



INGATLANFEJLESZTŐI
KEREKASZTAL EGYESÜLET



Roundtable Association of Real Estate Developers

Mission

To implement **aesthetical and economical real estate developments** in Hungary on the basis of a **clear set of rules**, keeping in mind the aspects of **functionality**, for the benefit of owners, occupiers and all users of the built environment.

In numbers

2009	year of establishment
26	number of member companies
4 million sqm	developed space
EUR 8 billion	total development value
EUR 1 billion	annual investment volume
EUR 1,5 billion	projects in pipeline



GRANIT POLUS



infogroup

Property Market Ingatlanfejlesztő Kft.



Major projects

Talent care

- IFK Talent prize – functionality in real estate education

International presence

- MIPIM and Expo Real

Building regulation

- Environmental regulation
- Fire safety regulation
- Parking regulation and e-mobility
- Monument protection regulation

Economic development

- Supportive tax regulation
- Comprehensive residential development subsidy program
- Apartment rental market
- Business Services Sector incentives
- Electricity infrastructure development

Covered areas

Office

developments

Retail

developments

Industrial

developments

Residential

developments



Hungarian property market

Good dynamics so far – what is to come?

- Hungary still outperforming – 2021 GDP growth: 7.1%;
- Post-Covid, supply chain disruptions, rising inflation, war in Ukraine all increase volatility, uncertainty;
- Stable office market, slowly recuperating retail market, booming industrial property market, and stable residential market;
- Development expenses exploding, delivery times extending, capital and financing still available, but at a quickly increasing cost;
- Where are we at the monetary tightening cycle?

Investment market:

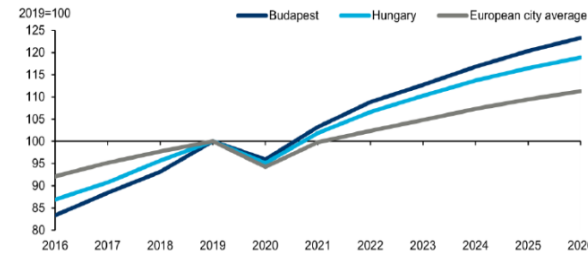
- Europe on the rise
- Hungary:
 - No recovery yet from Covid
 - Domestic players and appetite for industrial asset class may keep up the volumes

GDP growth is likely to be higher in CE countries and highest in CE capitals

Budapest and Warsaw are said to be among the to performers until 2025

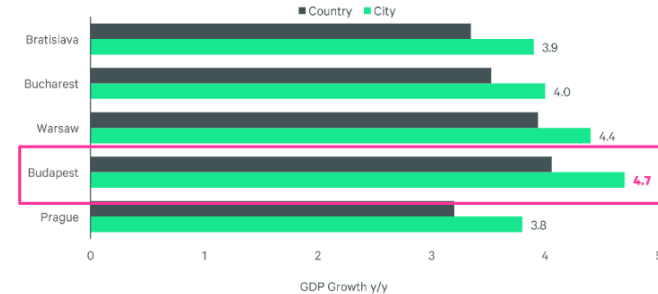
GDP Growth Forecast in CE Capitals, Budapest and Hungary

GDP, 2016-26



Source: Oxford Economics, Hungarian Central Statistical Office

Annual GDP Growth Forecast (2021-25)

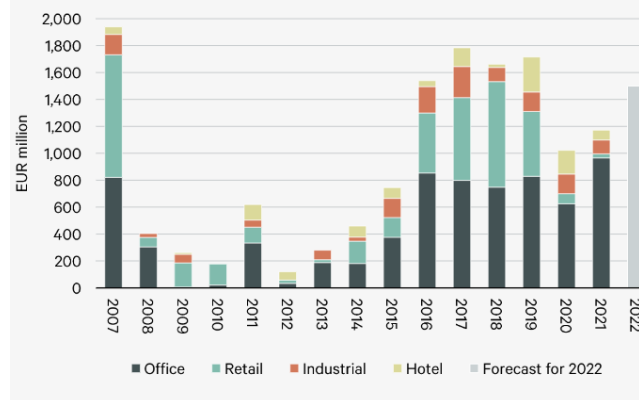


12m Rolling Total Investment Turnover



Confidential & Proprietary | © 2021 CBRE, Inc.

