

The Budapest Research Forum (BRF, which comprises: CBRE, Colliers International, Cushman & Wakefield, ESTON International, JLL and Robertson Hungary) sets out below its Q3 2019 industrial market snapshot.

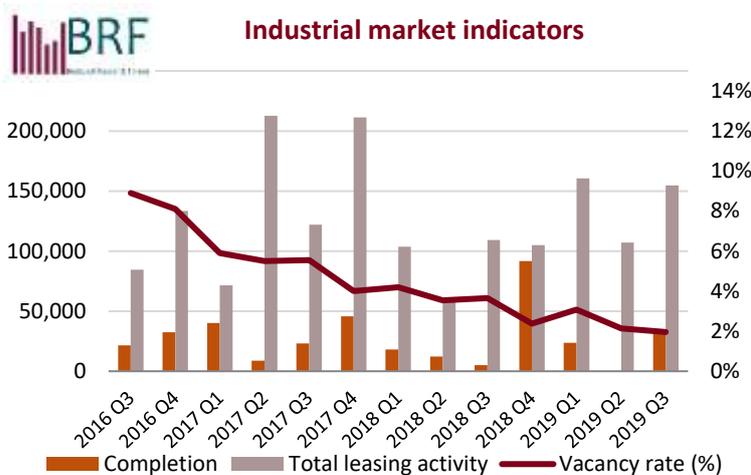
In Q3 2019, 31,345 sq m new area was added to the total **modern industrial stock** in Budapest and its surroundings. The new phase of BILK (21,300 sq m), built for Media Saturn was handed over, moreover CTPark Budapest West was extended by a new hall on 10.045 sq m.

The total modern industrial stock in Budapest and its surroundings stood at 2,231,590 sq m at the end of Q3 2019.

The largest transaction of the quarter was a lease renewal in the existing building of Üllő Airport Logistics Park on 27,700 sq m. The second largest deal was a pre-lease/BTS agreement for the new phase of BILK on 18,800 sqm.

The **vacancy rate** reached a new record, at the end of Q3 2019 stood at 2% resulting in a 0.1% decrease q-o-q, and a 1.7% decline y-o-y. At the end of the third quarter a total of 43,715 sq m logistics area stood vacant, and there is no existing warehouse with an available area of more than 5,000 sq m.

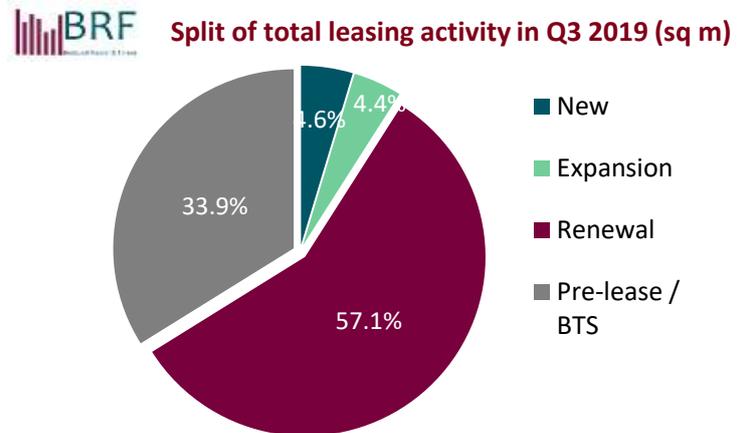
Net absorption totalled 34.650 sq m in the third quarter of 2019.



Source: BRF

Total demand amounted to 154,825 sq m in Q3 2019, indicating a 42% increase from the figure noted in the same period last year, marking a 45% increase compared to the previous quarter. Lease renewals accounted for an outstandingly high ratio, reaching 57.1% of the quarterly volume, it was followed by pre-leases with a share of 33.9%. New leases stood for 4.6%, while expansions take up 4.4% of the quarterly figure. Take up excluding renewals added up to 66,390 sq m which is a 27% higher figure than in Q3 2018.

23 leasing transactions were recorded in the third quarter of 2019, out of which 6 agreements were signed for more than 10,000 sq m. The average transaction size was 6,730 sq m during the quarter. 90% of the transactions was recorded in logistics parks, with an average transaction size of 6,635 sq m. The remaining 10% of the transactional volume was registered in city logistics parks, reaching an average transaction size of 7,765 sq m.



