 thousand for 2020 in Hungary. Based on data collected by Duna House Loan Center, residential mortgage contracts totalling HUF 73.5 billion were signed in Hungary in December 2019, which speaks of a significantly livelier credit market than in the same period of the previous year. According to data published by the National Bank of Hungary the same figure was a mere HUF 56.94 billion in 2018. Looking at the full-year mortgage figures there seems to be an obvious rise, too: the total volume of residential mortgages was HUF 850.35 billion in Hungary, while according to the factual figures for January-October of the National Bank of Hungary and to the estimates of Duna House for November and December this volume increased to HUF 903.33 billion in 2019.



The table below shows monthly transaction volume estimates by Duna House in a monthly breakdown.

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
<b>2017</b>	10,444	11,317	13,762	12,452	13,855	12,836	12,951	13,787	13,639	12,246	11,820	9,787
<b>2018</b>	10,918	12,869	13,426	13,180	13,967	13,098	14,246	13,869	12,787	12,689	12,033	9,721
<b>2019</b>	10,230	12,888	13,689	13,492	12,869	10,542	12,764	11,945	13,364	13,182	10,945	10,127



Methodology behind DH-TE: Regardless of the time, the most important indicator of the real estate market is the yearly sale-purchase transaction number. DH-TE is an estimate published by Duna House showing interim approximate data. The estimate is based on the monthly number of property transactions brokered by Duna House and the estimated market ratio of Duna House. The estimate of the actual monthly market ratio of Duna House is based on the following indicators: 1. data published by the Hungarian Central Statistical Office on transactions among private individuals Since the Statistical Office publishes data with a one-month delay, the correction of market ratio can be carried out retroactively, together with an adjustment of the estimate. Attention: After 2016 and as a consequence of the boom in newly built flats, pre-contracted purchase transactions appear in the statistics of the Statistical Office with a delay of several months or even one or two years, following the levying of the capital transfer tax, which results in anomalies in the statistics. 2. Number of Energy certificates issued. 3. Subjective assessment based on other management information from Duna House Holding.

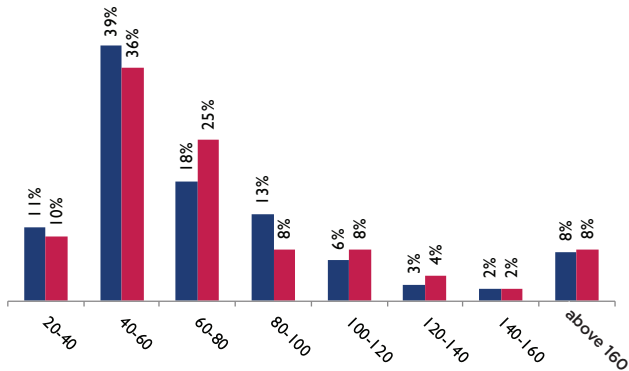
Please note that DH-TE data is not suitable for determining the number of transactions brokered by Duna House

## TRANSACTION PARAMETERS IN BUDAPEST

More than one-third of all properties sold in Q4 2019 in Budapest were between 40-60 sq. m. square metres. Prices were somewhat higher than in the same period of the previous year: in Buda and Pest 21 and 14 per cent of all transactions were concluded at prices above HUF 900 thousand per sq. m., respectively. While in Buda more than half of all property transactions were concluded at prices above HUF 40 million, in Pest the HUF 25-30 million range was still predominant.

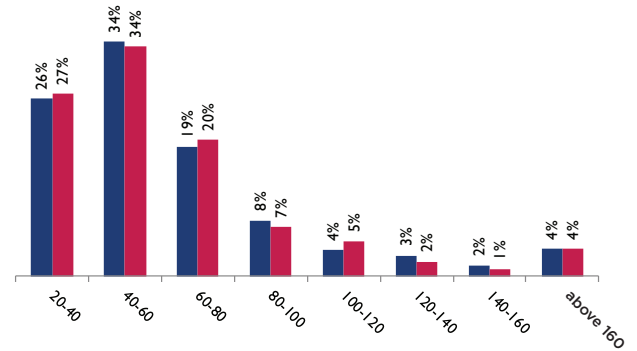
### BUDA

Apartment size (in m<sup>2</sup>)

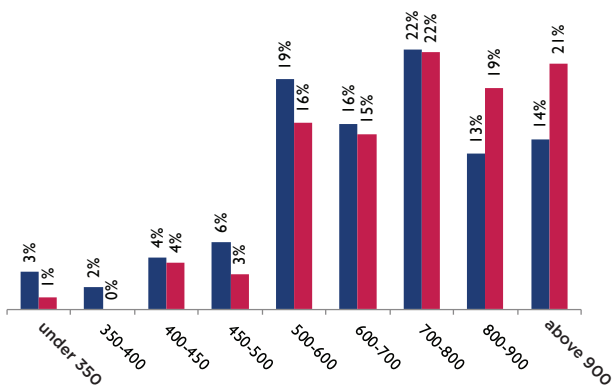


### PEST

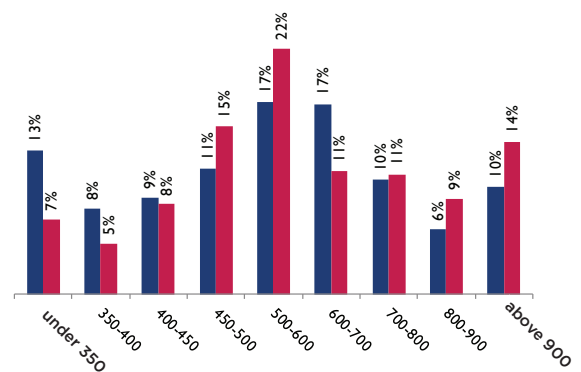
Apartment size (in m<sup>2</sup>)



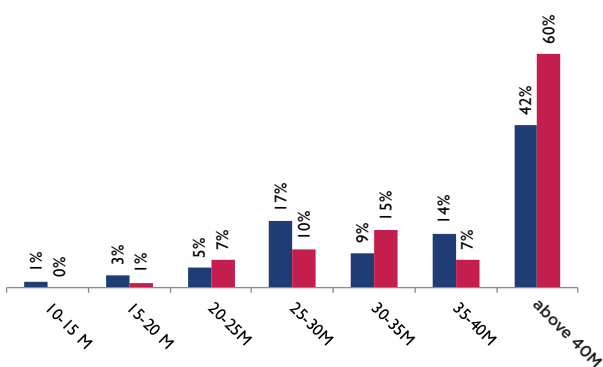
Price per m<sup>2</sup> (in thousand HUF)



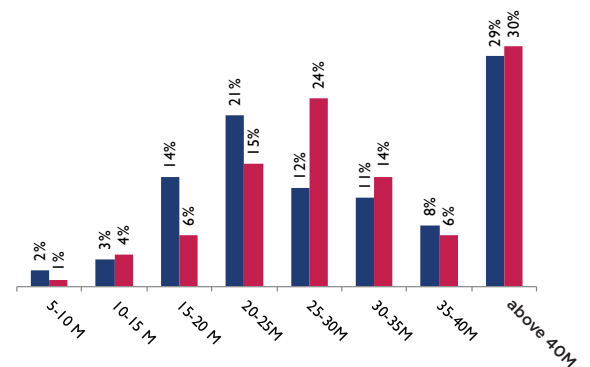
Price per m<sup>2</sup> (in thousand HUF)



Apartment price (in million HUF)



Apartment price (in million HUF)



■ Q4 2018  
■ Q4 2019

Based on residential properties sold by members of the Duna House franchise network.

