

108

REAL ESTATE



REPORT Q4/2024

INDUSTRIAL PROPERTY MARKET

BUDAPEST - HUNGARY

INDUSTRIAL MARKET IN BUDAPEST - HUNGARY Q4/2024

STEADY GROWTH AND INCREASED SUPPLY



3,755,750 sq m
TOTAL STOCK



225,960 sq m
GROSS TAKE-UP



234,150 sq m
UNDER CONSTRUCTION



5.50 EUR
PRIME RENT



7.9 %
VACANCY RATE

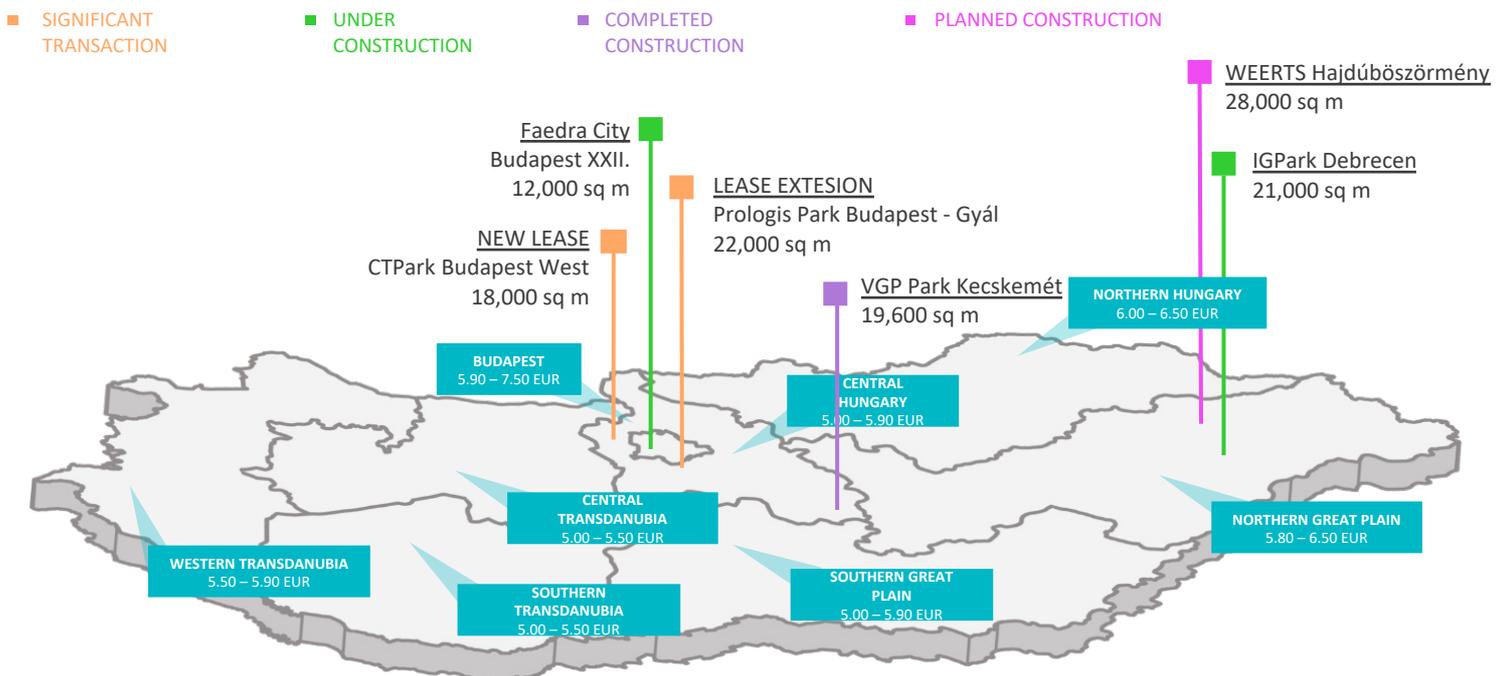


143,295 sq m
PREMISES DELIVERED

The industrial and logistics real estate market in Q4 2024 shows moderate growth in both Budapest and regional markets, with speculative developments slowing, because the demand has decreased compared to the previous year. Leasing activity is mainly driven by contract renewals, while new leases focus more on stability than expansion. Vacancy rates have slightly decreased, but overall demand has fallen, indicating that the market is adjusting to economic changes, with developers continuing to focus on premium locations. Net absorption and the number of leasing transactions remain relatively stable, but cautious growth is still observed in the market.

