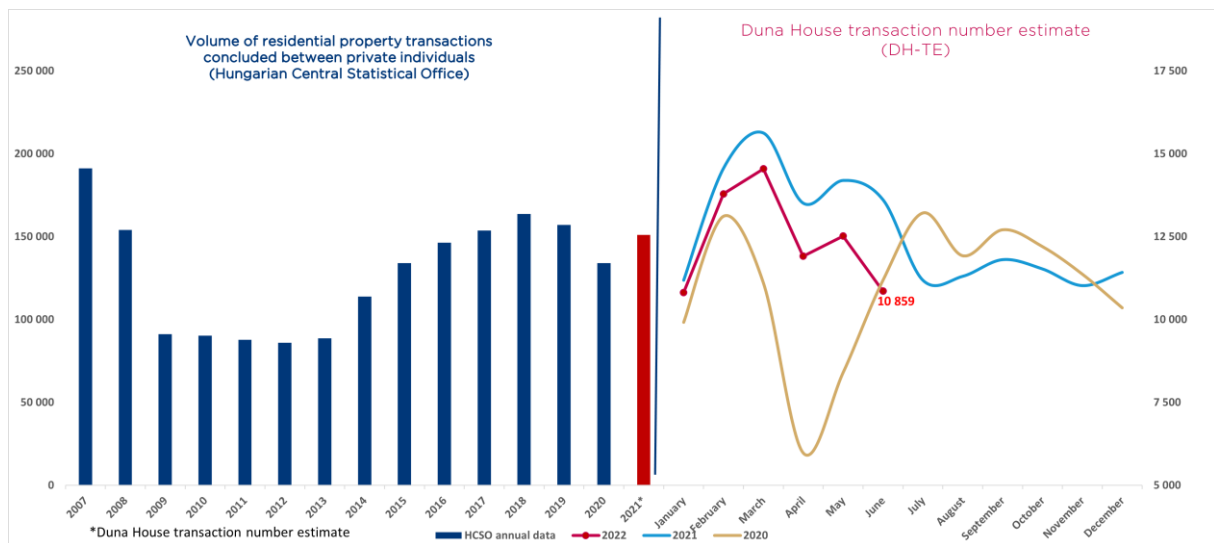


Residential property transaction volume estimate and mortgage forecast for June 2022

Duna House presents its monthly Transaction Number Estimate (DH-TE) and Mortgage Forecast below, showing that in June 2022 10,859 property transactions were concluded and residential mortgage contracts worth HUF 120 billion were signed in the whole of Hungary.



Summer has kicked off in the real estate market. In June 2022, the 10,859 sales transactions appearing in the estimate of Duna House show a weaker turnover compared to both the previous month and the same period last year. This represents a drop of 13% and 20% compared to May and June 2021, respectively. This means that according to Duna House the first half of the year saw nearly 75,000 transactions, 10% less than in 2021 and 25% more than in the epidemic-ridden year of 2020. Experts forecast a more subdued real estate market in the second half of the year due to the rising interest rate environment, so both sellers and buyers may need more help.

The mortgage market, too, saw a downward trend in June, due in part to the volume of phased out Green Home Loans. Duna House estimates that housing loans worth HUF 120 billion were disbursed in the first month of the summer. This represents a decrease of 13-15% compared to June last year and May this year. On a half-yearly basis, based on the factual figures of MNB, the National Bank of Hungary and on the May and June estimates of Duna House, a total of HUF 753 billion of residential loans were contracted for, which represents an increase of 26% compared to the first half of 2021.

Budapest, 4 July 2022

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	14,548	11,911	12,519	10,859						

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.