MARKETBEAT
HUNGARY
INVESTMENT 2026 H1

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
6.25% Prime Yield (OFF)	—	—
6.75% Prime Yield (IND)	—	—
€507 M Total Volume	▲	▲

All Property Classes, prime yield as of 30th June 2026
Source: Cushman & Wakefield Research

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
2.1% GDP*	▲	▲
4.5% Unemployment Rate*	▲	▼
2.9% 5-Yr EUR SWAP **	▲	▲
6.5% 10-Yr Government Bond	▼	▼

*Source: * Moody's Analytics, 10th July 2026,*
***y/y growth forecast, Moody's Analytics*

ECONOMY: IMPROVED SENTIMENT STRENGTHENS HUNGARY'S GROWTH OUTLOOK

Hungary's macroeconomic outlook strengthened in H1 2026, supported by improving investor confidence following the April elections and the new government's commitment to closer EU alignment and restoring access to EU funding. Real GDP expanded by 1.7% year-on-year in Q1 2026, driven primarily by the services sector, while industrial production returned to growth after a prolonged period of contraction. The appreciation of the Hungarian Forint contributed to easing inflation, with headline CPI falling to 2.1% in April, within the National Bank of Hungary's 2%–4% target range. This enabled the central bank to reduce its base rate to 5.75% in July. Labour market conditions remained resilient despite a modest softening, with unemployment stabilising at around 4.5%, while real wages continued to support household consumption.

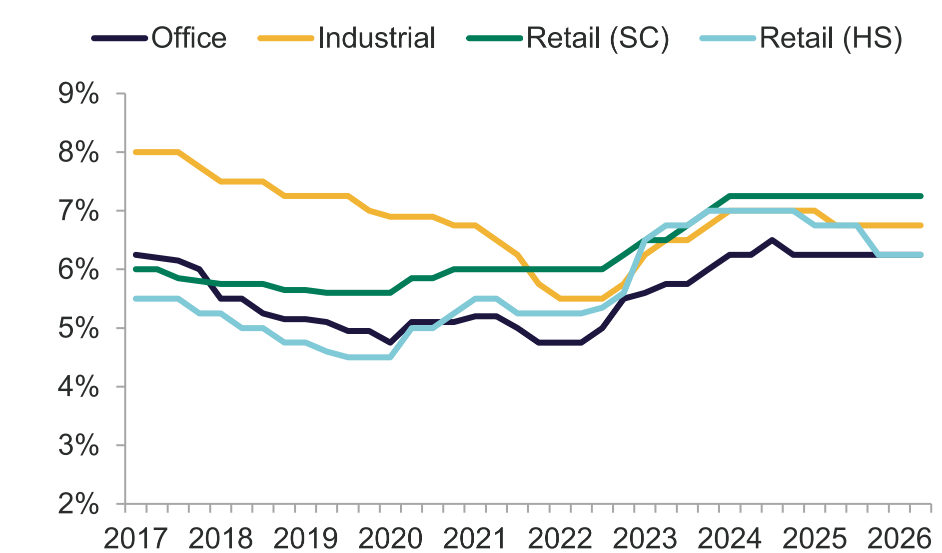
According to Moody's Analytics, GDP growth is forecast to reach 2.1% in 2026 and 2.6% in 2027, supported by a recovery in industrial production driven by the automotive, battery, logistics and infrastructure sectors, alongside the expected resumption of EU-funded investments. Germany's economic performance and the pace of EU funding absorption remain key risks to the outlook.

INVESTMENT: MARKET RECOVERY GAINS MOMENTUM

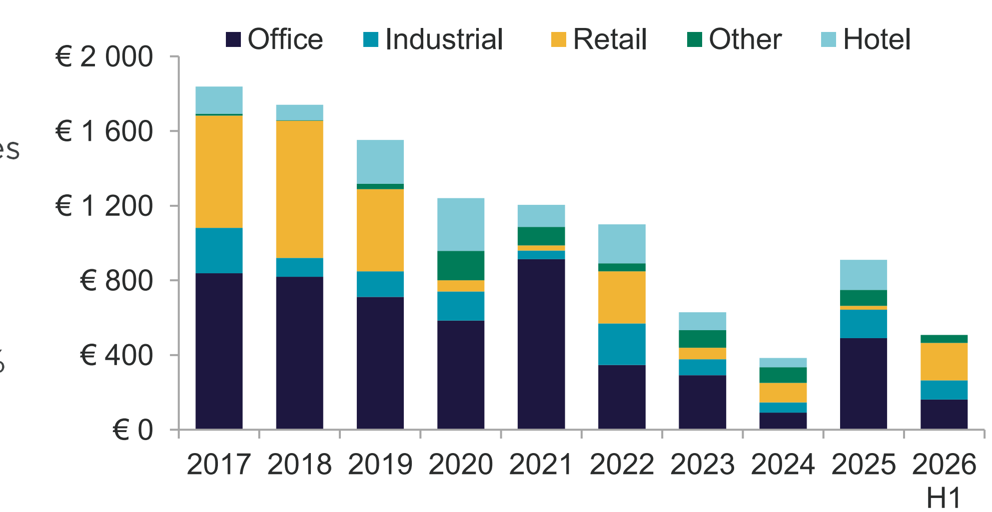
Investment market recovery continued in H1 2026, building on the momentum established in 2025, with transaction volumes exceeding €500 million. Several long-awaited transactions closed during the first half, including a large shopping centre acquisition in Szeged, lifting the average transaction size despite broadly unchanged deal volumes. While transactions below €25 million continued to dominate the market, the average deal size increased to €16.5 million. Retail was the strongest-performing sector, accounting for 40% of total investment volume, followed by offices with a 32% share. Among the largest office transactions was WING's acquisition of Capital Square from CA Immo as part of the seller's portfolio divestment strategy. Industrial assets continued to attract strong investor interest across both prime and secondary segments, while hotel investment activity remained subdued.

