

# **DUNA HOUSE BAROMETER**

78. issue

2017. Q3-4.  
and 2017. December



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## FORTHCOMING ISSUES

Date of issue	Content
February 8, 2018	January data
March 12, 2018	February data
April 12, 2018	2018. Q1 data (including price indexes)

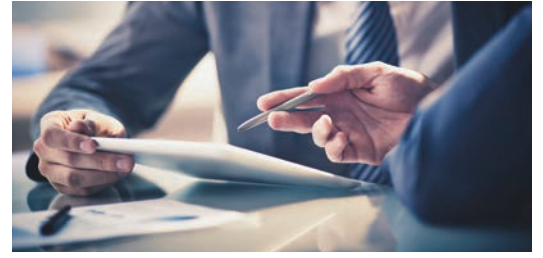
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## GENERAL INFORMATION CONCERNING THE CONTENT OF THE PRESENT PUBLICATION

**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.



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## EXECUTIVE SUMMARY



In December 2017, in total **9.787 property sale and purchase transactions** were closed. In accordance with typical yearly seasonality, the number of property sale and purchases has declined towards the end of the year; still presented a 6% growth in comparison to December 2016. When comparing the last quarters of the previous two years, the estimated volume of transaction has expanded by 10%. In line with our earlier expectations, the decline seen in Q3-4 of 2016 has not repeated itself in 2017, with clearly more even values throughout the year. According to our estimate, in total 148 896 property transactions took place in 2017. Based on KSH (Central Statistical Office) data, 146 302 property transactions were closed in 2016. There is an unusual level of uncertainty in relation of the estimate, as no efficient data is available about the volume of newly-built takeovers.

In accordance with yearly trends also, the **Demand Index presented a significant decrease** in December, standing at 58 points at present. Fallback in the demand for properties in the last month has been a tendency for many years, as people tend to think less about real estate related plans during the Holidays. **Despite the decline, 2017 December has been the strongest December in the past five years.**

The **National Flat Index has continued its growth** during the last quarter of 2017, at present standing at 132 points considering nominal value, and 101 points as real value. On countrywide level, both the Panel and the Brick Indexes have increased. The former is at 143 points on nominal and 109 points on real value. The National Brick Index improved by two points on nominal value, reaching 123 points, while presenting 94 points on real value in the last quarter of 2017.

In the eastern part of the country both the Panel and the Brick Indexes have basically stagnated (1-1 point decrease). The former is at 139 points on nominal and 106 points on real value. The Brick Index on nominal value is at 120 points, and on real value at 92 points, meaning it still has been able to reach the bade value. In West-Hungary the Panel Index on nominal value decreased by 1 %, standing at 121 points at present (92 points on real value). In the western part of the country, the value of the Brick Index has significantly grown when compared to the previous quarter, standing at 118 points at present (90 points on real value).

The **Panel Index** has continued to grow, **breaking a new record**, standing at 175 percentage points at present on nominal, and at 133 points on real value. **The Brick Index has shown a fluctuating picture** in the past two years – decreasing by 4 points during Q3-4 of 2017, standing at present at 132 points on nominal value (101 points on real value).

In the second half of 2017, the highest square meter prices were detected again in Budapest. In case of used brick-built flats it meant HUF 514 thousand. On regional level, Veszprém County presented the most outstanding average values, reaching a HUF 367 thousand m<sup>2</sup> price, and HUF 21 Million unit price level. Brick-built flats were sold on the lowest average price in Békés County (HUF 155 thousand/m<sup>2</sup>), with Tolna County also around the same level (HUF 159 thousand/m<sup>2</sup>).

On the territory of Budapest, the **highest square meter prices were seen in the Inner City, and in certain Buda districts, with the highest average value detected in District 5. (HUF 788 thousand)**. Square meter prices in the outer districts continue to be significantly lower, with **Districts 19 and 21 characterized by prices similar to regional values**. When speaking of panel flats, Budapest price levels are also well above the average in means of square meter and unit prices. Similarly to used brick-built flats, on regional level, Veszprém County ended up as most expensive in case of panel flats in the 2<sup>nd</sup> half of 2017 as well (HUF 347 thousand/m<sup>2</sup>). On the contrary, in Borsod and Tolna Counties the average m<sup>2</sup> price remained below HUF 150 thousand. In Budapest, the highest average panel flat prices were measured in the Buda districts. In District 2 it was HUF 574 thousand, while in District 11 it was HUF 437 thousand for one square meter. As in the case of brick-built flats, the lowest prices were detected in certain outer districts (20 and 21).

On regional level, bargain potential ended up around 5% when buying property. **The best price deals were reached in Jász-Nagykun-Szolnok County, where sellers at the end lowered their prices by 8% on average**, in addition to which there are counties showing 6% bargain potential. In the capital, the potential in lowering the price was somewhat less, around 4-5%. The least possible price reduction was seen in Districts 3 and 4, with only 2% discount in the price.

### *Further information*

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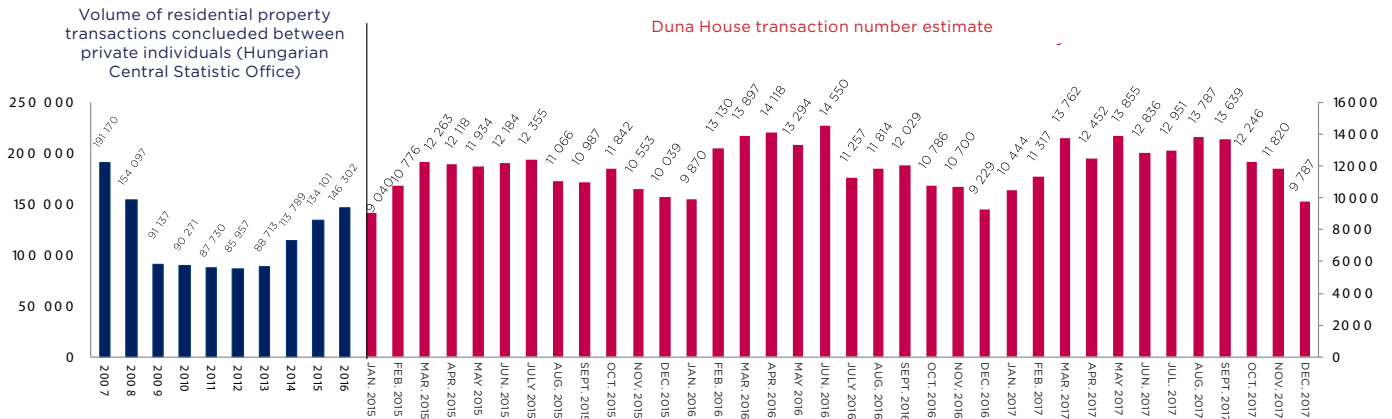
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## TRANSACTION NUMBER AND DEMANDS INDEX

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

In December 2017, in total 9.787 property sale and purchase transactions were closed. In accordance with typical yearly seasonality, the number of property sale and purchases has declined towards the end of the year; still presented a 6% growth in comparison to December 2016. When comparing the last quarters of the previous two years, the estimated volume of transaction has expanded by 10%.

In line with our earlier expectations, the decline seen in Q3-4 of 2016 has not repeated itself in 2017, with clearly more even values throughout the year. According to our estimate, in total 148 896 property transactions took place in 2017. Based on KSH (Central Statistical Office) data, 146 302 property transactions were closed in 2016. There is an unusual level of uncertainty in relation of the estimate, as no efficient data is available about the volume of newly-built takeovers.



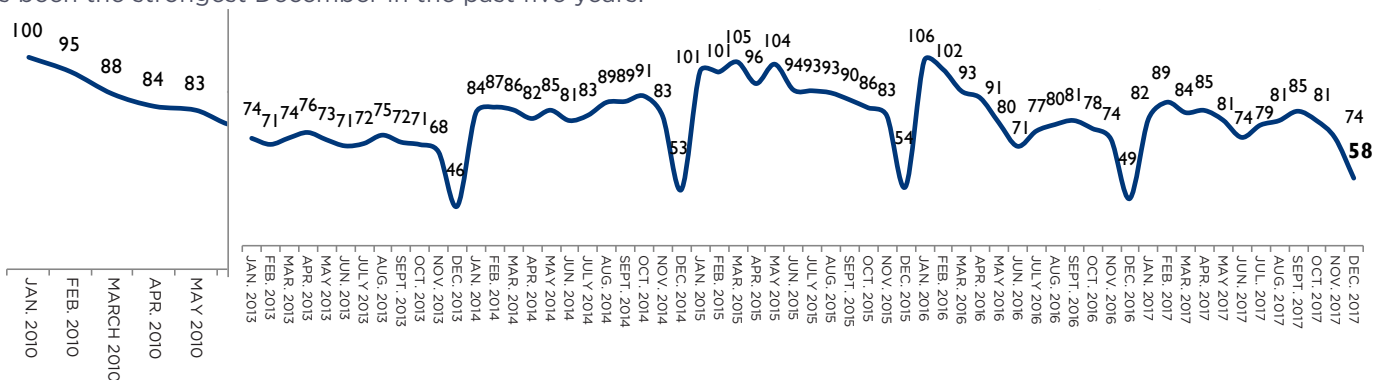
#### METHODOLOGY BEHIND DH-TE

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 monthly transaction number of property 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 months' delay, the correction of market ratio can be carried out retroactively with refining of the estimate as well. Attention! After 2016 and by the newly built flat boom, pre-contracted transactions are visible in the statistics of the Statistical Office with a delay of several months, even 1-2 years, only following the tariff of the capital transfer tax, resulting in anomalies in the statistics. 2. Amount of issued Energy certificates. 3. Subjective assessment based on other management information from the Duna House Holding.

