

MARKET FUNDAMENTALS

	YOY Chg	12-Month Foecast
€1,992 Average monthly wage (EUR)*	▲	▲
€160.00 Prime HS rent, Sq m/month	▲	▲
6.25% Prime HS Yields	▼	—

*HCSO (Nov 2025), FX rate: 6 Feb 2026. Avg. regular gross salary. Prime high-street rents and yields as of 31 Dec 2025. Source: Cushman & Wakefield, Moody's

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
0.3% GDP Growth*	▼	▲
4.4% Consumer Price Index*	▲	—
2.9% Retail Sales Volume Index*	▲	▼

*HCSO (5 Feb 2026); annual growth data. Source: Moody's Analytics, 12 Jan 2026.

ECONOMY: GROWTH RECOVERY FROM 2026

Hungary's economy remained weak in 2025, expanding by just 0.3% according to HCSO data, reflecting subdued external demand, weak investment, and only a gradual recovery in household consumption. Moody's expects GDP growth to accelerate to 2.5% in 2026, supported by rising real wages, easing inflation, and the onset of gradual monetary easing. In 2025, household consumption was the key driver of economic growth, supported by real wage growth and easing inflation. According to HCSO data, total retail sales volume increased by 3.5% year on year in December, while annual retail sales grew by 2.9% over the full year. Despite improved spending dynamics, consumers remain price-sensitive and selective. Growth was largely concentrated in food and beverage retail, while premium and big-ticket categories continued to underperform. Moody's forecasts household consumption growth of 1.5% in 2026. In 2024, the retail sector emerged as a leading driver of investment activity, accounting for 27% of total transaction volume, the highest share among all sectors. However, investment sentiment towards retail assets softened in 2025. A notable transaction in Q3 2025 saw Mellow Moods acquire a prime high-street asset on Vörösmarty tér, highlighting continued investor appetite for core retail locations with strong long-term fundamentals.

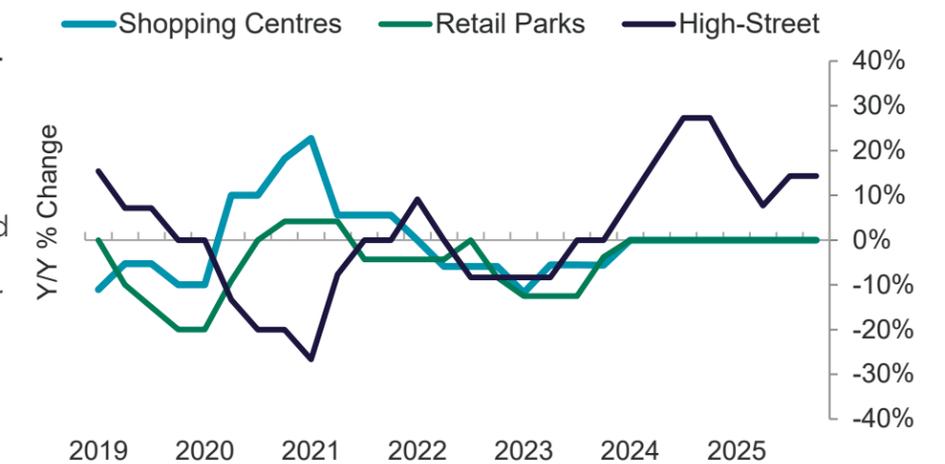
SUPPLY AND DEMAND: IN SHOPPING CENTRE REFURBISHMENT AND REPOSITIONING

The Hungarian retail property market saw limited development activity in 2025, with total retail park stock remaining broadly stable at 1.78 million sq m. Approximately 28,600 sq m of retail space was delivered during the year through new developments and extensions to existing parks. Looking ahead, several new projects have been announced for completion in 2026 and 2027. 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 1.36 million sq m. ESG considerations are playing an increasingly important role across the retail market, particularly in shaping *Refurbishment* and *Repositioning* strategies. Meanwhile, several previously announced shopping centre extension projects remain uncertain, with further delays now expected. Despite these challenges, high-street locations continue to perform strongly, supported by the sustained inflow of foreign tourists. In 2025, 12 new brands entered the Hungarian market, led primarily by the food & beverage and beauty segments. Notable new entrants included Time Out Market and Rituals. In contrast, the anticipated exit of Hervis is expected to reshape the sport fashion segment of the retail market.

