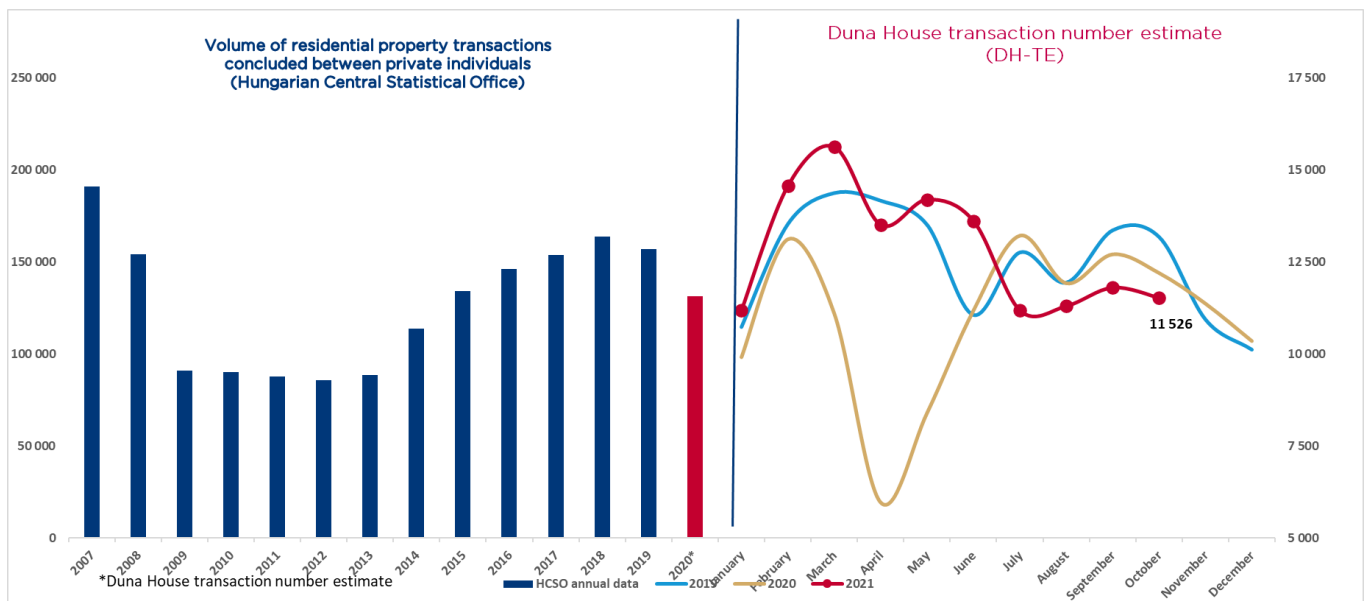


Residential property transaction volume estimate and mortgage forecast for October 2021

Duna House presents its monthly Transaction Number Estimate (DH-TE) and Mortgage Forecast below, showing that in October 2021 11,526 property transactions were concluded and residential mortgage contracts worth HUF 107 billion were signed in the whole of Hungary.



The early-autumn upswing was followed by some marginal decline on the property market in October. According to Duna House estimates 11,526 transactions were concluded in October 2021 which may fall behind the same periods of previous years but still speaks of a 3% increase compared to the summer months of this year. On a year-to-date basis the increase was 17% compared to 2020 and about the same as in 2019, the last year before the Covid19 pandemic. Assuming that market activity will continue at the same levels Duna House expects a total annual transaction volume in excess of 150,000 for 2021.

That said, the volume of residential mortgages fell back to levels last seen in May this year. According to the estimates published by Duna House Finances there were mortgage contracts worth HUF 107 billion signed in October. Although this is slightly lower than the record figures of the past few months, it still forecasts a total volume that is 31% higher than in the same period last year. This also means that the market continued to exceed the HUF 100 billion limit in each month since March and by the end of 2021 it may break new records, supported by the backwind of the market opportunities offered by the new green loans.

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	11,304	11,807	11,526		

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.