Source: BRF

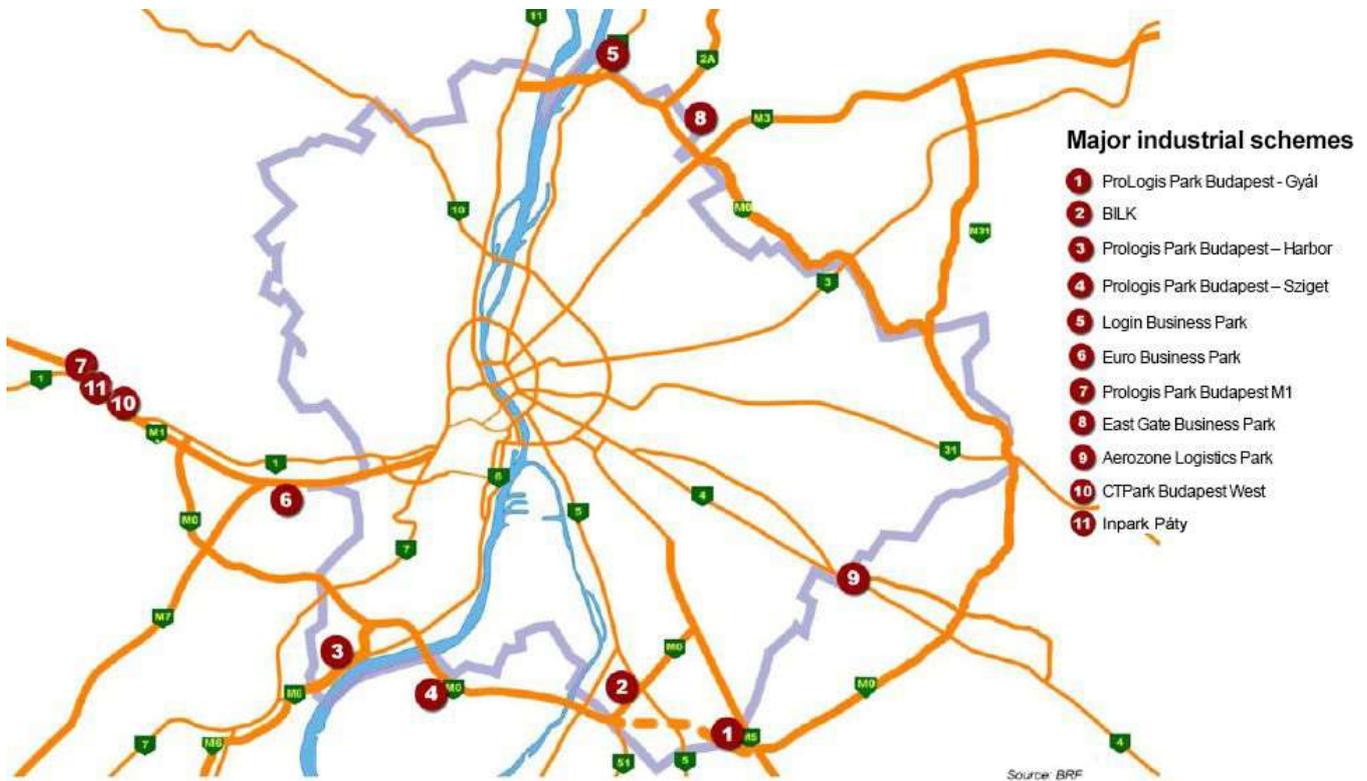
Main industrial indicators

Q3 2019	Logistics Park	City Logistics	Total
Completions (sq m)	31,345	-	31,345
Modern stock (sq m)	2,032,830	198,760	2,231,590
Vacant space (sq m)	32,555	11,160	43,715
Vacancy rate (%)	1.6%	5.6%	2.0%
New lease (sq m)	7,170	-	7,170
Renewal (sq m)	81,910	6,525	88,435
Expansion (sq m)	6,740	-	6,740
Pre-lease/BTS (sq m)	43,480	9,000	52,480
Total leasing activity (sq m)	139,300	15,525	154,825

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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