DUNA HOUSE BAROMETER

66. issue

2016. Q3-4.
AND 2016. DECEMBER

DHS BÉT PRIME MARKET
Listed on the Prime Market of the Budapest Stock Exchange

THE LATEST PROPERTY MARKET INFO FROM DUNA HOUSE NETWORK

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FORTHCOMING ISSUES

Date of issue	Content
2017. February 8.	**2017. January data**
2017. March 8.	**2017. February data**
2017. April 10.	**2017. Data of Q1 (including price indexes)**

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GENERAL INFORMATION CONSERNING THE CONTENT OF THE PRESENT PUBLICATION

All data, information, estimates and professional statements presented in the publication are developed based on data gained from the activities of Duna House Holding members, or in some cases are based on subjective experience. Application of those for the entire Hungarian property market may require additional corrections.

Data sources - unless indicated differently at the given section- derive from the database operated by Duna House Holding, the content of which is compiled by members of the network upon their individual judgement and information gained from clients. The operator does not take responsibility for the comprehensiveness of the data. Data presented in the present publication is mainly based on parameters of property transactions in major Hungarian cities given by Duna House branch offices and agents.





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Executive Summary

Duna House has given an estimate of 8 500 property sale and purchase transactions for December, presenting the lowest turnover of year 2016, reasoned partly by seasonality. The DH estimate for the same period of last year was above 10 thousand, referring to a stronger market with the 18% higher volume.
Total turnover for last year thus shows a volume of 128 386 sale and purchase transactions, presenting a 5% decline in comparison with year 2015. The lower result, however, can be explained with the boom in the newly-built sector rather than a weak market. The volume of pre-contracts between developers and buyers, appearing in the statistics 1-2 years from now, upon the occupation permit, is relatively high. .

The Demand Index, as expected by seasonality, showed low values, declining to 49 percentage points in December. In the same month of the previous year the same index presented 54 points.

The National Residential Property Index has again presented an impressive boom. At present – following a 7-point increase - it stands at 120 points on nominal, and at 94 points on real value, resulted by the strong price increase measured in Eats-Hungary, as well as the general and continuous price increase of panel flats. **Panel flats have become more expensive throughout the country,** resulting in the National Panel Index presenting an 8-point rise, reaching 126 points, meaning just 1 point behind the base value. Prices of brick built flats, on the contrary, have only become stronger significantly only in the eastern part of the country, but in a volume which resulted in the National Brick Built Index reaching 116 points.
While panel flat prices have been able to go up in both parts of the country, brick built market shows a more diverse picture. In East-Hungary the panel index grew from 114 to 125, next to which the brick built index jumped from 104 to 122. In West-Hungary the panel index increased by 6 points, reaching 110, while the brick built index is stagnating at 98. In Budapest, prices of brick built flats on nominal value have only risen by 1 percentage point, standing at 125 points at present, meaning 98 points at real value. The Budapest panel index gas again increased by 4 points, reaching 148. This means a 4-point strengthening on real value as well, ending at a 116-point record value.

In Q3-4 2016, brick built flats have been sold at highest average prices in Győr-Moson-Sopron County, for nearly HUF 340 thousand/m2. Brick built flats in Veszprém and Hajdú-Bihar Counties have cost somewhat above HUF 300 thousand. Lowest prices have been observed in Tolna County, with average HUF 121 thousand/m2. In Budapest, District 5, average prices have reached HUF 716 thousand, followed by District 1, showing HUF 624 thousand. North-Buda districts, as well as areas in the Inner City have all presented m3 prices above HUF 500 thousand. Lowest prices in Budapest were detected in the southern areas, accounting for average prices slightly below HUF 300 thousand/m2.

Regionally, Győr-Moson-Sopron County presented the highest panel flat prices too, with its HUF 255 thousand/m2. Apart from this and Central-Hungary, Hajdú, Vas and Veszprém Counties have reached panel price levels of around HUF 200 thousand/m2. Borsod-Abaúj-Zemplén county showed HUF 111 thousand/m2 average prices, slightly behind Békés and Tolna Counties. In Budapest -excluding those few panel flats found in District 2, reaching nearly HUF 500 thousand-, panel flats have been sold in Districts 11 and 13 for around JHUF 380 thousand on average. Districts 9 and 14 have not been muck cheaper with average m2 prices around HUF 340 thousand. The south zone of Budapest has ended up being the cheapest with HUF 250 thousand m2 prices on average.

Buyers in Tolna and Jász-Nagykun Counties have reached the highest bargains, at around 10% in Q3-4. Together with the price decreases prior to the special bargain it meant that sellers have sold their properties on prices 13-15% less than originally expected. Lowest bargain positions have been observed regionally in counties with higher prices, such as Győr-Moson-Sopron, Hajdú-Bihar and Vas. In Budapest, even the best bargains stopped at 6%, mainly in Districts 2, 5 and 16. Within the Inner City buyers have been able to lower the prices by 5%, while in the other districts by 3-4% only.

In Buda, less bigger size flats have been sold than a year before. In the same period of 2015, 9% of sale and purchase transactions targeted properties above 160m2 size, while this year it accounted for 3% only. Price increase, on the other hand, is clearly visible, since (when comparing the same periods of the same 2 years) the ratio of transaction in the price zone above HUF 400 thousand/m2 has risen from 42 to 59%. A similar price growth can be observed in Pest as well, where the same category has risen from 20 to 36%.

When comparing the Q3-4 of 2015 and 2016, price increase is also detected on regional level. 22% of the transactions took place above HUF 200 thousand/m2 last year, growing to 33% by 2016. As far as desired flat sizes are concerned, no major changes have been observed during the one-year period, nearly 40% of buyers choose properties of sizes 40-60 m2. Pest County also stands in line, with somewhat bigger sizes – nearly 50% of buyers choose from flats of sizes 60-100 m2, but one in every ten buyers ends up buying a property bigger than 160 m2.

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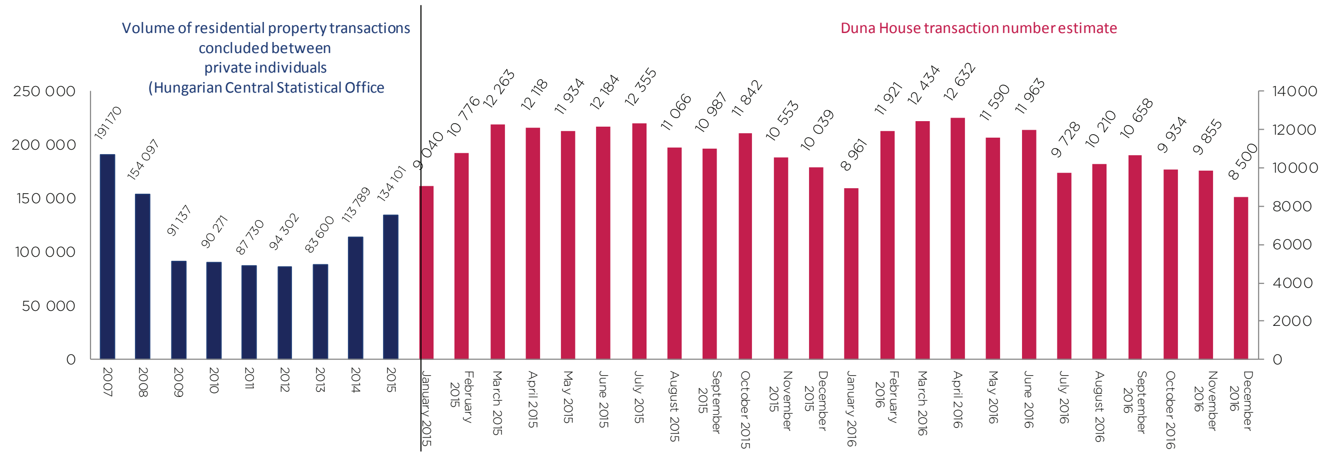
TRANSACTION NUMBERS AND DEMAND INDEX

DH -TB (Duna House Transaction Number Estimate)

Duna House has given an estimate of 8 500 property sale and purchase transactions for December, presenting the lowest turnover of year 2016, reasoned partly by seasonality. The DH estimate for the same period of last year was above 10 thousand, referring to a stronger market with the 18% higher volume.

