

DUNA HOUSE BAROMETER

The latest property market info
from Duna House network

Issue 153
Q1 2024
and March 2024



DHS
BÉT

**PRIME
MARKET**

Listed on the Prime Market of
the Budapest Stock Exchange

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FORTHCOMING ISSUES

DATE OF ISSUE	CONTENT
13.05.2024	April 2024 data
12.06.2024	May 2024 data
12.07.2024	Q2 2024 data (including price indices and housing loan data)

Duna House Barometer is available from the 12th day of each month (forthcoming weekday if weekend) on the webpage: www.dh.hu/barometer

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GENERAL INFORMATION CONCERNING THE CONTENT OF THE PRESENT PUBLICATION

Attention! The present publication must not serve as grounds for estimating, or making conclusions in relation of Duna House business profitability.

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

Data sources – unless indicated differently at the given section – derive from the database operated by Duna House Holding, the content of which is compiled by members of the network upon their individual judgement and information gained from clients. The operator does not take responsibility for the comprehensiveness of the data. Data presented in the present publication is mainly based on parameters of property transactions in major Hungarian cities given by Duna House branch offices and agents.

For newly built apartment market data our cooperating partner is ELTINGA Property Market Research Centre and ECRS Hungary Kft, the compilers of the Budapest Property Market Report.

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EXECUTIVE SUMMARY

THE FIRST QUARTER BROUGHT INCREASED TRANSACTION NUMBERS, RISING DEMAND AND INCREASING PRICES IN THE DOMESTIC RESIDENTIAL PROPERTY MARKET

The Hungarian residential property market continued to grow in March, with a total of 30,154 transactions in the first quarter, 10,000 more than in Q1 2023, representing a 52% increase. In March 2024 the market closed its strongest month of the year so far, with 11,046 transactions estimated by Duna House. The Q1 results support Duna House's annual expectation of 110,000-130,000 transactions concluded in a potentially more active property market.

Falling interest rates and new housing subsidies have boosted the credit market as well. According to Hungarian data from Credipass, the Group's international financial brand, the volume of mortgage loans contracted in March reached HUF 90 billion, bringing the total volume in the first quarter to over HUF 240 billion. Compared to the previous year, the loan value has more than doubled on both a monthly and a quarterly basis.

Customer interest in the benefits offered by the renewed housing subsidy scheme continues to grow. Looking at the country as a whole in the first quarter of this year, 16.7% of all loan transactions brokered by Credipass experts involved a CSOK Plus application. The highest number of applications came from customers living in Eastern Hungary. Housing subsidies accounted for 14.4% of all loans taken out in the capital, with the two-child scheme being the most popular at 48.7%. The average loan size in the capital continued to increase compared to the previous quarter and exceeded HUF 26 million. The areas outside the capital also saw an increase, with loans rising to HUF 19.1 million in the East and HUF 18.4 million in the West. Demand for more predictable loans increased in Budapest and in the Western part of the country, while the share of loans with a fixed interest rate for at least 10 years decreased in the East.

In addition to increased demand and the number of transactions, the market recovery has also been reflected in house prices, with property price indices across the country showing smaller or larger increases in both nominal and real terms for all property types.

In Q1 2024 District 13, the leading district in terms of new construction projects, once again had over 7000 apartments on offer, almost twice as many as the second-ranking district, Újbuda. This time, the average price per sq. m. of new homes exceeded HUF 2 million in three districts (Districts 1, 2 and 12), bringing the average price per sq. m. of new homes to almost HUF 1.4 million in the capital.

In March, District 13 was the most popular district in Budapest with 19.7%, according to Duna House's demand survey. District 11 came in second and was also attractive to those looking for new-build properties, while the next two places were again taken by two inner-city districts, Erzsébetváros (District 7) and Terézváros (District 6), both favoured by investors. According to Duna House sales data, the share of first-time buyers in Budapest almost doubled in March this year compared to the same period last year, while the share of investment purchases fell by 12 percentage points compared to March last year. In the country, the main reason for buying was moving into a larger home, with 26% of customers buying their first home, while almost a quarter (23%) of buyers were making an investment. The leading reason for selling in the in capital (38%) and in the country (28%) was the sale of a previous property investment.

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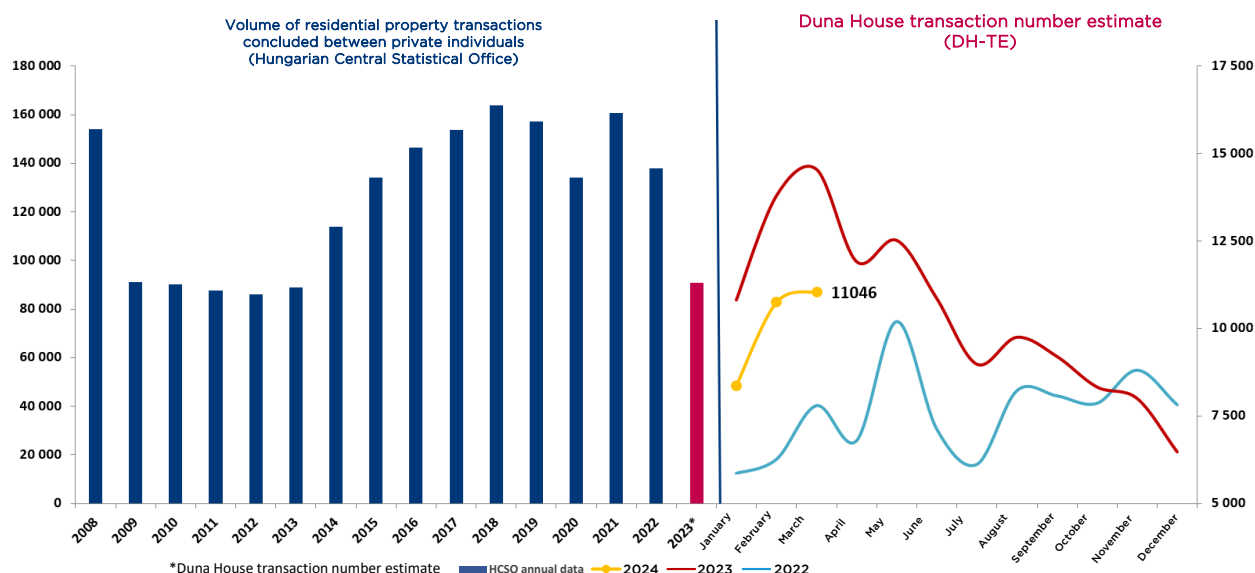
3 INTERESTING FACTS:

- **8 of the 9 Duna House price indices peaked in the first quarter of this year.**
- **In March this year a quarter of buyers in the capital were signing a contract for their first home.**
- **Half of all CSOK Plus applicants signed up for the two-child scheme in Budapest.**

TRANSACTION DATA

RESIDENTIAL PROPERTY TRANSACTION VOLUME ESTIMATE AND MORTGAGE FORECAST FOR MARCH 2024

Duna House presents its monthly Transaction Number Estimate (DH-TE) and Mortgage Forecast below, showing that 11,046 residential property transactions were concluded in March 2024 and residential mortgage contracts worth HUF 90 billion were signed in the whole of Hungary.



The real estate market upswing continued in March, so the first quarter ended with a total of 30,154 transactions. According to Duna House estimates, the residential property market closed the strongest month of the year so far with 11,046 transactions. This figure represents a 3% increase over the previous month and a 42% increase over March last year. The first quarter figures support Duna House’s expectation of 110,000-130,000 sales for the entire year in what is a much more active property market.

The mortgage market has also continued to pick up, with a huge increase in volumes on both a monthly and a quarterly basis compared to last year. According to data from Credipass, the Group’s international financial brand in Hungary, the total amount of residential mortgage loans contracted in March this year already reached HUF 90 billion, bringing the total lending in the first quarter to over HUF 240 billion. Compared to the previous year, the volume of mortgage lending has more than doubled on both a monthly and a quarterly basis. The last time the credit market had a stronger quarter than Q1 2024 was in Q3 2022.

THE TABLE BELOW SHOWS MONTHLY TRANSACTION VOLUME ESTIMATES OF DUNA HOUSE.

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
2020	11 185	14 569	15 630	13 511	14 198	13 615	11 185	11 304	11 807	11 526	11 022	11 422
2021	10 815	13 793	14 548	11 911	12 519	10 859	8 978	9 748	9 200	8 326	8 000	6 474
2022	5 853	6 253	7 787	6 787	10 187	7 120	6 107	8 213	8 067	7 853	8 800	7 813
2023	8 354	10 754	11 046	-	-	-	-	-	-	-	-	-

Methodology behind DH-TE: Regardless of the time of year, the most important indicator of the real estate market is the annual number of sale transactions. The DH-TE figure is an estimate published by Duna House and it reflects interim approximate data. The estimate is based on the number of monthly property transactions brokered by Duna House and the estimated market share of Duna House. The estimate of the current monthly market share 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 several months’ delay, market share can be adjusted retroactively which also results in a more accurate estimate as well. **Please note:** After 2016 and as a consequence of the boom in newly-built apartments, pre-contracted purchase transactions appear in the statistics of the Statistical Office with a delay of several months or even one or two years, after the capital transfer tax has been levied, which results in anomalies in the statistics. 2. The number of Energy Certificates issued; 3. Subjective assessment based on other management information from Duna House Holding.