**Attention! Data indicated within the DH-TE should not serve as grounds for transaction volume estimates in the Duna House network.**

### DH - DEMAND INDEX

In accordance with yearly trends also, the Demand Index presented a significant decrease in December, standing at 58 points at present. Fallback in the demand for properties in the last month has been a tendency for many years, as people tend to think less about real estate related plans during the Holidays. Despite the decline, 2017 December has been the strongest December in the past five years.



#### METHODOLOGY BEHIND DEMAND INDEX

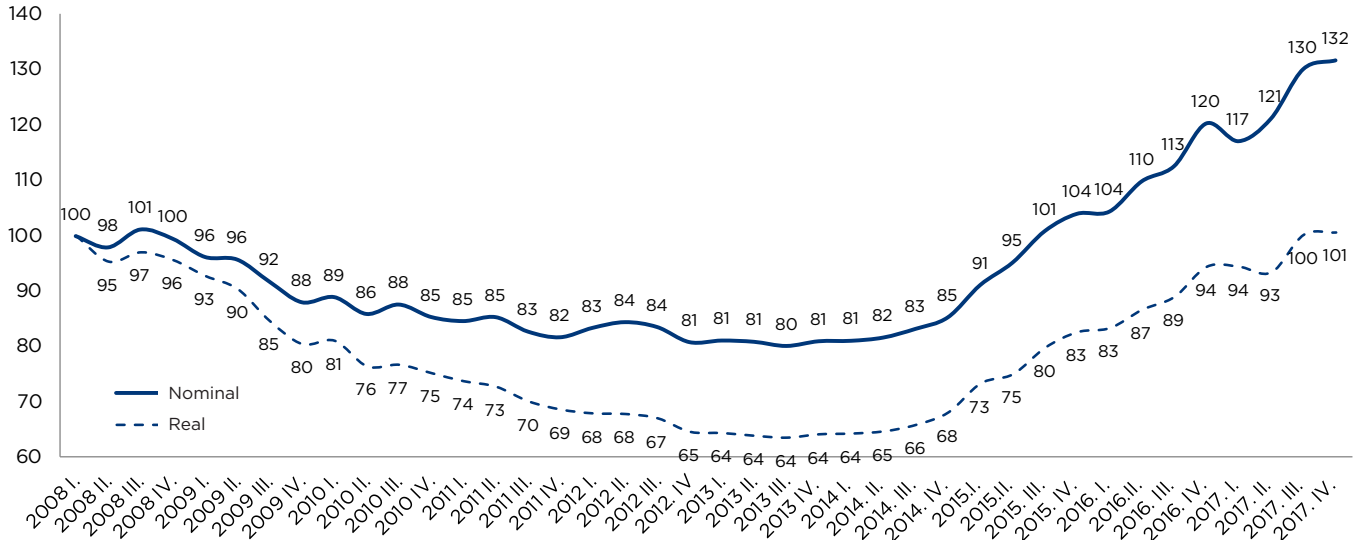
The basis of the estimate is the activity registered by our agents in various, mainly major cities and Duna House offices. Corrections are made depending on the number of active agents and working days. The Demand Index is an important indication of buyer side's reactions to political decision or solutions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



## RESIDENTIAL FLAT INDEXES

### DH - NATIONAL FLAT INDEX

The National Flat Index has continued its growth during the last quarter of 2017, at present standing at 132 points considering nominal value, and 101 points as real value.

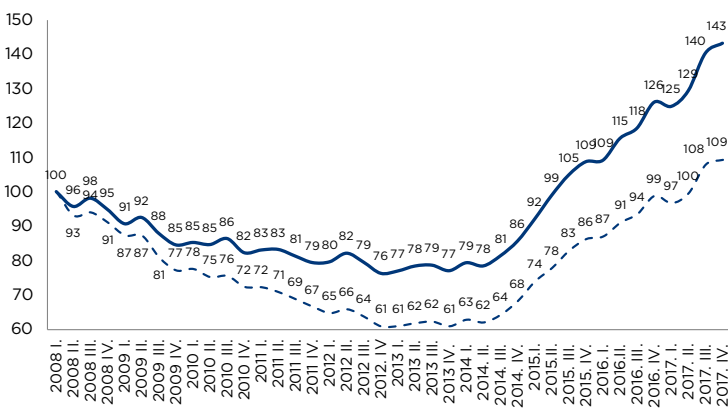


About our residential property indexes: We apply a system which tries to eliminate all kinds of type related differences. Similar indicators generally use normal averaging which does not take into consideration the variable elements of transactions. When developing DH residential property indexes we 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 Central Statistical Office.

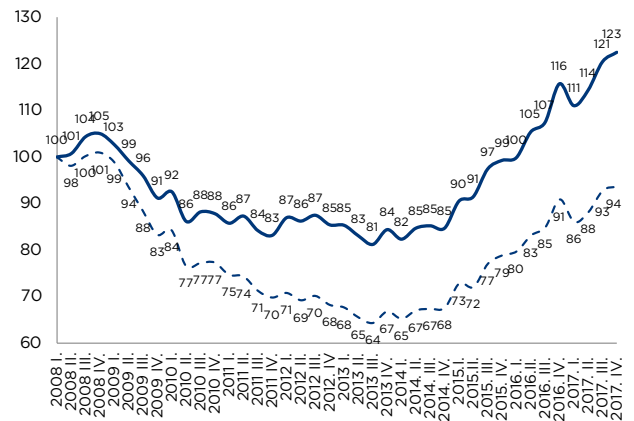
## NATIONAL FLAT INDEXES

On countrywide level, both the Panel and the Brick Indexes have increased. The former is at 143 points on nominal and 109 points on real value. The National Brick Index improved by two points on nominal value, reaching 123 points, while presenting 94 points on real value in the last quarter of 2017.

### DH - NATIONAL PANEL INDEX



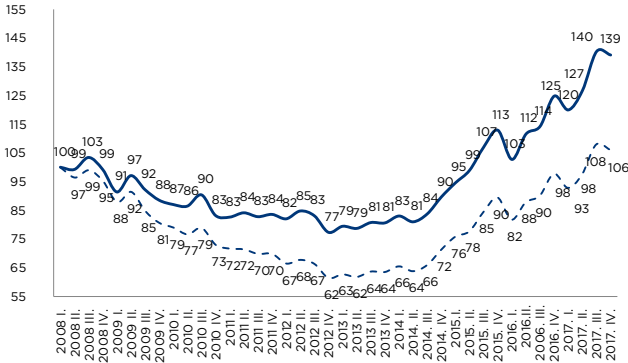
### DH - NATIONAL BRICK INDEX



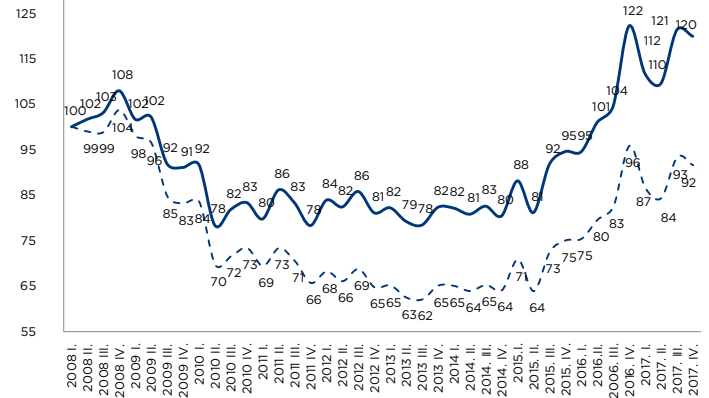
## RESIDENTIAL FLAT INDEXES - REGIONAL

In the eastern part of the country both the Panel and the Brick Indexes have basically stagnated (1-1 point decrease). The former is at 139 points on nominal and 106 points on real value. The Brick Index on nominal value is at 120 points, and on real value at 92 points, meaning it still has been able to reach the bade value.

