

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
€1,770 Average monthly wage (EUR)*	▲	▲
€140.00 Prime HS rent, Sq m/month	▲	—
6.75% Prime HS Yields	▼	—

\* As of May 2025, HCSO calculated at an exchange rate of 28th July 2025. Average regular gross salary.  
Prime rent and yield for High Street units as of 30 June 2025  
Source: Cushman & Wakefield, Moody's

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
0.9% GDP Growth	▲	▲
4.5% Consumer Price Index	▲	▼
3.0% Retail Sales Volume Index	▲	▼

Annual Growth Data  
Source: Moody's Analytics, 30th June 2025

ECONOMY: GROWTH RECOVERY FROM 2026

Hungary's economy contracted by 0.4% year-on-year in Q1 2025, prompting Moody's to revise its annual GDP growth forecast downward to 0.9%. The downgrade reflects weaker domestic consumption and persistently high inflation. Although inflation eased to 4.4% in May, it remains above the central bank's 4% target, prolonging the period of tight monetary conditions. Consequently, the National Bank of Hungary is expected to maintain its base rate at 6.5% through late 2025. Despite the broader economic slowdown, the labour market has shown relative resilience, with unemployment projected to rise only marginally in the fourth quarter. The downturn is largely driven by weak domestic demand, stagnating real wages, and persistent inflation, particularly in services and food. While the newly introduced tax allowance system may provide some support to consumption, falling wage growth and subdued household spending remain key drags on the economy.

In 2024, the retail sector was a major driver of investment, accounting for 27% of total investment volume—the highest among all sectors. However, investor interest in retail properties has been subdued in the first half of 2025, with only one minor transaction recorded. Nevertheless, several deals are currently under negotiation and are expected to close in the coming quarters.

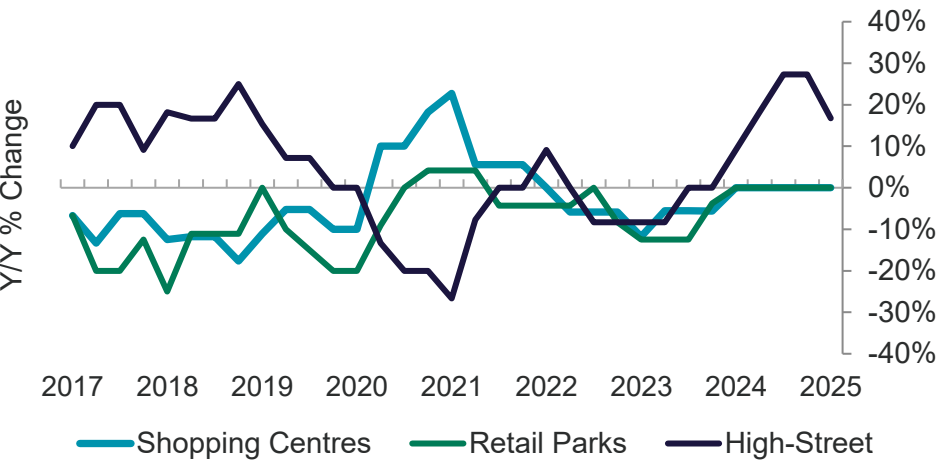
SUPPLY AND DEMAND: REGIONAL RETAIL EXPANSION IN HUNGARY

Retail sales in Hungary grew by 3.1% year-on-year in the January–May period, although the pace was slower than initially expected. Moody's Analytics forecasts a 3.0% increase in retail sales for the full year 2025. According to the HCSO, e-commerce accounted for 8.1% of total retail sales during the same period. Hungary's retail property market has remained largely static in recent years, constrained by limited development potential. Nevertheless, 2024 saw moderate expansion, with regional retail stock increasing by 40,250 sq m nationwide. In the first half of 2025, just one new retail project was completed. However, the outlook for the second half of the year is more active, with 43,750 sq m of new retail space scheduled for delivery across 12 smaller-scale retail parks in secondary and tertiary cities. These developments will be anchored by well-established mass-market brands, reflecting a cautious yet targeted approach to retail expansion. Additionally, the Zenit Corso shopping centre is anticipated to be completed by September, adding 11,000 sq m to the otherwise relatively static shopping centre stock, which totals 1.3 million sq m. While landlords continue to prioritise refurbishments, recent projects indicate a growing trend toward expansion. Noteworthy examples include planned extensions of Alba Plaza, Duna Mall, and Forum Debrecen. The first Time Out Market in CEE will open in September in Corvin Palace, bringing a fresh experience to Budapest's retail scene.

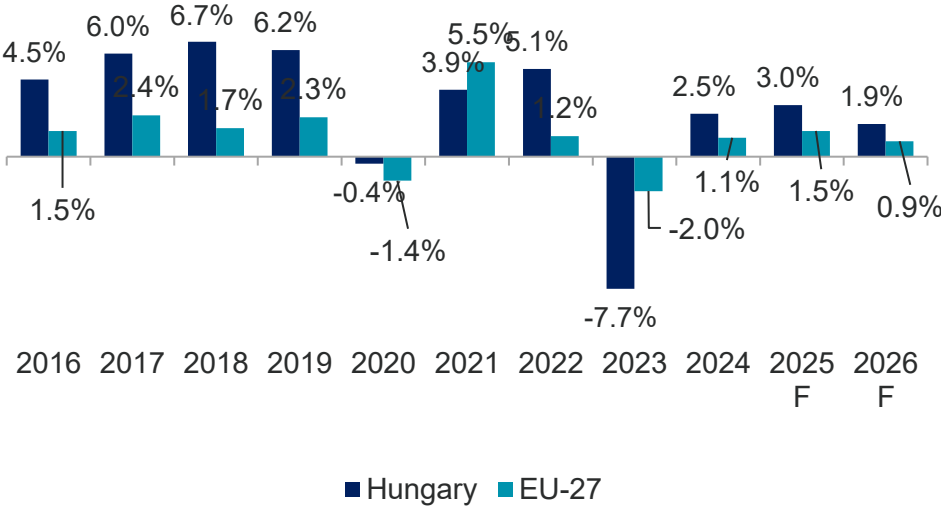
PRICING: STRONG RENTAL GROWTH SEEN IN HIGH-STREET