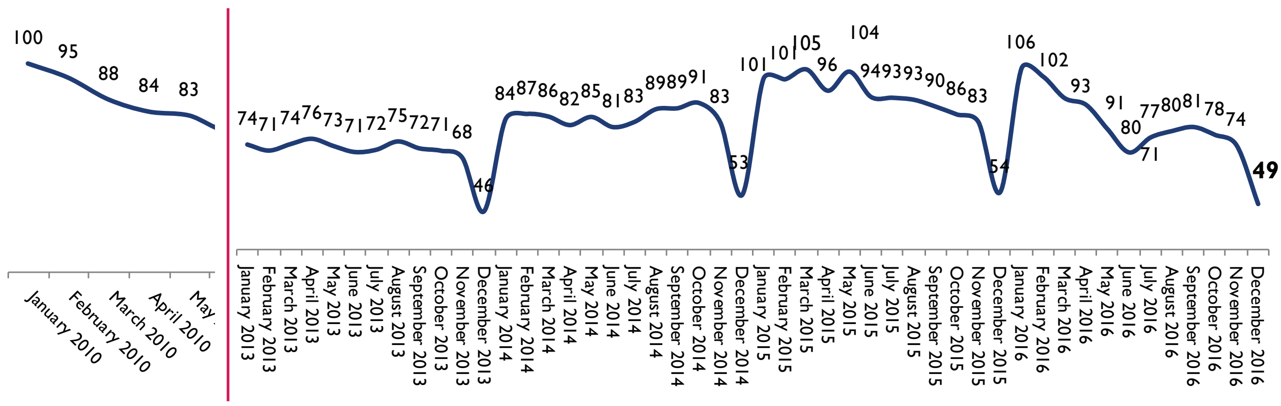
Total turnover for last year thus shows a volume of 128 386 sale and purchase transactions, presenting a 5% decline in comparison with year 2015. The lower result, however, can be explained with the boom in the newly-built sector rather than a weak market. The volume of pre-contracts between developers and buyers, appearing in the statistics 1-2 years from now, upon the occupation permit, is relatively high.



Methodology behind DH-TE
Regardless of the time, the most important indicator of the real estate market is the yearly sale-purchase transaction number. DH-TE is an estimate published by Duna House showing interim approximate data. The estimate is based on monthly transaction number of property brokered by Duna House and the estimated market ratio of Duna House. The estimate of the actual monthly market ratio 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 a months' delay, the correction of market ratio can be carried out retroactively with refining of the estimate as well. Attention! After 2016 and by the newly built flat boom, pre-contracted transactions are visible in the statistics of the Statistical Office with a delay of several months, even 1-2 years, only following the tariff of the capital transfer tax, resulting in anomalies in the statistics. 2. Amount of issued Energy certificates. 3. Subjective assessment based on other management information from the Duna House Holding. Please note that DH-TE data is not appropriate for defining the volume of transactions brokered by Duna House!

DH - DEMAND INDEX

The Demand Index, as expected by seasonality, showed low values, declining to 49 percentage points in December. In the same month of the previous year the same index presented 54 points.

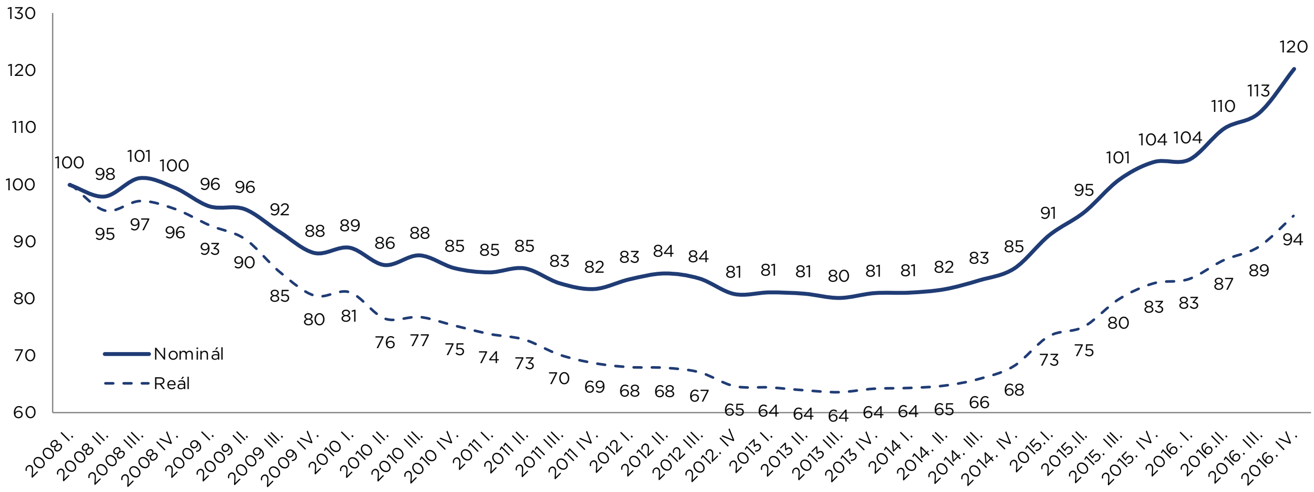


Methodology behind Demand Index
The basis of the estimate is the activity registered by our agents in various, mainly major cities and Duna House offices. Corrections are made depending on the number of active agents and working days. The Demand Index is an important indication of buyer side's reactions to political decision or solutions offered by the financial sector. Demand Index is a quantitative indicator which has no direct connection with the realized transaction numbers. The latter is a qualitative issue highly effected by market environment and available financial product.

RESIDENTIAL PROPERTY INDEXES

The National Residential Property Index has again presented an impressive boom. At present – following a 7-point increase - it stands at 120 points on nominal, and at 94 points on real value, resulted by the strong price increase measured in Eats-Hungary, as well as the general and continuous price increase of panel flats.

DH – NATIONAL RESIDENTIAL PROPERTY INDEX

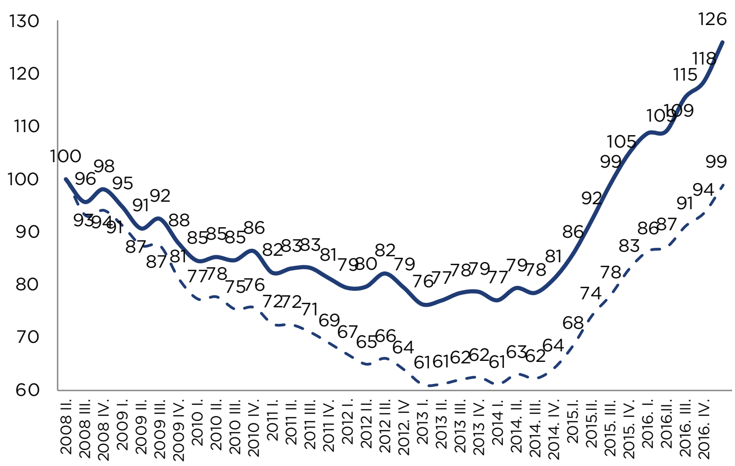


About our residential property indexes: We apply a system which tries to eliminate all kinds of type related differences. Similar indicators generally use normal averaging which does not take into consideration the variable elements of transactions. When developing DH residential property indexes we use the so called hedonic method, taking into account structure, state (scale 1-5), size, year of construction as well as parameters such as floor and location. Formed customer baskets are weighted unchanged on the time scale. For the weighing of national indexes we use the regional rate of transactions published by the Central Statistical Office.

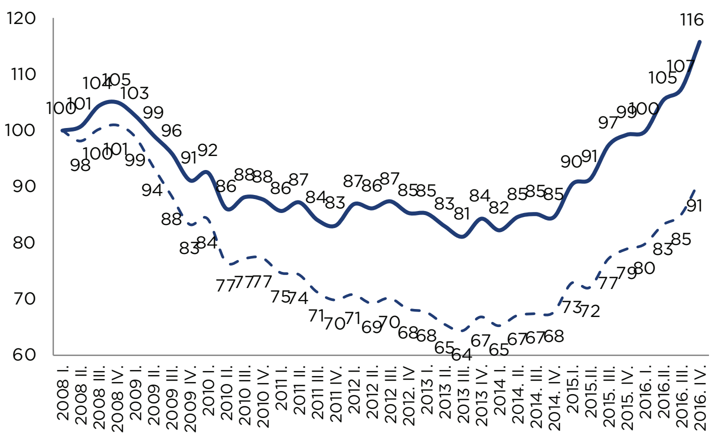
NATIONAL RESIDENTIAL PROPERTY INDEXES

Panel flats have become more expensive throughout the country, resulting in the National Panel Index presenting an 8-point rise, reaching 126 points, meaning just 1 point behind the base value. Prices of brick built flats, on the contrary, have only become stronger significantly only in the eastern part of the country, but in a volume which resulted in the National Brick Built Index reaching 116 points.