Please also note that DH-TE data cannot be used for defining the volume of transactions brokered by Duna House, or for estimating the business profit of Duna House Holding or for the drawing of any related conclusions.

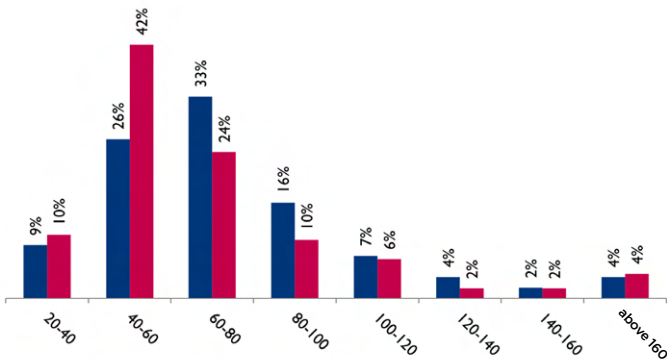
Mortgage forecast: Figures published Credipass can primarily be used for quick trend forecasts; the National Bank of Hungary publishes the actual figures for the second last month at the beginning of each month.

TRANSACTION PARAMETERS IN BUDAPEST

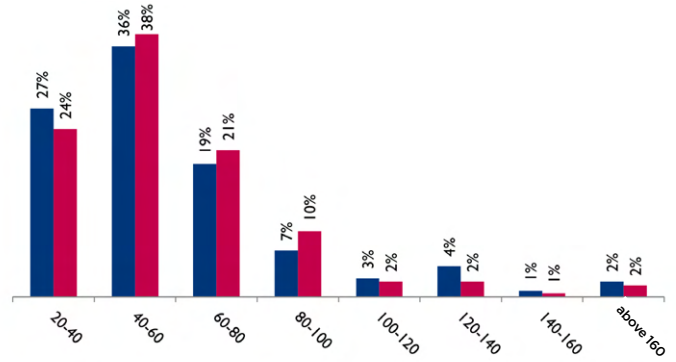
In the first quarter of 2024, Duna House customers in the capital were mainly looking for properties with a floor space between 40-60 sq. m., but on the Buda side, 60-80 sq. m. homes were also popular, while in Pest there demand for small apartments of 20-40 sq. m. was also high. In Buda, 21% of all transactions closed at prices between HUF 1.2-1.4 million per sq. m., while in Pest 34% of transactions were between HUF 600-800,000 per sq. m. In Buda, 40% of the apartments and houses sold were worth over HUF 70 million, while 19% of the properties sold in the districts on the Pest side of the city found a new owner at prices above HUF 70 million, but there was also a significant (17%) share of properties in the price range of HUF 40-50 million.

BUDA

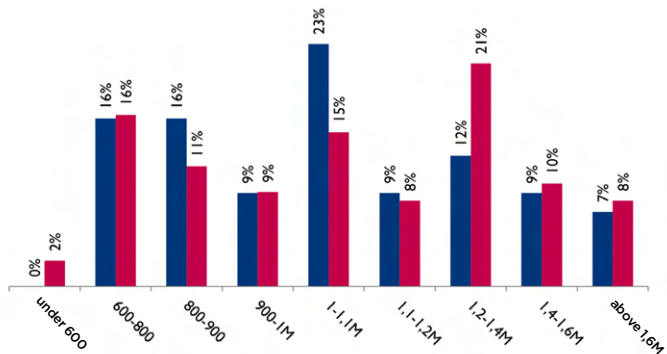
PEST



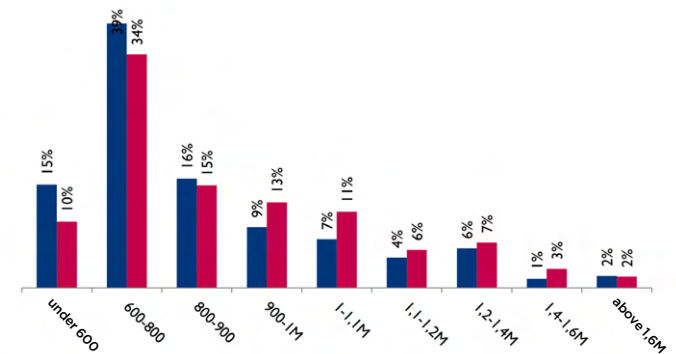
apartment size (m²)



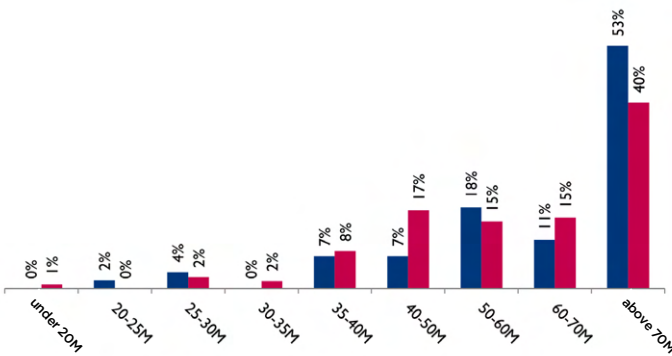
apartment size (m²)



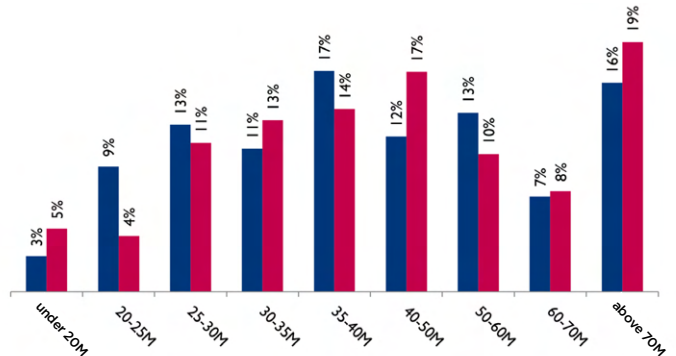
sq. m. price (in thousand HUF)



sq. m. price (in thousand HUF)



apartment price (in million HUF)

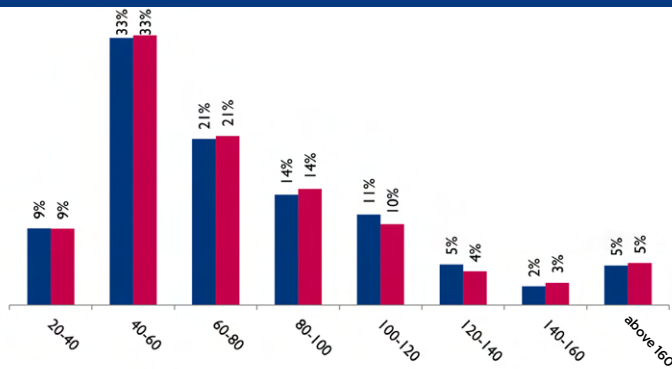


apartment price (in million HUF)

TRANSACTION PARAMETERS IN THE COUNTRY

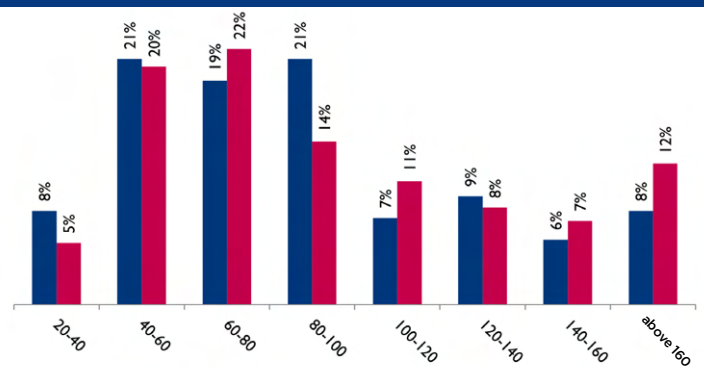
Nationally (with the exception of Central Hungary), 33% of the apartments purchased by Duna House customers were in the 40-60 sq. m. category; 24% of sales took place at prices above HUF 600,000 per sq. m., but apartments and houses below HUF 250,000 per sq. m. also accounted for a significant 20% of sales. Looking at the purchase price, 24% of properties sold in the country were in the category above HUF 40 million. Customers in County Pest preferred homes between 40-60 sq. m. (20%) to those between 60-80 sq. m. (22%). In terms of price per sq. m., 47% of transactions involved homes sold above HUF 600,000 in County Pest, an increase of 16 percentage points. Compared to the same period last year, the share of properties sold for over HUF 50 million rose by 13 percentage points to 44%.