**EAST-HUNGARY PANEL INDEX**

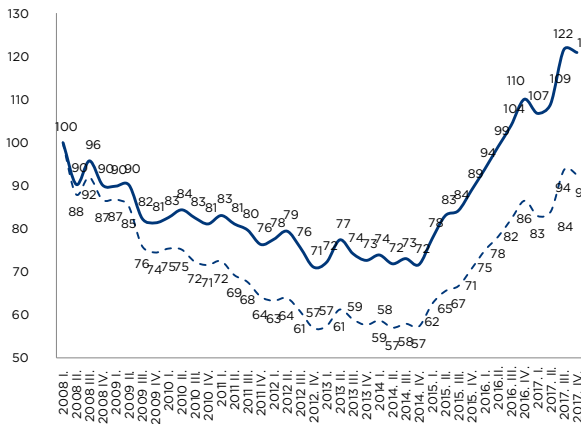


**EAST-HUNGARY BRICK INDEX**

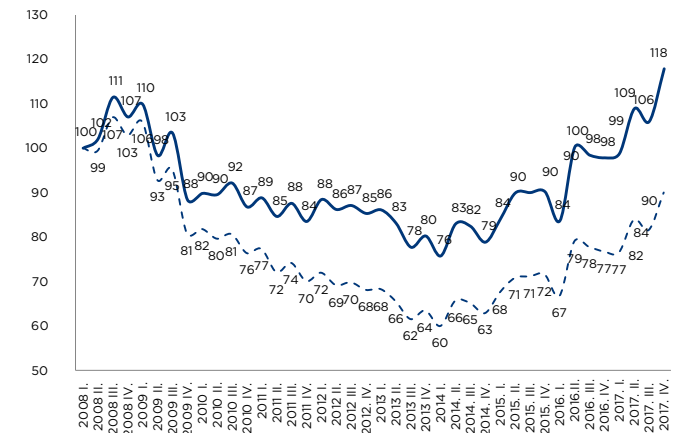


In West-Hungary the Panel Index on nominal value decreased by 1 point, standing at 121 points at present (92 points on real value). In the western part of the country, the value of the Brick Index has significantly grown when compared to the previous quarter, standing at 118 points at present (90 points on real value).

**WEST-HUNGARY PANEL INDEX**



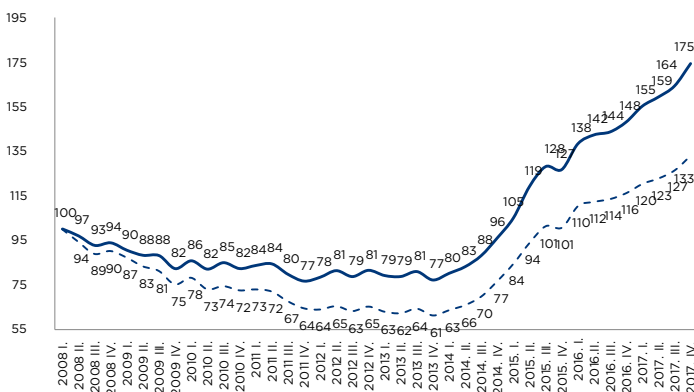
**WEST-HUNGARY BRICK INDEX**



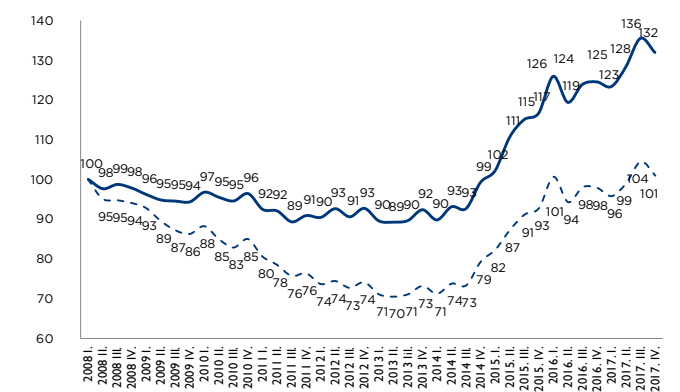
## BUDAPEST FLAT INDEXES

The Panel Index has continued to grow in Budapest, breaking a new record, standing at 175 percentage points at present on nominal, and at 133 points on real value. The Brick Index has shown a fluctuating picture in the past two years - decreasing by 4 points during Q3-4 of 2017, standing at present at 132 points on nominal value (101 points on real value).

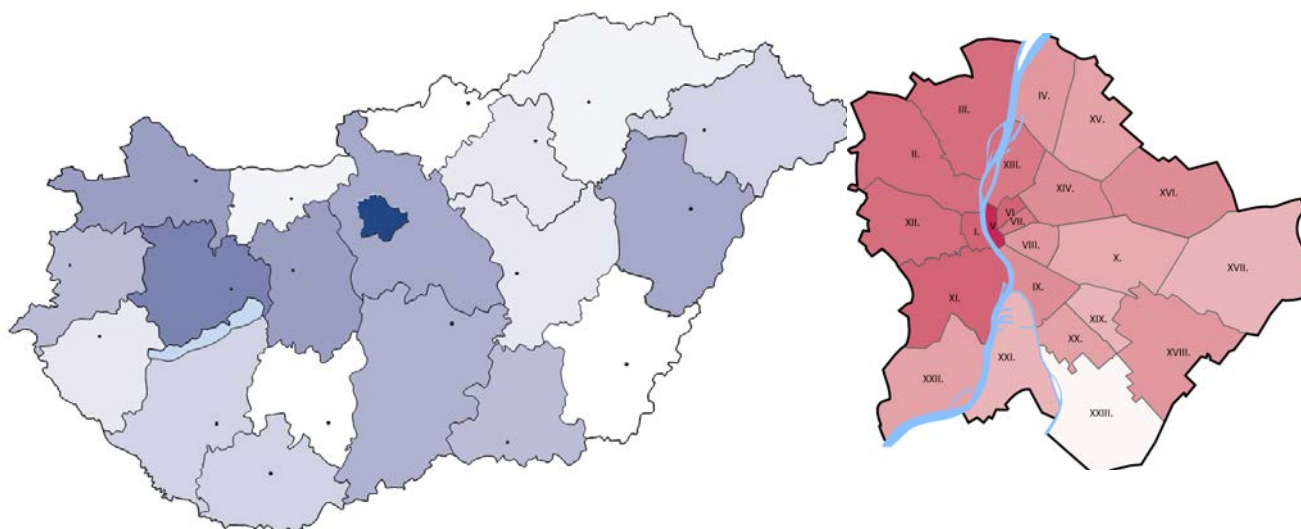
**DH - BUDAPEST PANEL INDEX**



**DH - BUDAPEST BRICK INDEX**



## USED BRICK FLAT DATA - 2017. Q3-4.



COUNTY	M <sup>2</sup> PRICE	UNIT PRICE	TIME NEED OF SALE (DAY)	DISTRICT	M <sup>2</sup> PRICE	UNIT PRICE	TIME NEED OF SALE (DAY)
Bács-Kiskun	288 000	16 652 000	110	Budapest 01.	605 000	35 636 000	105
Baranya	233 000	12 632 000	129	Budapest 02.	588 000	42 286 000	143
Békés	155 000	7 899 000	99	Budapest 03.	578 000	32 578 000	124
Borsod-Abaúj-Zemplén	181 000	11 586 000	189	Budapest 04.	427 000	21 938 000	140
Budapest	514 000	29 530 000	118	Budapest 05.	788 000	47 601 000	136
Csongrád	274 000	13 442 000	146	Budapest 06.	632 000	39 285 000	117
Fejér	311 000	17 483 000	265	Budapest 07.	551 000	31 562 000	105
Győr-Moson-Sopron	315 000	17 143 000	120	Budapest 08.	415 000	21 363 000	123
Hajdú-Bihar	296 000	16 355 000	120	Budapest 09.	468 000	27 002 000	155
Heves	191 000	11 815 000	70	Budapest 10.	343 000	17 548 000	108
Jász-Nagykun-Szolnok	200 000	11 332 000	103	Budapest 11.	608 000	35 095 000	152
Komárom-Esztergom	182 000	9 121 000	108	Budapest 12.	580 000	45 625 000	131
Pest	294 000	19 374 000	186	Budapest 13.	526 000	28 037 000	124
Somogy	228 000	13 100 000	300	Budapest 14.	466 000	24 814 000	104
Szabolcs-Szatmár-Bereg	235 000	11 450 000	121	Budapest 15.	399 000	17 332 000	68
Tolna	159 000	10 908 000	114	Budapest 16.	470 000	27 587 000	137
Vas	267 000	14 841 000	118	Budapest 17.	331 000	28 497 000	77
Veszprém	367 000	21 246 000	129	Budapest 18.	425 000	20 393 000	242
Zala	193 000	11 196 000	181	Budapest 19.	331 000	16 045 000	102
				Budapest 20.	407 000	19 437 000	211
				Budapest 21.	328 000	16 984 000	93
				Budapest 22.	406 000	23 384 000	88