DH - NATIONAL PANEL INDEX



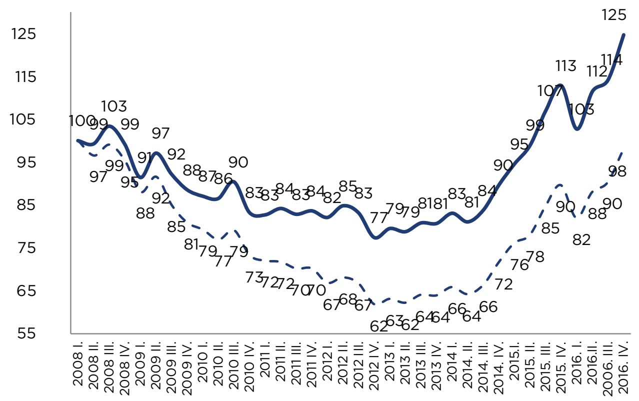
DH - NATIONAL BRICK BUILT INDEX



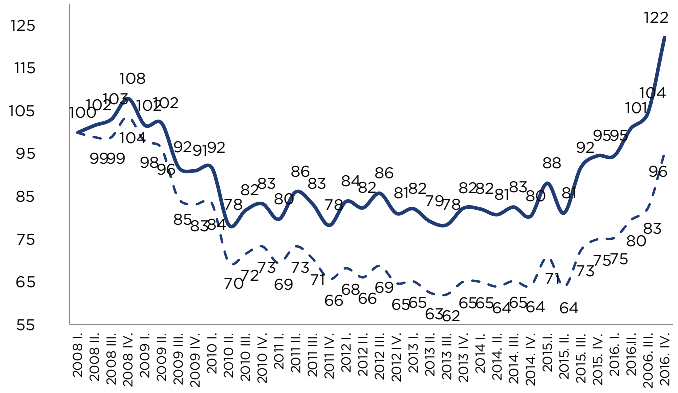
RESIDENTIAL PROPERTY INDEXES - REGIONAL

While panel flat prices have been able to go up in both parts of the country, brick built market shows a more diverse picture. In East-Hungary the panel index grew from 114 to 125, next to which the brick built index jumped from 104 to 122. In West-Hungary the panel index increased by 6 points, reaching 110, while the brick built index is stagnating at 98.

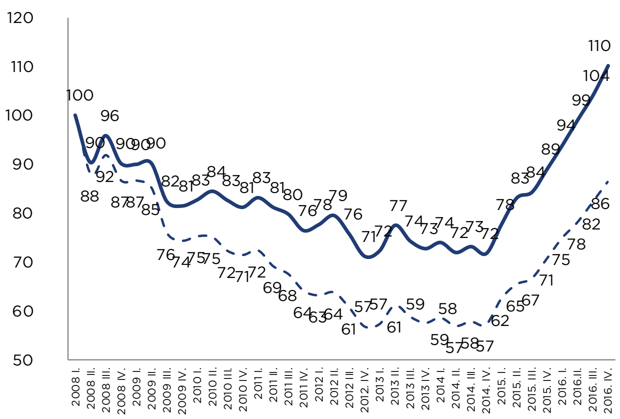
EAST-HUNGARY PANEL INDEX



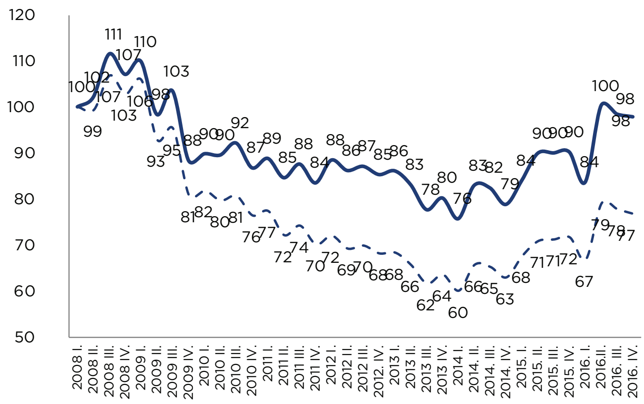
EAST - HUNGARY BRICK BUILT INDEX



WEST - HUNGARY PANEL INDEX



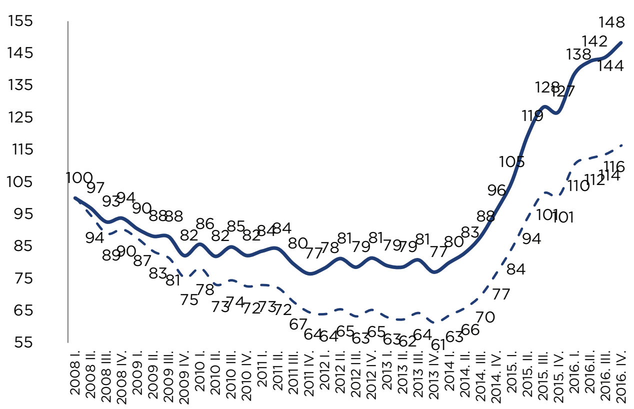
WEST - HUNGARY BRICK BUILT INDEX



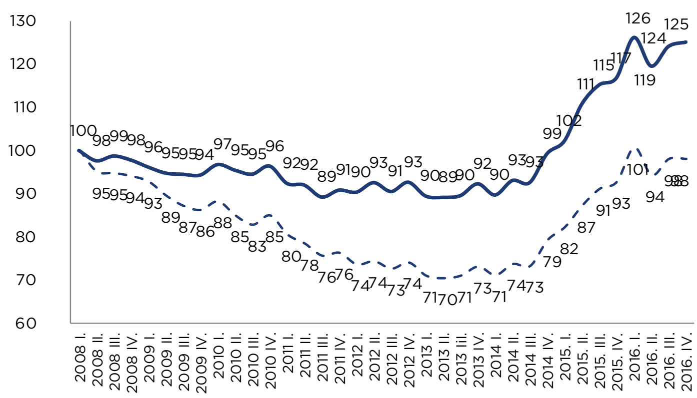
BUDAPESTI RESIDENTIAL PROPERTY INDEXES

In Budapest, prices of brick built flats on nominal value have only risen by 1 percentage point, standing at 125 points at present, meaning 98 points at real value. The Budapest panel index gas again increased by 4 points, reaching 148. This means a 4-point strengthening on real value as well, ending at a 116-point record value.

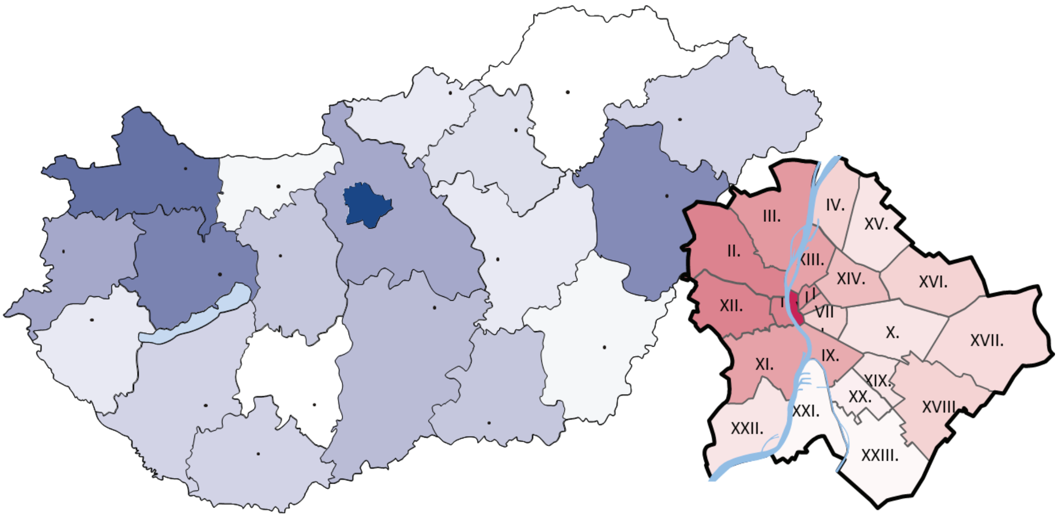
DH – BUDAPEST PANEL INDEX



DH - BUDAPEST BRICK BUILT INDEX



BRICK BUILT HOMES DATA -2016. Q3-4



COUNTY	PRICE/ M2	SPECIFIC PRICE	TIME NEED OF PRICE SALE (DAY)
Bács-Kiskun	235 000	12 241 000	99
Baranya	213 000	12 114 000	123
Békés	169 000	8 843 000	184
Borsod-Abaúj-Zemplén	137 000	7 588 000	133
Budapest	456 000	25 750 000	112
Csongrád	210 000	13 026 000	539
Fejér	243 000	14 077 000	119
Győr-Moson-Sopron	339 000	18 059 000	137
Hajdú-Bihar	301 000	16 757 000	517
Heves	165 000	8 877 000	89
Jász-Nagykun-Szolnok	159 000	8 428 000	92
Komárom-Esztergom	176 000	9 757 000	199
Pest	250 000	16 607 000	185
Somogy	196 000	10 089 000	153
Szabolcs-Szatmár-Bereg	226 000	13 280 000	153
Tolna	121 000	6 282 000	134
Vas	239 000	14 189 000	147
Veszprém	305 000	16 867 000	73
Zala	206 000	12 987 000	128