COUNTRYWIDE (EXCLUDING CENTRAL HUNGARY)

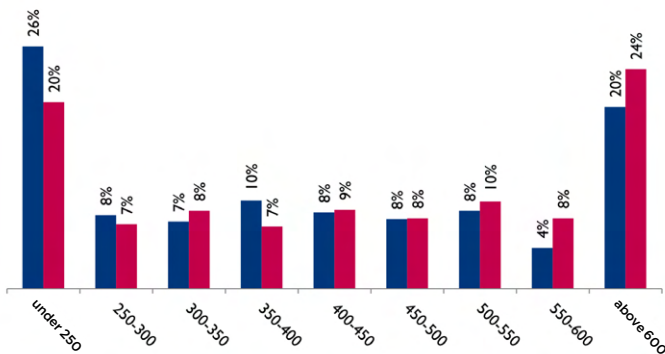


apartment size (m²)

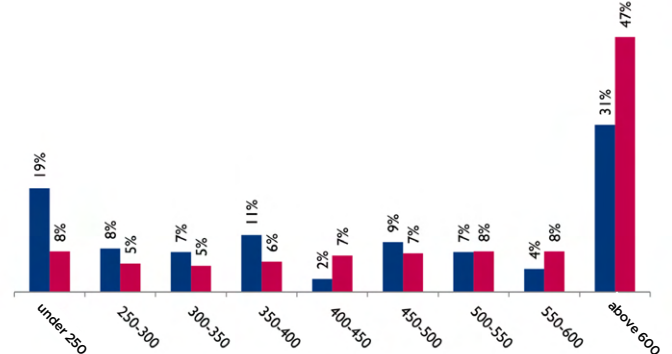
COUNTY PEST



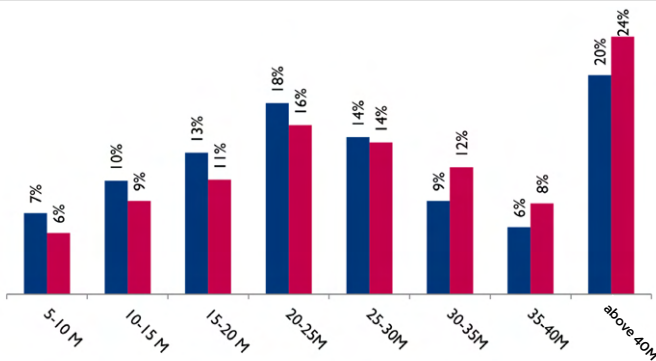
apartment size (m²)



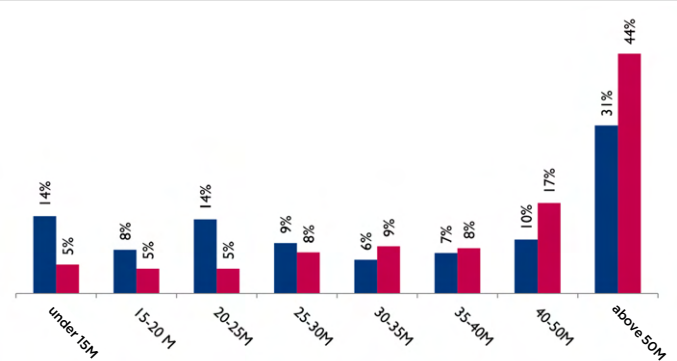
price per m² (in thousand HUF)



price per m² (in thousand HUF)



apartment price (in million HUF)



apartment price (in million HUF)

■ Q1 2023 ■ Q1 2024

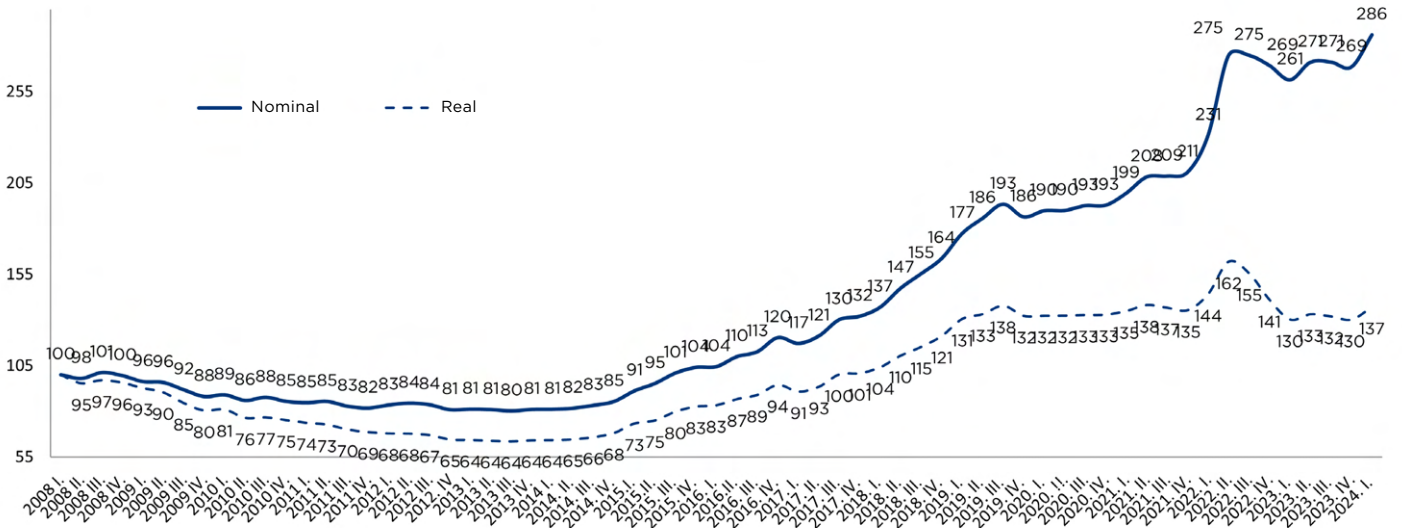
Based on properties sold by Duna House Franchise Network.

PRICES - PROPERTY PRICE INDICES

DUNA HOUSE NATIONAL RESIDENTIAL PROPERTY PRICE INDEX

The market rebound in the first quarter of 2024 brought a significant 17-point increase in the national house price index in nominal terms, which, in real terms, represents a 7-point increase. The index closed the quarter at 286 and 137 points in nominal and real terms, respectively.

NATIONAL RESIDENTIAL PROPERTY PRICE INDEX

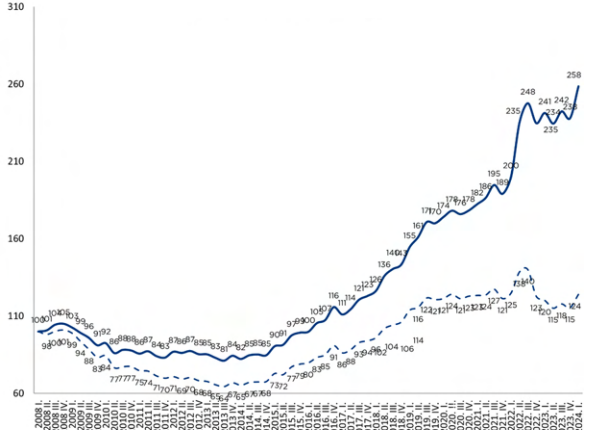
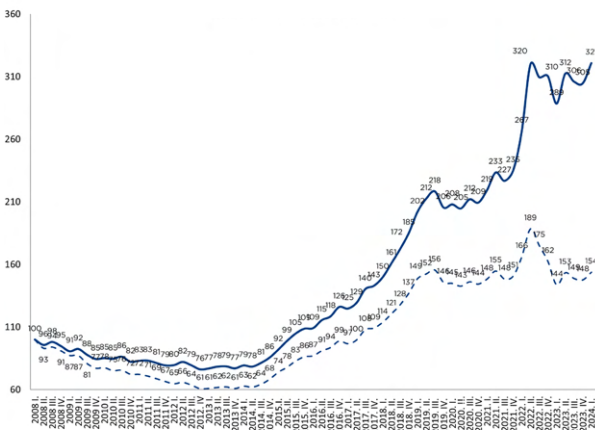


About our residential property indices: We apply a system which attempts to fully eliminate all kinds of type-related differences. Similar indicators generally use normal averaging which does not take into consideration the variable elements of transactions. When developing DH residential property indexes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

The national brick and mortar price index also saw a sharp rise, ending the quarter at 321 points in nominal terms and 154 points in real terms. The brick and mortar price index closed the quarter at 258 points in nominal terms and 124 points in real terms, following a significant rise after the easing seen in the previous quarter.