Figure 1: CRE Investment Volume Evolution and Outlook in Hungary



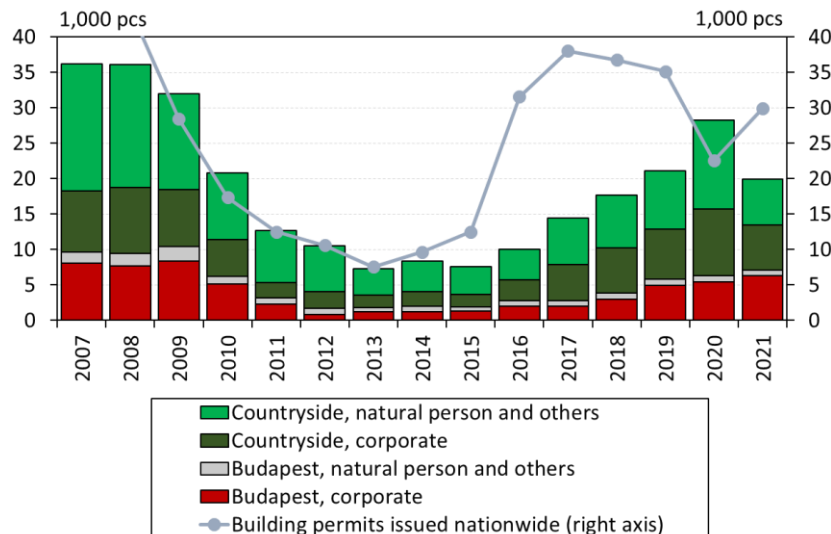


Residential market

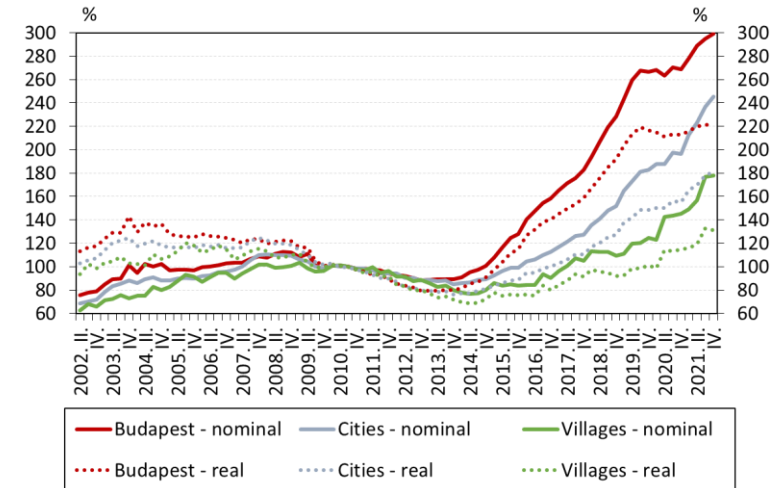
Taxation and subsidy system in the spotlight

- Good dynamics since 2015, but significant relapse in 2021;
- Huge increase in prices – among the top in Europe;
- Developments still far from pre-subprime activity, with one of the lowest renewal rates in Europe
- Uncertainty persists with exploding construction costs and changing VAT regulation

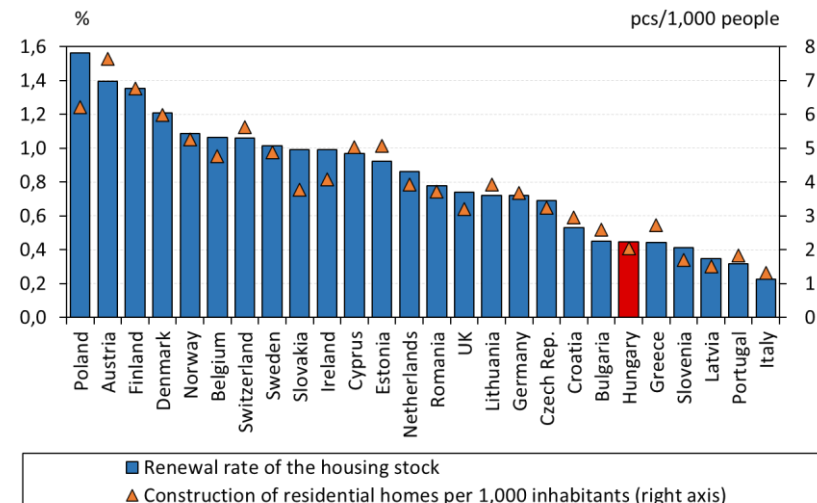
Number of new buildings handed over, by location and builder



Nominal and real MNB house price indices by type of settlement (2010 = 100%)



Annual renewal rate of housing stock and construction of residential homes per thousand inhabitants in Europe