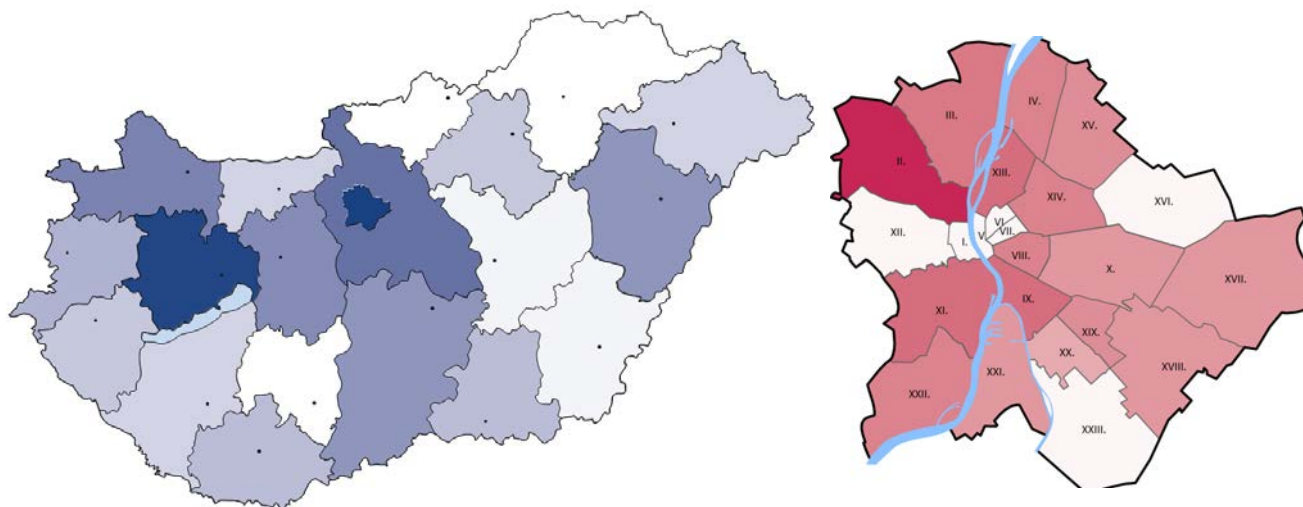
Based on purchase prices of the given period of properties brokered by Duna House.

In the second half of 2017, the highest square meter prices were detected again in Budapest. In case of used brick-built flats it meant HUF 514 thousand. On regional level, Veszprém County presented the most outstanding average values, reaching a HUF 367 thousand m<sup>2</sup> price, and HUF 21 Million unit price level. Brick-built flats were sold on the lowest average price in Békés County (HUF 155 thousand/m<sup>2</sup>), with Tolna County also around the same level (HUF 159 thousand/m<sup>2</sup>).

On the territory of Budapest, the highest square meter prices were seen in the Inner City, and in certain Buda districts, with the highest average value detected in District 5. (HUF 788 thousand). Square meter prices in the outer districts continue to be significantly lower, with Districts 19 and 21 characterized by prices similar to regional values.



## PANEL FLAT DATA - 2017. Q3-4.

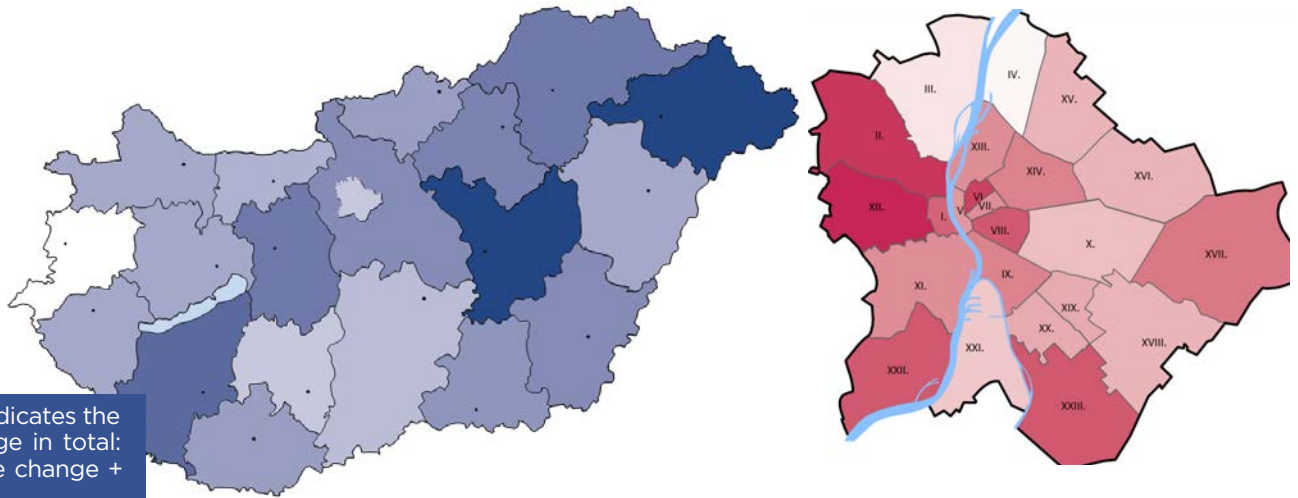


COUNTY	M <sup>2</sup> PRICE	UNIT PRICE	TIME NEED OF SALE (DAY)	DISTRICT	M <sup>2</sup> PRICE	UNIT PRICE	TIME NEED OF SALE (DAY)
Bács-Kiskun	246 000	12 716 000	60	Budapest 02.	574 000	29 675 000	126
Baranya	203 000	10 301 000	55	Budapest 03.	397 000	19 532 000	88
Békés	156 000	8 150 000	92	Budapest 04.	364 000	19 303 000	74
Borsod-Abaúj-Zemplén	139 000	7 538 000	93	Budapest 08.	381 000	19 992 000	75
Budapest	357 000	18 855 000	80	Budapest 09.	423 000	21 834 000	156
Csongrád	207 000	10 769 000	88	Budapest 10.	314 000	16 197 000	70
Fejér	257 000	13 439 000	122	Budapest 11.	437 000	22 410 000	76
Győr-Moson-Sopron	272 000	16 370 000	91	Budapest 13.	415 000	22 931 000	63
Hajdú-Bihar	253 000	13 423 000	61	Budapest 14.	364 000	18 444 000	146
Heves	195 000	11 322 000	87	Budapest 15.	331 000	17 500 000	71
Jász-Nagykun-Szolnok	154 000	9 713 000	119	Budapest 17.	310 000	16 910 000	61
Komárom-Esztergom	181 000	9 416 000	84	Budapest 18.	306 000	16 070 000	66
Pest	291 000	16 119 000	130	Budapest 19.	342 000	17 113 000	67
Somogy	189 000	8 838 000	85	Budapest 20.	267 000	15 927 000	137
Szabolcs-Szatmár-Bereg	181 000	10 167 000	82	Budapest 21.	301 000	15 184 000	49
Tolna	140 000	7 883 000	86	Budapest 22.	372 000	19 050 000	87
Vas	220 000	12 276 000	96				
Veszprém	347 000	11 567 000	60				
Zala	192 000	10 574 000	85				

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

When speaking of panel flats, Budapest price levels are also well above the average in means of square meter and unit prices. Similarly to used brick-built flats, on regional level, Veszprém County ended up as most expensive in case of panel flats in the 2<sup>nd</sup> half of 2017 as well (HUF 347 thousand/m<sup>2</sup>). On the contrary, in Borsod and Tolna Counties the average m<sup>2</sup> price remained below HUF 150 thousand. In Budapest, the highest average panel flat prices were measured in the Buda districts. In District 2 it was HUF 574 thousand, while in District 11 it was HUF 437 thousand for one square meter. As in the case of brick-built flats, the lowest prices were detected in certain outer districts (20 and 21).