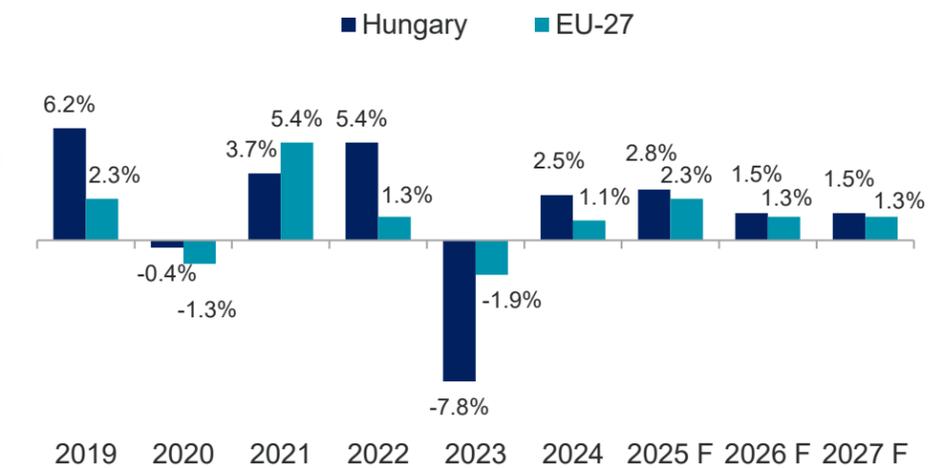
PRICING: STRONG HIGH-STREET RENTAL GROWTH

Prime high-street rents, particularly on Fashion Street, have increased steadily over recent quarters, with prime rents in Budapest currently standing at €160/sq m/month, reflecting a 14.3% year-on-year increase. Over the same period, rental levels across other retail segments remained largely unchanged.

PRIME RENT Y/Y CHANGE



RETAIL SALES Y/Y GROWTH



MARKET STATISTICS*

REGION	SHOPPING CENTRE STOCK (SQ M)	RETAIL PARK & WAREHOUSE (SQ M)	RETAIL PIPELINE (SQ M)**
Budapest	850,230	365,770	60,000
Central Hungary	0	446,760	39,455
Central Transdanubia	54,130	152,865	24,990
Northern Great Plain	121,445	115,825	32,000
Northern Hungary	65,200	92,750	9,840
Southern Great Plain	104,985	167,120	8,300
Southern Transdanubia	61,710	127,355	17,450
Western Transdanubia	108,900	317,420	30,785
HUNGARY TOTALS	1,366,600	1,785,865	222,820

*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

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

PROPERTY	SUBMARKET	DELIVERY DATE	TYPE	SIZE (SQ M)
Bányavasút utcai Kereskedelmi Központ	Pécs	Q1 2026	New	6,950
Alba Mall Bevásárlóudvar	Székesfehérvár	Q1 2026	New	7,900
MyRa Retail Park	Motorway M3, Bag exit	Q4 2026	New	8,500
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
Zenit Corso	Budapest	Q4 2025	New	11,000
Mömax	Székesfehérvár	Q4 2025	New	6,630

Source: Cushman & Wakefield Research

	PRIME RENTS		PRIME YIELDS	
	EURO/MONTH /SQ M	Y-O-Y GROWTH	CURRENT QUARTER	LAST YEAR
BUDAPEST HIGH STREETS	160.0	14.3%	6.25%	7.00%
BUDAPEST 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.

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