NATIONAL CONCRETE BLOCK INDEX

NATIONAL BRICK INDEX

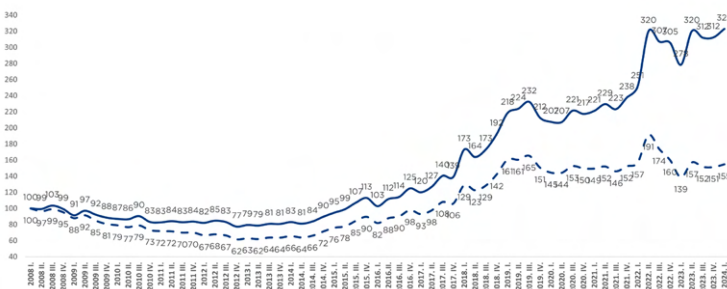


PRICES - PROPERTY PRICE INDICES

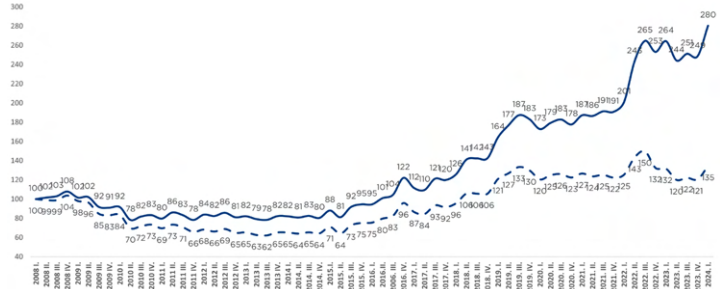
DUNA HOUSE REGIONAL RESIDENTIAL PROPERTY PRICE INDICES

In the country, the price index for concrete block dwellings showed a marked increase. In the East, it stood at 323 points in nominal terms, following an 11-point change, while in real terms it had a more modest increase of 4 points. The concrete block price index in the West closed slightly behind, at 310 points, up 9 points in real terms in the first quarter of this year. Looking at brick and mortar homes in the country, the significant 16-point jump in the West is smaller than in the East, which closed the quarter at 280, 31 points behind that in the East of the country. In real terms, the index for brick and mortar homes stood at 139 points in the West and 135 points in the East.

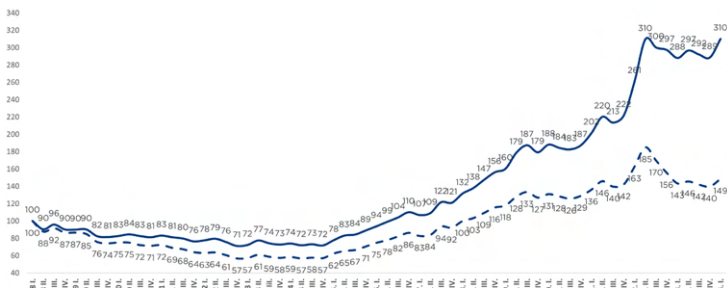
CONCRETE BLOCK PRICE INDEX, EASTERN HUNGARY



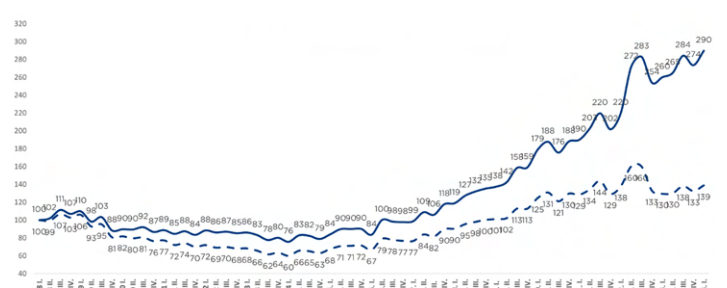
BRICK AND MORTAR PRICE INDEX, EASTERN HUNGARY



CONCRETE BLOCK PRICE INDEX, WESTERN HUNGARY



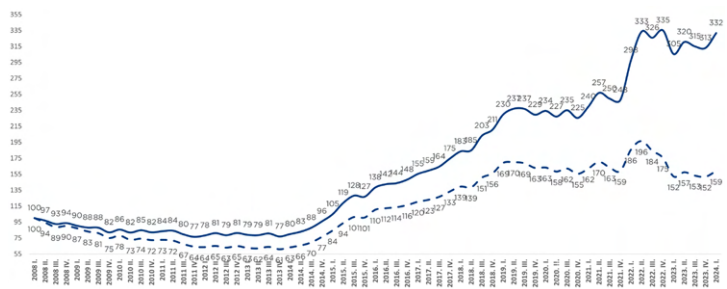
BRICK AND MORTAR PRICE INDEX, WESTERN HUNGARY



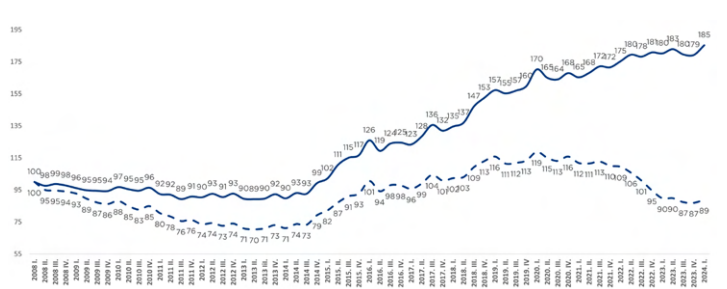
DUNA HOUSE BUDAPEST RESIDENTIAL PROPERTY PRICE INDICES

In the capital, too, prices are on the rise: the brick and mortar price index showed a 19-point increase in nominal terms and closed at 332 points, and a 7-point increase in real terms. The brick and mortar index increased by 6 points in nominal terms (185), while in real terms it showed an increase of 2 points.

BUDAPEST CONCRETE BLOCK PRICE INDEX

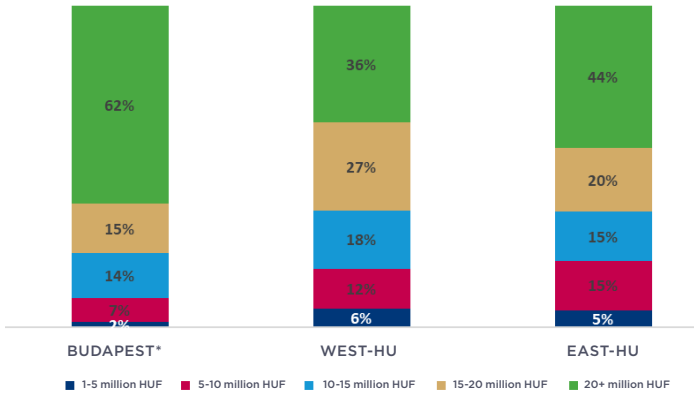


BUDAPEST BRICK AND MORTAR PRICE INDEX



MORTGAGE DATA - Q1 2024

MORTGAGES BY TRANSACTION VALUE



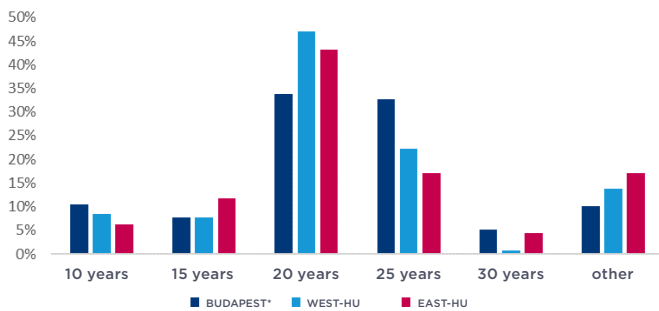
In the first quarter of 2024, the vast majority (62%) of borrowers in the capital took out a loan for over HUF 20 million, while almost the same proportion of customers, 14-15%, applied for loans between HUF 10-15 and 15-20 million, according to Credipass data. In the mortgage market in the country, the most popular deal size has also changed compared to previous quarters: this time around, the category above HUF 20 million was dominant. In the East and in the West, 44% and 36% of customers, respectively, applied for mortgages in this amount.

AVERAGE LOAN VOLUME

AVERAGE LOAN VOLUME				
	2023. Q2	2023. Q3	2023. Q4	2024. Q1
BUDAPEST*	19 287 262	20 008 987	21 796 363	26 194 159
WEST-HU	14 164 144	14 576 096	15 202 447	18 453 631
EAST-HU	12 540 028	13 845 889	14 174 703	19 194 705

The average loan size in the capital further increased compared to the previous quarter, exceeding HUF 26 million in Q1 2024. Areas outside the capital also saw an increase, with loans rising to HUF 19.1 million in the East and HUF 18.4 million in the West.

MORTGAGES BY DURATION



In the first quarter of 2024, the share of loan contracts with a maturity of 20 years or more was the highest in the entire country. In Budapest, in the West and in the East of the country 34%, 47% and 43% of applications involved this scheme, respectively.

	BUDAPEST*				WESTERN HUNGARY				EASTERN HUNGARY			
	2023. Q2	2023. Q3	2023. Q4	2024. Q1	2023. Q2	2023. Q3	2023. Q4	2024. Q1	2023. Q2	2023. Q3	2023. Q4	2024. Q1
10-YEAR	6%	6%	8%	10%	5%	4%	4%	8%	13%	6%	10%	6%
15-YEAR	8%	7%	7%	8%	7%	8%	8%	8%	4%	4%	4%	12%
20-YEAR	37%	35%	33%	34%	53%	53%	56%	47%	60%	65%	45%	43%
25-YEAR	33%	36%	36%	33%	21%	24%	25%	22%	14%	16%	30%	17%
30-YEAR	6%	9%	7%	5%	2%	2%	2%	1%	2%	2%	4%	5%
OTHER	9%	7%	9%	10%	11%	9%	5%	14%	6%	7%	7%	17%

Mortgage data methodology: When analysing data we used applications mediated by Credipass 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.

*Budapest and the suburbs combined.