## BARGAIN - 2017. Q3-4.



The map indicates the price change in total: listing price change + bargain

DISTRICT	CHANGE IN LISTING	BARGAIN
Budapest 01.	-2%	-5%
Budapest 02.	-3%	-5%
Budapest 03.	-2%	-2%
Budapest 04.	-2%	-2%
Budapest 05.	-2%	-4%
Budapest 06.	-3%	-5%
Budapest 07.	-2%	-4%
Budapest 08.	-3%	-4%
Budapest 09.	-2%	-4%
Budapest 10.	-2%	-3%
Budapest 11.	-3%	-4%
Budapest 12.	-4%	-4%
Budapest 13.	-3%	-3%
Budapest 14.	-3%	-3%
Budapest 15.	-2%	-4%
Budapest 16.	-2%	-4%
Budapest 17.	-3%	-4%
Budapest 18.	-2%	-3%
Budapest 19.	-2%	-4%
Budapest 20.	-2%	-4%
Budapest 21.	-2%	-3%
Budapest 22.	-2%	-5%
Budapest 23.	-4%	-4%

COUNTY	CHANGE IN LISTING	BARGAIN
Bács-Kiskun	-2%	-5%
Baranya	-3%	-5%
Békés	-2%	-6%
Borsod-Abaúj-Zemplén	-2%	-6%
Budapest	-3%	-4%
Csongrád	-2%	-6%
Fejér	-3%	-6%
Győr-Moson-Sopron	-2%	-5%
Hajdú-Bihar	-2%	-5%
Heves	-2%	-6%
Jász-Nagykun-Szolnok	-2%	-8%
Komárom-Esztergom	-2%	-5%
Pest	-2%	-5%
Somogy	-2%	-6%
Szabolcs-Szatmár-Bereg	-3%	-6%
Tolna	-4%	-6%
Vas	-2%	-4%
Veszprém	-1%	-4%
Zala	-2%	-5%

### Methodology:

Change in the listing price is the difference between the first price indicated by the seller 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

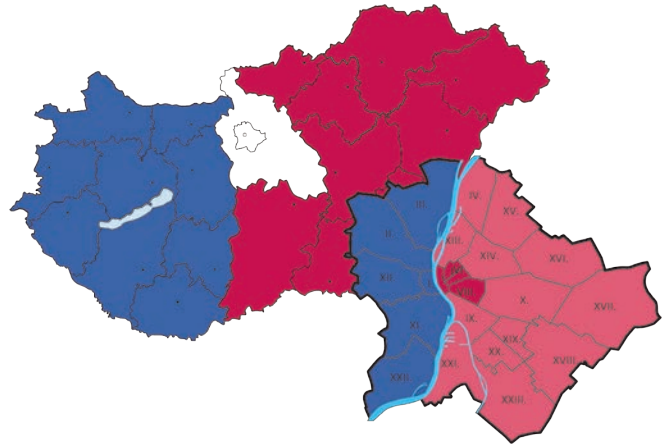
Based on purchase prices of the given period of properties brokered by Duna House.

On regional level, bargain potential ended up around 5% when buying property. The best price deals were reached in Jász-Nagykun-Szolnok County, where sellers at the end lowered their prices by 8% on average, in addition to which there are counties showing 6% bargain potential. In the capital, the potential in lowering the price was somewhat less, around 4-5%. The least possible price reduction was seen in Districts 3 and 4, with only 2% discount in the price.

## FLAT DATA - DECEMBER 2017.

In December panel flats in the eastern part of the country were sold for HUF 230 Thousand/m<sup>2</sup>, while in the western part for HUF 211 thousand on average. In comparison with the previous month, it indicates price increase. Price of used brick-built flats was nearly the same as in case of panel flats, indicating a minor decrease when compared to the previous month. Average time of sale was longer in case of brick-built flats.

In Buda side of the capital, panel flats were sold for HUF 466 thousand/m<sup>2</sup> average price in December. In Pest side, buyers paid HUF 346 thousand/m<sup>2</sup> on average for a panel flat. Brick-built flats were the most expensive in the Inner City (HUF 632 th./m<sup>2</sup>), next to which Buda indicated HUF 587 thousand, and Pest HUF 456 thousand average m<sup>2</sup> prices.



PANEL COUNTRYWIDE			
	Price	m <sup>2</sup> price	Time need of sale /day
East	11 040 000	230 000	95
West	10 642 000	211 000	88

PANEL BUDAPEST			
	Price	m <sup>2</sup> price	Time need of sale /day
Buda	22 873 000	466 000	88
Pest	19 572 000	346 000	62

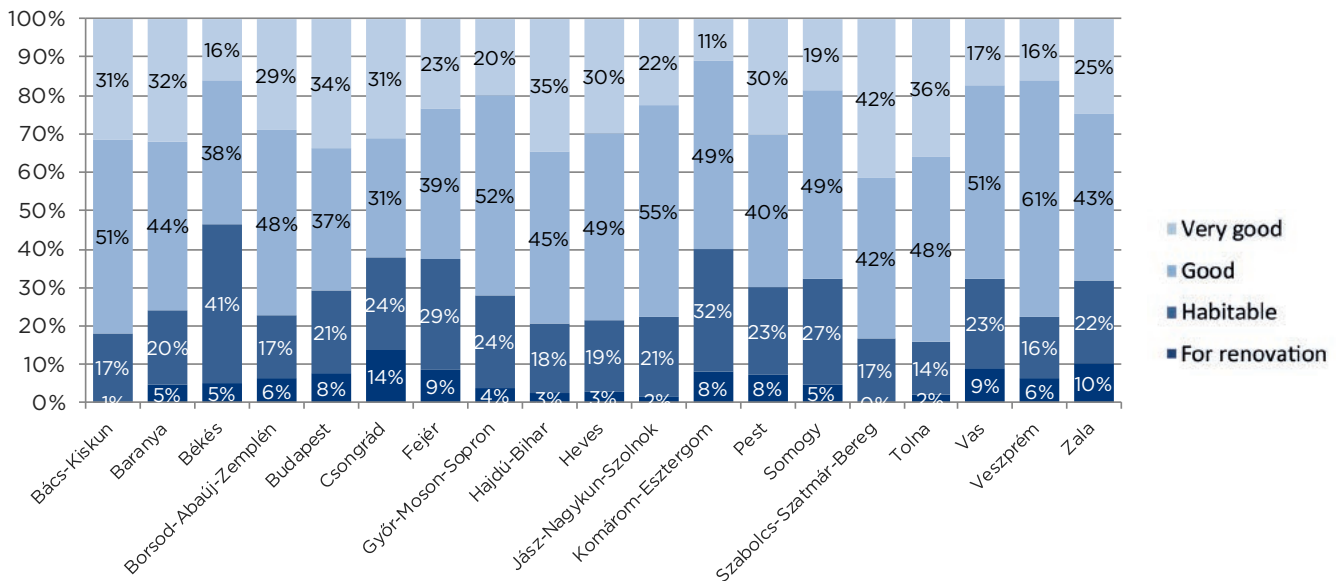
BRICK COUNTRYWIDE			
	Price	m <sup>2</sup> price	Time need of sale /day
East	15 524 000	229 000	139
West	11 255 000	220 000	155

BRICK BUDAPEST			
	Price	m <sup>2</sup> price	Time need of sale /day
Buda	37 851 000	587 000	131
Pest	25 065 000	456 000	90
Inner City	39 640 000	632 000	110

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

## QUALITY PREFERENCE (USED FLATS) - 2017 Q3-4.

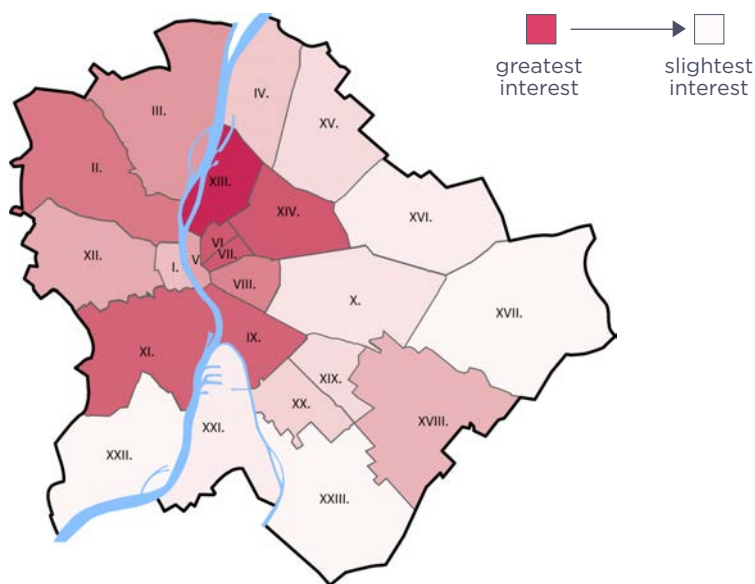
In the second half of 2017, in most counties, “good” quality properties were the most popular among buyers, accounting for 31-61% ratio. “Very good”, and “habitable” quality flats accounted for nearly similar ratios in the total, with the ratios in relation to each other being diverse in the different counties. The ratio of flats “for renovation” ended up being the highest in Csongrád County (14%).



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.

