

The Budapest Research Forum (BRF, which comprises: CBRE, Colliers International, Cushman & Wakefield, ESTON International, JLL and Robertson Hungary) sets out below its Q4 2019 industrial market snapshot.

In Q4 2019, 9,090 sq m of new space was added to the total **modern industrial stock** in Budapest and its surroundings, as the “E” building of Dél-Pesti Üzleti Park (9,090 sq m) was handed over.

The total modern industrial stock in Budapest and its surroundings stood at 2,246,960 sq m at the end of Q4 2019.



Source: BRF

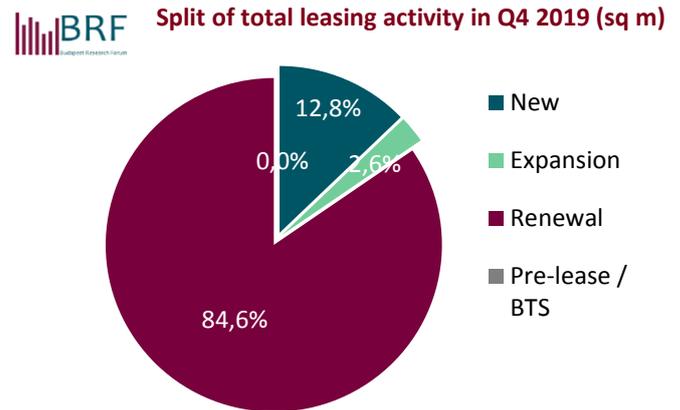
Total demand amounted to 88,230 sq m in Q4 2019, indicating a 16% decrease from the figure noted in the same period last year and a 43% decrease compared to the previous quarter. Lease renewals accounted for an outstandingly high ratio, reaching 85% of the quarterly volume, followed by new leases with a share of 13%. Expansions stood for 3% of the quarterly figure. Take up excluding renewals added up to 13,610 sq m which was 77% lower than in Q4 2018.

18 leasing transactions were recorded in the fourth quarter of 2019, out of which three agreements were signed for more than 10,000 sq m. The average transaction size was 4,900 sq m during the quarter. 99% of the transaction volumes was recorded in logistics parks, with an average transaction size of 5,110 sq m. The remaining 1% of the transactional volume was registered in city logistics parks, reaching an average transaction size of 1,300 sq m.

The two largest transactions in Q4 were renewals in Prologis Park Budapest – Gyál: one was for 22,180 sq m, while the other for 20,750 sqm.

The **vacancy rate** at the end of Q4 2019 stood at 1.85% resulting in a 0.64% decrease q-o-q, and a 0.53% decline y-o-y. At the end of the fourth quarter a total of 41,640 sq m logistics area stood vacant, and there is no existing warehouse with available space of more than 5,000 sq m.

Net absorption totalled 29,760 sq m in the fourth quarter of 2019.



Source: BRF

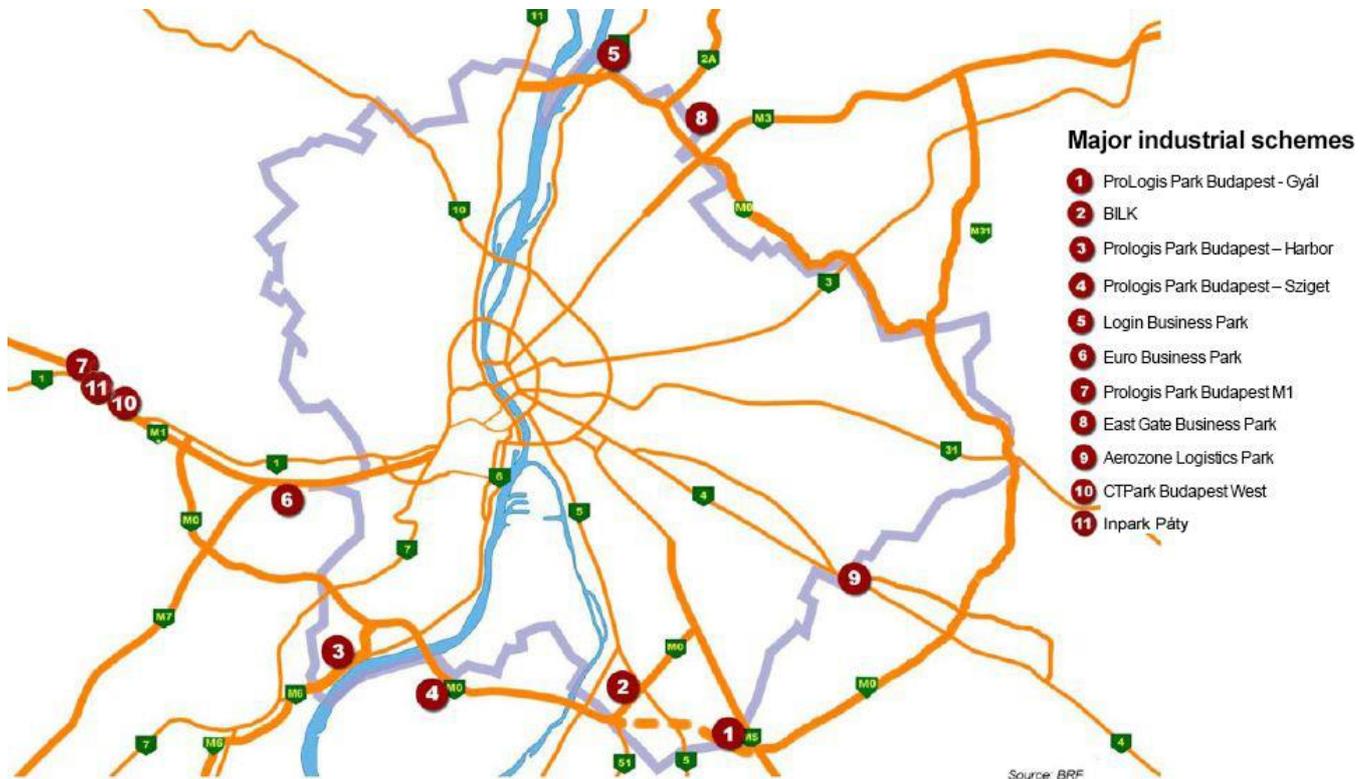
Main industrial indicators

Q4 2019	Logistics Park	City Logistics	Total
Completions (sq m)	9,090	0	9,090
Modern stock (sq m)	2,032,830	214,130	2,246,960
Vacant space (sq m)	34,790	6,850	41,640
Vacancy rate (%)	1.71%	3.20%	1.85%
New lease (sq m)	10,010	1,300	11,310
Renewal (sq m)	74,620	0	74,620
Expansion (sq m)	2,300	0	2,300
Pre-lease/BTS (sq m)	0	0	0
Total leasing activity (sq m)	186,930	1,300	88,230

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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