DISTRICT	PRICE/ M2	SPECIFIC PRICE	TIME NEED OF PRICE SALE (DAY)
Budapest 01.	624 000	36 930 000	111
Budapest 02.	550 000	37 455 000	161
Budapest 03.	542 000	33 784 000	136
Budapest 04.	309 000	15 402 000	137
Budapest 05.	716 000	47 122 000	104
Budapest 06.	537 000	31 790 000	97
Budapest 07.	463 000	24 462 000	89
Budapest 08.	378 000	19 025 000	101
Budapest 09.	445 000	24 896 000	126
Budapest 10.	291 000	13 477 000	120
Budapest 11.	490 000	28 579 000	76
Budapest 12.	561 000	40 359 000	105
Budapest 13.	488 000	29 109 000	118
Budapest 14.	409 000	19 158 000	110
Budapest 15.	311 000	17 389 000	68
Budapest 16.	348 000	19 125 000	68
Budapest 17.	347 000	21 158 000	365
Budapest 18.	405 000	16 892 000	146
Budapest 19.	272 000	13 775 000	185
Budapest 20.	343 000	15 807 000	122
Budapest 21.	269 000	11 740 000	72
Budapest 22.	298 000	18 628 000	116
Budapest 23.	298 000	23 790 000	402

Based on purchase prices of the given period of properties brokered by Duna House.

In Q3-4 2016, brick built flats have been sold at highest average prices in Győr-Moson-Sopron County, for nearly HUF 340 thousand/m2. Brick built flats in Veszprém and Hajdú-Bihar Counties have cost somewhat above HUF 300 thousand. Lowest prices have been observed in Tolna County, with average HUF 121 thousand/m2. In Budapest, District 5, average prices have reached HUF 716 thousand, followed by District 1, showing HUF 624 thousand. North-Buda districts, as well as areas in the Inner City have all presented m3 prices above HUF 500 thousand. Lowest prices in Budapest were detected in the southern areas, accounting for average prices slightly below HUF 300 thousand/m2.

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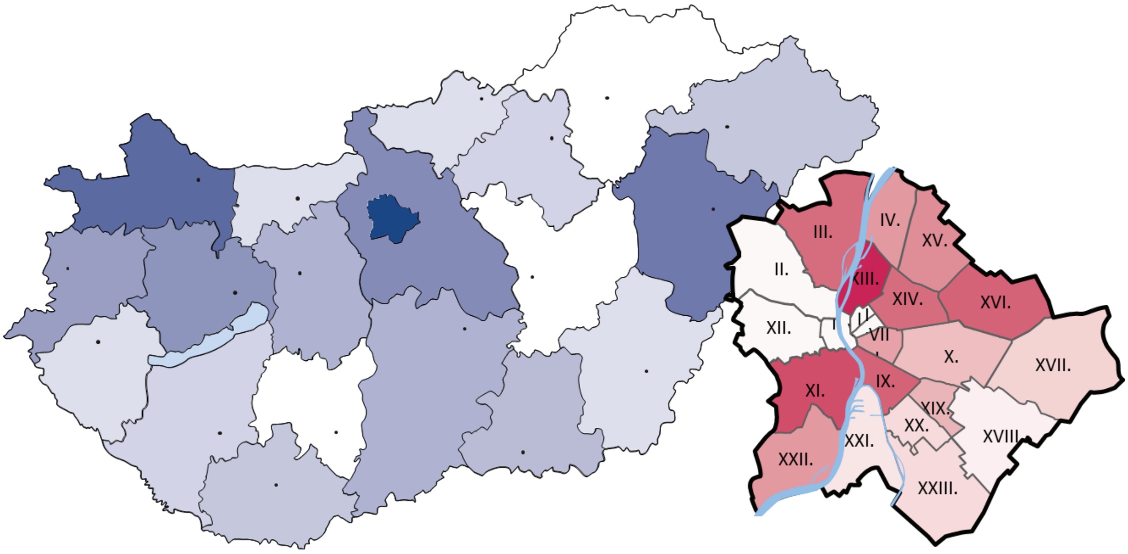
PANEL (BLOCKS OF FLATS) DATA - 2016. Q3-4.



COUNTY	PRICE/ M2	SPECIFIC PRICE	TIME NEED OF PRICE SALE (DAY)
Bács-Kiskun	194 000	10 600 000	97
Baranya	164 000	8 345 000	82
Békés	116 000	6 552 000	190
Borsod-Abaúj-Zemplén	111 000	5 290 000	67
Budapest	305 000	15 640 000	84
Csongrád	152 000	8 471 000	179
Fejér	193 000	10 222 000	122
Győr-Moson-Sopron	255 000	14 663 000	95
Hajdú-Bihar	227 000	12 159 000	77
Heves	160 000	9 327 000	50
Jász-Nagykun-Szolnok	133 000	6 750 000	73
Komárom-Esztergom	156 000	7 861 000	80
Pest	201 000	11 440 000	155
Somogy	168 000	8 639 000	91
Szabolcs-Szatmár-Bereg	182 000	9 127 000	111
Tolna	122 000	6 663 000	67
Vas	212 000	12 188 000	49
Veszprém	222 000	12 475 000	106
Zala	164 000	10 066 000	130

DISTRICT	PRICE/ M2	SPECIFIC PRICE	TIME NEED OF PRICE SALE (DAY)
Budapest 02.	496 000	25 800 000	50
Budapest 03.	327 000	17 893 000	63
Budapest 04.	283 000	15 809 000	85
Budapest 08.	309 000	15 779 000	135
Budapest 09.	344 000	14 765 000	64
Budapest 10.	271 000	13 586 000	57
Budapest 11.	380 000	18 840 000	70
Budapest 13.	378 000	21 654 000	87
Budapest 14.	333 000	16 242 000	62
Budapest 15.	296 000	14 759 000	87
Budapest 16.	309 000	17 100 000	117
Budapest 17.	287 000	12 888 000	273
Budapest 18.	257 000	12 284 000	82
Budapest 19.	273 000	13 975 000	62
Budapest 20.	251 000	13 295 000	51
Budapest 21.	248 000	12 218 000	82
Budapest 22.	319 000	15 724 000	60

Based on purchase prices of the given period of properties brokered by Duna House

Regionally, Győr-Moson-Sopron County presented the highest panel flat prices too, with its HUF 255 thousand/m2. Apart from this and Central-Hungary, Hajdú, Vas and Veszprém Counties have reached panel price levels of around HUF 200 thousand/m2. Borsod-Abaúj-Zemplén county showed HUF 111 thousand/m2 average prices, slightly behind Békés and Tolna Counties. In Budapest -excluding those few panel flats found in District 2, reaching nearly HUF 500 thousand-, panel flats have been sold in Districts 11 and 13 for around JHUF 380 thousand on average. Districts 9 and 14 have not been muck cheaper with average m2 prices around HUF 340 thousand. The south zone of Budapest has ended up being the cheapest with HUF 250 thousand m2 prices on average.

BARGAIN – 2016.Q3-4.