## INTEREST TOWARD DISTRICTS DECEMBER 2017.

DISTRICT	MAY	JUNE
Budapest 01.	8,0%	9,0%
Budapest 02.	12,9%	14,2%
Budapest 03.	12,1%	12,0%
Budapest 04.	6,4%	8,4%
Budapest 05.	10,5%	11,3%
Budapest 06.	15,8%	16,5%
Budapest 07.	15,6%	16,6%
Budapest 08.	12,0%	13,7%
Budapest 09.	13,1%	15,3%
Budapest 10.	5,7%	6,3%
Budapest 11.	16,2%	15,7%
Budapest 12.	11,3%	10,5%
Budapest 13.	17,2%	18,9%
Budapest 14.	16,7%	16,2%
Budapest 15.	6,5%	6,9%
Budapest 16.	5,1%	5,3%
Budapest 17.	4,2%	4,2%
Budapest 18.	8,7%	9,6%
Budapest 19.	7,2%	6,6%
Budapest 20.	6,4%	7,3%
Budapest 21.	4,6%	5,7%
Budapest 22.	3,1%	3,6%
Budapest 23.	3,1%	3,7%



**Methodology:** Our clients with purchasing aims indicate their preferences of districts (more at the same time) when meeting with 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 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 transaction

District 13 came in as the most popular in the last month of the year again (18.9%). Districts 6, 7 and 14 were also among the most looked for, with indicated interest above 16% in December. On the contrary, interest toward the outer districts remained under 8%.

## BARGAIN – DECEMBER 2017.

Bargain potential in December was the highest in case of family houses, regardless of the location. In Budapest, buyers of panel flats were in the worst bargain position, with only minimal price decrease, while on regional level, both in case of panel and brick-built flats the bargain potential was around 4%.

	CHANGE IN LISTING	BARGAIN
<b>FAMILY HOME</b>		
Budapest	-3%	-5%
Pest County	-2%	-5%
Regional	-3%	-7%
<b>PANEL</b>		
Budapest	-2%	-2%
Vidék	-3%	-4%
<b>BRICK</b>		
Budapest	-2%	-4%
Vidék	-1%	-4%
<b>TOTAL</b>		
Budapest	-2%	-4%
Vidék	-2%	-5%

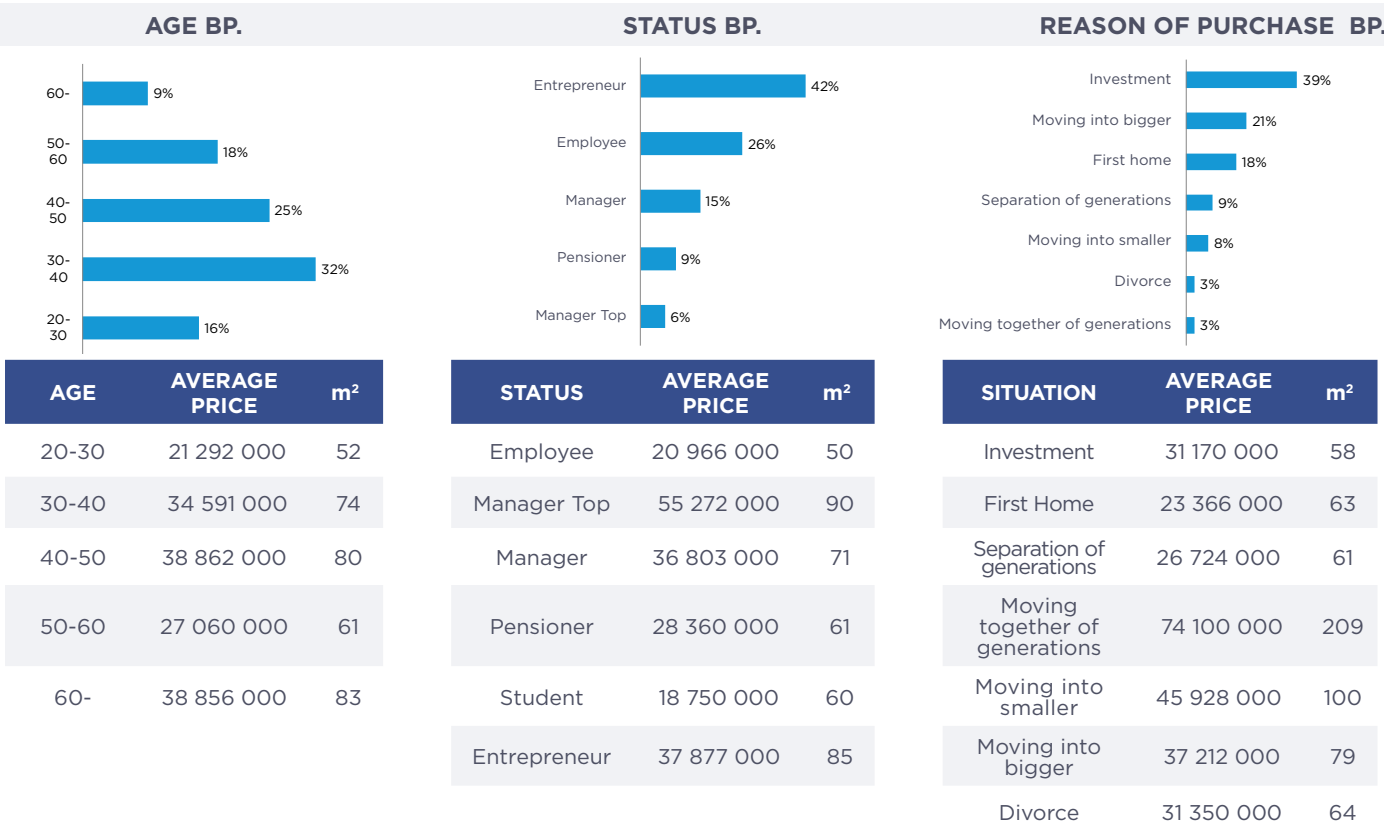
### Methodology:

Change in the listing price is the difference between the first price indicated by the seller 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

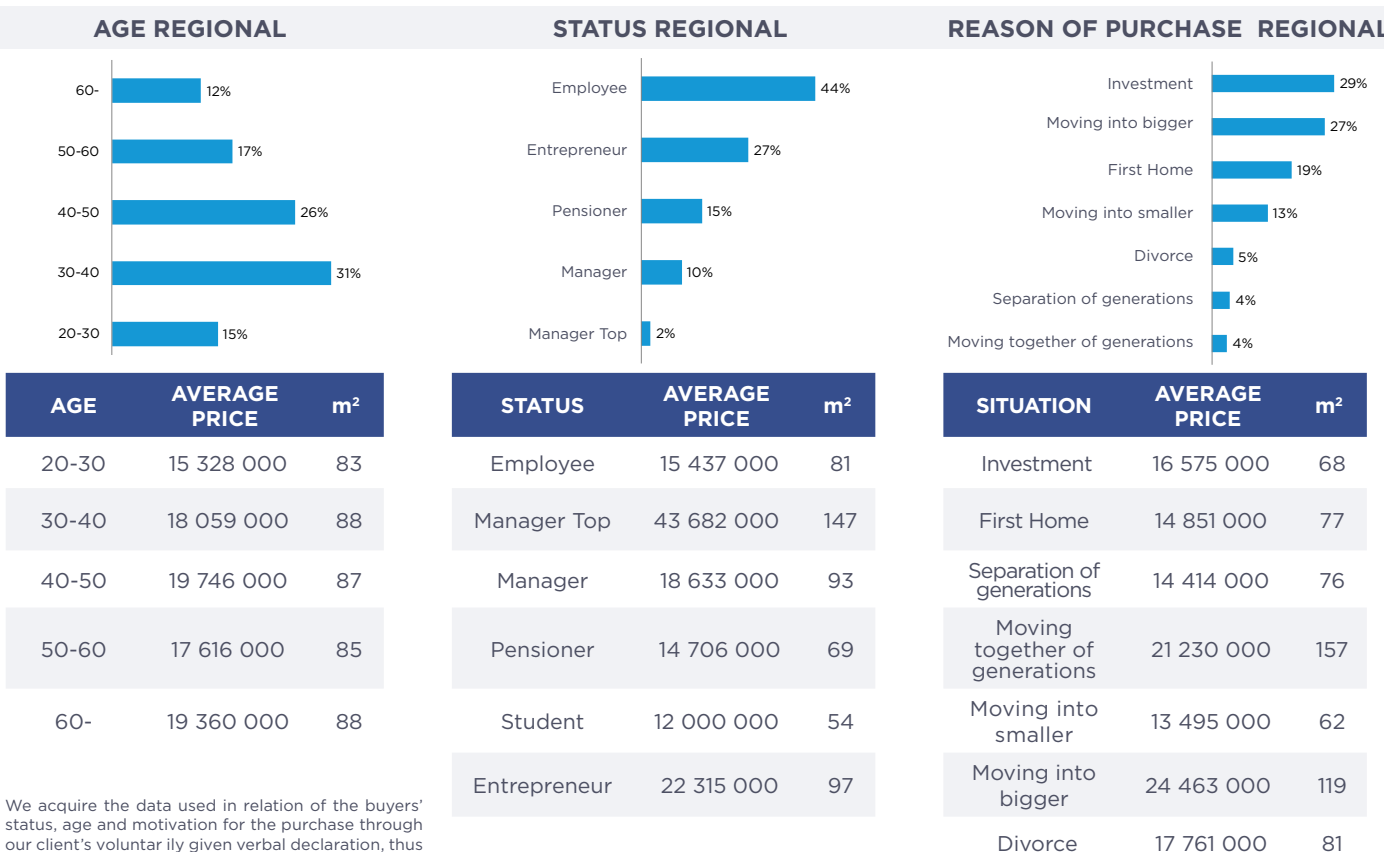
Based on purchase prices of the given period of properties brokered by Duna House.

