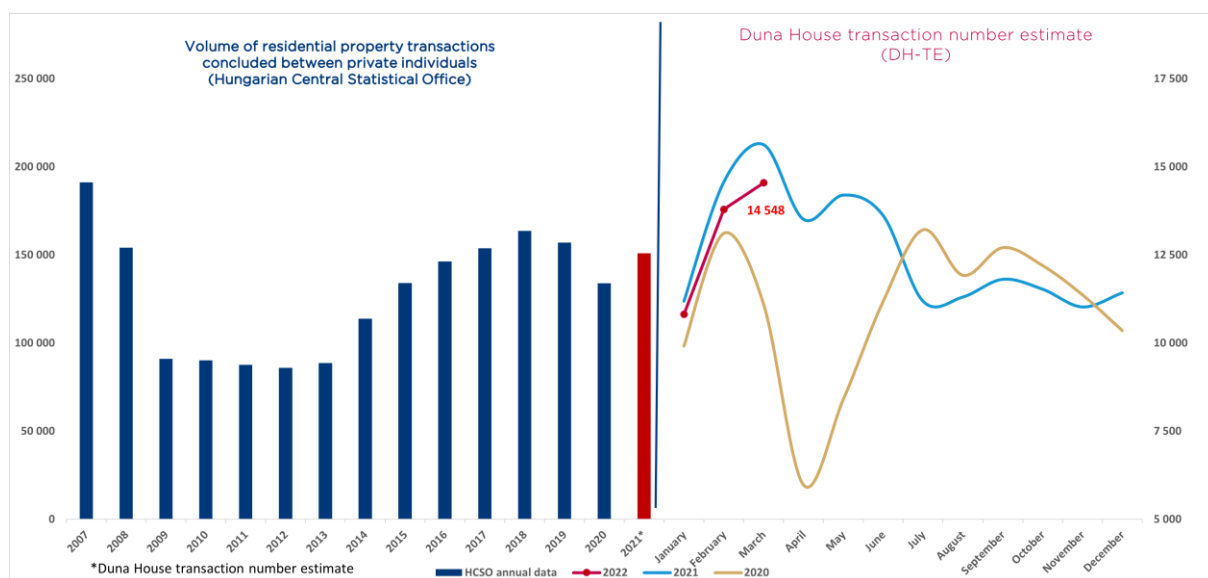


Residential property transaction volume estimate and mortgage forecast for March 2022

Duna House presents its monthly Transaction Number Estimate (DH-TE) and Mortgage Forecast below, showing that in March 2022 14,548 property transactions were concluded and residential mortgage contracts worth HUF 108 billion were signed in the whole of Hungary.



According to Duna House estimates the residential property market is still on the rise, as indicated by the 14,548 sales transactions concluded in March. Turnover was 5% higher than in the previous month and still only 7% behind the record-high figures of March 2021, which means that in Q1 2022 the number of sales was 39,156 in Hungary overall, bringing the second strongest start of a year in the past decade and lagging a mere 5% behind last year's start that had been made possible by some heated demand at the time. Based on the market experience of Duna House the inflation of loan interests and the urge to exploit the new home subsidies that are still available have motivated buyers to bring their purchases forward. The number of transactions was boosted by keen investor activity, too, because for many, the property market offers a safe haven in economically insecure and unpredictable times.

Residential loan turnover expanded in line with the property market: according to data published by Duna House Finances the estimated volume was HUF 108 billion, 4% higher than in February 2022 and 3% more than in March 2021. For the entire quarter and based on the factual January – February figures published by the National Bank of Hungary and the March estimate of Duna House this adds up to a total loan volume of HUF 320 billion, 37% higher than in Q1 2021. Historically, the number of applications submitted in March increases at an even higher rate than the total amount of loans disbursed, which means we can continue to expect to see very strong residential loan market figures in the coming months, too.

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									

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.