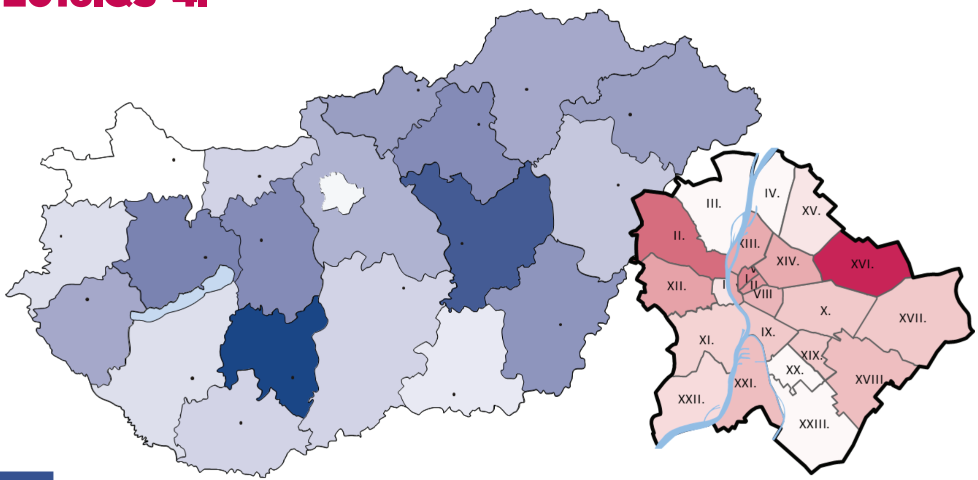


Figure indicates price change in total: price + bargain

DISTRICT	CHANGE LISTING PRICE	BARGAIN
Budapest 01.	-2%	-3%
Budapest 02.	-3%	-6%
Budapest 03.	-2%	-2%
Budapest 04.	-1%	-3%
Budapest 05.	-2%	-6%
Budapest 06.	-4%	-5%
Budapest 07.	-3%	-5%
Budapest 08.	-3%	-4%
Budapest 09.	-2%	-4%
Budapest 10.	-2%	-4%
Budapest 11.	-2%	-5%
Budapest 12.	-4%	-4%
Budapest 13.	-4%	-4%
Budapest 14.	-4%	-4%
Budapest 15.	-2%	-3%
Budapest 16.	-5%	-6%
Budapest 17.	-3%	-4%
Budapest 18.	-4%	-3%
Budapest 19.	-3%	-4%
Budapest 20.	-1%	-3%
Budapest 21.	-3%	-4%
Budapest 22.	-2%	-3%
Budapest 23.	-2%	-3%

Based on purchase prices of the given period of properties brokered by Duna House.

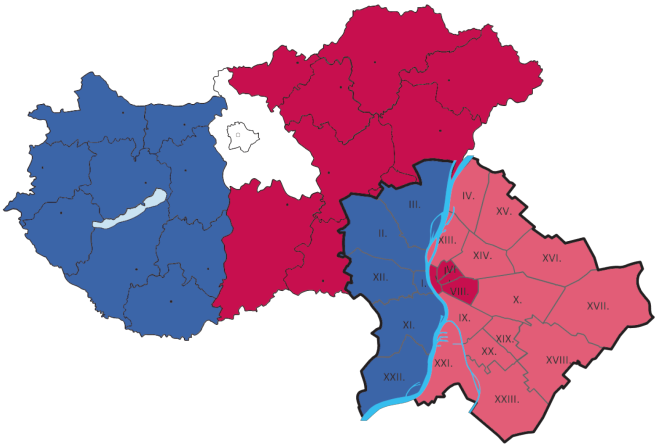
COUNTY	CHANGE LISTING PRICE	BARGAIN
Bács-Kiskun	-2%	-6%
Baranya	-2%	-6%
Békés	-4%	-6%
Borsod-Abaúj-Zemplén	-3%	-7%
Budapest	-3%	-4%
Csongrád	-2%	-6%
Fejér	-3%	-8%
Győr-Moson-Sopron	-2%	-5%
Hajdú-Bihar	-3%	-5%
Heves	-3%	-8%
Jász-Nagykun-Szolnok	-3%	-10%
Komárom-Esztergom	-2%	-6%
Pest	-3%	-6%
Somogy	-2%	-6%
Szabolcs-Szatmár-Bereg	-3%	-7%
Tolna	-4%	-10%
Vas	-3%	-5%
Veszprém	-3%	-8%
Zala	-4%	-6%

Methodology:
Change in the listing price is the difference between the first price indicated by the seller and the last registered price at the time of the appearance of the buyer. Bargain shows additional changes in the price agreed upon by the seller and buyer. The two indicators together give a good picture of the difference in price between the original idea of the seller and the actual final price

Buyers in Tolna and Jász-Nagykun Counties have reached the highest bargains, at around 10% in Q3-4. Together with the price decreases prior to the special bargain it meant that sellers have sold their properties on prices 13-15% less than originally expected. Lowest bargain positions have been observed regionally in counties with higher prices, such as Győr-Moson-Sopron, Hajdú-Bihar and Vas. In Budapest, even the best bargains stopped at 6%, mainly in Districts 2, 5 and 16. Within the Inner City buyers have been able to lower the prices by 5%, while in the other districts by 3-4% only.

RESIDENTIAL PROPERTY PRICE DATA - 2016. DECEMBER

In December, panel flats were sold for HUF 174 thousand/m2 in the Eastern and for HUF 189 thousand/m2 in the Western part of Hungary. The same flat type was sold for HUF 294 thousand in Pest, and HUF 347 thousand in Buda per m2 on average.
Brick built flats were sold for nearly the same prices regionally, reaching a HUF 219 thousand/m2 on average. The same type was sold for HUF 454 thousand in Pest, HUF 490 in Buda, and HUF 518 thousand in the Inner city for every m2.



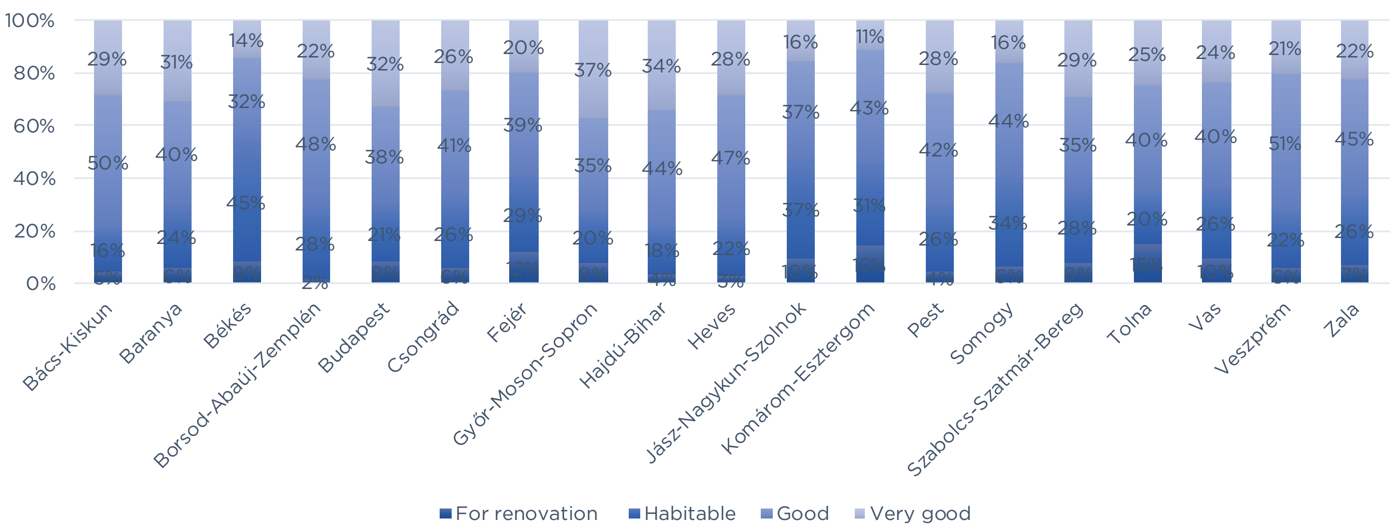
PANEL COUNTRYWIDE			
	Price	m2 price	Time need of sale/day
East	9 023 000	174 000	73
West	9 656 000	189 000	88
BRICK COUNTRYWIDE			
East	13 392 000	219 000	199
West	11 794 000	218 000	149

PANEL BUDAPEST			
	Price	m2 price	Time need of sale/day
Buda	18 384 000	347 000	56
Pest	15 140 000	294 000	127
BRICK BUDAPEST			
Buda	33 299 000	490 000	128
Pest	21 876 000	454 000	117
Inner city	31 382 000	518 000	92

Based on purchase prices of the given period and location of properties brokered by Duna House.

