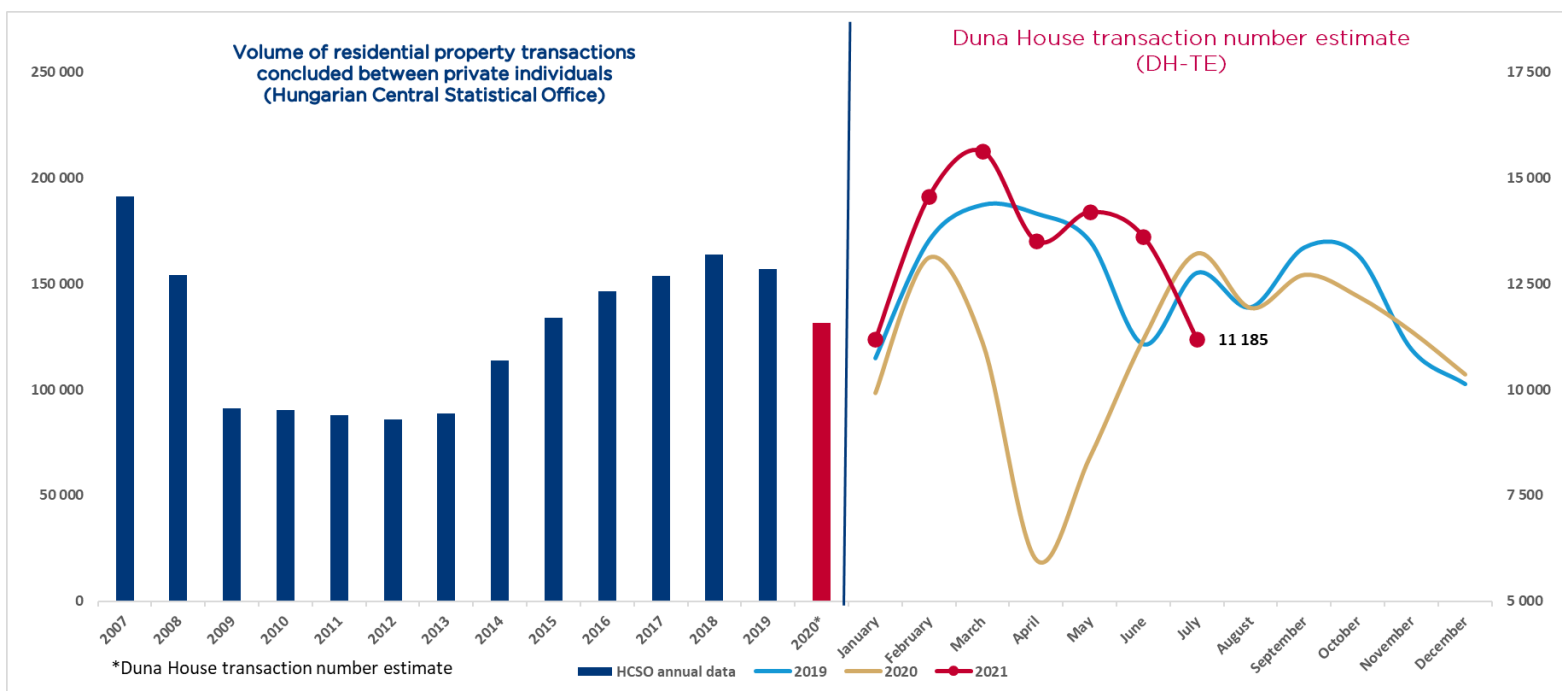


## Residential property transaction volume estimate and mortgage forecast for July 2021

**Duna House presents its monthly Transaction Number Estimate (DH-TE) and Mortgage Forecast below, showing that in July 2021 11,185 property transactions were concluded and residential mortgage contracts worth HUF 115 billion were signed in the whole of Hungary.**



According to estimates of Duna House the number of sales transactions on the Hungarian residential property market recoiled and returned to early 2021 levels in the second month of the summer. The 11,185 transactions forecast by the property agency is exactly the same as that in January 2021 and about 12-15% lower than in July of the previous years. Experts say the main reason of the decline is the stronger than usual holiday boom which significantly reduces the speed of sales transactions this summer. On a year-to-date basis, i.e. looking at figures of the first seven months of the year, 2021 is still 30%, 4% and 2% stronger than 2020, 2019 and 2018 were, respectively. However, according to Duna House both sellers and buyers can expect that property market activity in the autumn will be just as brisk as it was in spring 2021.

As far as the residential mortgage market is concerned, the summer season has not made itself felt yet: based on the estimates of Duna House Finances the volume of residential mortgage contracts was HUF 115 billion, the same as in June. This means that the market has exceeded the HUF 100 billion mark in every month since March 2021. The domestic residential market achieved a combined volume of HUF 690 billion in the first seven months of the year, so Hungarians have applied for 163 billion more loans in 2021 so far than in the same period last year.

Budapest, 2 August 2021

### 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	14,569	15,630	13,511	14,198	13,615	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.