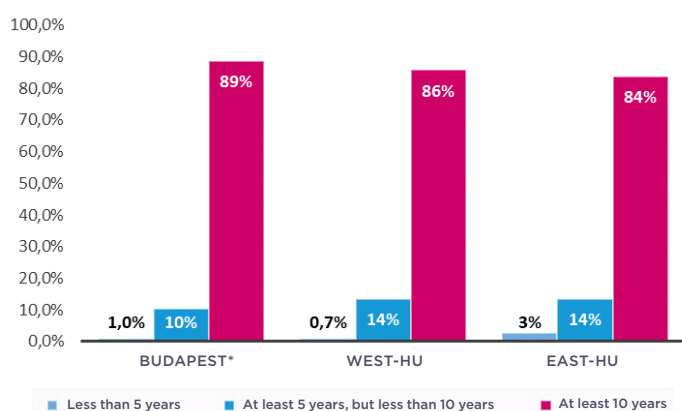
MORTGAGE DATA - Q1 2024

AVERAGE LOAN VOLUME

AVERAGE LTV				
	2023. Q2	2023. Q3	2023. Q4	2024. Q1
BUDAPEST*	33%	34%	29%	44%
WEST-HU	38%	33%	37%	48%
EAST-HU	32%	40%	32%	46%
TOTAL	34%	34%	31%	45%

In the first quarter of 2024, the loan-to-value (LTV) ratio increased for all parts of the country. The largest increase, 15 percentage points, was recorded in the capital.

MORTGAGES BY INTEREST PERIOD



In the first quarter of 2024, the popularity of loans with fixed interest rates for at least 10 years decreased in Eastern Hungary, while demand for these predictable products increased in the capital and the Western part of the country. The share of loans with a fixed interest rate for at least 10 years increased to 89% in Budapest and to 86% in the West, while in the East it decreased by six percentage points to 84% compared to the previous quarter.

	BUDAPEST*				WESTERN HUNGARY				EASTERN HUNGARY			
	2023. Q2	2023. Q3	2023. Q4	2024. Q1	2023. Q2	2023. Q3	2023. Q4	2024. Q1	2023. Q2	2023. Q3	2023. Q4	2024. Q1
LESS THAN 5 YEARS	0,2%	0,0%	0,0%	1,0%	0,0%	0,0%	0,0%	0,7%	1,1%	0%	0%	3%
5 YEARS OR MORE, BUT LESS THAN 10 YEARS	17%	14%	18%	10%	13%	7%	16%	14%	14%	12%	10%	14%
AT LEAST 10 YEARS	83%	86%	82%	89%	87%	93%	84%	86%	84%	88%	90%	84%

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

SUBMITTED CSOK PLUS APPLICATIONS IN THE RATIO OF ALL QUARTERLY LOAN TRANSACTIONS	
BUDAPEST*	14,4%
WEST-HU	19,7%
EAST-HU	19,8%
TOTAL	16,7%

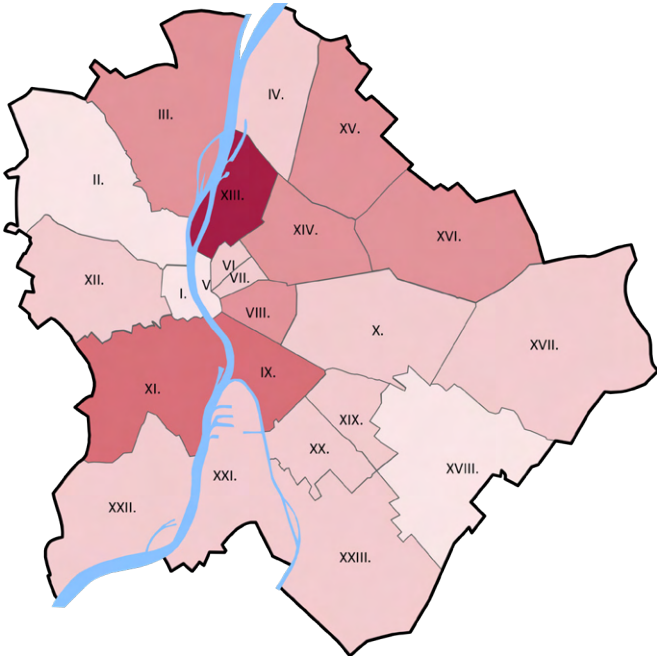
Falling interest rates and new housing subsidies have boosted the credit market, too. According to Credipass experts, customers have been showing a steadily growing interest in the renewed housing subsidy. Looking at the country as a whole, in the first quarter of this year, the proportion of credit transactions brokered by Credipass included 16.7% of CSOK Plus schemes applied for by customers. Customers in Eastern Hungary made the highest use of the scheme with a share of 19.8%, followed by 19.7% of customers in the West. In the capital, 14.4% of borrowers took out a subsidised loan, with the two-child scheme being the most common at 48.7%. In the West, half of all applicants chose the two-child option, while in Eastern Hungary an equal proportion of customers (31.8%) used the subsidy for either one child or two children.

Mortgage data methodology: When analysing data we used applications mediated by Credipass 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.

*Budapest and the suburbs combined.

NEWLY BUILT DATA

NUMBER OF NEW BUILD APARTMENTS IN DEVELOPMENT PROJECTS CURRENTLY ON SALE



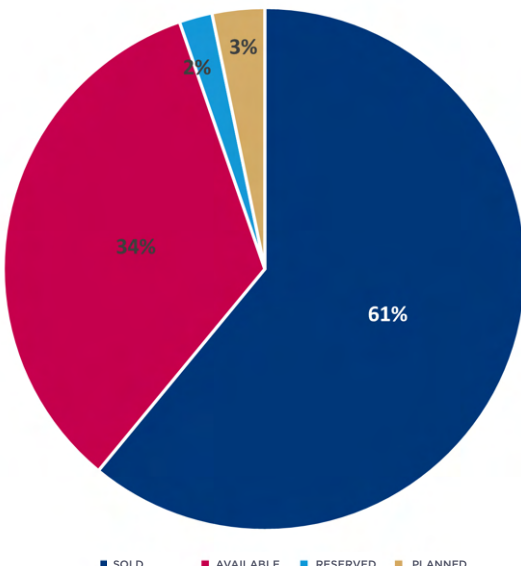
QUANTITY	DISTRICTS
ABOVE 7000	XIII.
2000-6999	IX., XI.
900-1999	III., VIII., XIV.
200-899	IV., VI., VII., X., XII., XVII., XIX., XXIII.
100-199	I., II., V., XVIII.
UNDER 100	XV., XVI., XX., XXI., XXII.



After a long time, the top-ranking district in terms of new residential developments, District 13, offered over 7000 new apartments in the first quarter of 2024 again, almost twice as many as second-ranked Újbuda. The outermost districts of Pest have the lowest number of new-build properties, especially Districts 16 and 15. There are less than 100 properties available for those who prefer a location in District 22 in Buda or in Districts 20 or 21.

In Q1 2024 the majority (61%) of homes on offer in Budapest were sold almost immediately. 2% were marked as “reserved” and 3% as “planned”, while 34% of all new homes were still available.

DISTRIBUTION OF NEWLY BUILT APARTMENTS BASED ON SALES PHASE IN Q1 2024



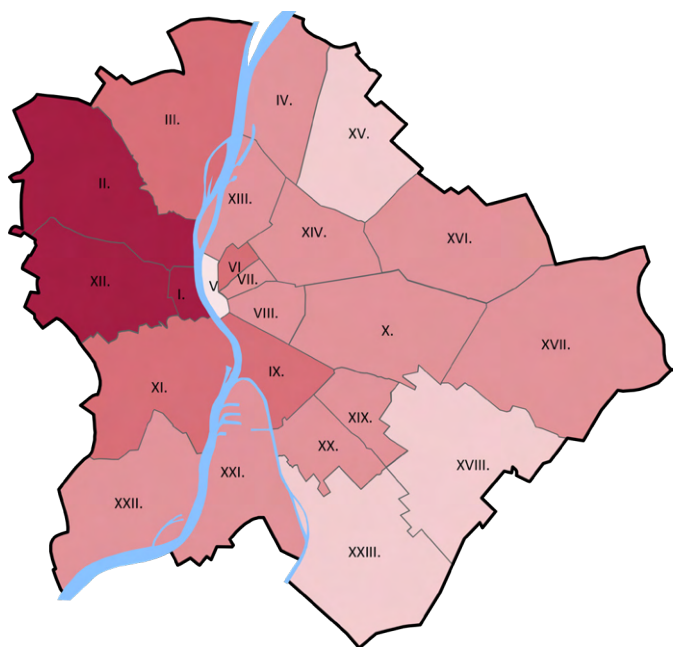
Figures are based on the number of apartments offered in projects listed in the ELTINGA Budapest Residential Property Report database.

- 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

NEWLY BUILT DATA

AVERAGE SQ. M. PRICES OF NEWLY BUILT APARTMENTS

The average sq. m. price of newly built apartments strongly depends on the location of the development project.