## TRANSACTION PARAMETERS REGIONALLY

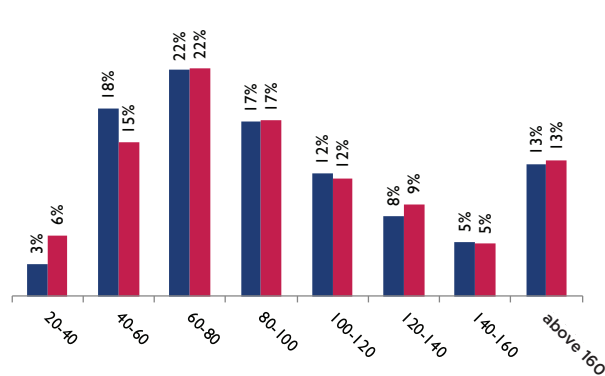
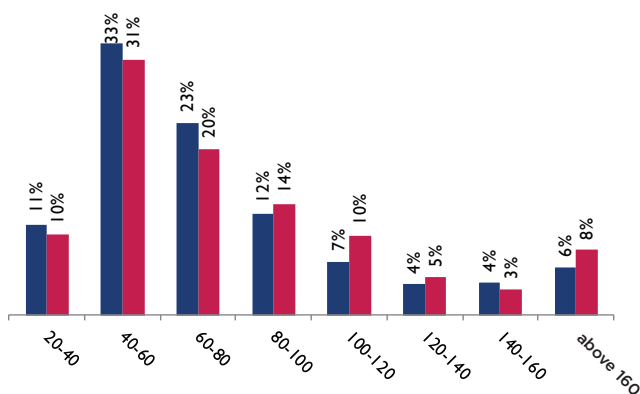
The size of properties in demand was the most varied in County Pest where the market bristled with apartments of all sizes from the smallest to the largest categories. In County Pest the share of properties sold for prices exceeding HUF 400 thousand per sq. m. increased by 18 percentage points, but Duna House detected a 5 per cent increase in the country, too. In the country, most homes changed owners at prices between HUF 10-20 million while in County Pest the share of residential properties sold at a price exceeding HUF 40 million was 25 per cent.

### COUNTRYWIDE (WITHOUT CENTRAL-HUNGARY)

### COUNTY PEST

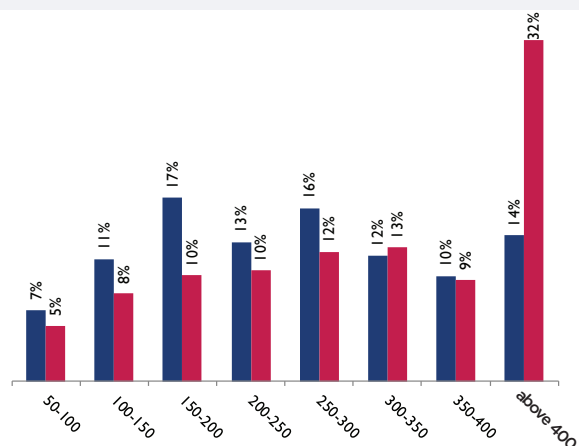
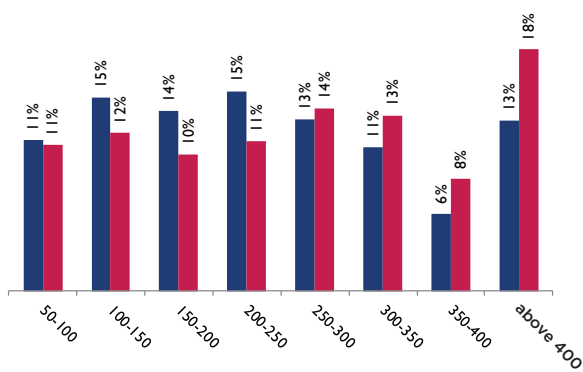
Apartment size (in m<sup>2</sup>)

Apartment size (in m<sup>2</sup>)



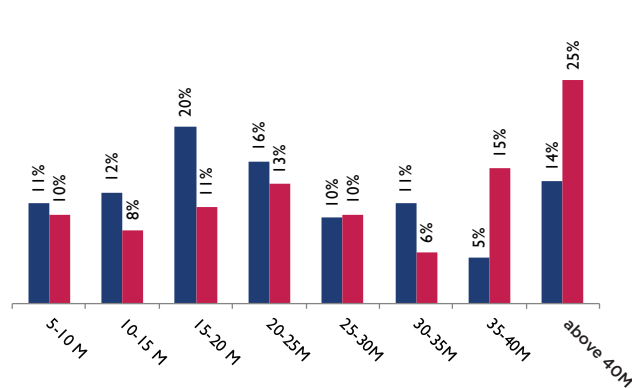
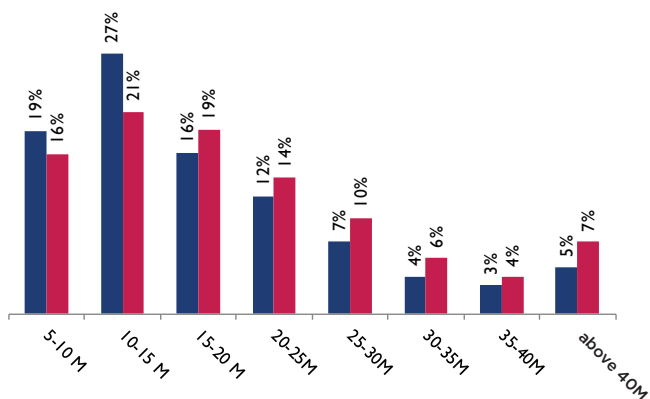
Price per m<sup>2</sup> (in thousand HUF)

Price per m<sup>2</sup> (in thousand HUF)



price (HUF Million)

price (HUF Million)



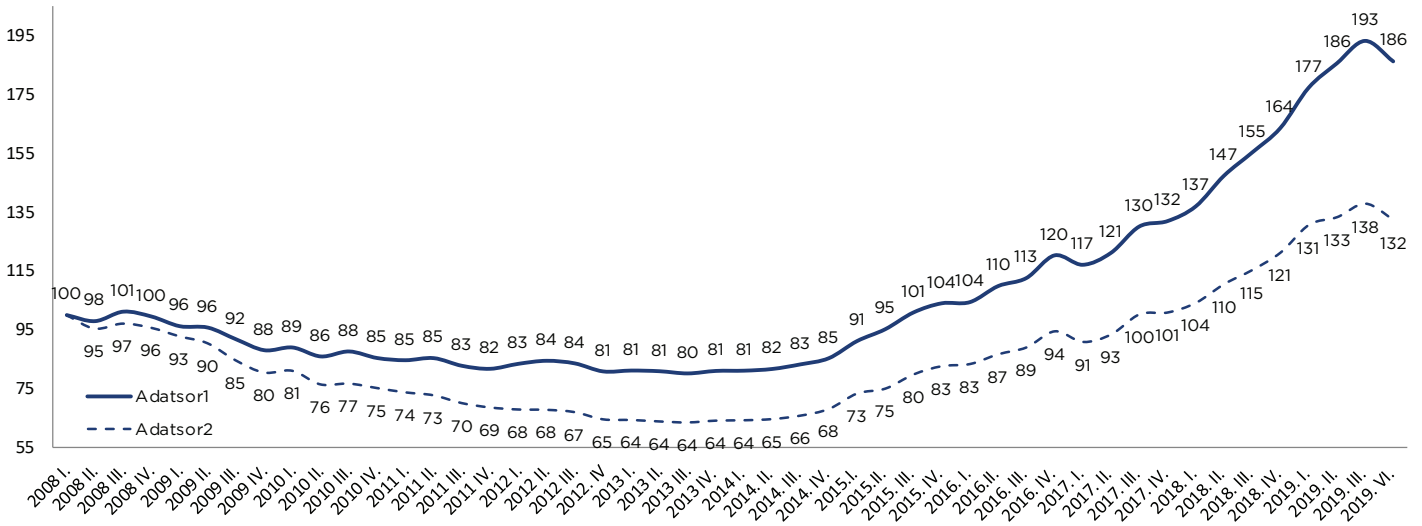
■ Q4 2018  
■ Q4 2019

Based on residential properties sold by members of the Duna House franchise network.

