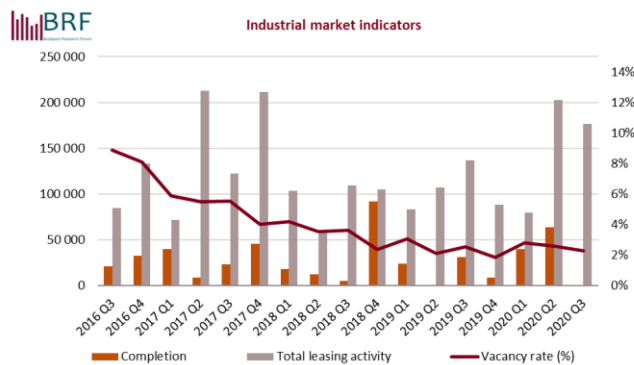


The Budapest Research Forum (BRF, which comprises: CBRE, Colliers International, Cushman & Wakefield, ESTON International, JLL and Robertson Hungary) sets out below its Q3 2020 industrial market snapshot.

There were no new buildings handed over in Q3 2020. The total modern industrial stock in Budapest and its surroundings stood at 2,351,110 sq m at the end of the quarter.



Source: BRF

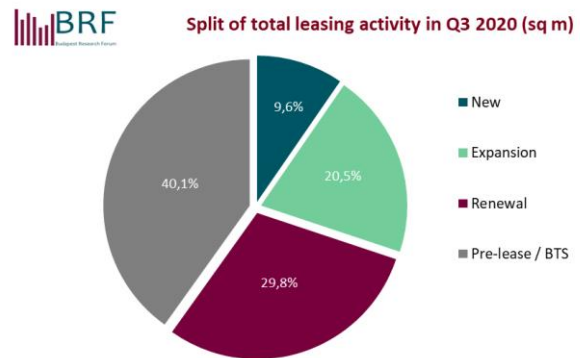
Total demand amounted to 176,870 sq m in Q3 2020, which is 30% higher than the figure registered in the same period last year. Transactions registered in the Jan-Sep period came close to 460k sq m which was a new record regarding Q1-Q3 demand volumes of previous years. Pre-leases and BTS agreements accounted for 40.1% of the quarterly volume, followed by renewals with a share of 29.8%. Expansions stood for 20.5% and new leases for merely 9.6% of the quarterly figure. Take up excluding renewals added up to 124,250 sq m.

24 leasing transactions were recorded in the third quarter of 2020, out of which six agreements were signed for more than 10,000 sq m. The average lease size was 7,370 sq m during the quarter. One transaction was registered at city logistics parks (1,400 sq m). Average transaction size at logistics parks was 7,629 sq m; out of the 8 deals exceeding the average size only two were renewals of expiring leases.

Each of the three largest agreements were above 20,000 sq m: a 35,700 sq m pre-lease was signed by Lenovo at CTPark Budapest East, a 24,800 sq m renewal and a 20,800 sq m expansion were closed at Prologis Park Budapest Sziget.

The **vacancy rate** at the end of Q3 2020 stood at 2.3% resulting in a 0.29%-point decline q-o-q, and a 0.21%-point decline y-o-y. At the end of the second quarter a total of 54,090 sq m logistics area stood vacant, and there was only one existing warehouse with available space of more than 5,000 sq m.

Net absorption amounted to 6,850 sq m in the third quarter of 2020.



Source: BRF

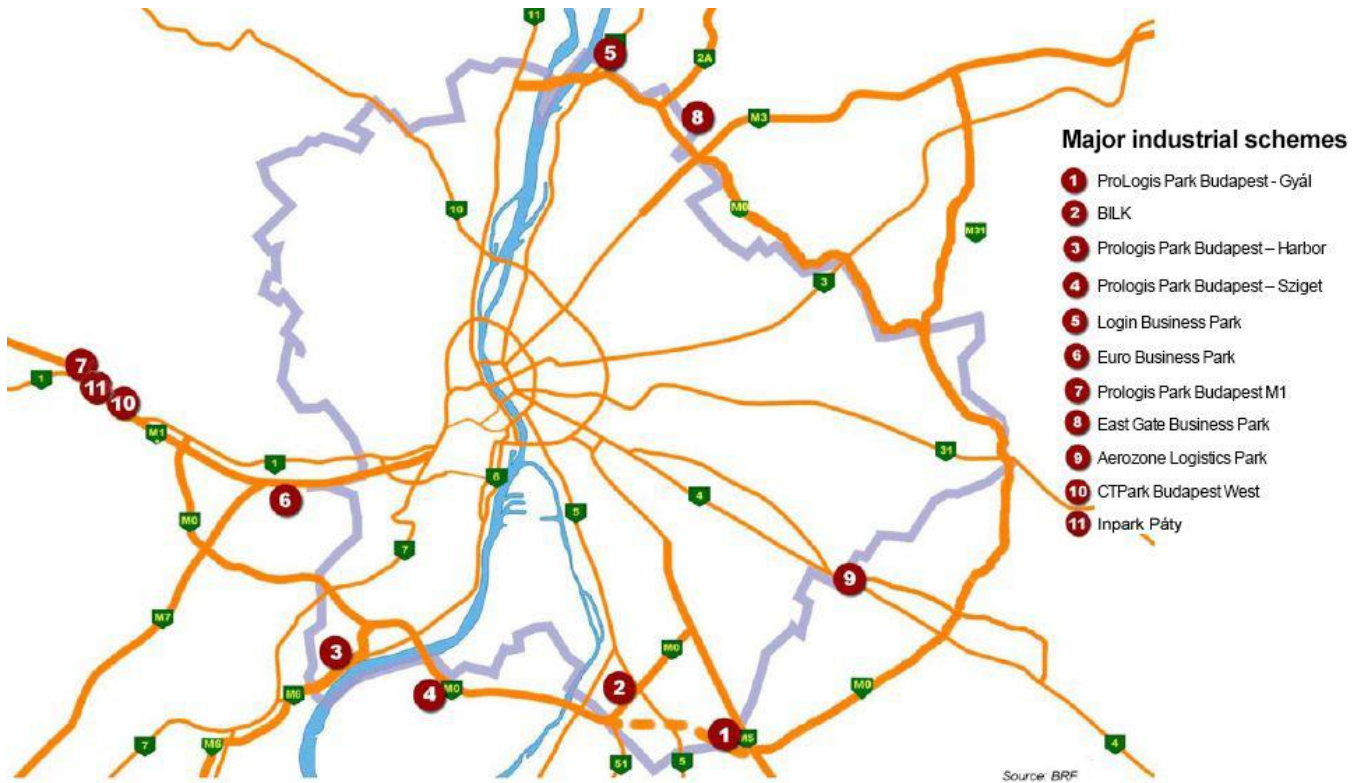
Main industrial indicators

Q3 2020	Logistics Park	City Logistics	Total
Completions (sq m)	0	0	0
Modern stock (sq m)	2 136 980	214 130	2 351 110
Vacant space (sq m)	42 680	11 410	54 090
Vacancy rate (%)	2,00%	5,33%	2,30%
New lease (sq m)	16 970	0	16 970
Renewal (sq m)	51 220	1 400	52 620
Expansion (sq m)	36 310	0	36 310
Pre-lease/BTS (sq m)	70 970	0	70 970
Total leasing activity (sq m)	175 470	1 400	176 870

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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