

Property Investment Market Report

Hungary 2025



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Investment Market Report 2025

In 2025, the Hungarian real estate investment market bounced back significantly compared to the slump of previous years, more than doubling over 2024 and reaching €900 million. This rebound in the volumes took place with a regain of interest from international capital and the acquisition of historical assets suitable for repositioning and / or redevelopment.

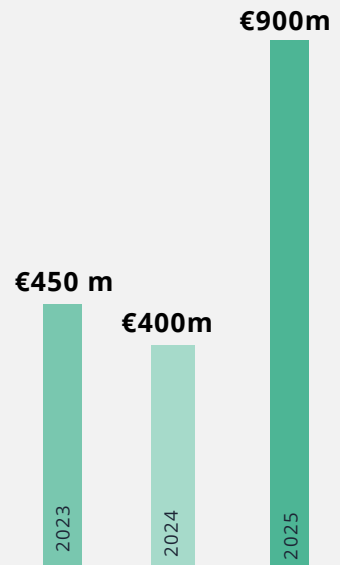
Investment transactions represent roughly €685 million with Hungarian capital accounting for 60% of this volume and international money significantly more present than in previous years. The split across asset classes in the total volume was balanced with Office (37%), Logistics (20%) and Hospitality (17%) leading the market.

The most significant deals were the disposal of the Marriott Hotel by CPI Group to BDPST and the sale by Futureal of two logistic warehouses in Helloworks Páty acquired by Erste RE Fund. On the office segment, BakerStreet I, the 18,000 sqm new HQ of E.on, was sold by the developer, Atenor to Mondo, a new market entrant, the 32,000 sqm IPWest was acquired by BYD for partial self-use and Recorde, a syndicator of private wealth particularly active in 2025, closed on Science Park.

After a strong year in 2024, transaction volumes in the retail asset classes have been subdued, representing less than 5% of the total volume as retail transactions had closing deferred to 2026 Q1.

Note: Arm's length transactions are included in the volumes (Intra-group and related party transactions are not)

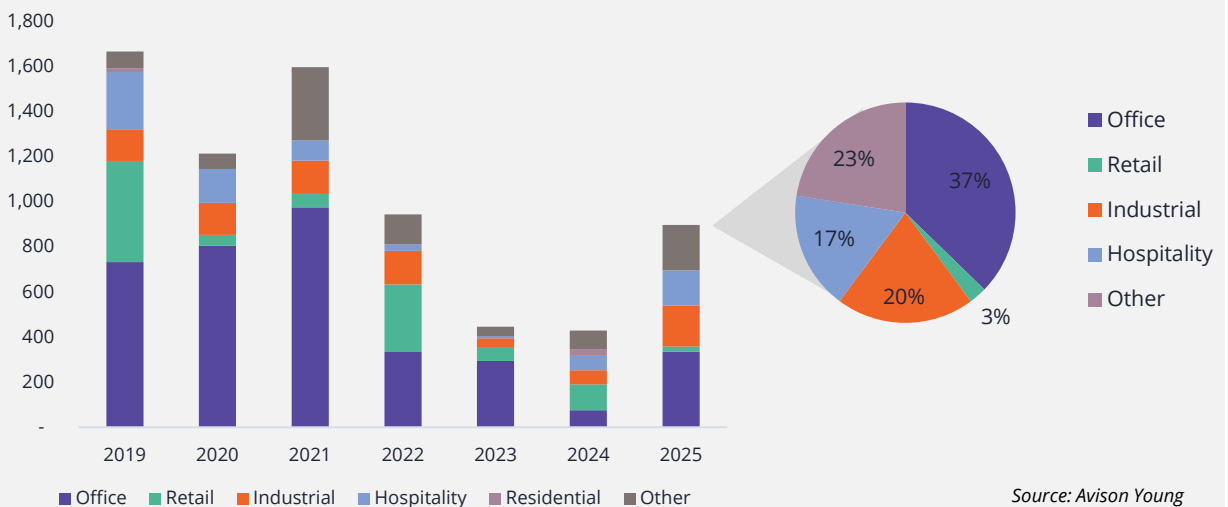
Transaction volumes 2023-2025



After a good first half, the second semester confirmed the regain of activity on the investment and development segments

