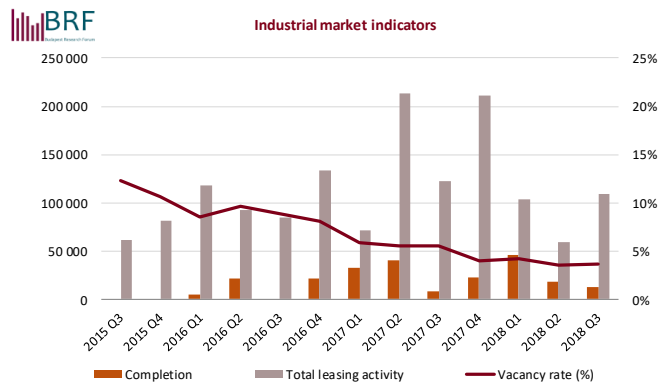


The Budapest Research Forum (BRF, which comprises: CBRE, Colliers International, Cushman & Wakefield, ESTON International, JLL and Robertson Hungary) sets out below its Q3 2018 industrial market snapshot.

In the third quarter of 2018, one new building was handed over: a 5,000 sq m warehouse in the next phase of Budapest Dock Szabadkikötő.

The total modern industrial stock in Budapest and its surroundings stood at 2,086,120 sq m at the end of Q3 2018.



Source: BRF

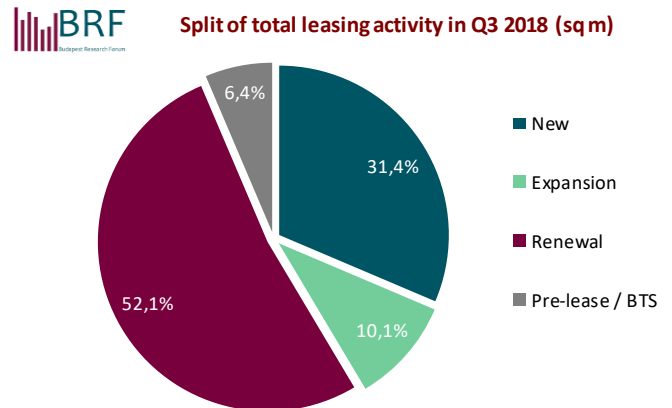
Total demand amounted to 109,350 sq m in Q3 2018, marking a 10% decrease from the figure noted in the same period last year but 83% increase compared to the previous quarter. Lease renewals accounted for 52.1% of the quarterly volume, while the share of new leases was 31.4%. Expansions stood for 10.1% of the quarterly volume. One pre-lease agreement was signed in the third quarter, representing 6.4% of total demand.

27 leasing transactions were recorded in the third quarter, out of which two agreements were signed for more than 10,000 sq m. The average transaction size was 4,050 sq m during the quarter. All leasing activity was recorded in logistics parks, as during this quarter BRF did not register any city logistics transactions.

The two largest transactions of the quarter were a lease renewal in the existing building of CTPark West on 17,500 sq m and in the building of CTPark East on 12,000 sq m. The largest expansion deal was in one of the logistics warehouses of BILK on 7,720 sq m. The largest new lease agreement amounted to 6,630 sq m, which was signed in CTPark East.

The vacancy rate slightly increased by 0.2 pps q-o-q, to the current 3.7%. At the end of the third quarter a total of 76,240 sq m stood vacant, and there are only two existing schemes with more than 5,000 sq m of available warehouse space.

Net absorption totalled 2,490 sq m in the third quarter of 2018.