QUALITY PREFERENCES - 2016. Q3-4

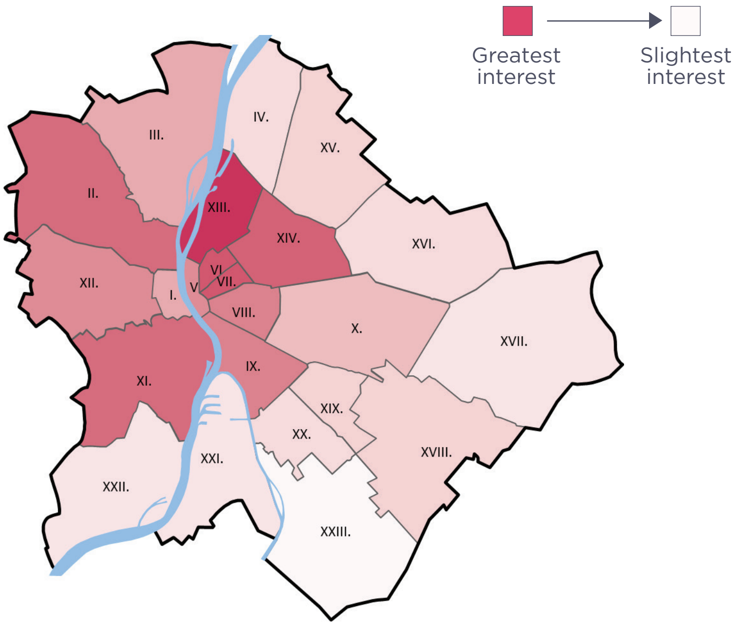
The lowest number of buyers choosing flats for renovation was found in Borsod-Abaúj-Zemplén County -2%- , but Heves County came in second with 3% only. In Tolna and Komárom-Esztergom Counties, on the contrary, the ratio of this type was outstandingly high, 15%. When looking at it on national level, mainly good and high quality flats were bought in Q 3-4, with Bács-Kiskun and Hajdú-Bihar Counties standing out, where it accounted for even 80% of the total turnover.



Data is assessed based on real estate sold by Duna House. Territorial distribution of transactions brokered by Duna House may differ from the territorial distribution of the market in whole. Duna House Holding carries out its real estate agency activities mainly in Budapest and major cities. Duna House Holding does not make corrections in relation of the territorial distribution of own and market transactions.

INTEREST TOWARD DISTRICTS 2016. DECEMBER

DISTRICT	2016. NOV.	2016. DEC.
Budapest 01.	6,9%	6,7%
Budapest 02.	12,8%	12,8%
Budapest 03.	10,5%	11,8%
Budapest 04.	7,9%	7,4%
Budapest 05.	12,0%	12,5%
Budapest 06.	16,8%	17,0%
Budapest 07.	15,7%	16,4%
Budapest 08.	12,2%	12,2%
Budapest 09.	13,2%	13,0%
Budapest 10.	7,3%	7,3%
Budapest 11.	14,5%	16,0%
Budapest 12.	10,8%	9,8%
Budapest 13.	18,2%	18,8%
Budapest 14.	18,4%	17,6%
Budapest 15.	8,8%	8,8%
Budapest 16.	5,9%	5,6%
Budapest 17.	6,1%	5,5%
Budapest 18.	8,1%	6,5%
Budapest 19.	8,8%	6,3%
Budapest 20.	6,6%	5,6%
Budapest 21.	4,8%	3,9%
Budapest 22.	4,7%	4,2%
Budapest 23.	2,4%	1,9%



Methodology: Our clients with purchasing aims indicate their preferences of districts (more at the same time) when meeting with our agents. The above preference map is put together based on this information.

Data is assessed based on real estate sold by Duna House. Territorial distribution of transactions brokered by Duna House may differ from the territorial distribution of the market in whole. Duna House Holding carries out its real estate agency activities mainly in Budapest and major cities. Duna House Holding does not make corrections in relation of the territorial distribution of own and market transaction

In December, 19% of all buyers decided to purchase a property in District 13. Nearly the same interest was detected towards District 14. 17% of potential buyers voted for Districts 6 and 7, with District 11 being basically just as popular. Lowest interest was shown towards District 23m with only 2% of buyers indicating it as a target location.

BARGAIN - 2016. DECEMBER

In December, those selling their family homes outside Budapest and Pest County suffered from the best bargain position again, reaching even 8%. In Pest County, average bargain was 6%, while in Budapest 5%. As far as brick built flats are concerned, there was an overall 4% bargain countrywide, next to which panel flats achieved 3% bargain in Budapest, and 5% regionally

	CHANGE IN THE LISTING PRICE	BARGAIN
HOUSE		
Budapest	-1%	-5%
Pest County	-2%	-6%
Regionally	-3%	-8%
PANEL		
Budapest	-1%	-3%
Regionally	-2%	-5%
BRICK		
Budapest	-4%	-4%
Regionally	-1%	-4%
TOTAL		
Budapest	-3%	-4%
Regionally	-2%	-6%

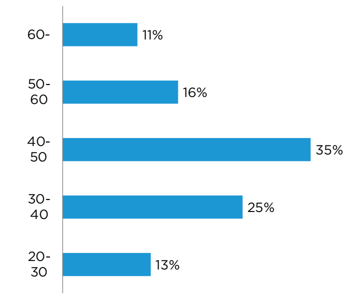
Methodology:
Change in the listing price is the difference between the first price indicated by the seller and the last registered price at the time of the appearance of the buyer. Bargain shows additional changes in the price agreed upon by the seller and buyer. The two indicators together give a good picture of the difference in price between the original idea of the seller and the actual final price

Based on purchase prices of the given period of properties brokered by Duna House.

CLIENT PROFILE: BUYERS IN DECEMBER

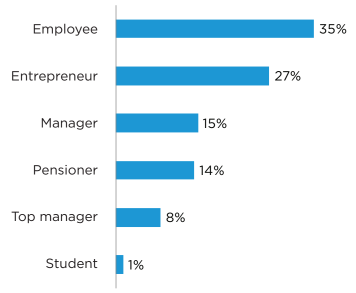
In December, 41% of buyers indicated investment as the reason behind the purchase in Budapest. On average, they spent nearly HUF 30 Million on 66m2 size flats. On the same location, one fifth of all buyers have purchased their first home, another 20% was moving into a bigger property. The latter spent HUF 29 Million on 85m2 flats on average.

AGE BP.



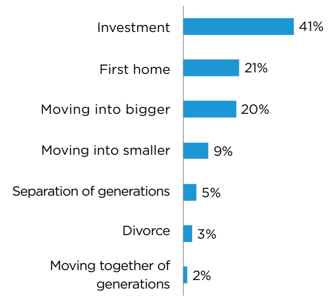
AGE	AV. PRICE	M2
20-30	19 179 000	52
30-40	28 312 000	71
40-50	24 960 000	68
50-60	21 573 000	53
60-	38 581 000	91

STATUS BP.



STATUS	AV. PRICE	M2
Student	20 350 000	46
Top manager	50 592 000	112
Pensioner	22 894 000	56
Manager	27 351 000	76
Entrepreneur	31 234 000	73
Employee	17 396 000	51

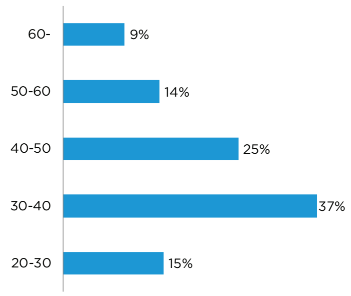
REASON OF PURCHASE BP



SITUATION	AV. PRICE	M2
Moving together of generations	22 500 000	81
Divorce	14 250 000	49
Separation of generations	17 867 000	55
Moving into smaller	20 463 000	55
Moving into bigger	28 983 000	85
First home	20 973 000	53
Investment	29 673 000	66

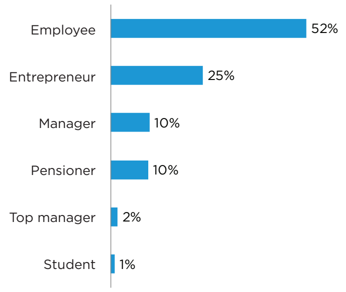
Regionally, 25% of buyers moved into a bigger property, while another 25% bought the flat as investment. Those moving into bigger purchased 128 m2 flats for HUF 22.1 Million on average. Investors generally chose smaller, 63 m2 flats for HUF 12.3 Million. Those buying their first home accounted for 22% of the turnover, spending HUF 12.6 Million for 80m2 size flats on average.

AGE, BUYERS, REGIONAL



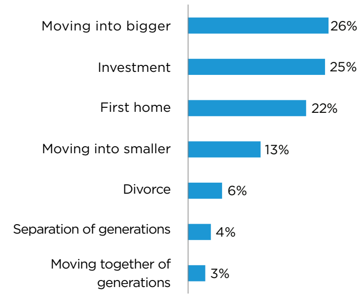
AGE	AV. PRICE	M2
20-30	13 231 000	81
30-40	15 169 000	87
40-50	16 175 000	96
50-60	14 286 000	73
60-	13 051 000	74

STATUS, BUYERS, REGIONAL



STATUS	AV. PRICE	M2
Student	14 867 000	78
Top manager	21 239 000	91
Pensioner	10 181 000	64
Manager	18 228 000	94
Entrpreneur	20 208 000	106
Employee	12 318 000	77

REASON OF BUYING, REGIONAL



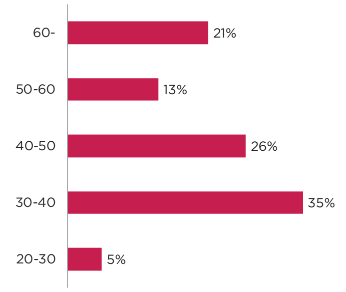
SITUATION	AV. PRICE	M2
Moving together of generations	19 567 000	140
Separation of generations	10 825 000	61
Divorce	11 643 000	62
Moving into smaller	12 159 000	66
First home	12 629 000	80
Investment	12 276 000	63
Moving into bigger	22 121 000	128

Data presented above relating age, status and reason of purchase have been acquired through the volunteer declaration of our clients. They qualify as sampling and are regarded as estimated values.