## PRICES – PROPERTY PRICE INDICES

### Duna House National Residential Property Price Index

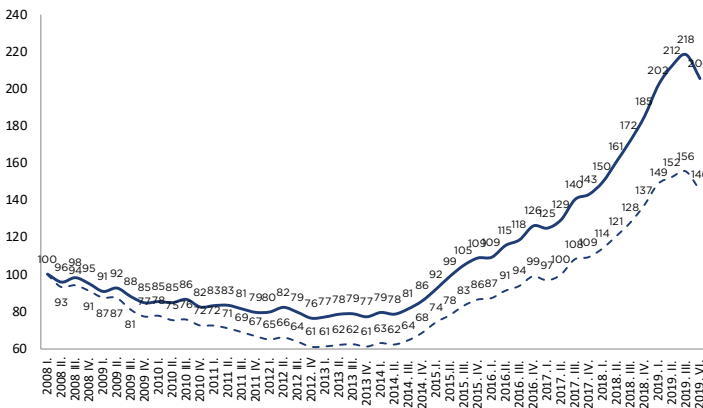
The National Residential Property Index has decreased compared to the previous quarters. At present, its nominal value is 186 percentage points while in real terms it closed at 132 points.



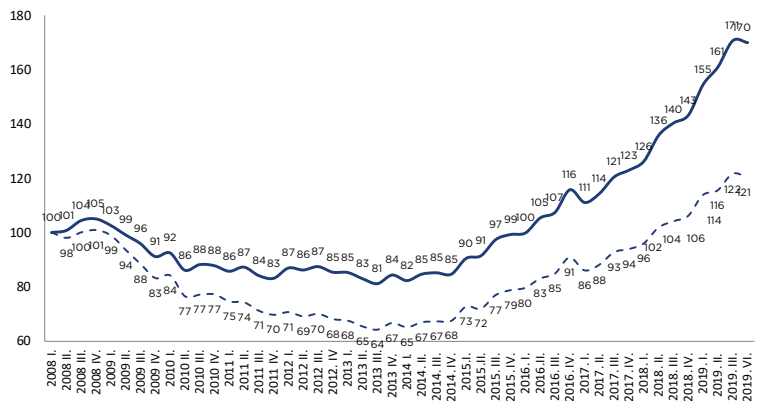
**About our residential property indices:** We apply a system that attempts to eliminate all kinds of type-related differences. Similar indicators generally use normal averaging which does not take into consideration the variable elements of transactions. When developing DH residential property indices we use the so-called Hedonic method, taking into account the structure, state (on a scale of 1-5), size, year of construction as well as parameters such as floor and location. Customer baskets created this way are weighted unchanged on the time scale. For the weighing of national indices we use the regional number of transactions published by the Central Statistical Office.

The Concrete Block Price Index showed some decline compared to the previous quarters. In Q4 2019 the index plummeted and closed the period at 206 points compared to the Brick and Mortar Index which was only 1 percentage point lower than before.

### NATIONAL CONCRETE BLOCK INDEX



### NATIONAL BRICK INDEX

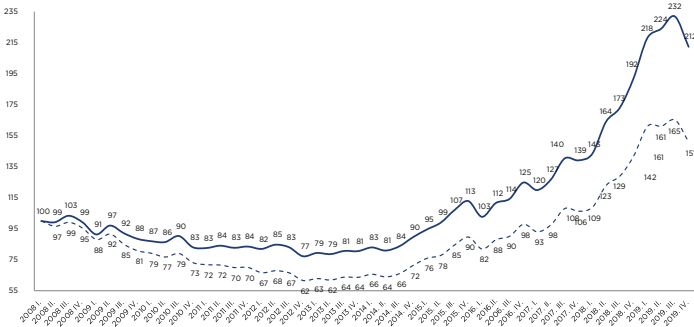




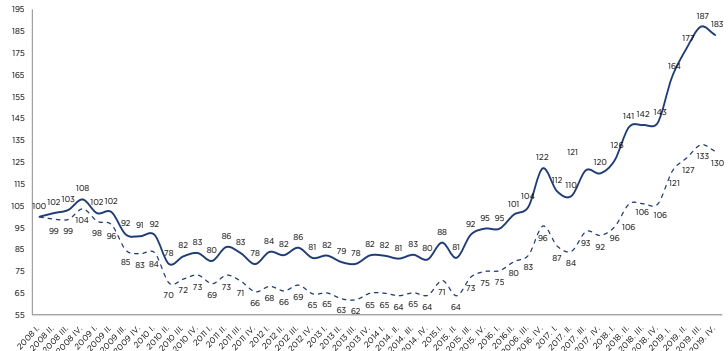
### Duna House Regional Residential Property Price Indices

Even though the concrete block price index is still above 200 points outside of Budapest, it has shown some significant decrease and stands at 212 at the moment; the brick and mortar index is at 183 points in Eastern Hungary. The concrete block index fell below 180 points in Western Hungary, while the brick and mortar index in this part of the country is still increasing and currently stands at 159 points.

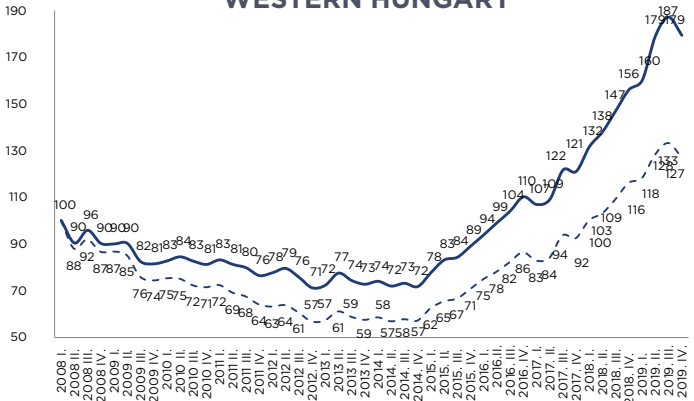
**CONCRETE BLOCK PRICE INDEX, EASTERN HUNGARY**



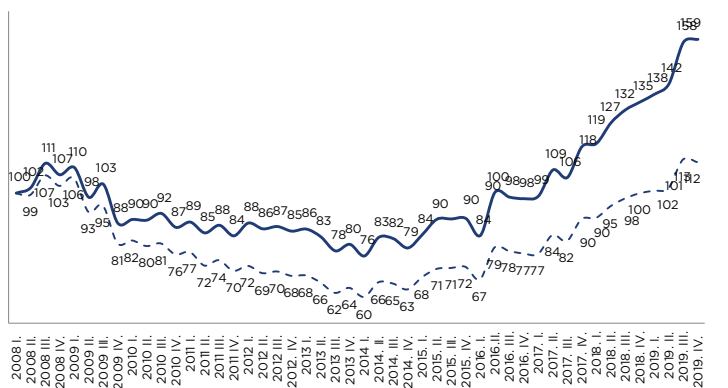
**BRICK AND MORTAR PRICE INDEX, EASTERN HUNGARY**



**CONCRETE BLOCK PRICE INDEX, WESTERN HUNGARY**



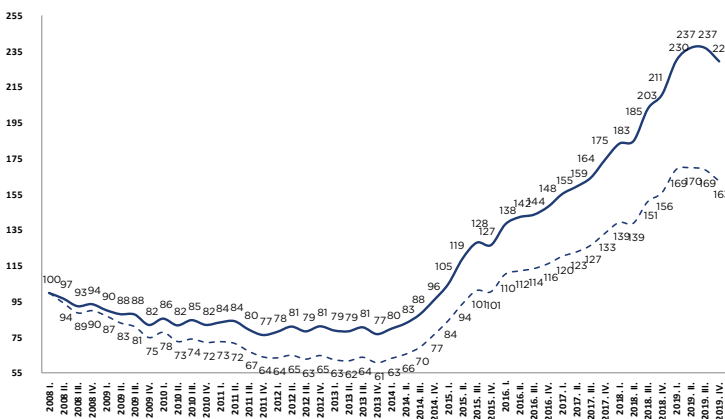
**BRICK AND MORTAR PRICE INDEX, WESTERN HUNGARY**