Source: Avison Young

Office retains dominance

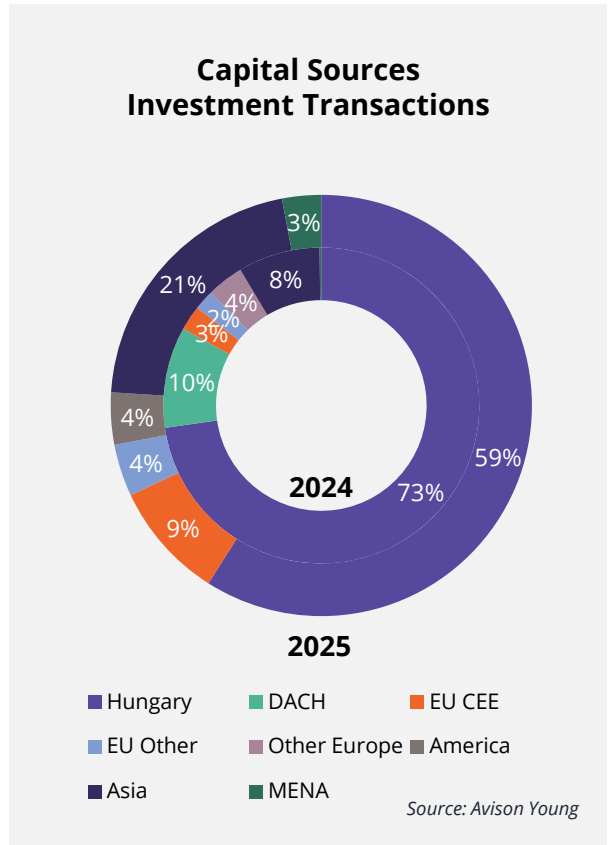


Source: Avison Young

Pricing and capital sources

Hungarian capital remains dominant but sees its share reduced to 59% in the 2025 investment deals.

Our views on pricing remain unchanged with 6.75% for prime office and industrial. The price range in retail goes from 6.00% for Budapest prime high-street to 7.50% for strip malls; prime shopping centres yields falling somewhere in between (untested for several years). Prime hotel yields are compressing and assessed in the 7.00-7.50% range depending on the type of operation (lease vs management contract). Prime yields remain stable, but the price range of secondary assets is open as vacancy rates are growing in the office and industrial assets classes.



6.75%
Office



6.75%
Industrial



7.50%
Retail
(Strip Mall)

Main investment transactions in 2025

Asset	Sector	Size (sq m)	Seller	Buyer
Marriott Hotel	Hospitality	365 (keys)	CPI Group	BDPST
Helloparks PT2 and PT3	Industrial	84,000	Helloparks (Futureal)	Erste RE Fund
Bakerstreet Phase 1	Office	18,000	Atenor	Mondo
IP West	Office	32,000	CA Immo	BYD (partial self occupation)
Science Park	Office	30,000	Goldman Sachs	Recorder
Bartok Haz	Office	18,000	CA Immo	Trigranit DRFG
City Centre	Office	9,200	CPI Group	Realis Group
Szerémi Business Park	Industrial	20,000	Gestor	Private
2 Eurostars hotels	Hospitality	145 (keys)	Echo Partners	Hotusa Group
Kinnarps House	Office	9,300	Kinnarps	Realis Group

Source: Avison Young

What to expect in 2026?

Navigating uncertainty should remain the mantra of the market as economic data, local politic events and global geopolitics do not translate into a clear forecast for the year. Investors should focus on the real estate fundamentals and a disciplined underwriting of income quality as playing yield compression and/or cheaper debt costs is risky in the current context.

Inflation at the end of 2025 stood at 3.3%, leaving limited space for a rate cut in January. Forecast is still assessing a 50-75 bps easing for 2026, down from the Hungarian Central bank base rate of 6.5%.

The positive signs of a cyclical upturn in Europe on the industrial production front, have not materialize yet into stronger exports for Hungarian companies and local retail sales have offered better GDP support during 2025, on the back of fiscal easing measures (higher family allowance, tax breaks, new housing program, etc). 2025 will most probably close with an annual growth rate around 0.5%, while 2026 expectations are in the 2.0-2.5% range. Not enough to significantly boost demand of new real estate space.

The strong recovery dynamic on the real estate investment market observable in 2025 is expected to strengthen in 2026. Some owners remain committed sellers and several larger transactions are expected on the office and retail segments. Household saving rates in the EU remain at an elevated level, even more so in the leading capital sources (Hungary, Czechia, France) feeding the local market.

Brownfield investments (renovations, repurposing, change of use) in the city centre have proved to be a real driver in 2025 and we expect this trend to remain significant along with the general portfolio rationalisation and upgrade in ESG standards.

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