The market in Q4 2024 is characterized by a decreasing demand that made speculative developments come to a halt. In Budapest, 143,295 sq m of new development was completed, while 132,760 sq m of regional speculative developments were delivered. The majority of leasing contracts were renewals, and the demand decreased by 28% compared to the previous year. The number of leasing transactions increased, with 38 new contracts signed in Budapest, the largest of which were at Prologis Park Budapest - Gyál and CTPark Tatabánya. National demand reached 832,575 sq m, with net absorption of 177,000 sq m in Budapest and 120,390 sq m in regional markets. Two significant completions in regional Hungary also contributed: VGP Park Kecskemét's D1 and D2 building (19,600 sq m) and CTPark Tatabánya (33,000 sq m).

SELECTION OF OUR MAIN TRANSACTIONS AND CONSTRUCTION ACTIVITY



INDUSTRIAL MARKET IN BUDAPEST - HUNGARY Q4/2024

GROWING SUPPLY SLOWING DEMAND

Greater Budapest remains the focal point of the Hungarian industrial market, with the total stock of over 3.7 million sq m. Due to the significant leasing activity, vacancy rates in the capital are decreasing to 7.9% by the end of Q4. In the capital and its surroundings, new contracts accounted for 27% of the total demand, while contract extensions contributed 64%. Expansion-related contracts made up only 9% of the total demand, and no pre-lease agreements were registered.

Leasing activity in Hungary has softened, with total demand for the last quarter of 2024 amounting to 225,9600 sq m, which represents a 28% decline year-on-year. The demand for industrial and logistics space has slowed significantly compared to previous years. The net absorption of Budapest for the fourth quarter was positive, with 177,000 sq m absorbed across the country. Regional Hungary has shown a weaker absorption than Greater Budapest, but a stronger absorption than in Q3 resulting 120,390 sq m. Speculative developments have almost come to a halt. It can be observed that, despite the plans being prepared, no constructions are carried out without a signed lease agreement, which indicates developer vigilance. As a result, developers are not launching speculative developments and even can hold the premises in shell and core stage so that the future tenant can give their exact requirements.

HANDOVERS & TAKE-UP IN SQ M (Q2/2019 – Q4/2024)



AVERAGE RENTS & VACANCY (Q2/2019 – Q4/2024)





WE ARE COMMERCIAL PROPERTY EXPERTS

With years of experience in the CEE market, we combine our knowledge of commercial properties with a personal approach.

We always keep up with technological advances and innovations to help our clients continuously grow and succeed.

1 000+
transactions

2 500+
clients

3 000+
properties

108 REAL ESTATE is a real-estate consulting agency which has been exclusively focused on commercial properties since 2009. Over the years, its over forty-member team has earned the trust of both domestic and foreign clients.

108 REAL ESTATE is the only commercial real-estate company on the market which is one-hundred-percent Czech owned and run. Thanks to the absence of a multinational headquarters, the agency is able to fully devote itself to fulfilling its distinctive approach to clients, which combines experience and expertise with a fair and personal touch.

Since its founding, it has sold and rented more than 10.76 million square meters, and established a strong position on the Czech, Slovak and Hungarian markets. Clients turn to 108 REAL ESTATE for leasing and sales brokerage, investment and marketing advice, and development product management. At the end of 2021, 108 REAL ESTATE became the exclusive alliance partner of BNP Paribas Real Estate for the Czech Republic. Thanks to this strategic acquisition, 108 REAL ESTATE significantly strengthened the team of consultants and the range of services.

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