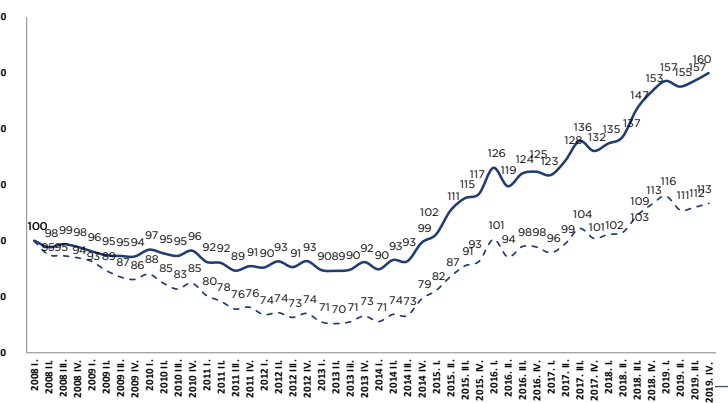
### Duna House Budapest Residential Property Indices

Following the recent period of stagnation the Budapest concrete block index has been falling while the brick and mortar index is on the rise; they currently stand at 229 and 160, respectively.

**BUDAPEST CONCRETE BLOCK PRICE INDEX**



**BUDAPEST BRICK AND MORTAR PRICE INDEX**



## APARTMENT PRICE DATA

In the country, Q4 average prices per sq. m. increased by 9 and 19 per cent in the East and in the West, respectively, compared to the same period last year. So, at the end of 2019 average concrete block prices were HUF 319 thousand in the East of Hungary and HUF 296 thousand in the West. As far as brick and mortar properties are concerned, the same averages were HUF 356 thousand in the East and HUF 311 thousand in the West.

CONCRETE BLOCK COUNTRYWIDE								
	EAST				WEST			
	price (HUF)	m <sup>2</sup> price (HUF)	Change in listing price	Bargain	price (HUF)	m <sup>2</sup> price (HUF)	Change in listing price	Bargain
<b>Q4 2018</b>	14,071,000	271,000	1%	5%	13,084,000	253,000	1%	4%
<b>Q4 2019</b>	18,605,000	344,000	2%	3%	15,737,000	326,000	2%	3%

BRICK COUNTRYWIDE								
	EAST				WEST			
	price (HUF)	m <sup>2</sup> price (HUF)	Change in listing price	Bargain	price (HUF)	m <sup>2</sup> price (HUF)	Change in listing price	Bargain
<b>Q4 2018</b>	17 486 000	294 000	1%	4%	15 691 000	276 000	2%	5%
<b>Q4 2019</b>	20 568 000	356 000	3%	5%	17 986 000	311 000	1%	5%

In Budapest, Duna House detected an increase of 5-10 per cent compared to the last quarter of 2018 with the smallest increase in Buda and the largest in some districts of Pest. Brick and mortar prices have been on the rise. Buyers of concrete block and brick and mortar apartments should expect average prices of HUF 507-554 thousand and HUF 621-850 thousand, respectively.

CONCRETE BLOCK BUDAPEST								
	BUDA				PEST			
	price (HUF)	m <sup>2</sup> price (HUF)	Change in listing price	Bargain	price (HUF)	m <sup>2</sup> price (HUF)	Change in listing price	Bargain
<b>Q4 2018</b>	29 362 000	529 000	1%	3%	23 546 000	456 000	2%	3%
<b>Q4 2019</b>	28 515 000	554 000	6%	3%	27 333 000	507 000	5%	3%

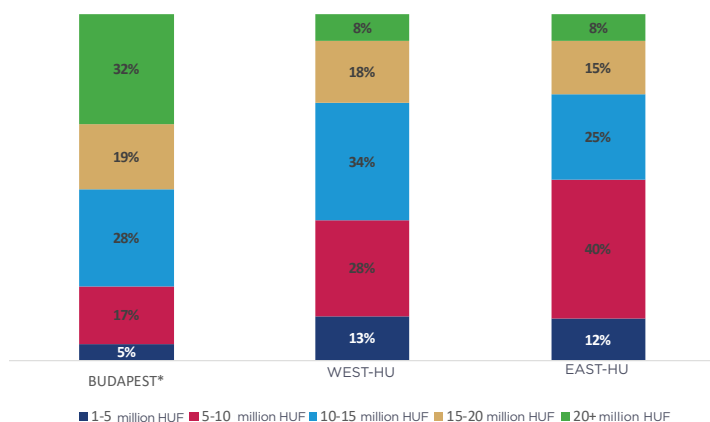
BRICK BUDAPEST												
	BUDA				PEST				DOWNTOWN			
	price (HUF)	m <sup>2</sup> price (HUF)	Change in listing price	Bargain	price (HUF)	m <sup>2</sup> price (HUF)	Change in listing price	Bargain	price (HUF)	m <sup>2</sup> price (HUF)	Change in listing price	Bargain
<b>Q4 2018</b>	52 746 000	757 000	2%	4%	29 709 000	567 000	2%	2%	45 022 000	732 000	4%	4%
<b>Q4 2019</b>	54 273 000	795 000	5%	5%	32 341 000	621 000	4%	4%	54 732 000	850 000	5%	6%

Based on purchase prices of the given period of properties brokered by Duna House.

Methodology: Change in the listing price is the difference between the first price indicated by the seller in the Duna House assignment and the last registered price at the time of the appearance of the buyer. The bargain % represents the additional reduction of the price agreed upon by the seller and the buyer. The two indicators together give a fairly accurate picture of the difference between the original idea of the seller and the actual final price.

## MORTGAGE DATA Q3 2019

### MORTGAGES BY TRANSACTION VALUE

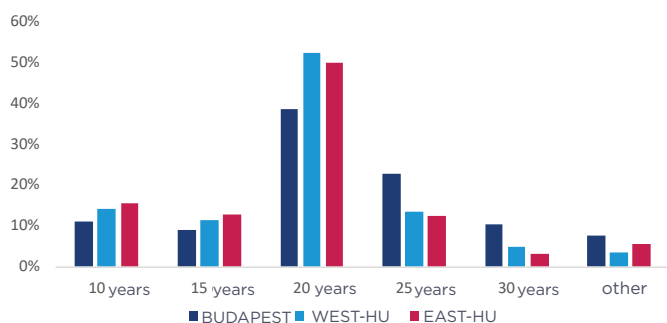


Transaction values exceeding HUF 20 million were most prevalent in the capital (28 per cent) while mortgages of this magnitude were taken out by a mere 8 and 9 per cent of clients in the Western and in the Eastern part of the country, respectively. On a national level, the majority of clients contracted for a mortgage of HUF 10-15 million.

Average mortgage values stagnated compared to the previous quarter. In Q4 2019 in Budapest and in the country the averages were HUF 16.7 million and 10.3–11.1 million, respectively.

	AVERAGE LOAN VOLUME			
	2019. Q1	2019. Q2	2019. Q3	2019. Q4
<b>BUDAPEST*</b>	15 115 000	16 589 000	16 242 451	16 749 984
<b>WEST-HU</b>	11 111 000	11 231 000	11 230 744	11 141 891
<b>EAST-HU</b>	11 506 000	10 912 000	10 126 092	10 295 461

### MORTGAGES BY DURATION



Similarly to previous years, the majority of mortgage clients opted for a term of 20 years. Their share in Budapest, in the East and in the West were 39, 50 and 52 per cent, respectively.