Prime high-street rents remained stable quarter-on-quarter while delivering robust year-on-year growth, signaling a strong recovery in the sector. In contrast, rental levels in other retail segments stayed largely unchanged over the same period.

PRIME RENT Y/Y CHANGE



RETAIL SALES Y/Y GROWTH



MARKET STATISTICS\*

SUBMARKET	SHOPPING CENTRE STOCK (SQ M)	RETAIL PARK & WAREHOUSE (SQ M)	RETAIL PIPELINE (SQ M)**
BUDAPEST	839,230	365,770	84,685
CENTRAL HUNGARY	0	449,960	86,505
CENTRAL TRANSDANUBIA	54,130	142,235	32,935
NORTHERN GREAT PLAIN	121,445	112,825	13,000
NORTHERN HUNGARY	65,200	92,750	12,440
SOUTHERN GREAT PLAIN	104,985	167,120	8,300
SOUTHERN TRANSDANUBIA	61,710	127,355	17,450
WESTERN TRANSDANUBIA	108,900	312,270	30,785
HUNGARY TOTAL	1,355,600	1,770,285	279,730

\*In line with the practice in CEE countries, the retail stock comprises of retail schemes with a Gross Lettable Area (GLA) over 5,000 sq m.

\*\* Includes refurbishment projects, additionally includes both planned and U/C.

KEY SALES TRANSACTIONS 2024

PROPERTY	SUBMARKET	TYPE	SELLER/BUYER	YEAR	SIZE (SQ M)
Vörösmarty 1	Budapest CBD	High Street	Confidential / Indotek	2024	6,350
Decathlon store	Zalaegerszeg	Retail Warehouse	Decathlon / Hungarian Private Investor	2024	3,100
Decathlon store	Kecskemét	Retail Warehouse	Decathlon / Hungarian Private Investor	2024	3,300
2 Interspar stores	Nyíregyháza, Zalaegerszeg	Hypermarket	Confidential / Unione Group	2024	17,800

KEY PIPELINE PROJECTS -2025

PROPERTY	SUBMARKET	DELIVERY DATE	TYPE	SIZE (SQ M)
Mömax	Székesfehérvár	Q3 2025	New	6,600
Bányavasút utcai Kereskedelmi Központ	Pécs	Q3 2025	New	6,950
Alba Mall Bevásárlóudvar	Székesfehérvár	Q4 2025	New	7,900
Zenit Corso	Budapest	Q4 2025	New	11,000

KEY CONSTRUCTION COMPLETIONS 2024-2025

PROPERTY	SUBMARKET	DELIVERY DATE	TYPE	SIZE (SQ M)
Dera Park	Szentendre	Q1 2025	New	7,230
Sbox Bevásárlópark	Hajdúsámson	Q3 2024	New	6,500
Prestige Budapest	Budapest CBD	Q4 2024	New	2,800

Source: Cushman & Wakefield Research

	PRIME RENTS		PRIME YIELDS	
	EURO/MONTH /SQ M	Y-O-Y GROWTH	CURRENT QUARTER	LAST YEAR
BUDAPEST HIGH STREET	140.0	7.7%	6.75%	7.00%
BUDAPEST PRIME SHOPPING CENTRE	95.0	0%	7.25%	7.25%
RETAIL PARKS (OUT OF TOWN)	13.5	0%	7.50%	7.50%

*High Street unit* represents an actual or theoretical shop situation in the prime retail location in a market. The market could be a specific street or broader area. Data should reflect the standard unit prevalent in that market, thus the typical frontage and depth may vary market to market.

*Shopping Centre* is a centrally managed purpose-built retail facility, comprising units and communal areas, with a Gross Lettable Area (GLA) of or over 5,000 sq m. The centre can include a mix of shops, restaurants, service and leisure operators.

*Retail park* which is purpose-built typically by a single developer with a common design, comprises at least two warehouse-type units, has a minimum total GLA of 5,000 sq m, has car parking facilities shared by all units, has majority of units occupied by professional retailers. Given the nature of their location edge/out-of-town and type of retail offer, accessibility by car is important for the vast majority of retail park schemes.

ORSOLYA HEGEDŰS

Partner, Head of Business Development Services Budapest

Mobile: +36 30 399 5106

[orsolya.hegedus@eur.cushwake.com](mailto:orsolya.hegedus@eur.cushwake.com)

EDIT JAKAB

Senior Research Analyst Budapest

Mobile: +36 70 373 7482

[edit.jakab@cushwake.com](mailto:edit.jakab@cushwake.com)

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2023, the firm reported revenue of \$9.5 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), sustainability and more. For additional information, visit [www.cushmanwakefield.com](http://www.cushmanwakefield.com).

©2024 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.