CLIENT PROFILE: SELLERS IN DECEMBER

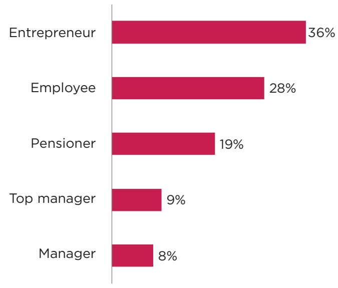
40% of sellers in Budapest indicated moving into a bigger flat the reason for the purchase. They sold their 58m2 flats for HUF 21.8 Million on average. On the same location, 33% sold inherited property for an average HUF 21 Million, and only 17% of seller was planning to move into a smaller property.

AGE BP.



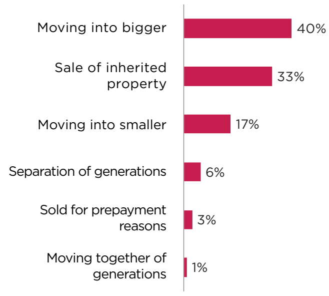
AGE	AV.PRICE	M2
20-30	15 571 000	38
30-40	24 170 000	58
40-50	24 568 000	60
50-60	26 619 000	67
60-	33 861 000	93

STATUS BP.



STATUS	AV. PRICE	M2
Manager	25 010 000	73
Top manager	31 933 000	68
Pensioner	29 064 000	86
Employee	18 686 000	53
Entrepreneur	34 335 000	75

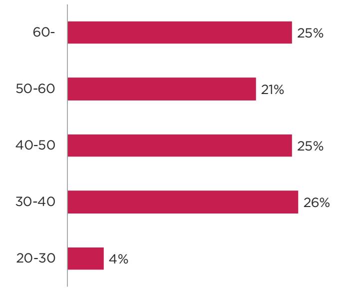
REASON OF SALE BP.



SITUATION	AV. PRICE	M2
Moving together of generations	16 500 000	56
Sold for prepayment reasons	20 367 000	49
Separation of generations	50 065 000	113
Moving into smaller	31 483 000	101
Sale of inherited property	17 420 000	53
Moving into bigger	21 830 000	58

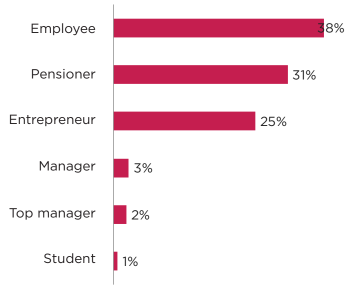
Regionally, the ratio of those selling inherited property was 29%, who sold their property for an average HUF 10.3 Million. The group of those moving into bigger is nearly the same size, who sold 77 m2 properties for HUF 16.7 Million on average. 25% of sellers wanted a smaller flat, they also sold their property for HUF 16.7 Million on average – but in a 114 m2 size.

AGE, SELLERS, REGIONAL



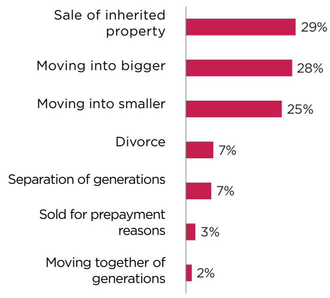
AGE	AV.PRICE	M2
20-30	12 134 000	56
30-40	13 963 000	77
40-50	17 488 000	89
50-60	14 580 000	94
60-	12 694 000	90

STATUS, SELLERS, REGIONAL



STATUS	AV. PRICE	M2
Student	17 875 000	61
Top manager	30 417 000	119
Manager	17 265 000	90
Entrpreneur	18 590 000	86
Pensioner	11 515 000	84
Employee	13 458 000	82

REASON OF SALE, REGIONAL



SITUATION	AV. PRICE	M2
Moving together of generations	7 967 000	84
Sold for prepayment reasons	11 340 000	73
Separation of generations	18 608 000	110
Divorce	22 636 000	114
Moving into smaller	16 679 000	114
Moving into bigger	16 660 000	77
Sale of inherited property	10 257 000	83

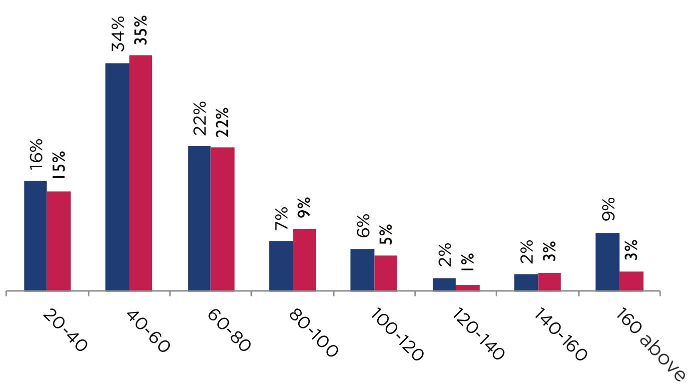
Data presented above relating age, status and reason of purchase have been acquired through the volunteer declaration of our clients. They qualify as sampling and are regarded as estimated values.

TRANSACTION PARAMETERS — BUDAPEST

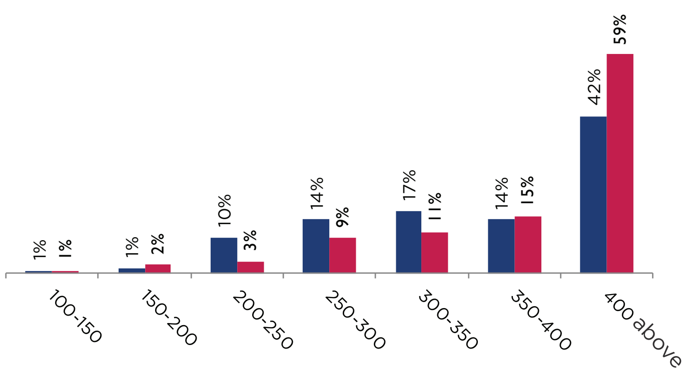
In Buda, less bigger size flats have been sold than a year before. In the same period of 2015, 9% of sale and purchase transactions targeted properties above 160m2 size, while this year it accounted for 3% only. Price increase, on the other hand, is clearly visible, since (when comparing the same periods of the same 2 years) the ratio of transaction in the price zone above HUF 400 thousand/m2 has risen from 42 to 59%. A similar price growth can be observed in Pest as well, where the same category has risen from 20 to 36%.

BUDA

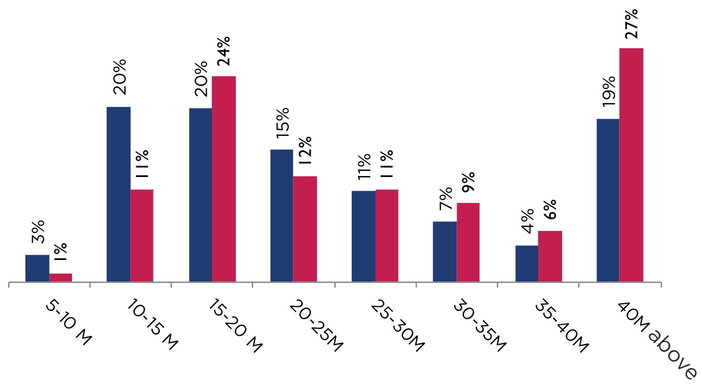
Size (m2)



m2 price (HUF thousand)

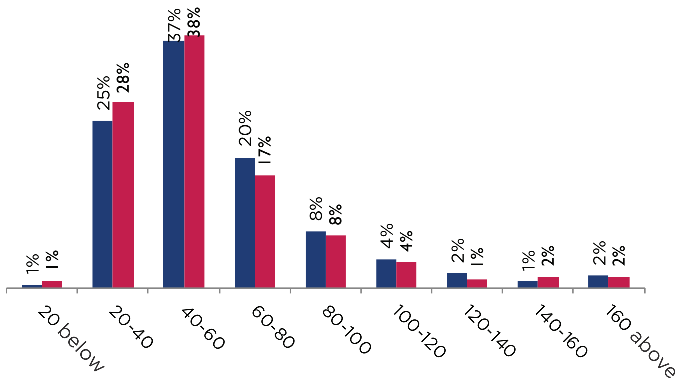


Price (HUF Million)

