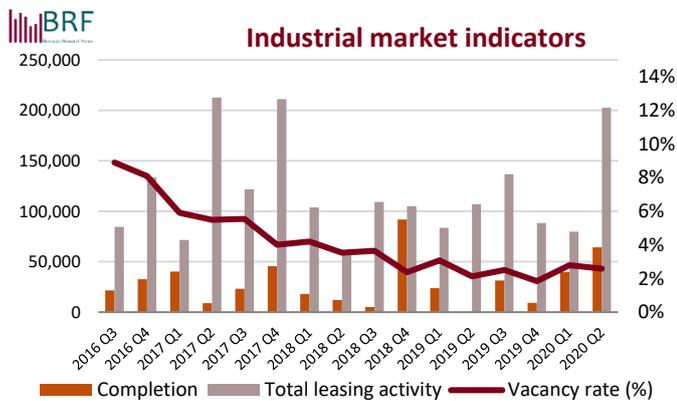


The Budapest Research Forum (BRF, which comprises: CBRE, Colliers International, Cushman & Wakefield, ESTON International, JLL and Robertson Hungary) sets out below its Q2 2020 industrial market snapshot.

In Q2 2020, 64,140 sq m of new space was added to the total **modern industrial stock** in Budapest and its surroundings, as the newest phase of East Gate Business Park (17,780 sq m), the new building of CTPark South (22,840 sq m), the Prologis Harbor DC11 building (13,520 sq m) and the newest phase of Budapest Dock Szabadkikötő (10,000 sq m) were handed over.

The total modern industrial stock in Budapest and its surroundings stood at 2,351,110 sq m at the end of Q2 2020.



Source: BRF

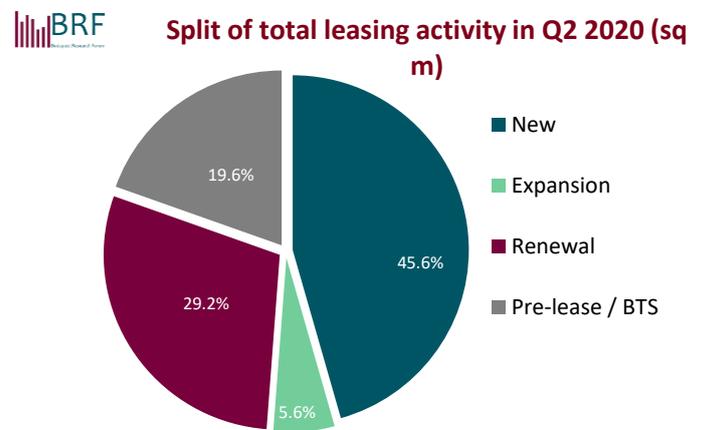
Total demand amounted to 202,610 sq m in Q2 2020, which is two times higher than the figure registered in the same period last year and 17% higher than the 4-year average Q2 volume. New leases accounted for 45.6% of the quarterly volume, followed by renewals with a share of 29.2%. Pre-lease stood for 19.6% and expansions for 5.6% of the quarterly figure. Take up excluding renewals added up to 143,350 sq m.

22 leasing transactions were recorded in the second quarter of 2020, out of which 8 agreements were signed for more than 10,000 sq m. The average transaction size was 9,210 sq m during the quarter. 95% of the transaction volumes was recorded in logistics parks, with an average transaction size of 11,890 sq m. The remaining 5% of the transactional volume was registered in city logistics parks, reaching an average transaction size of 2,060 sq m. 14% of city logistics take-up compiled of renewals, while 86% stood for expansions.

The two largest transactions in Q2 were a renewal in Batta Park on 28,585 sq m and a pre-lease in CTPark Budapest South on 28,460 sq m.

The **vacancy rate** at the end of Q2 2020 stood at 2.59% resulting in a 0.22%-point decline q-o-q, and a 0.45%-point incline y-o-y. At the end of the second quarter a total of 60,930 sq m logistics area stood vacant, and there is only one existing warehouse with available space of more than 5,000 sq m.

Net absorption amounted to 67,030 sq m in the second quarter of 2020.