Domestic investors remained the market's main source of capital, accounting for 78% of total investment volume. At the same time, international capital returned selectively, with completed transactions involving CEE and Asian investors. Prime yields remained stable quarter-on-quarter and year-on-year despite the pickup in investment activity, indicating that improving investor sentiment has yet to translate into yield compression. Looking ahead, the outlook for H2 2026 remains positive, supported by a pipeline of several large-ticket and portfolio transactions.

PRIME YIELD TRENDS



INVESTMENT SALES VOLUME BY SECTOR



Source: Cushman & Wakefield Research

INVESTMENT ACTIVITY

PROPERTY TYPE	YTD NO. OF TRANSACTIONS	YTD SALES VOLUME (€ MILLION)	AVERAGE VOLUME PER PROPERTY (€ MILLION)	SUBTYPE	PRIME YIELD (%)
Office	8	162	20		6.25
Industrial	7	102	14.6		6.75
				High Street	6.25
Retail	5	201	40	Shopping Centre	7.25
				Retail Park	7.50

ECONOMIC INDICATORS*	2019	2020	2021	2022	2023	2024	2025	2026 (F)	2027 (F)
GDP growth (%)	5.1	-4.5	7.2	4.2	-0.7	0.7	0.4	2.1	2.6
Private consumption expenditure (%)	5.0	-1.4	4.2	6.6	-2.2	7.3	3.1	4.5	3.0
Unemployment rate (%)	3.3	4.1	4.1	3.6	4.1	4.5	4.4	4.5	4.4
Inflation (%)	3.4	3.4	5.2	15.2	17.1	3.7	4.4	2.9	3.6
USD/HUF (average)	290.7	308.0	303.1	372.6	352.9	365.6	352.8	320.0	338.5
Interest Rates: 10-year bond yield (%)	2.5	2.2	3.1	7.6	7.5	6.5	6.9	6.5	6.4

Source: Moody's Analytics and HCSO

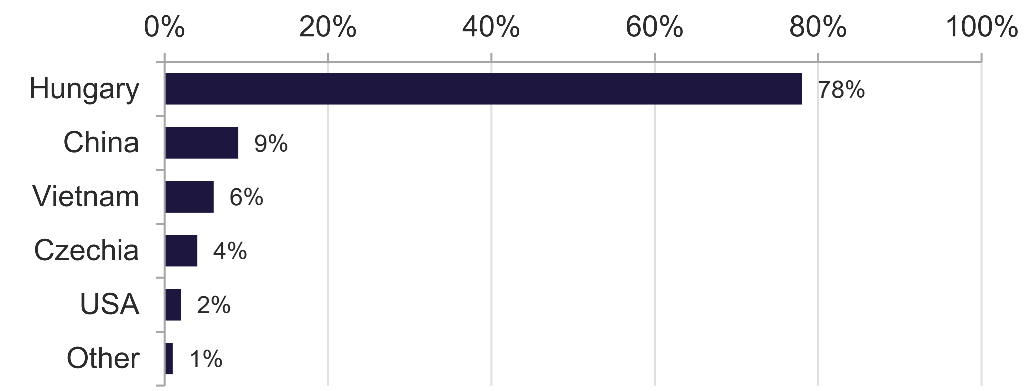
** Annual % growth unless otherwise indicated*

SIGNIFICANT SALES – YTD 2026

PROPERTY NAME	TYPE	BUYER	SELLER	SIZE (SQ M/ ROOMS)	MARKET
Park Center portfolio (12 assets)	Retail	Gránit Alapkezelő	Revetas	46,400	Multi-City
Millennium Tower I	Office	WizzAir	CA Immo	18,100	Budapest, Central Pest
Árkád Szeged	Retail	Home Ingatlanfejlesztő Alap	ECE	42,000	Szeged
Óbuda Gate	Office	Magyar Posta Takarék Ingatlanbefektetési Alap	Dorkan Property Kft	13,950	Budapest, North Buda
Ex Tesco Distribution Center	Industrial	Confidential	WP Carey	47,300	Herceghalom, Greater Budapest
HelloParks Fót (FT1)	Industrial	International Investor	HelloParks	46,000	Fót, Greater Budapest
Capital Square	Office	WING	CA Immo	34,000	Budapest, Váci Corridor
Corner6	Office	Forestay Group	CBRE IM	6,800	Budapest, Central Pest
Korzo Shopping Centre	Retail	Trigránit /DRFG	CA-ZETA Kft.	18,760	Nyíregyháza

Closed transactions. Sources: Real Capital Analytics, Cushman & Wakefield Research

2026 H1 ACQUISITIONS BY CAPITAL SOURCE COUNTRY



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