AVERAGE M2 PRICE	DISTRICTS
ABOVE 2 MILLION	I., II., XII.
BETWEEN 1,5-2 MILLION	III., VI., IX., XI.
BETWEEN 1-1,5 MILLION	IV., VIII., X., XIII., XIV., XVI., XVII., XIX., XXI., XXII.
BETWEEN 800 THOUSAND - 1 MILLION	XV., XVIII., XXIII.
NO DATA AVAILABLE	V.



In the first quarter of 2024, the average price per sq. m. of newly built homes exceeded HUF 2 million in three districts: Districts 1, 2 and 12, while there is no current data for District 5 for this quarter. Based on the average price per sq. m. of new properties, the most affordable prices are in Districts 15, 18 and 23, with the average price per sq. m. of new apartments in the capital almost reaching HUF 1.4 million.

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 Q1 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.



SALES DATA, PRICES, BARGAINING

Compared to the first quarter of the previous year, sales data show a significant increase in the unit price of both concrete block (HUF 516,000/sq. m.) and brick and mortar apartments (HUF 388,000/sq. m.) in the Eastern part of the country. Prices were similar in the West, where the average price per sq. m. of concrete block units sold in the first quarter of this year was HUF 517,000. The price level for brick and mortar homes was HUF 398,000 per sq. m. The bargaining rate was around 4% in both parts of the country, preceded by a 3% change in the asking price for concrete block apartments. The asking price of pre-owned brick and mortar properties was reduced by sellers by a more significant 5-5% during the advertising phase, complemented with a further decrease of 6-7% during the bargaining process.

BLOCK COUNTRYWIDE

	EAST				WEST			
	price	m ² price	change in listing price	bargain	price	m ² price	change in listing price	bargain
2023. Q1.	21 517 000	438 000	1%	4%	24 766 000	471 000	3%	4%
2024. Q1.	27 349 000	516 000	3%	4%	26 170 000	514 000	3%	4%

BRICK COUNTRYWIDE

	EAST				WEST			
	price	m ² price	change in listing price	bargain	price	m ² price	change in listing price	bargain
2023. Q1.	25 590 000	316 000	5%	9%	31 383 000	377 000	6%	7%
2024. Q1.	30 667 000	388 000	5%	7%	33 448 000	398 000	5%	6%

As regards pre-owned homes in the capital, sales data for the first quarter of this year show less significant price change than in the country. The price of concrete block units in Buda and Pest rose by an identical 7%. In Buda, a 3% change in the asking price was accompanied by a 3% reduction following the buyer's offer, while on the Pest side the asking price was reduced by 3%, followed by a further 4% in the negotiation phase. The price of brick and mortar apartments in Budapest increased most significantly on the Pest side, while it stagnated in the city centre and rose minimally in Buda. The asking price was reduced by 4-5%, while bargaining resulted in a further (and uniform) reduction of 4%.

BLOCK BUDAPEST

	BUDA				PEST			
	price	m ² price	change in listing price	bargain	price	m ² price	change in listing price	bargain
2023. Q1.	39 619 000	789 000	8%	6%	37 187 000	665 000	5%	6%
2024. Q1.	48 031 000	846 000	3%	3%	38 662 000	714 000	3%	4%

BRICK BUDAPEST

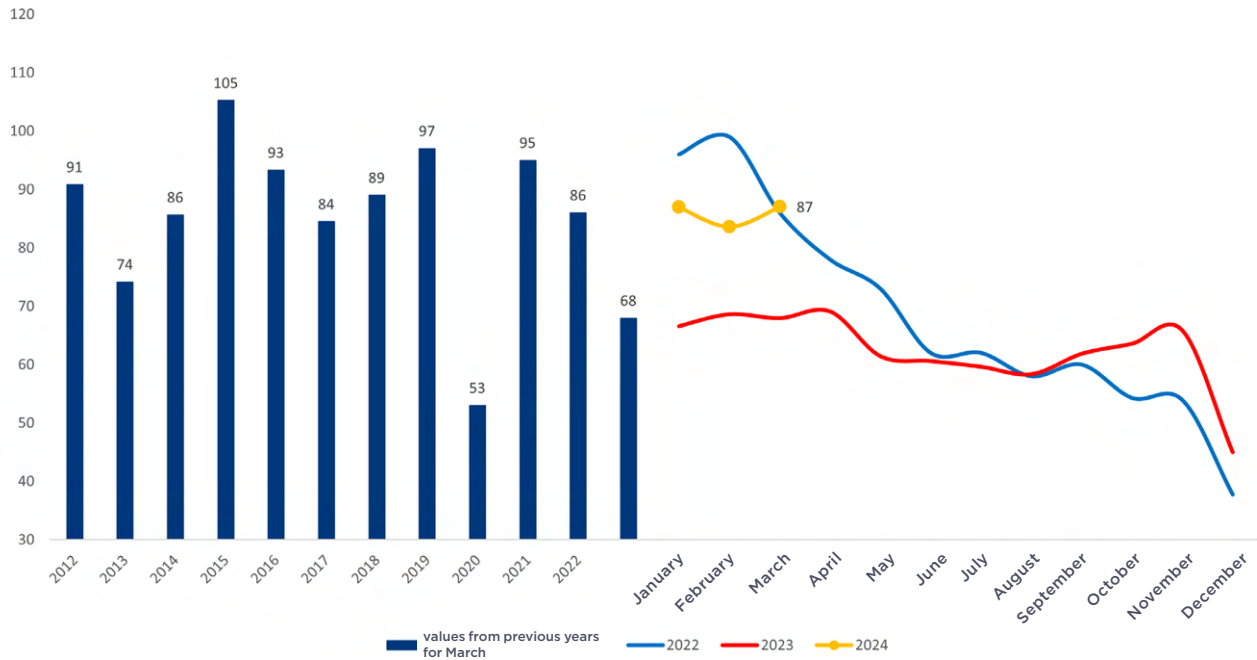
	BUDA				PEST				INNER CITY			
	price	m ² price	change in listing price	bargain	price	m ² price	change in listing price	bargain	price	m ² price	change in listing price	bargain
2023. Q1.	90 832 000	1 082 000	4%	5%	46 485 000	733 000	5%	4%	56 934 000	1 025 000	2%	4%
2024. Q1.	78 704 000	1 117 000	4%	4%	46 478 000	794 000	5%	4%	62 863 000	1 038 000	4%	4%

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. Bargain shows additional changes in the price agreed upon by the seller and buyer. The two indicators together give a good picture of the difference in price between the original idea of the seller and the actual final price

BUYERS - DEMAND INDEX

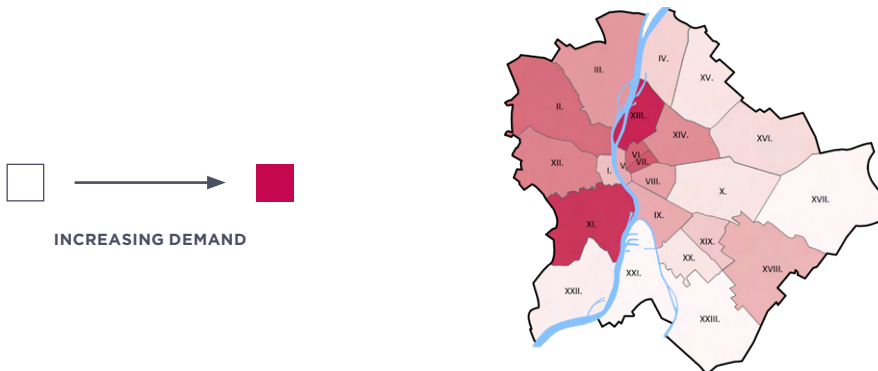
In March 2024, the Duna House Demand Index continued to show increasing demand in the real estate market. The index closed the third month of this year at 87 points, the same as in January.



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's 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 product.

DEMAND FOR INDIVIDUAL DISTRICTS

According to the Duna House demand survey, the most popular district in the capital was District 13 in March 2024, with a score of 19.7%. The second place was occupied by District 11, which is also attractive to those looking for new-built properties, while the next two places were once again taken by two inner-city districts preferred by investors, District 7 (Erzsébetváros) and District 6 (Terézváros).



DISTRICT	MARCH 2023	MARCH 2024
District 1	7,2%	9,1%
District 2	16,8%	15,6%
District 3	10,8%	11,8%
District 4	7,1%	7,0%
District 5	11,2%	10,2%
District 6	15,2%	16,1%
District 7	14,2%	16,7%
District 8	10,5%	11,1%
District 9	12,1%	10,2%
District 10	6,0%	5,8%
District 11	13,5%	19,0%
District 12	13,3%	14,1%
District 13	17,1%	19,7%
District 14	14,1%	13,3%
District 15	6,5%	6,0%
District 16	6,4%	6,1%
District 17	4,9%	4,4%
District 18	9,7%	9,3%
District 19	7,4%	8,4%
District 20	7,1%	5,9%
District 21	3,6%	3,6%
District 22	3,9%	4,7%
District 23	3,1%	2,8%

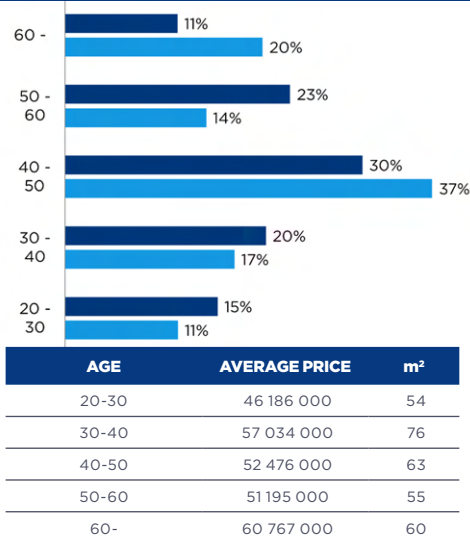
Methodology: Our clients with a purchase intention indicate their preferred districts (more at the same time) when meeting our agents. The above preference map is put together based on this "popularity information".