## CLIENT PROFILE: BUYERS IN DECEMBER

In Budapest, the age group of 30-40 accounted for the highest ratio among all buyers (32%). Entrepreneurs were represented with the highest volume (42%). In Budapest, the main reason behind the acquisition is still investment (39%), in addition to which the ratio of those moving into a bigger property (21%), and those buying their first property (18%) is also to be noted. Average value of investments was around HUF 31 Million, for around 58 m<sup>2</sup> size properties. Those buying their first property have spent nearly HUF 10 Million less for the desired property than investors.



Similarly to Budapest, on regional level, it was also the age group of 30-40 buying the greatest part of properties (31%). On the other hand, the highest ratio among buyers was employees (44%). The main reason behind the acquisition on regional level was also investment with 29% ratio, which is just slightly more than the ratio of those moving into a bigger property (27%). Value of investments was nearly half of the values measured in Budapest.



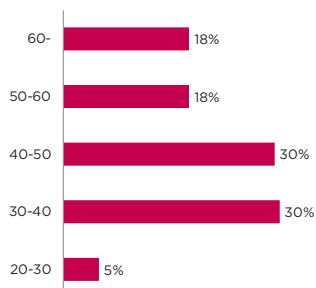
We acquire the data used in relation of the buyers' status, age and motivation for the purchase through our client's voluntarily given verbal declaration, thus it shall be regarded as estimation.



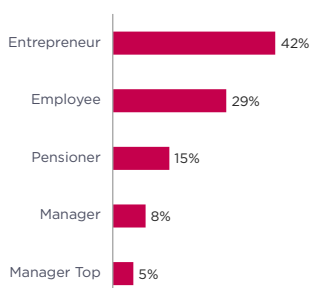
## CLIENT PROFILE: SELLERS IN DECEMBER

In Budapest, over half of the sellers fell into the age group of 30-50. Mainly entrepreneurs decided to sell their properties (42%). The main reason behind the sale was moving into a bigger property (45%), accounting for nearly half of all transactions. Those moving into a bigger property sold average 55 m<sup>2</sup> size properties for around HUF 29 Million.

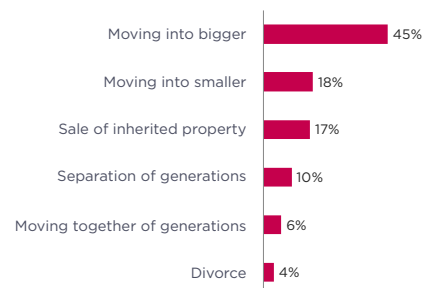
### AGE BP.



### STATUS BP.



### REASON OF SALE BP.



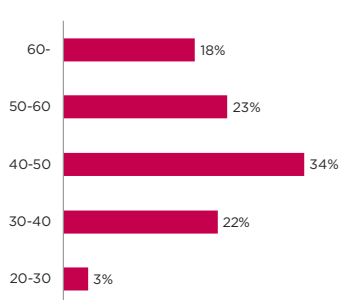
AGE	AVERAGE PRICE	m <sup>2</sup>
20-30	27 943 000	48
30-40	29 123 000	58
40-50	37 875 000	82
50-60	30 518 000	82
60-	30 176 000	67

STATUS	AVERAGE PRICE	m <sup>2</sup>
Employee	22 763 000	58
Manager Top	36 780 000	71
Manager	26 200 000	68
Pensioner	22 897 000	58
Entrepreneur	41 665 000	84

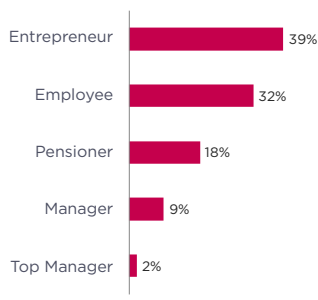
SITUATION	AVERAGE PRICE	m <sup>2</sup>
Separation of generations	54 157 000	106
Moving together of generations	26 710 000	59
Moving into smaller	39 615 000	119
Moving into bigger	28 625 000	55
Sale of inherited property	30 100 000	70
Divorce	30 000 000	107

On regional level, the age group of 40-50 accounted for the highest ratio among sellers (34%). The ratio of entrepreneurs was also significant (39%), next to which the ratio of employees was also above 30%. Many sold inherited property (32%, accounting for the highest part), selling average 80 m<sup>2</sup> properties for around HUF 12.5 Million.

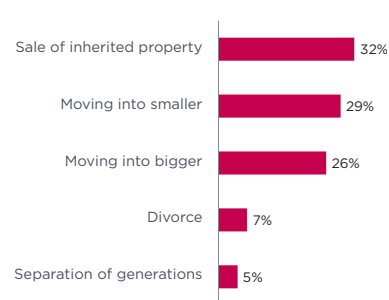
### AGE REGIONAL



### STATUS REGIONAL



### REASON OF SALE REGIONAL



AGE	AVERAGE PRICE	m <sup>2</sup>
20-30	15 585 000	50
30-40	15 090 000	72
40-50	20 420 000	94
50-60	17 959 000	94
60-	13 663 000	79

STATUS	AVERAGE PRICE	m <sup>2</sup>
Employee	13 086 000	81
Top Manager	23 792 000	93
Manager	16 362 000	87
Pensioner	13 197 000	87
Entrepreneur	23 033 000	86

SITUATION	AVERAGE PRICE	m <sup>2</sup>
Separation of generations	20 688 000	113
Moving together of generations	17 334 000	92
Moving into smaller	19 968 000	113
Moving into bigger	14 844 000	71
Sale of inherited property	12 409 000	80
Divorce	17 905 000	113

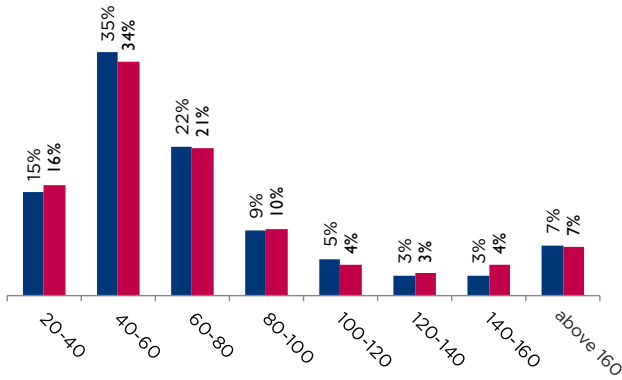
We acquire the data used in relation of the clients' status, age and motivation for the purchase through our client's voluntarily given verbal declaration, thus it shall be regarded as estimation .

## TRANSACTION PARAMETERS – BUDAPEST

Size of flats in Budapest has not changed significantly during the last year. The majority looked for 40-60 m<sup>2</sup> size flats. Average m<sup>2</sup> prices, on the other hand, have significantly moved toward higher values during the one year period. In Buda, the ratio of flats sold for over HUF 600 thousand/m<sup>2</sup> has nearly doubled when compared to 2016, with Pest also indicating a significant growth in properties falling in the same category.

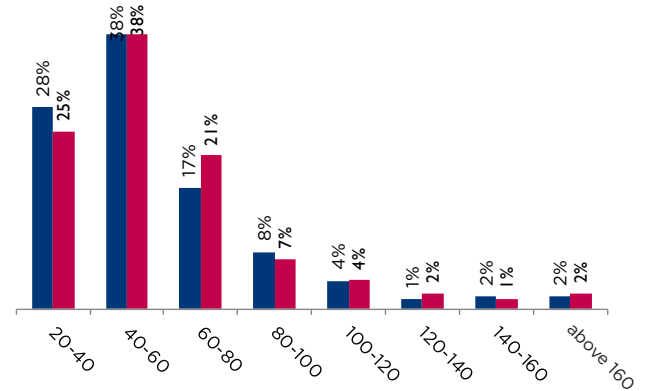
### BUDA

Size (m<sup>2</sup>)

