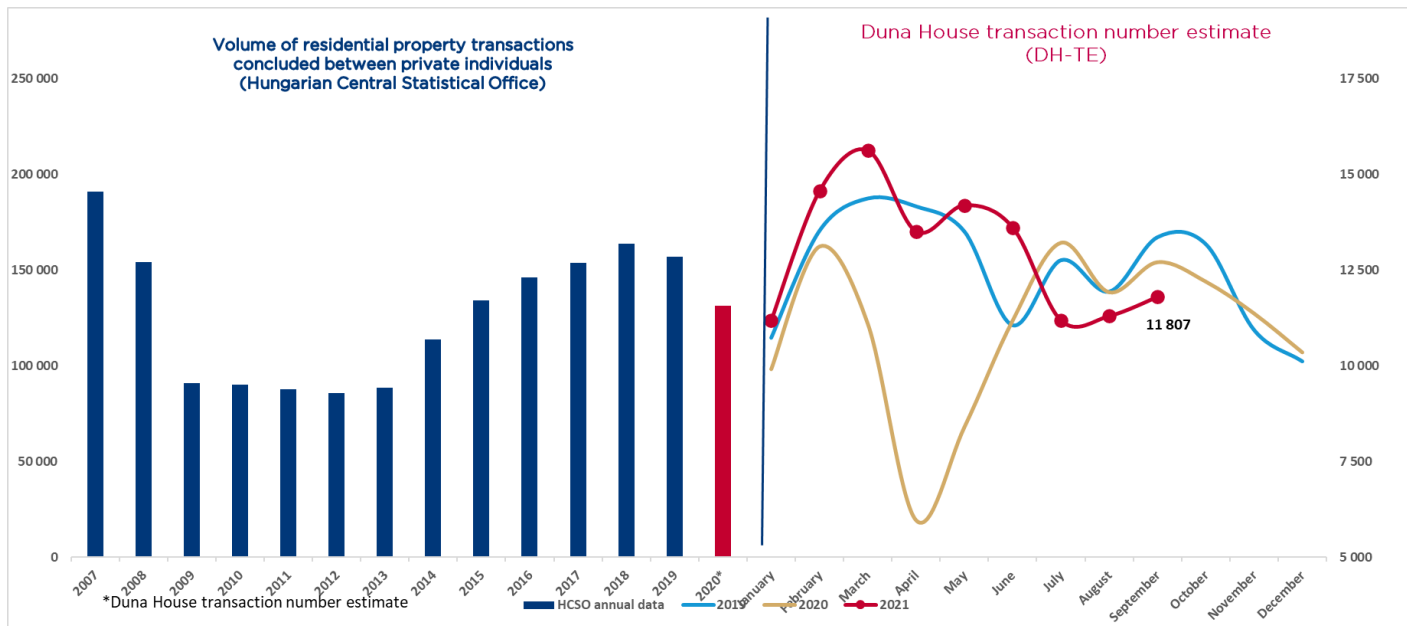


Residential property transaction volume estimate and mortgage forecast for September 2021

Duna House presents its monthly Transaction Number Estimate (DH-TE) and Mortgage Forecast below, showing that in September 2021 11,807 property transactions were concluded and residential mortgage contracts worth HUF 125 billion were signed in the whole of Hungary.



September saw some, albeit moderate, increase in property market activity. According to the estimate of Duna House 11,807 property sale transactions were concluded in the first month of the autumn, a figure that falls short of the same month of the previous years but one that nevertheless indicates an increase of 4.5% compared to this August. The lively holiday season is still making its effect felt, as reflected mainly in the quarterly transaction figures. Between July and September 2021 a total of 34,296 transactions were recorded in Hungary overall, which is 10% and 9% less than in the same period of 2019 and 2020, respectively. For the entire year, however, figures still show a 20% plus compared to last year's market. Assuming some brisk activity for the rest of the autumn, Duna House forecasts a 15% increase over 2020, with the number of transactions totalling at around 150,000.

The summer season affected the property mortgage market for shorter and to a lesser degree than the property market itself. Based on the estimate published by Duna House Finances there were HUF 125 billion worth of mortgage contracts signed in the whole of Hungary in September already, which indicates the third strongest month of the year so far. This is 65% more than in the same period last year – mainly a consequence of the new first home allowances introduced recently. On a quarterly basis – going by the factual figures of the National Bank of Hungary and the September estimates of Duna House Finances – the residential mortgage market has soared to new record heights: buyers signed up for more than HUF 375 billion residential mortgages in three months, a figure that may even grow on account of the new “green loans” that have been made available recently.

Budapest, 1 October 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	11,304	11,807			

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.