	BUDAPEST*				WESTERN HUNGARY				EASTERN HUNGARY			
	2019. Q1	2019. Q2	2019. Q3	2019. Q4	2019. Q1	2019. Q2	2019. Q3	2019. Q4	2019. Q1	2019. Q2	2019. Q3	2019. Q4
<b>10-YEAR</b>	12%	13%	11%	11%	15%	15%	15%	14%	19%	21%	15%	16%
<b>15-YEAR</b>	13%	13%	11%	9%	14%	14%	11%	11%	12%	18%	13%	13%
<b>20-YEAR</b>	38%	38%	40%	39%	50%	50%	52%	52%	35%	42%	49%	50%
<b>25-YEAR</b>	19%	17%	20%	23%	8%	7%	15%	13%	11%	9%	13%	13%
<b>30-YEAR</b>	8%	10%	9%	10%	4%	3%	1%	5%	14%	5%	4%	3%
<b>OTHER</b>	10%	9%	9%	8%	9%	11%	7%	4%	9%	5%	7%	6%

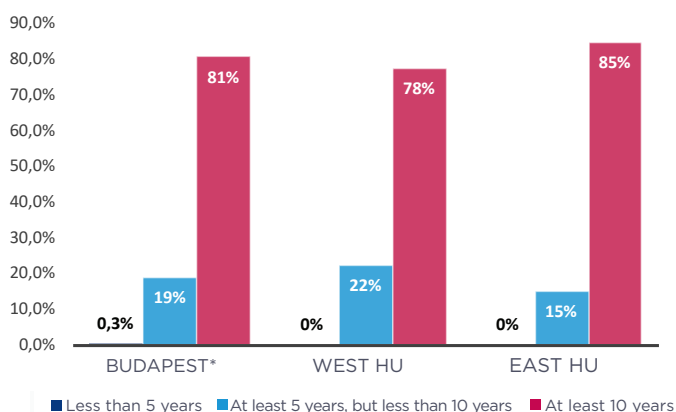
**Mortgage data methodology:** When analysing data we used applications mediated by Duna House Loan Center and submitted during the given quarter, based on loan volume, interest period and the term of the loan, in regional breakdown. The analysis of the family home allowance scheme "CSOK" only considered the ratio of CSOK applications submitted in combination with a loan application, so the figure does not indicate the overall penetration ratio of the allowance on the entire property market.



Loan to value (LTV) remained unchanged in Q4 2019, i.e. mortgage applicants could afford the same down-payment for their new property as in the previous quarter. The national average was 41 per cent with the smallest figures in Budapest and in the East (40 per cent) and the highest in the West (46 per cent).

AVERAGE LTV				
	2019. Q1.	2019. Q2.	2019. Q3	2019. Q4
<b>BUDAPEST*</b>	49%	51%	41%	40%
<b>WEST HU</b>	54%	55%	46%	46%
<b>EAST HU</b>	54%	54%	43%	40%
<b>TOTAL</b>	52%	48%	43%	41%

### MORTGAGES BY INTEREST PERIOD



Mortgages with a term shorter than 5 years have almost disappeared from the market; their share in Q4 2019 was a mere 0.3 per cent in Budapest. The popularity of terms between 5-10 years showed no significant change. Fixed interest contracts with a term of 10 years or more were still the most popular in Q4 2019 with a share of 85, 81 and 78 per cent in the East, in Budapest and in the West, respectively.

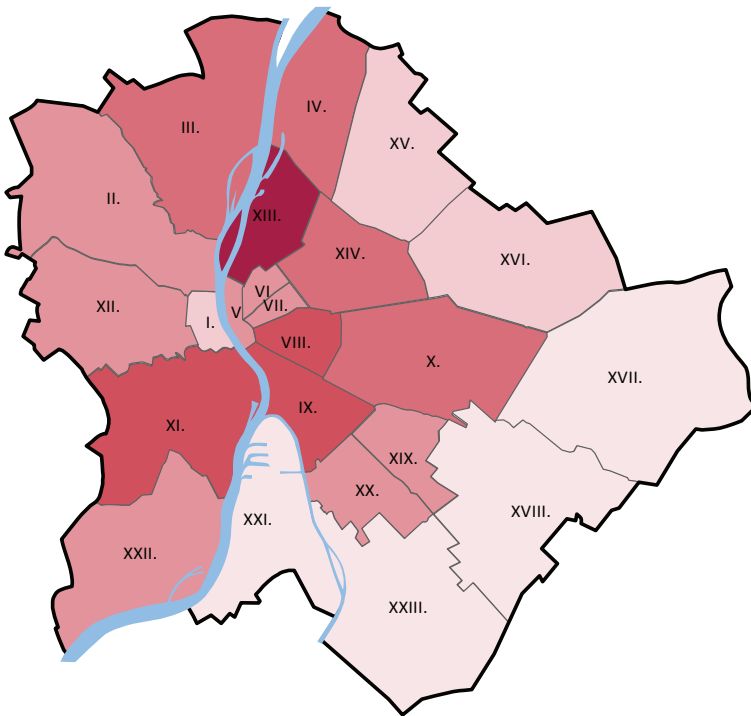
	BUDAPEST*				WESTERN HUNGARY				EASTERN HUNGARY			
	2019. Q1	2019. Q2	2019. Q3	2019. Q4	2019. Q1	2019. Q2	2019. Q3	2019. Q4	2019. Q1	2019. Q2	2019. Q3	2019. Q4
<b>LESS THAN 5 YEARS</b>	2%	1%	1%	0,3%	3%	1%	1%	0%	3%	1%	1%	0%
<b>5 YEARS OR MORE, BUT LESS THAN 10 YEARS</b>	22%	15%	17%	19%	14%	10%	22%	22%	16%	13%	15%	15%
<b>AT LEAST 10 YEARS</b>	76%	84%	82%	81%	83%	89%	77%	78%	81%	86%	84%	85%

Both in the East and in the West only one third of mortgage clients applied for CSOK, the family home allowance, while in Budapest their share was 22.2 per cent. The national average of 28.2 per cent was higher than before.

### SUBMITTED CSOK APPLICATIONS IN THE RATIO OF ALL QUARTERLY LOAN TRANSACTIONS

<b>BUDAPEST*</b>	<b>22,2%</b>
<b>WEST-HU</b>	<b>36,1%</b>
<b>EAST-HU</b>	<b>39,0%</b>
<b>TOTAL</b>	<b>28,9%</b>

## NEWLY BUILT DATA



**Number of new build apartments in development projects currently on sale**

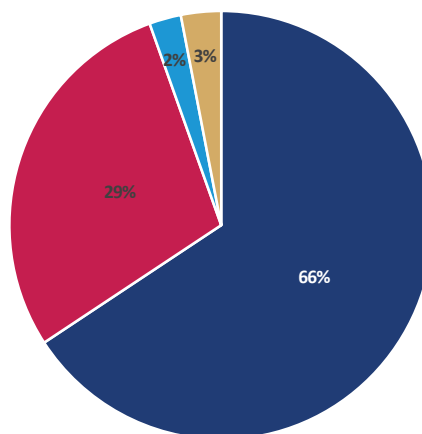
  
 Higher number of units

QUANTITY	DISTRICTS
above 7000	XIII.
2000-6999	VIII., IX., XI.
900-1999	III., IV., X., XIV.
200-899	II., V., VI., VII., XII., XIX., XX., XXII.
100-199	I., XV., XVI.
under 100	XVII., XVIII., XXI., XXIII.

District 13 is still holding on to its dominant position in new apartment developments: the number of units exceeds 7000 here. Districts 8, 9 and 11 are also highly popular with 2000-7000 new apartments for sale. The outer districts are still not favoured by developers and there are just a few hundred newly built units on offer there.

More than two-thirds of all new build apartments offered in Budapest in Q4 2019 sold almost immediately and only 29 per cent are still available. Two per cent of the apartments have been reserved and another three per cent are marked as "planned". These figures are almost identical with those of the third quarter.

