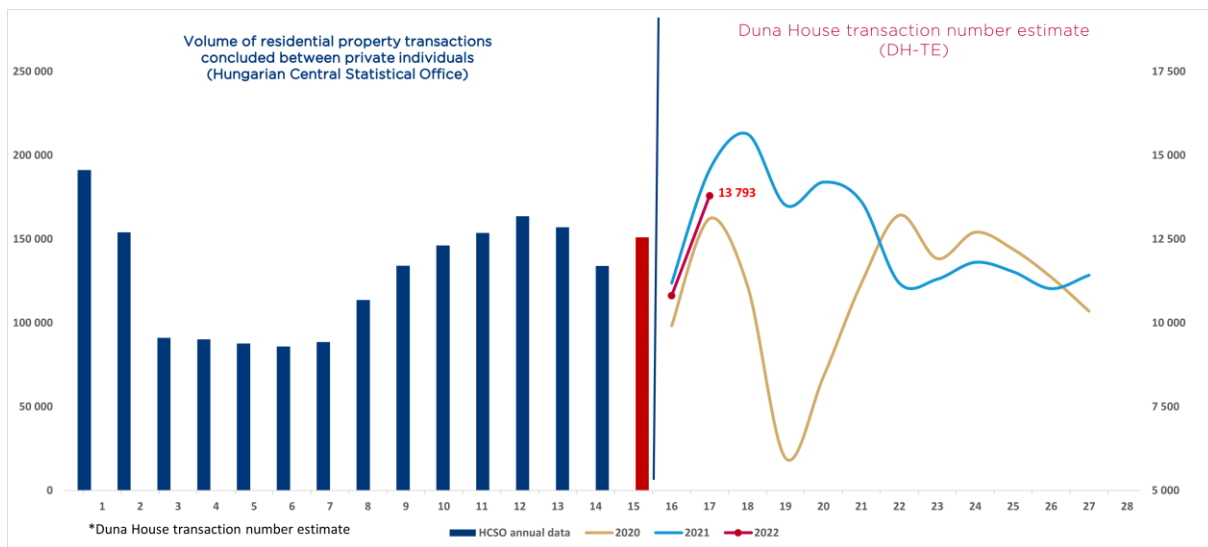


Residential property transaction volume estimate and mortgage forecast for February 2022

Duna House presents its monthly Transaction Number Estimate (DH-TE) and Mortgage Forecast below, showing that in February 2022 13,793 property transactions were concluded and residential mortgage contracts worth HUF 93 billion were signed in the whole of Hungary.



Duna House estimates that the housing market continued to pick up speed in February, with 13,793 property transactions, up 27.5% compared to January. Although this figure is 5% less than in the same period last year, it still reflects a 5% increase over February 2020. Looking at historic trends of previous years, February 2022 was the second most active February on record. Duna House experts' expectations of a strong start to the year have thus been confirmed, and for the longer March they expect an even more active market both in terms of demand and transaction figures, although the potential impact of the Russian-Ukrainian conflict makes expectations less certain.

Credit market volumes were down compared to January, but the second month of the year was still stronger than expected. According to market estimates of Duna House Finances, mortgages worth HUF 93 billion were taken out in Hungary last month, making this the strongest February in recent years, despite the previous month's correction. According to the report published by the National Bank of Hungary, the market closed with a total loan volume of HUF 75.2 billion in the same period in 2020 and just HUF 69.2 billion in 2021, i.e. this February was 34% stronger the same month a year ago. In the coming period, the economic situation and the interest rate hike cycle are expected to have an impact on both the volume of mortgage loans disbursed and the number of mortgage applications submitted.

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
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	11,022	11,422
2022	10,815	13,793										

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.