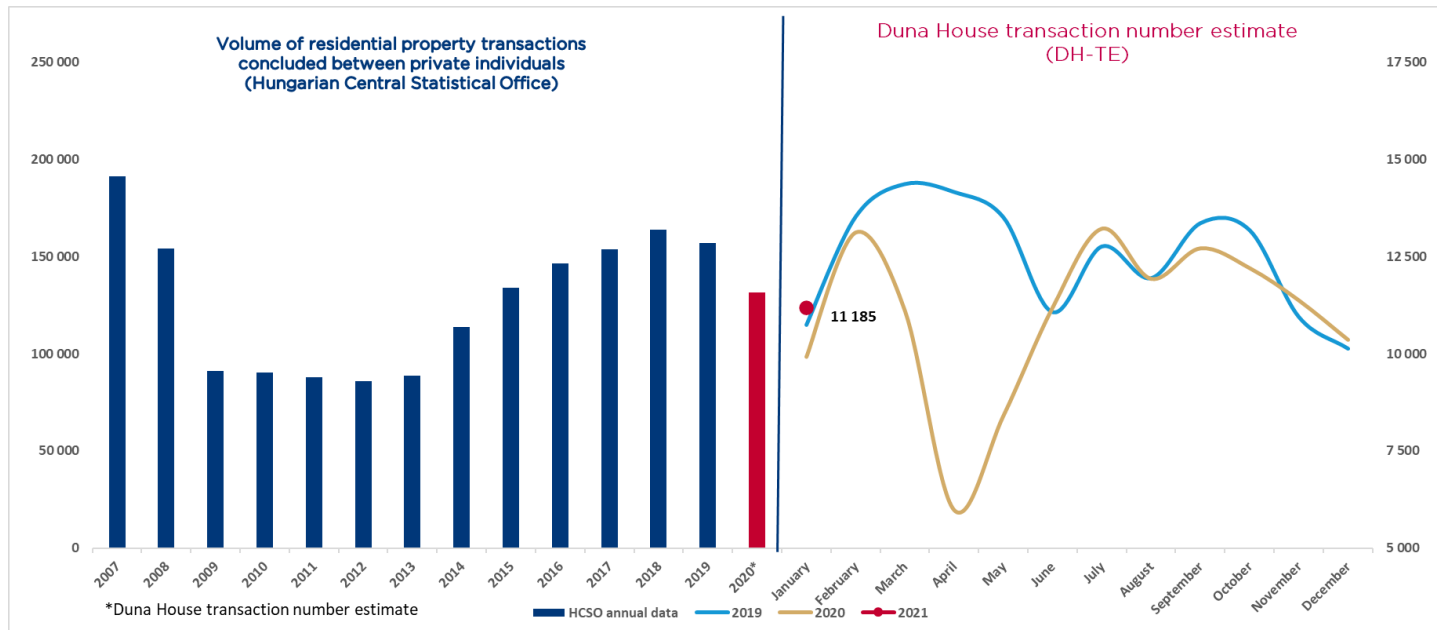


Residential property transaction volume estimate and mortgage forecast for January 2021

Duna House presents its monthly Transaction Number Estimate (DH-TE) and Mortgage Forecast below, showing that in January 2021 11,185 property transactions were concluded and residential mortgage contracts worth HUF 73-75 billion were signed in the whole of Hungary.



The Hungarian residential property market started the new year with the strongest January figures of the past five years. The 11,185 transactions estimated by Duna House tells the story of a 13% stronger turnover than in January 2020. The increase in demand had made itself felt in the data recorded by the property agency right in the first weeks of the new year, and part of it resulted in actual sales transactions comparatively quickly, already in January – probably on account of the expectations that had built up at the end of 2020. In view of the government home subsidies introduced recently Duna House experts continue to expect a brisk residential property market that is well positioned to close the year with 130-150, 000 transactions, slightly more than in the previous year.

As far as the property mortgage market is concerned, Duna House Finances estimates a volume of HUF 73-75 billion, which may be HUF 5 billion less than the figure recorded in January 2020 (HUF 80 billion), but is still a significant increase of 17% compared to the same period of 2019 (HUF 63 billion). The number of inquiries addressed to financial agencies in respect of available government home subsidies also reflects a very active January market.

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	12,200	11 369	10,354
2021	11,185											

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.