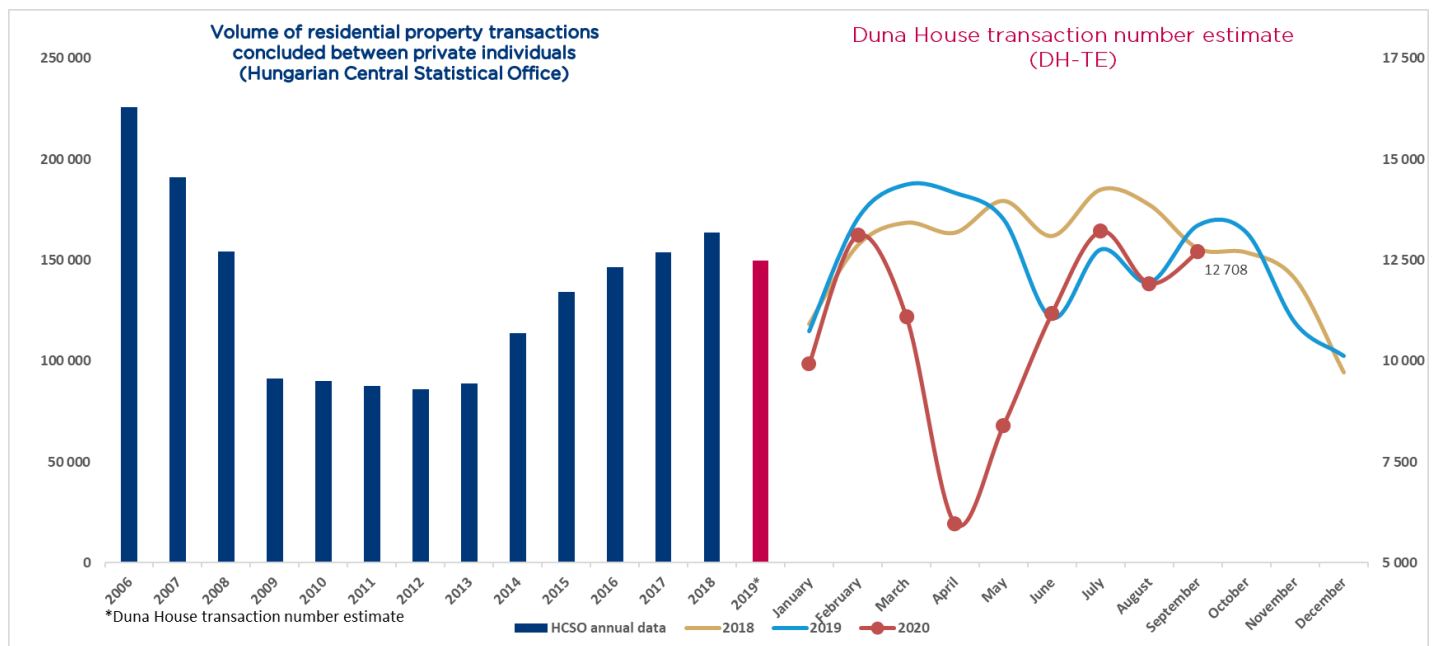


Residential property transaction volume estimate and mortgage forecast for September 2020

Duna House presents its monthly Transaction Number Estimate (DH-TE) and Mortgage Forecast below, showing that in September 2020 12,708 property transactions were concluded and residential mortgage contracts worth HUF 75 billion were signed in the whole of Hungary.



The end-of-quarter sprint in September brought rising transaction numbers. Based on the estimate of Duna House a total of 12,708 properties changed owner on the Hungarian residential property market in September, a volume similar to the same period of 2018 and 5% lower than a year ago. The Q3 property market transaction numbers showed no signs of the Covid-effect anymore. In the period between July-September there were almost 38,000 sales transactions in total, which is equivalent to the same period of 2019.

Based on market data, Duna House Finances expect similarly improving figures for the property mortgage market. The mortgage volume of HUF 75 billion estimated by the financing agency equals the factual figures published by the National Bank of Hungary for the same period last year and reflects a good market performance on a quarter-by-quarter basis, too. According to the September estimate and the factual figures published by the National Bank of Hungary for the previous two months, in Q3 2020 there were almost HUF 225 billion of loans spent by Hungarians on residential properties.

Budapest, 1 October 2020

Background info

The table below shows monthly transaction volume estimates of Duna House.

	January	February	March	April	May	June	July	August	September	October	November	December
2018	10,918	12,869	13,426	13,180	13,967	13,098	14,246	13,869	12,787	12,689	12,033	9,721
2019	10,741	13,532	14,373	14,166	13,512	11,069	12,764	11,945	13,364	13,182	10,945	10,127
2020	9917	13,117	11,100	5971	8400	11,186	13,125	11,923	12,708			

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 by Duna House Loan Center 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