Data is analysed based on real estate transactions brokered by Duna House. The territorial distribution of DH transactions 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 in major cities. Duna House Holding does not make corrections in view of the differences in territorial distribution between its own transactions and of the market in general.

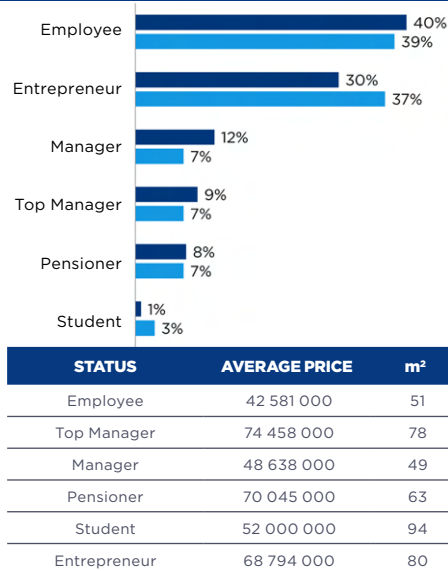
BUYER PROFILE IN BUDAPEST

According to Duna House's sales data, in March 2024, the majority (30%) of buyers in the capital were in the 40-50 age group and 40% of them were employees. Compared to the same period last year, the share of first-time homebuyers in Budapest almost doubled in March this year, while the share of investment purchases decreased by 12 percentage points compared to March last year, but this buyer motivation still dominated the first quarter of this year. In the capital, customers spent an average of HUF 43.5 million on their first home and HUF 54.8 million on a property investment.

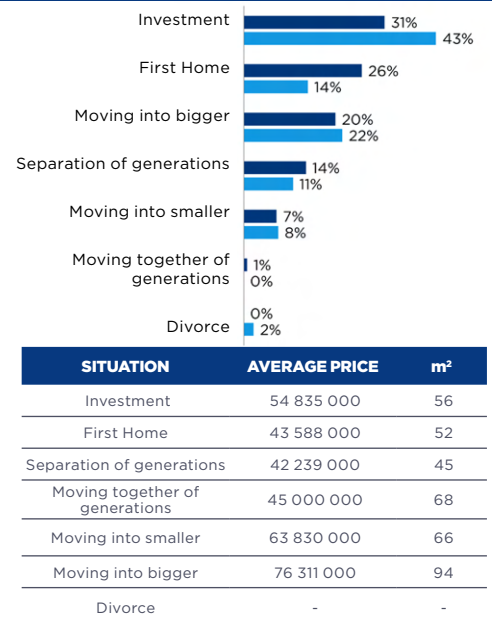
BUYERS' AGE IN BUDAPEST



BUYERS' STATUS IN BUDAPEST



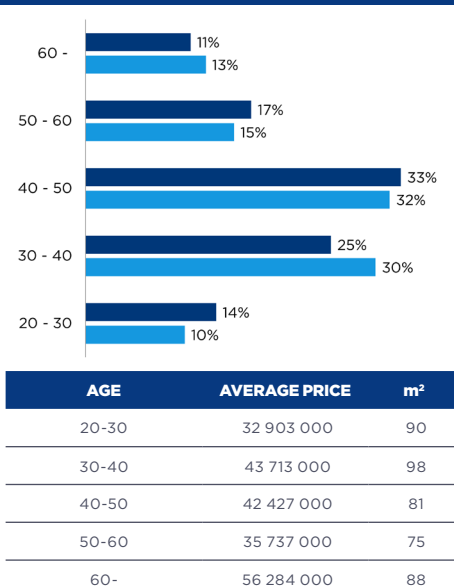
MOTIVATION IN BUDAPEST



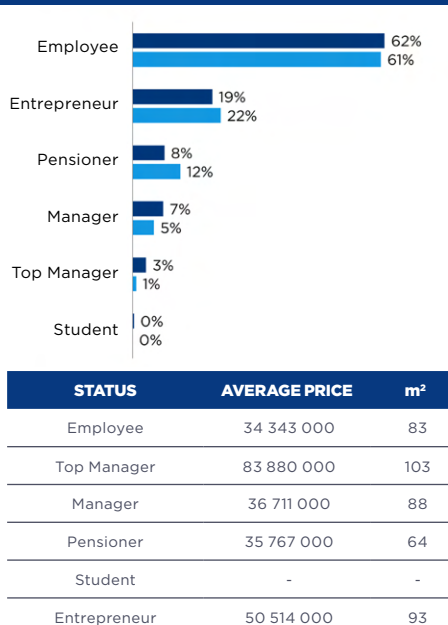
BUYER PROFILE IN THE COUNTRY

In the country, too, buyers in the 40-50 age group were the most active. The majority (62%) of customers in the country were employees. The main reason for buying in the country was moving into a larger home, with 26% of buyers acquiring their first home, while almost a quarter (23%) of buyers were making an investment. In March 2024 customers spent HUF 65.2 million on a larger home, HUF 34.4 million on a first home and HUF 28 million on a property investment.

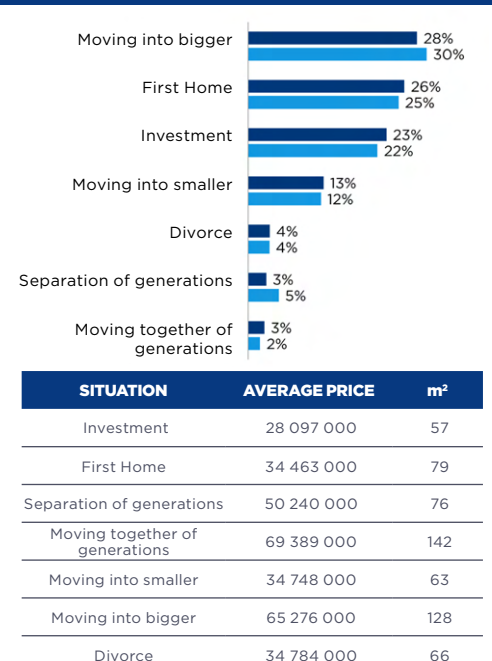
BUYERS' AGE IN THE COUNTRY



BUYERS' STATUS IN THE COUNTRY



MOTIVATION IN THE COUNTRY



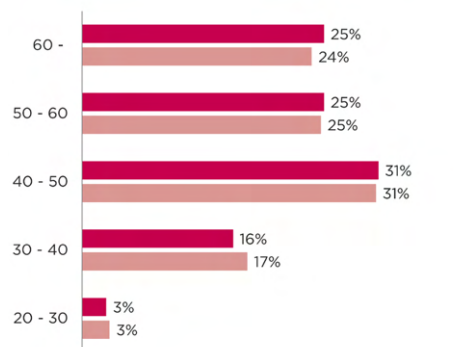
■ March 2023 ■ March 2024

Investment as a motivation includes all business and private deals listed under those categories 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 into the investment category, based on the present transaction questionnaire, although it will eventually 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.

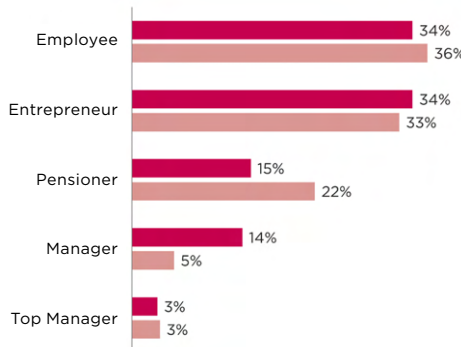
SELLER PROFILE IN BUDAPEST

In March 2024, too, those between 40-50 years of age were the largest seller group in the capital, and the majority (34%) of sellers were employees. The leading reason for selling was parting with a previous property investment at 38%, 8 percentage points higher than in March last year. The proportion of those moving into a larger property was also significant.