Source: BRF

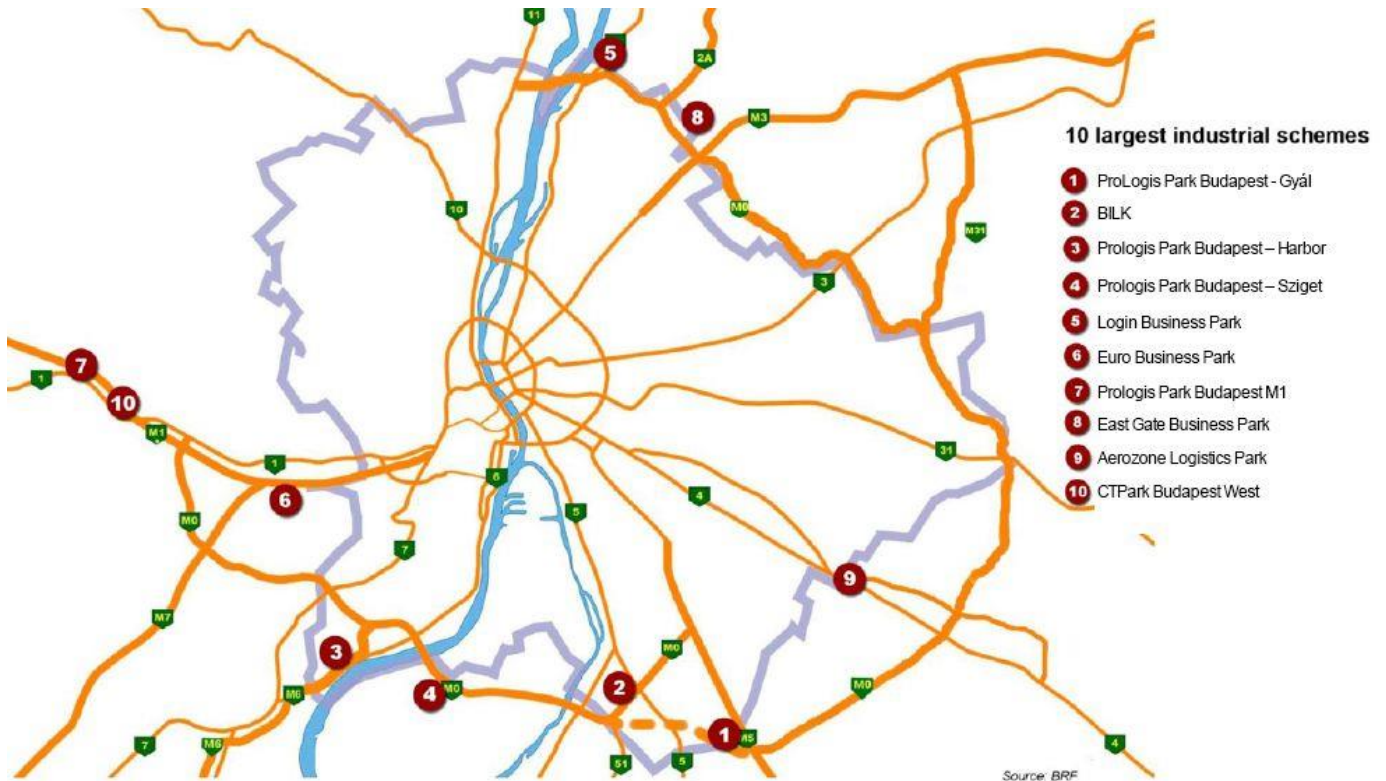
Main industrial indicators

Q3 2018	Logistics Park	City Logistics	Total
Completions (sq m)	5,000	-	5,000
Modern stock (sq m)	1,887,360	198,760	2,086,120
Vacant space (sq m)	64,120	12,120	76,240
Vacancy rate (%)	3.4%	6.1%	3.7%
New lease (sq m)	34,340	-	34,340
Renewal (sq m)	57,030	-	57,030
Expansion (sq m)	10,990	-	10,990
Pre-lease/BTS (sq m)	7,000	-	7,000
Total leasing activity (sq m)	109,350	-	109,350

Note on the methodology:

BRF analyses modern industrial properties located in Budapest and Pest County, completed after 1995 for letting purposes, comprising a minimum of 2,000 sq m space in terms of city-logistics or minimum of 5,000 sq m space in terms of logistics park warehouses. The industrial stock excludes owner occupied buildings.

Industrial map of Budapest and its surroundings



More information

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