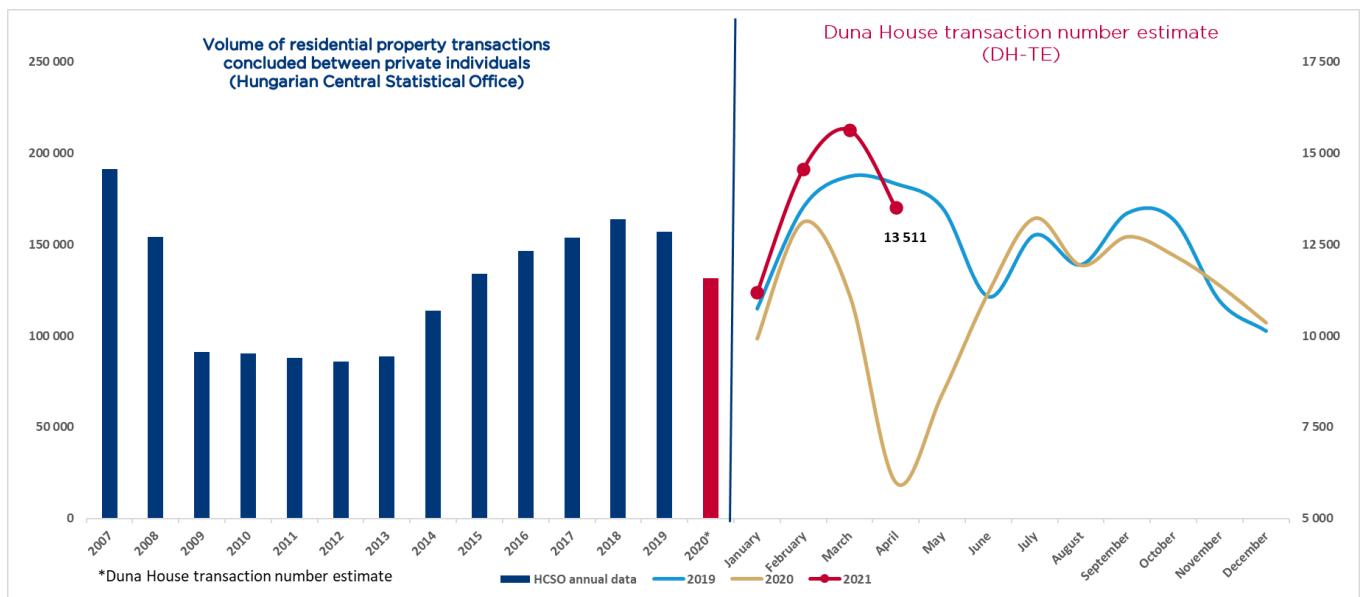


Residential property transaction volume estimate and mortgage forecast for April 2021

Duna House presents its monthly Transaction Number Estimate (DH-TE) and Mortgage Forecast below, showing that in April 2021 13,511 property transactions were concluded and residential mortgage contracts worth HUF 92-93 billion were signed in the whole of Hungary.



Following the exceptional rally of Q1 2021 property market activity settled back to normal in April. The transaction volume of 13,511 estimated by Duna House perfectly corresponds to the market cyclicality and is, according to experts, an indication that there was no significant reduction of market activity after the strong start of the year. The current figure shows a negligible, 5% drop compared to 2019 and is more than twice as high as the rock bottom the market hit in April 2020 on account of the first wave of the COVID pandemic. For May and June Duna House expects to see brisk activity from both sellers and buyers so the market may close the first half of the year with 75-80 thousand sales transactions in total.

As far as the mortgage market is concerned, the strong figures seen in March persisted. Similarly to the previous month, Duna House Finances forecast a market volume of HUF 92-93 billion, 26% and almost 10% higher than the factual figures published by the National Bank of Hungary for April 2020 and April 2019, respectively. Duna House expects that not unlike the residential property market, both the property mortgage market and state home subsidies will continue to report strong figures for the second quarter.

Budapest, 3 May 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								

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.