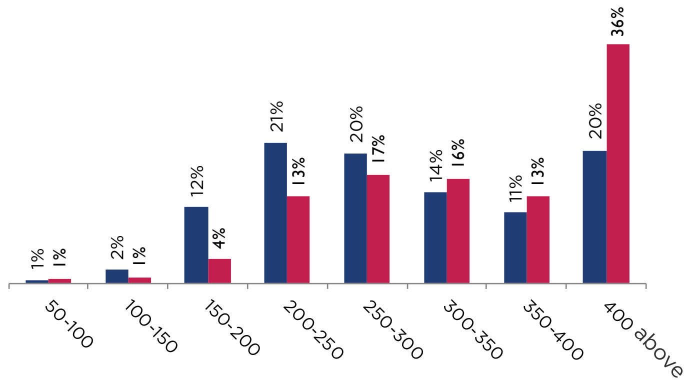


PEST

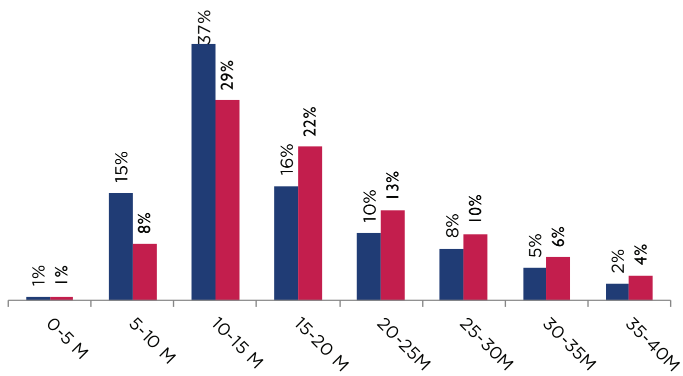
Size (m2)



m2 price (HUF thousand)



Price (HUF Million)



■ 2015. Q3-4.
■ 2016. Q3-4.

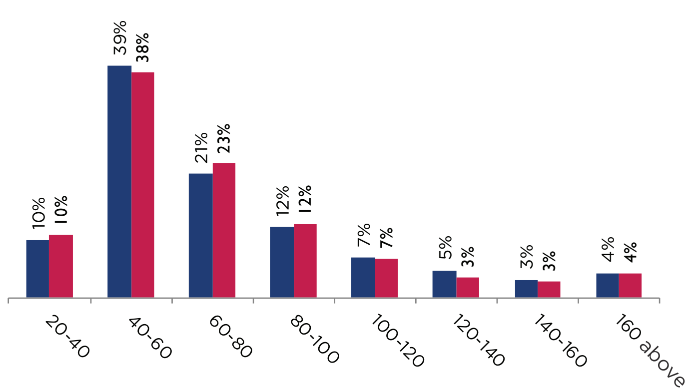
Based on property sold by Duna House Franchise network.

TRANSACTION PARAMETERS - REGIONAL

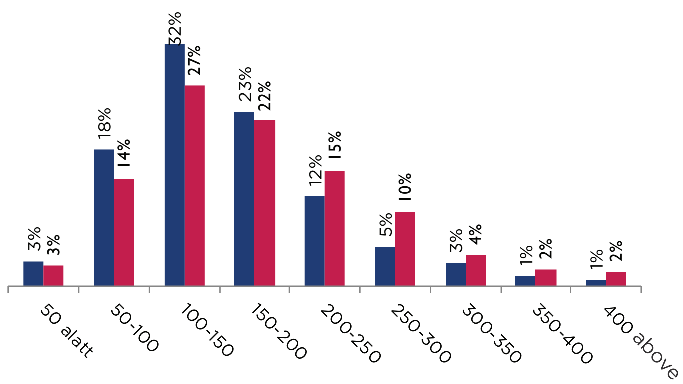
When comparing the Q3-4 of 2015 and 2016, price increase is also detected on regional level. 22% of the transactions took place above HUF 200 thousand/m2 last year, growing to 33% by 2016. As far as desired flat sizes are concerned, no major changes have been observed during the one-year period, nearly 40% of buyers choose properties of sizes 40-60 m2. Pest County also stands in line, with somewhat bigger sizes – nearly 50% of buyers choose from flats of sizes 60-100 m2, but one in every ten buyers ends up buying a property bigger than 160 m2.

National (Excluding Central Hungary)

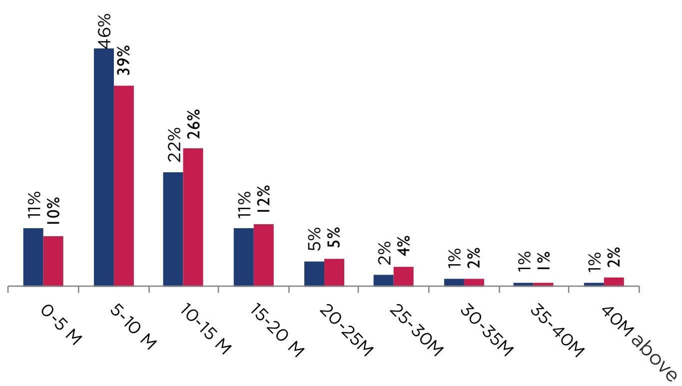
Size (m2)



m2 price (HUF thousand)

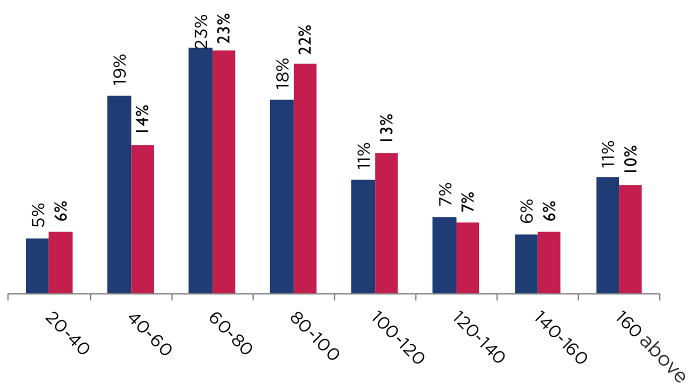


Price (HUF Million)

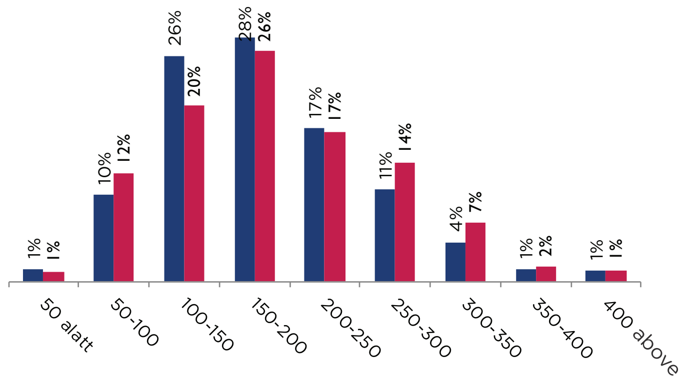


PEST COUNTY

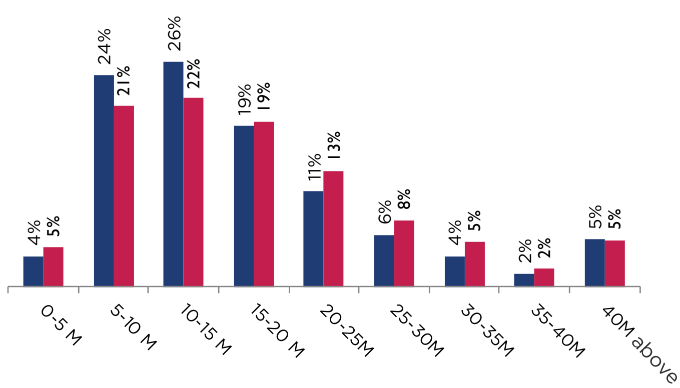
SIZE (m2)



m2 price (HUF thousand)



Price (HUF Million)



2015. Q3-4.
2016. Q3-4

Based on property sold by Duna House Franchise network.

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GET DETAILED MARKET INFORMATION ON YOUR PLANNED DEVELOPMENT

Duna House Department of Analysis offers the following services:

- Competitor assessment by locations
- Apartment mix proposal
- Indication of achievable price levels
- Introduction of demand and supply side factors
- Positioning of the development
- Solutions for other project specific needs, etc.

For consultation, or complete analysis packages do not hesitate to contact us!

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