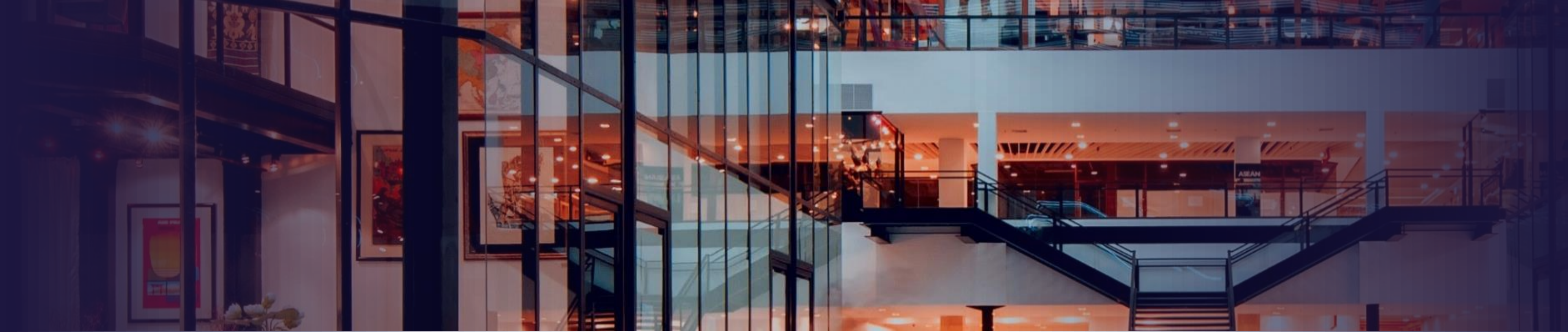


MARKETBEAT HUNGARY
RETAIL Q3 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
€1,783 Average monthly wage (EUR)*	▲	▲
€160.00 Prime HS rent, Sq m/month	▲	▲
6.75% Prime HS Yields	▼	—

** As of August 2025, HCSO calculated at an exchange rate of 29 Oct 2025. Average regular gross salary.*
Prime rent and yield for High Street units as of 30 Sept 2025
Source: Cushman & Wakefield, Moody's

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
0.9% GDP Growth	▲	▲
4.8% Consumer Price Index	▲	▼
3.1% Retail Sales Volume Index	▲	▼

Annual Growth Data
Source: Moody's Analytics, 11th September 2025

ECONOMY: GROWTH RECOVERY FROM 2026

Hungary's economy contracted by 0.2% year-on-year in Q2 2025, leading Moody's to lower its annual GDP growth forecast to 0.9%. The decline was driven by weak domestic demand, stagnant real wages, and persistent inflation, particularly in services and food. Although household consumption is gradually recovering with stabilizing real incomes, inflation remains above target, limiting monetary policy easing. The base rate is expected to stay at 6.5% through late 2025 to contain price pressures. The labour market has shown resilience, with unemployment projected to rise only slightly and real wages stabilizing. This has supported a modest rebound in retail activity, as HCSO data show retail sales up 2.8% year-on-year in January–August 2025, and Moody's anticipates 3.1% growth for the year. Overall, economic momentum remains subdued, though a stronger recovery is expected in 2026 as domestic demand and exports strengthen.

In 2024, the retail sector emerged as a leading driver of investment activity, accounting for 27% of total investment volume, the highest share across all sectors. However, investment sentiment in retail properties has moderated, but selective investment activity continues. A notable transaction in Q3 2025 involved Mellow Moods' acquisition of a prime high street asset on Vörösmarty Square, underscoring sustained interest in core retail locations with strong long-term fundamentals.

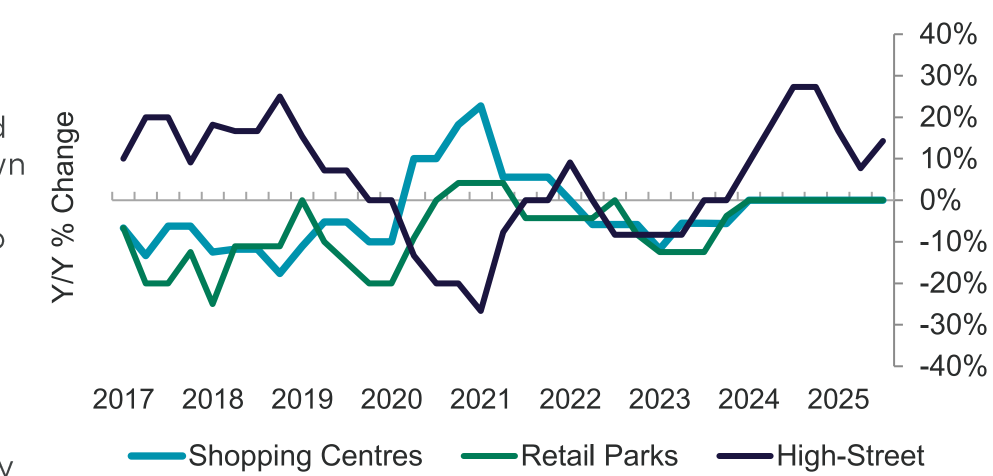
SUPPLY AND DEMAND: REGIONAL RETAIL EXPANSION IN HUNGARY