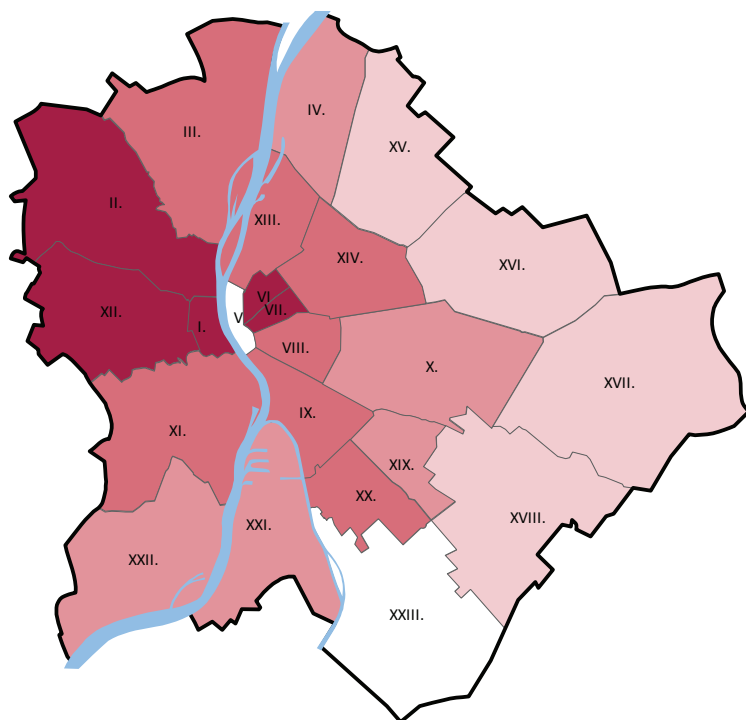
**DISTRIBUTION OF NEWLY BUILT APARTMENTS BASED ON SALES PHASE IN Q4 2019**



Figures are based on the number of apartments offered in projects listed in the ELTINGA Budapest Residential Property Report database.

- Available: Units free for purchase at the time of data collection
- Reserved: Negotiations pending or a deposit has been paid
- Sold: Apartments marked as "sold" or removed from the database of available units
- Planned: Apartments where the sales process has not yet started or has been suspended





**Average square metre prices of new build residential properties**

Higher price per sq. m.

AVERAGE M2 PRICE	DISTRICTS
above 1 million	I., II., V., VI.,VII. XII.
between 700 thousand - 1 million	III., IV., VIII., IX., XI., XIII., XIV., XV.
between 600-700 thousand	X., XVI.,XIX., XXII.
between 500-600 thousand	XVII., XVIII., XX.
under 500 thousand	XXI., XXIII.

Average prices per square metre of newly built residential properties exceeded HUF 1 million in six districts, and there are twelve more districts where buyers should expect square metre prices of HUF 700 thousand and above.

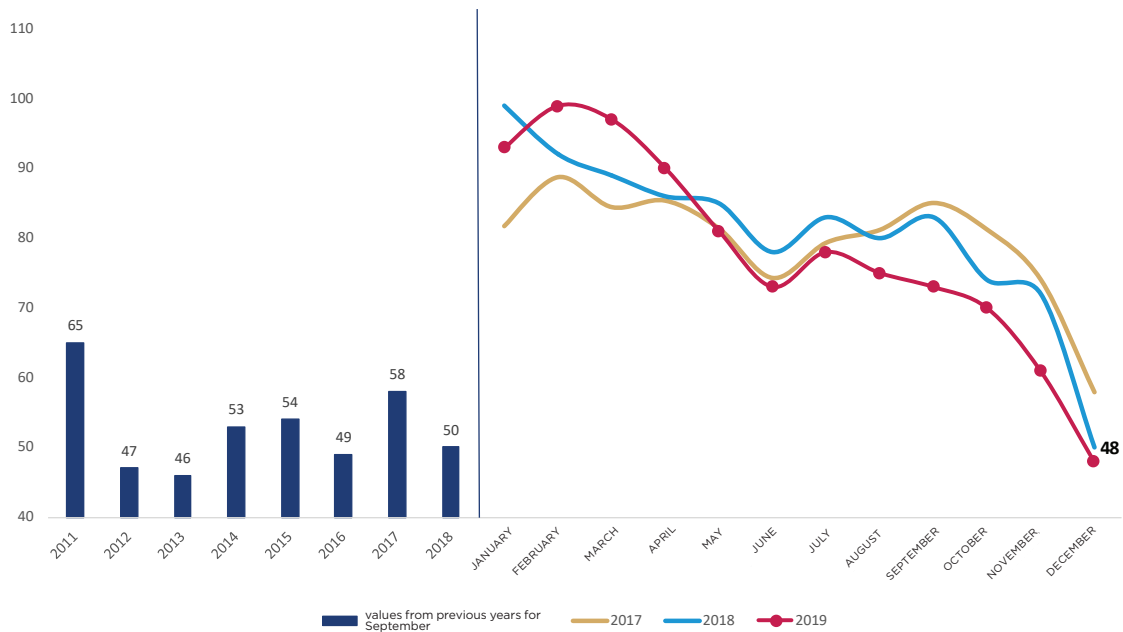
In Budapest, the average square metre price of newly built residential properties in the fourth quarter of the year was HUF 883 thousand, compared to HUF 857 thousand in the previous quarter.

Average sq. m. prices are based on projects listed in the ELTINGA Budapest Residential Property Report database. Prices are based on properties listed as sold in the Q3 database. Floor space includes half the surface area of balconies and walk-out terraces with a maximum area of 20 sq. m. and one third of the area above 20 sq. m.



## BUYERS - DEMAND INDEX

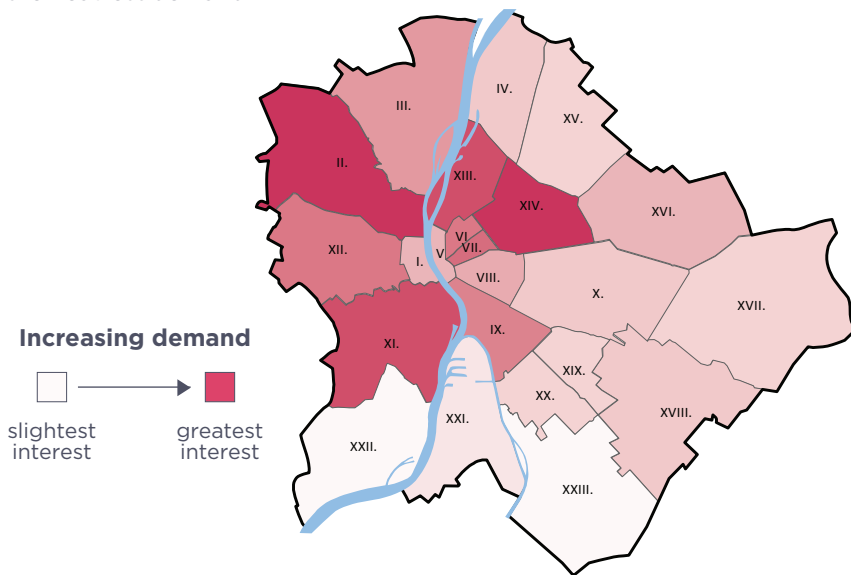
The demand index is still lagging behind figures from the previous years. In September it reached 48 percentage points compared to 50 percentage points in the same period in 2018.



**Methodology behind Demand Index:** The basis of the estimate is the activity registered by our agents in various, mainly major cities and Duna House offices. Corrections are made depending on the number of active agents and working days. The Demand Index is an important indication of buyer-side reactions to political decision or solutions offered by the financial sector. Demand Index is a quantitative indicator which has no direct connection with the realized or future transaction numbers. The latter is a qualitative issue highly affected by market environment and available financial products.

## DEMAND FOR INDIVIDUAL DISTRICTS

This was a heavy contest between Districts XIII. and XIV. but, as in most months, District XIII. took the cake again in September. Apart from these two, the downtown districts of Pest and Districts II. and XI. in Buda experienced the heaviest demand.