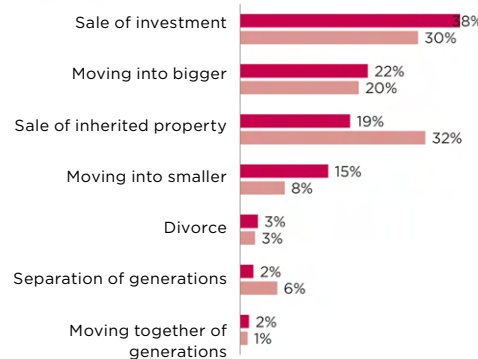
SELLERS' AGE BUDAPEST



SELLERS' STATUS BUDAPEST



MOTIVATION BUDAPEST



AGE	AVERAGE PRICE	m ²
20-30	65 913 000	62
30-40	56 692 000	61
40-50	48 211 000	57
50-60	58 063 000	67
60-	58 387 000	66

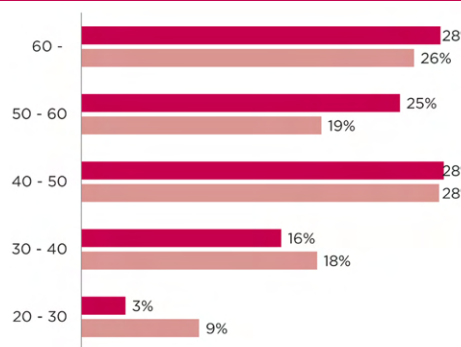
STATUS	AVERAGE PRICE	m ²
Employee	47 085 000	58
Top Manager	125 167 000	70
Manager	51 870 000	54
Pensioner	48 040 000	65
Entrepreneur	71 234 000	77

SITUATION	AVERAGE PRICE	m ²
Sale of investment	54 643 000	58
Separation of generations	61 334 000	64
Moving together of generations	81 750 000	131
Moving into smaller	79 485 000	87
Moving into bigger	50 004 000	50
Sale of inherited property	44 433 000	59
Divorce	66 600 000	93

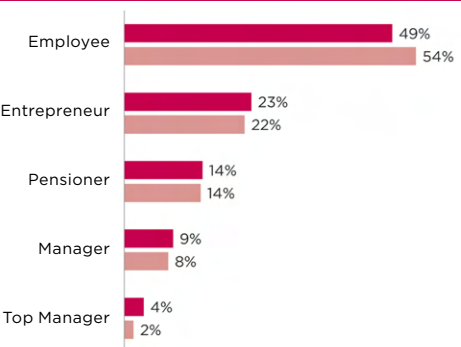
SELLER PROFILE IN THE COUNTRY

The highest proportion of sellers in the country were aged 40-50 and over 60. 49% of customers were employees and 23% were self-employed. The main motivation for transactions in the country was the sale of an investment (28%), similarly to the capital, but the number of sellers who decided to sell their inheritance was also high.

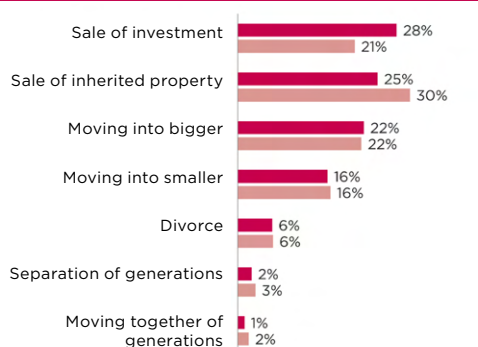
SELLERS' AGE IN THE COUNTRY



SELLERS' STATUS IN THE COUNTRY



MOTIVATION IN THE COUNTRY



AGE	AVERAGE PRICE	m ²
20-30	30 270 000	79
30-40	34 945 000	72
40-50	39 514 000	84
50-60	43 518 000	90
60-	37 762 000	84

STATUS	AVERAGE PRICE	m ²
Employee	32 848 000	76
Top Manager	110 780 000	135
Manager	51 748 000	97
Pensioner	30 638 000	83
Entrepreneur	57 373 000	97

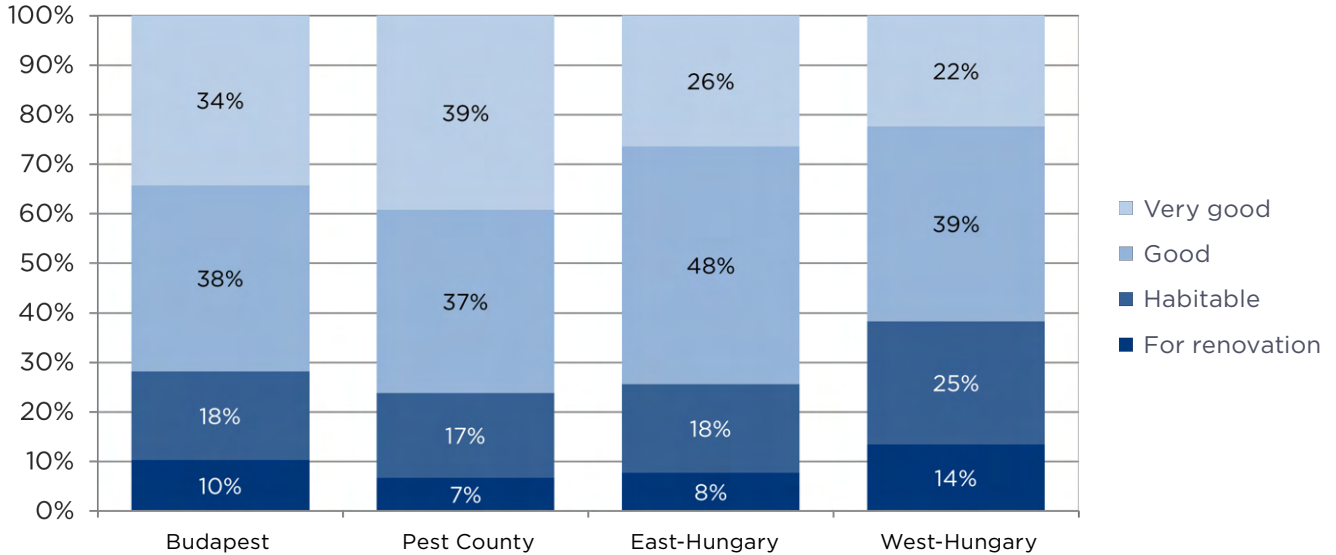
SITUATION	AVERAGE PRICE	m ²
Sale of investment	45 085 000	81
Separation of generations	44 370 000	102
Moving together of generations	36 000 000	64
Moving into smaller	52 343 000	123
Moving into bigger	43 551 000	75
Sale of inherited property	27 392 000	76
Divorce	69 145 000	108

■ March 2023 ■ March 2024

Data presented above relating to age, status and reason of purchase have been acquired through voluntary declarations of our clients. Therefore, they qualify as a sample and are regarded as estimates.

QUALITY PREFERENCES

In the first quarter of 2024, with the exception of County Pest, where the “very good” category was predominant, demand for properties in a “good” condition was highest in the entire country. This category appeared in the highest proportion of sales in Eastern Hungary. The second most popular category across the country was “very good”, while properties in need of renovation were at the bottom of the list everywhere. The willingness to renovate was lowest in County Pest and in Eastern Hungary, at 7% and 8%, respectively, while in the capital and in Western Hungary it was 10% and 14%, respectively.



TURNOVER SPEED (TIME NEEDED TO SELL)

Due to the weak housing market in 2023, buyers had a much wider choice in the first quarter of 2024. Thanks to increased interest, even properties that had been stuck in the market last year, had been less sought-after or overpriced, found owners more easily. The data on properties that had been advertised for a long time affected the calculation of the turnover rate of homes sold in the first quarter of this year, so despite the accelerating and definitely recovering market, Duna House’s sales data still show a slightly slower turnover speed. On average, the sale of concrete block units in the East and in the West took a little over three months. The time needed to close a transaction has increased to 4.5 months for concrete block homes in Budapest. Selling a brick and mortar property in the country took on average 4.6 months from the start of advertising to the conclusion of the sales contract, while brick and mortar apartments in the capital took just over 4.5 months to find a new owner.

BLOCK

TIME NEEDED OF SALE/DAY

	EAST	WEST	BUDA	PEST
March 2023	54	75	88	69
March 2024	101	104	134	136

BRICK

TIME NEEDED OF SALE/DAY

	EAST	WEST	BUDA	PEST	INNER CITY
March 2023	127	127	105	105	117
March 2024	136	141	147	135	136

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 in whole. Duna House Holding carries out its real estate agency activities mainly in Budapest and major cities. Duna House Holding does not make corrections in relation of the territorial distribution of own and market transactions.



PERSONALIZED AND CUSTOMIZED REAL ESTATE MARKET STUDIES FROM DUNA HOUSE'S RESEARCH DEPARTMENT

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Duna House research department's experienced team offers the preparation of personalized and customized market studies, reports, as well as answers to project specific needs.

The greatest advantage of Duna House studies is the provision of the most up-to-date information to our clients, based on our own database of a wide scale and inputs both on the demand and supply side of the market.

Duna House's database is the largest collection of up-to-date real sale and purchase data in the country, containing information in addition to prices about demand, bargain potential, quality preferences and client profiles. Our analytical portfolio also includes the latest mortgage data for the support of a comprehensive research.

WHO IS IT INTENDED FOR?

Our analytical studies can support all those who believe in the power of data and facts, and who wish to make their business decisions based on them.

WE RECOMMEND OUR STUDIES TO:

- ✓ Constructors and developers
- ✓ Project owners and investors
- ✓ Community managers
- ✓ Municipalities

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