Source: BRF

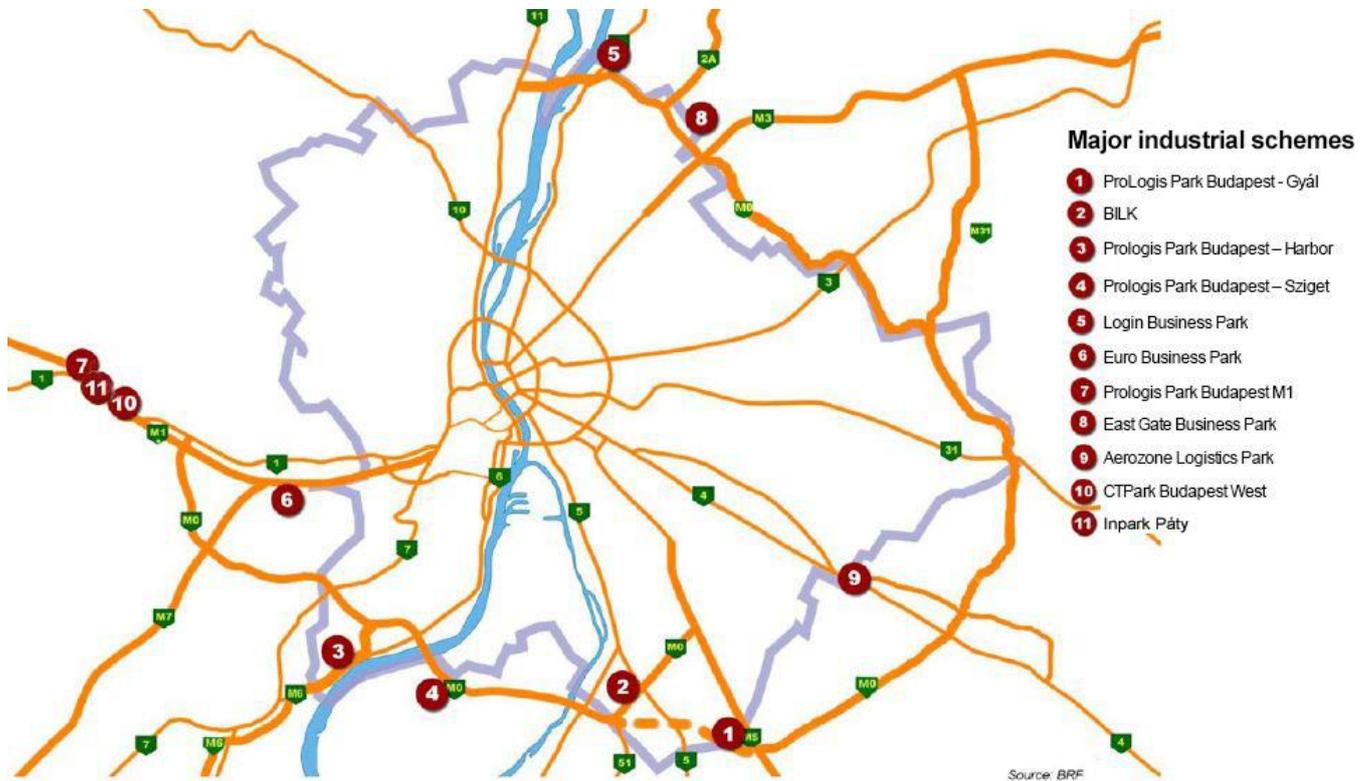
Main industrial indicators

Q2 2020	Logistics Park	City Logistics	Total
Completions (sq m)	64,140	0	64,140
Modern stock (sq m)	2,136,980	214,130	2,351,110
Vacant space (sq m)	50,650	10,290	60,930
Vacancy rate (%)	2.37%	4.80%	2.59%
New lease (sq m)	92,364	0	92,364
Renewal (sq m)	57,550	1,715	59,260
Expansion (sq m)	700	10,670	11,370
Pre-lease/BTS (sq m)	39,620	0	39,620
Total leasing activity (sq m)	190,230	12,380	202,610

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

ESTON International

Tel: +36-1-877-1000

Managing Director: adorjan.salamon@eston.hu

Research: beata.kakosy@eston.hu