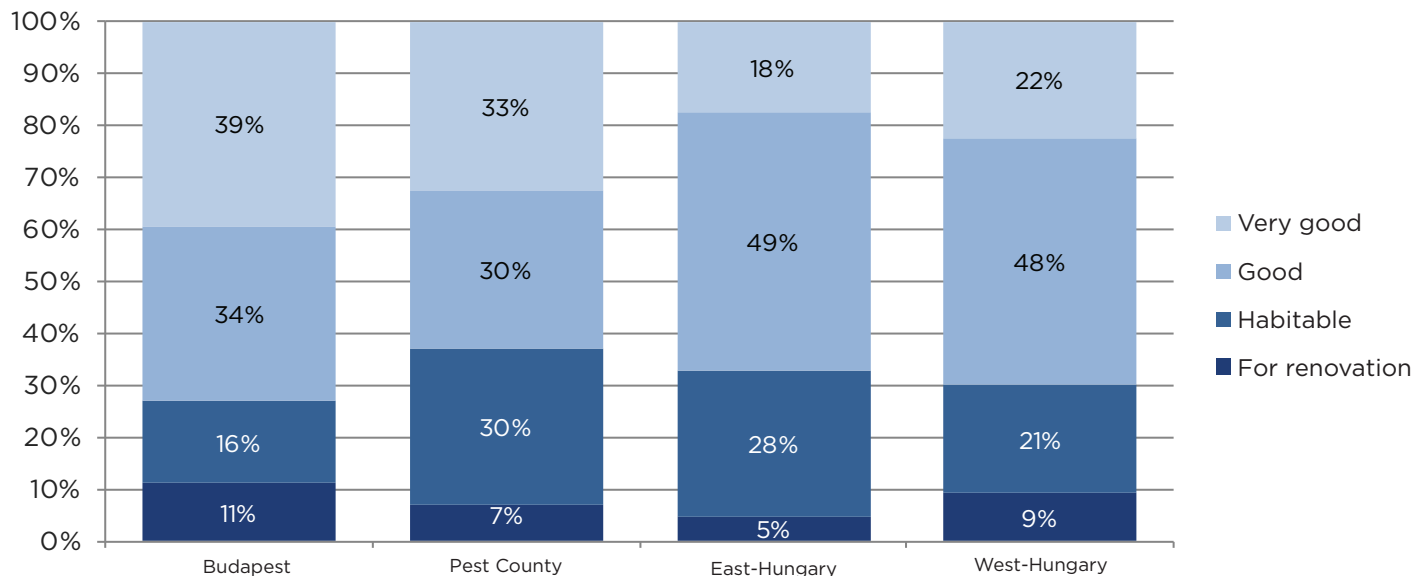
DISTRICT	2018. DECEMBER	2019. DECEMBER
Budapest I.	8,4%	7,8%
Budapest II.	15,5%	16,6%
Budapest III.	11,6%	10,1%
Budapest IV.	6,2%	7,0%
Budapest V.	10,4%	8,5%
Budapest VI.	16,9%	12,1%
Budapest VII.	17,9%	12,9%
Budapest VIII.	14,0%	9,1%
Budapest IX.	14,4%	11,5%
Budapest X.	6,0%	6,5%
Budapest XI.	15,5%	15,4%
Budapest XII.	11,7%	12,3%
Budapest XIII.	20,5%	15,5%
Budapest XIV.	16,2%	17,0%
Budapest XV.	5,3%	6,1%
Budapest XVI.	4,8%	8,5%
Budapest XVII.	4,0%	5,9%
Budapest XVIII.	8,4%	6,8%
Budapest XIX.	7,7%	6,2%
Budapest XX.	6,1%	6,3%
Budapest XXI.	4,0%	4,7%
Budapest XXII.	4,0%	3,4%
Budapest XXIII.	2,4%	2,2%

**Methodology:** Our clients with a purchase intention indicate their preferred districts (more at the same time) when meeting our agents. The above preference map is put together based on this information.

Data is assessed based on real estate sold by Duna House. Territorial distribution of transactions brokered by Duna House may differ from the territorial distribution of the market as a whole. Duna House Holding pursues its real estate agency activities mainly in Budapest and major cities. Duna House Holding does not make corrections in view of the territorial distribution of its own and market transactions in general.

## QUALITY PREFERENCE

In Budapest, demand for properties in “very good” condition was highest, while in the country apparently those in a “good” condition were most sought after. The share of properties in need of renovation varied between 5-11 per cent.



## TURNOVER SPEED (TIME NEEDED TO SELL)

Apart from the Eastern part of the country, turnover speed has increased significantly for concrete block apartments, especially in Buda, where average time needed to sell was 91 days.

The time needed to sell brick and mortar apartments varies greatly: there was a decrease of 24 days in the East and a small increase in the West. Average turnover speed in Buda and Pest increased by 16 and 6 days, respectively.

CONCRETE BLOCK				
Time need of sale/day				
	East	West	Buda	Pest
December 2018	84	65	60	64
December 2019	64	69	91	73

BRICK					
Time need of sale/day					
	East	West	Buda	Pest	Inner city
December 2018	114	108	98	89	127
December 2019	90	114	114	95	117

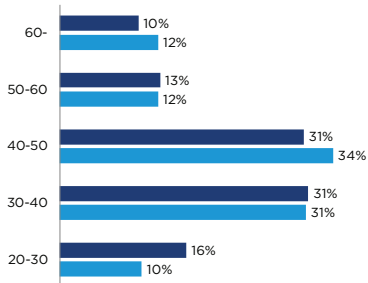
Data is assessed based on real estate sold by Duna House. Territorial distribution of transactions brokered by Duna House may differ from the territorial distribution of the market as a whole. Duna House Holding pursues its real estate agency activities mainly in Budapest and major cities. Duna House Holding does not make corrections in view of the territorial distribution of its own and market transactions in general.



## BUYER PROFILE IN BUDAPEST

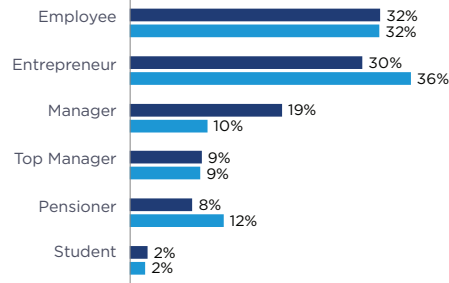
Age composition of buyers is rather mixed, with the highest share of the age groups of 30-40 and 40-50 years. More than two-thirds of buyers were employees or entrepreneurs. The share of investors seems to have decreased compared to last year: it was 45 per cent on average. The percentage of first-time buyers was also high. The average value of investments exceeded HUF 45 million.

**BUYERS' AGE IN BUDAPEST**



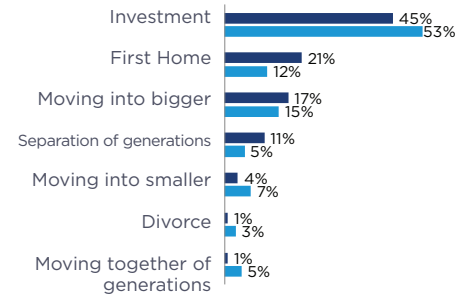
AGE	AVERAGE PRICE	m <sup>2</sup>
20-30	49 810 000	71
30-40	50 960 000	73
40-50	42 749 000	70
50-60	38 135 000	59
60-	32 528 000	51

**BUYERS' STATUS IN BUDAPEST**



STATUS	AVERAGE PRICE	m <sup>2</sup>
Employee	31 575 000	60
Top Manager	60 475 000	56
Manager	55 197 000	99
Pensioner	34 115 000	53
Student	50 580 000	44
Entrepreneur	53 888 000	76

**MOTIVATION IN BUDAPEST**

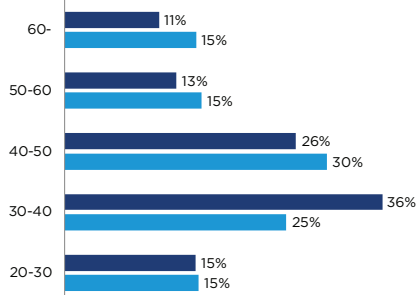


SITUATION	AVERAGE PRICE	m <sup>2</sup>
Investment	45 408 000	59
First Home	30 829 000	54
Separation of generations	43 750 000	65
Moving together of generations	107 188 000	90
Moving into smaller	36 550 000	53
Moving into bigger	75 957 000	122
Divorce	34 000 000	66

## BUYER PROFILE IN THE COUNTRY

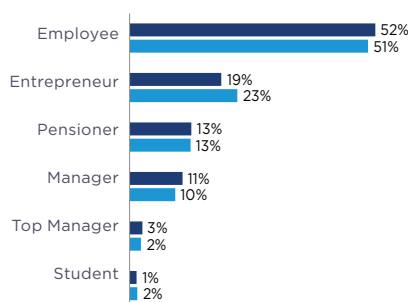
The age distribution of buyers in the country is similar to those in the capital. In December, more than half of buyers were employees. The main motivation was investment, closely followed by moving into a larger apartment and buying the first home.