The Hungarian retail property market saw limited development in 2025, with overall retail park stock remaining largely unchanged at 1.7 million sq m. In 2024, retail park supply expanded modestly by 40,250 sq m, but only two new projects were completed in 2025, falling short of earlier expectations. The outlook for Q4 2025 is more optimistic, with 28,220 sq m of new retail space scheduled for delivery. Shopping centre stock increased by 11,000 sq m following the October opening of Zenit Corso, Hungary's first new shopping centre since 2023—bringing total shopping centre stock to 1.3 million sq m. While landlords continue to prioritise refurbishments, recent announcements highlight a renewed appetite for expansion. Notable planned extensions include Duna Mall, Alba Plaza, and Forum Debrecen. A key milestone for the market was the September debut of the first Time Out Market in CEE, a 2,500 sq m venue offering a diverse selection of restaurants, bars, and event space. Overall, although development activity remains subdued, new openings and planned expansions signal cautious optimism and potential for future growth in Hungary's retail property sector.

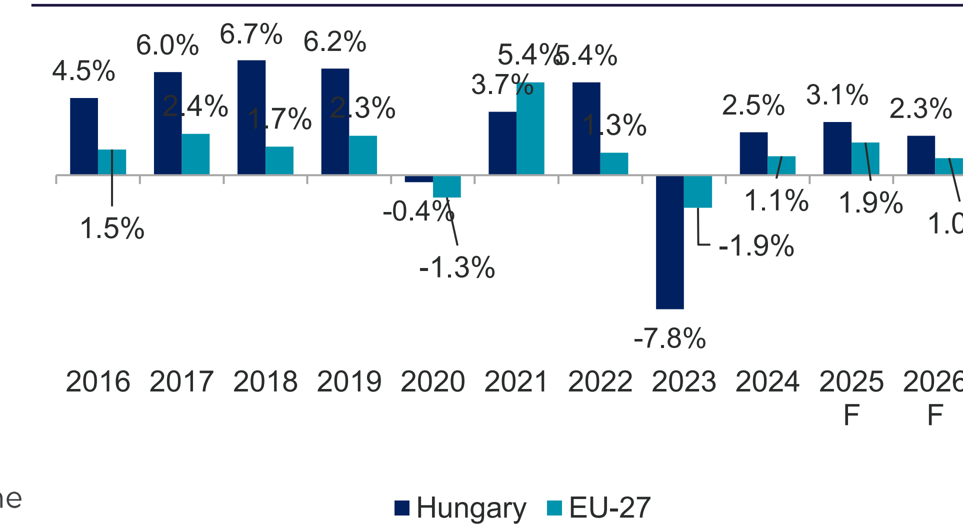
PRICING: STRONG RENTAL GROWTH SEEN IN HIGH-STREET

Prime high-street rents grew steadily in the past quarters, signalling robust recovery in the sector. High street prime rents grew by 14.3% year-on-year, 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	71,000
CENTRAL HUNGARY	0	446,760	30,955
CENTRAL TRANSDANUBIA	54,130	148,865	31,620
NORTHERN GREAT PLAIN	121,445	115,825	10,000
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**	**1,776,715**	**212,550**

*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.

	PRIME RENTS		PRIME YIELDS	
	EURO/MONTH /SQ M	Y-O-Y GROWTH	CURRENT QUARTER	LAST YEAR
BUDAPEST HIGH STREET	160.0	14.3%	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.*

KEY SALES TRANSACTIONS 2024-2025

PROPERTY	SUBMARKET	TYPE	SELLER/BUYER	YEAR	SIZE (SQ M)
Vörösmarty 1	Budapest CBD	High Street	Redevco / Indotek	2024	6,350
2 Interspar stores	Nyíregyháza, Zalaegerszeg	Hypermarket	Confidential / Unione Group	2024	17,800
Vörösmarty tér 3	Budapest CBD	High Street	Confidential/Mellow Moods	2025	3,450

KEY PIPELINE PROJECTS -2025

PROPERTY	SUBMARKET	DELIVERY DATE	TYPE	SIZE (SQ M)
Mömax	Székesfehérvár	Q4 2025	New	6,600
Alba Mall Bevásárlóudvar	Székesfehérvár	Q4 2025	New	7,900
Zenit Corso	Budapest	Q4 2025	New	11,000
Bányavasút utcai Kereskedelmi Központ	Pécs	Q1 2026	New	6,950
Stop Shop Salgótarján	Salgótarján	Q1 2027	New	9,840

KEY CONSTRUCTION COMPLETIONS 2025

PROPERTY	SUBMARKET	DELIVERY DATE	TYPE	SIZE (SQ M)
Dera Park	Szentendre	Q1 2025	New	7,230
Várda Market II (Extension)	Kisvárda	Q3 2025	New	3,000

Source: Cushman & Wakefield Research

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