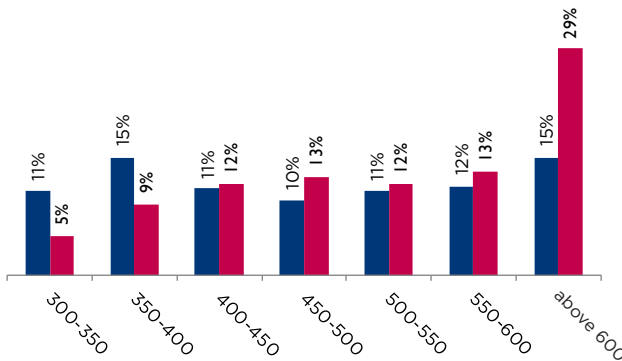


### PEST

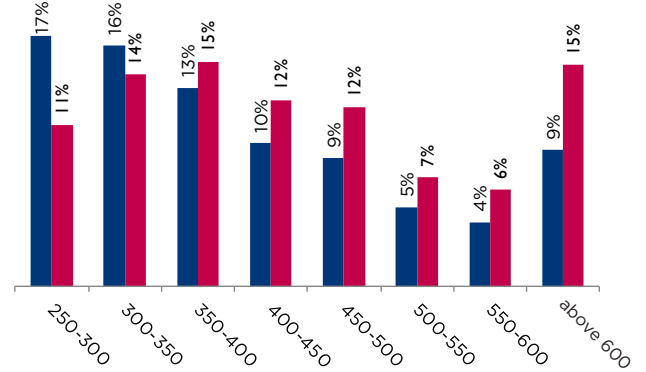
Size (m<sup>2</sup>)



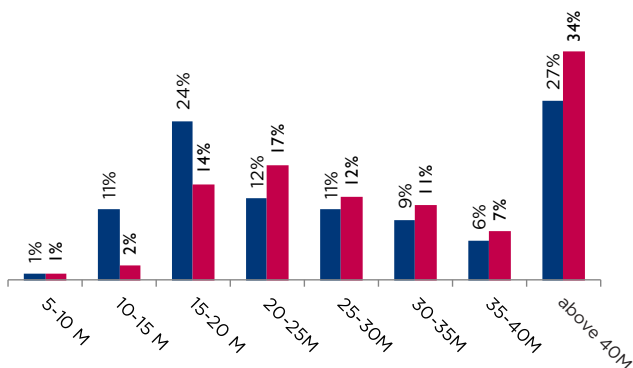
m<sup>2</sup> price (HUF thousand)



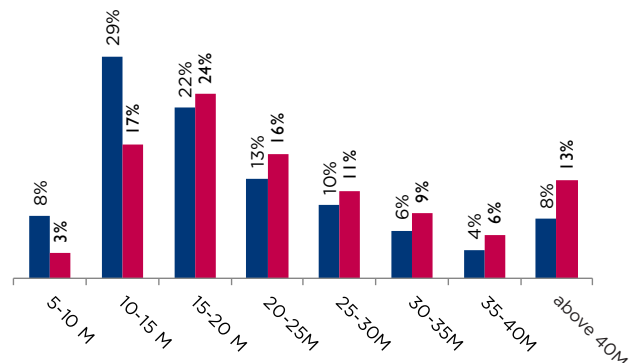
m<sup>2</sup> price (HUF thousand)



Price (HUF million)



Price (HUF million)



■ 2016. Q3-4  
■ 2017. Q3-4

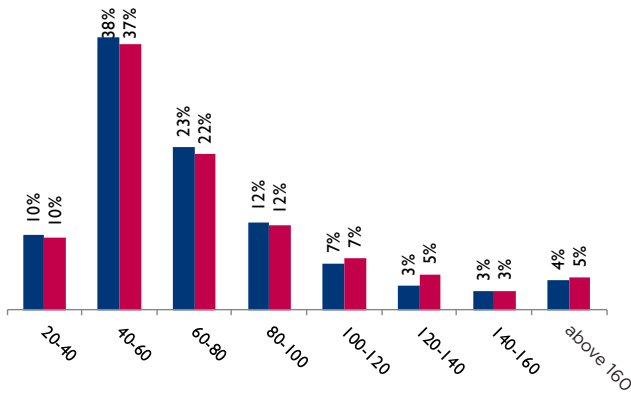
Based on properties sold by the Duna House Franchise network.

## TRANSACTION PARAMETERS — REGIONAL

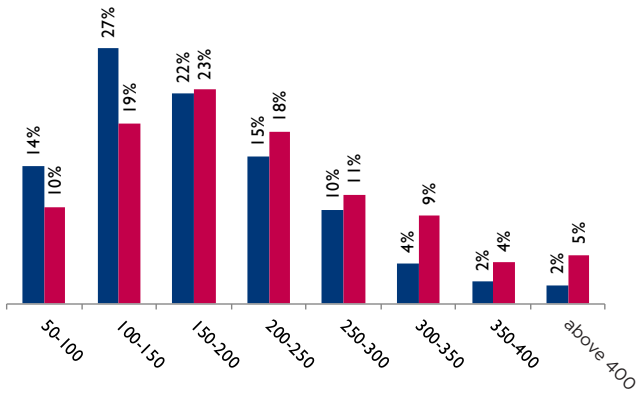
In Pest County, the ratio of flats of bigger sizes has grown, while the size of sold properties in the other regions has not changed. The ratio of higher price categories has also increased outside Budapest, with both Pest County and other regions increasing the ratio of the above HUF 200 thousand m<sup>2</sup> price category. Basically the same is indicated when looking at the prices of flats.

### COUNTRYWIDE (EXCLUDING CENTRAL HUNGARY)

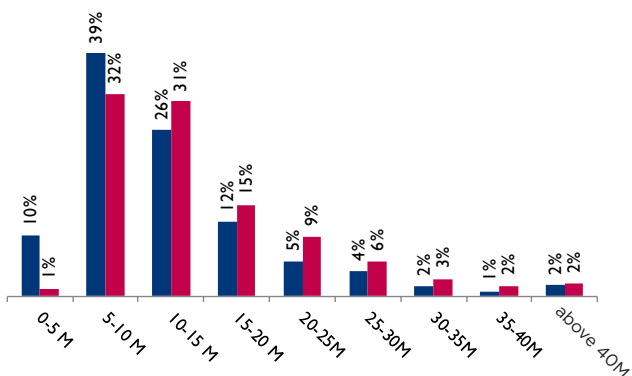
Size (m<sup>2</sup>)



m<sup>2</sup> price (HUF thousand)

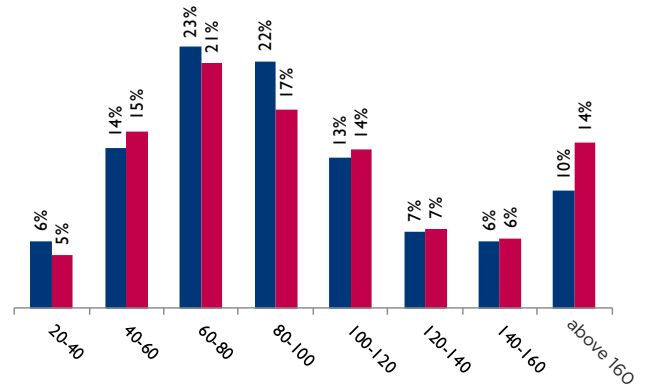


Price (HUF million)

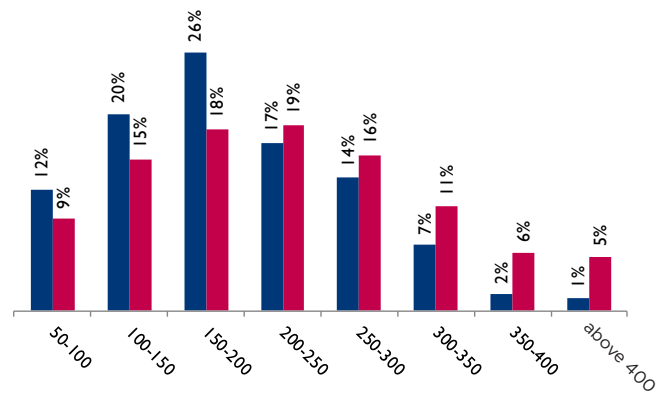


### PEST COUNTY

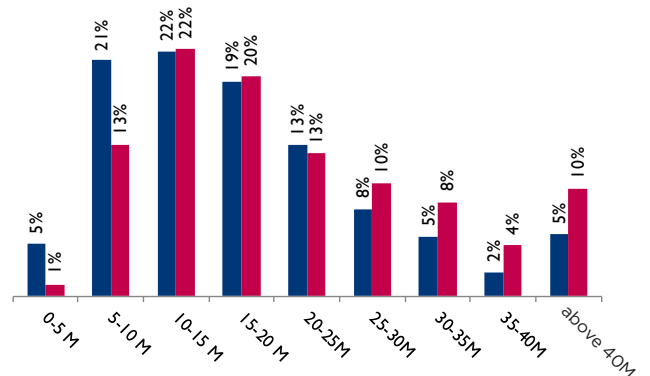
Size (m<sup>2</sup>)



m<sup>2</sup> price (HUF thousand)



Price (HUF million)



■ 2016. Q3-4  
■ 2017. Q3-4

Based on properties sold by the Duna House Franchise network.



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