**BUYERS' AGE IN THE COUNTRY**



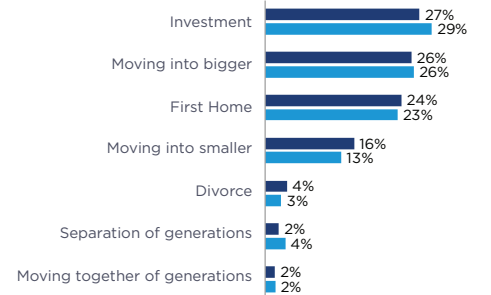
AGE	AVERAGE PRICE	m <sup>2</sup>
20-30	20 141 000	89
30-40	21 721 000	95
40-50	22 906 000	83
50-60	20 535 000	83
60-	19 162 000	71

**BUYERS' STATUS IN THE COUNTRY**



STATUS	AVERAGE PRICE	m <sup>2</sup>
Employee	19 269 000	87
Top Manager	31 432 000	193
Manager	26 981 000	98
Pensioner	19 715 000	75
Student	15 725 000	51
Entrepreneur	21 672 000	80

**MOTIVATION IN THE COUNTRY**



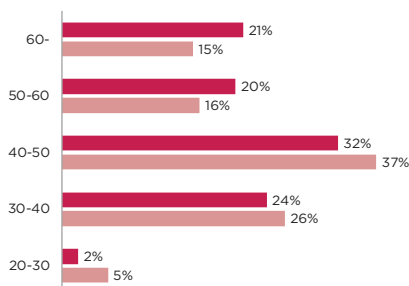
SITUATION	AVERAGE PRICE	m <sup>2</sup>
Investment	18 627 000	68
First Home	19 278 000	89
Separation of generations	20 148 000	68
Moving together of generations	23 339 000	65
Moving into smaller	21 009 000	77
Moving into bigger	27 622 000	112
Divorce	16 965 000	75

Data presented above relating age, status and reason of purchase have been acquired through the voluntary declaration of our clients. They qualify as a sample and are regarded as estimated values. When referring to investment as the reason behind the purchase, it includes all business and private deals, listed under the category based on the client's declaration. In certain cases a property purchased for a child who will use it sometime in the future, will fall under investment, based on the present transaction questionnaire, although eventually it will serve the separation of generations. When doing the calculations, we also have to keep in mind that the Duna House network is primarily present in Budapest and major cities, therefore investment as a motivation may be over-represented compared to the rest of the country.

## SELLER PROFILE BUDAPEST

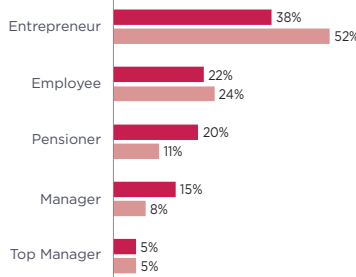
The largest age group of sellers was those between 40-50 years of age with a negligible share of sellers under 30. The main reason to sell was moving into a larger apartment, but the share of sellers offering an inherited property was almost 25 per cent, too. Those moving into a larger home cashed HUF 41.1 million from the sale of their previous property.

SELLERS' AGE BUDAPEST



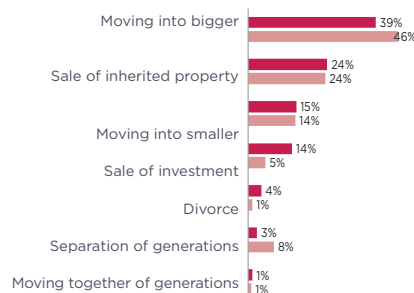
AGE	AVERAGE PRICE	m <sup>2</sup>
20-30	43 500 000	76
30-40	28 695 000	48
40-50	51 062 000	71
50-60	52 466 000	74
60-	54 752 000	90

SELLERS' STATUS BUDAPEST



STATUS	AVERAGE PRICE	m <sup>2</sup>
Employee	32 707 000	68
Top Manager	56 897 000	77
Manager	41 500 000	74
Pensioner	49 429 000	75
Entrepreneur	58 954 000	66

MOTIVATION BUDAPEST

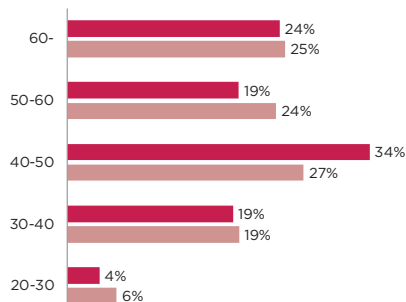


SITUATION	AVERAGE PRICE	m <sup>2</sup>
Sale of investment	80 638 663	79
Separation of generations	50 115 000	81
Moving together of generations	31 000 000	55
Moving into smaller	77 573 000	122
Moving into bigger	41 097 000	58
Sale of inherited property	31 725 000	60
Divorce	48 750 000	154

## SELLER PROFILE IN THE COUNTRY

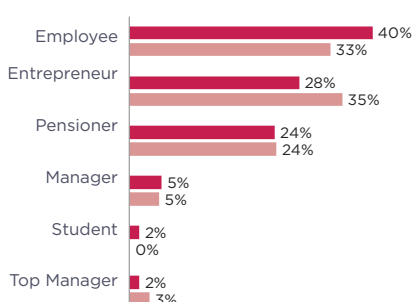
The age distribution of sellers in the country was similar, but as far as sellers' status is concerned it was employees who had the biggest share here.

SELLERS' AGE IN THE COUNTRY



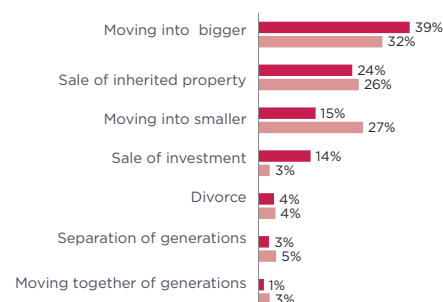
AGE	AVERAGE PRICE	m <sup>2</sup>
20-30	20 037 000	86
30-40	19 320 000	66
40-50	23 823 000	85
50-60	20 521 000	94
60-	20 628 000	91

SELLERS' STATUS IN THE COUNTRY



STATUS	AVERAGE PRICE	m <sup>2</sup>
Employee	17 353 000	79
Top Manager	14 438 000	71
Manager	21 889 000	81
Pensioner	18 614 000	90
Entrepreneur	31 501 000	97
Student	13 125 000	58

MOTIVATION IN THE COUNTRY



SITUATION	AVERAGE PRICE	m <sup>2</sup>
Sale of investment	24 855 556	78
Separation of generations	17 850 000	101
Moving together of generations	16 930 000	72
Moving into smaller	27 939 000	123
Moving into bigger	21 063 000	71
Sale of inherited property	13 456 000	75
Divorce	25 435 000	115