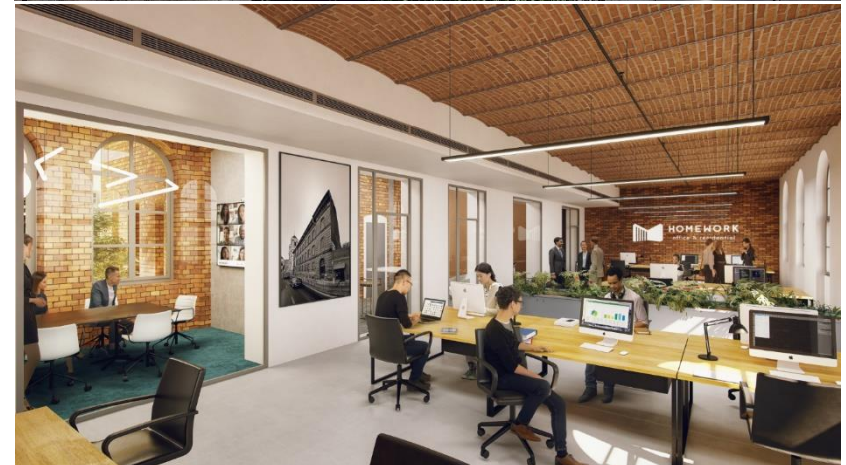




CODIC
Initiatives of tomorrow ■

- The Codic Group is operating as a real estate developer **since 1970**
- Development volume: more than **1.5 million sqm**
- Projects in Hungary:
 - Office: 42,000 sqm GLA
 - Residential: 290 apartments
- Next mixed-use project:
 - **HomeWork**
 - 3,700 sqm GLA office, 15 apartments
 - Delivery: **2023**
 - Refurbished school building with **prime offices** and **luxury apartments**

HomeWork, 2023, Central Buda





Metrodom Group of Companies

- International founders, Hungarian management
- One of the leading players in the domestic residential construction market
- Nearly **6,000 completed and 2,000 ongoing homes**
- **Environmentally conscious** and energy-efficient solutions, e.g. Metrodom Panorama Residential Park is Hungary's first residential building with a vertical green façade

Metrodom Panoráma Residential Park – 632 flats



FIABCI World Prix d'Excellence
– Residential Mid Rise Category
- 1.prize

FIABCI Hungary XXII. Magyar
Ingatlanfejlesztési Nívódíj
Pályázat, Residential Building
Category-1.prize

Wienerberger Építészeti Nívódíj
– 1.prize

Építőipari Nívódíj, Residential
Building Category, 1.prize

Flatco Apartmanhouse – 256 flats

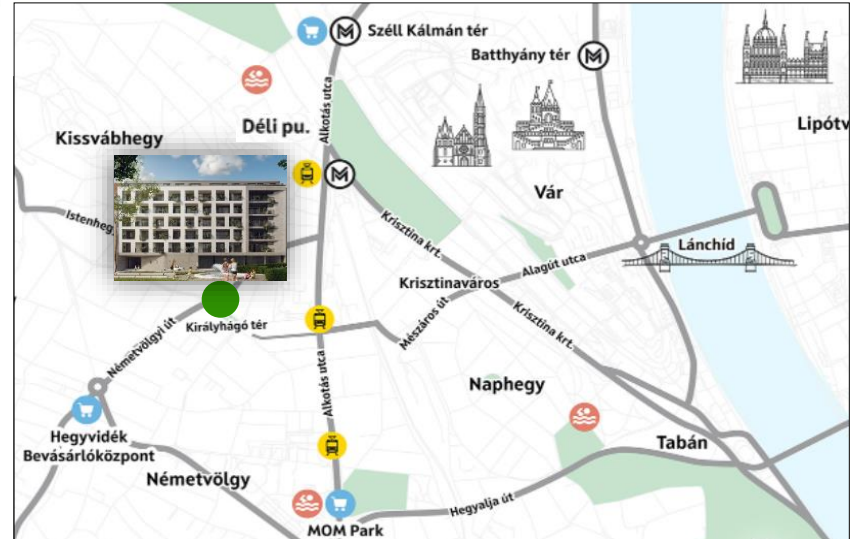


FIABCI Hungary XXIII. Magyar
Ingatlanfejlesztési Nívódíj
Pályázat, Residential Building -
1.prize

European Property Award 2021,
Architecture Multiple
Residence Category and
Residential Development
Category - 1. prize in Hungary



- **30+ years** experience on the real estate market
- Stable and reliable partner as **part of OTP Group**
- **Királyhágó Residence** as flagship project, located in district XII. Budapest
- Eight storey building with a total of **131 functional homes** of dimensions and configurations
- **Central location** in Buda, easily accessible by car as well as public transportation (metro line M2, Southern railway station, trams, buses)
- **Unique infrastructure:** in the immediate neighborhood bakeries, restaurants, shopping malls and quality services
- **Surrounded by parks and green space** - spacious, quiet inner garden, and the well-kept park of Királyhágó square





- Active presence on the Budapest real estate market for the **past 20 years**
- **22** successfully implemented **projects**, nearly **2,500 flats** between 2003 – 2020
- Preponderantly in the inner city center areas of **two central districts** of Budapest (IX., XIII.)
- Regulatory city plans act as renewal catalysts for these top locations



Green Court Residence:

- 283 flats
- 2 development phases
- mixed use (flats+office+retail)
- international cooperation (B, CH, HU)
- handover in 2020



Pesti Ház - D14 Residence:

- 201 housing units
- fully designed though BIM methodology
- scheduled handover in 2025



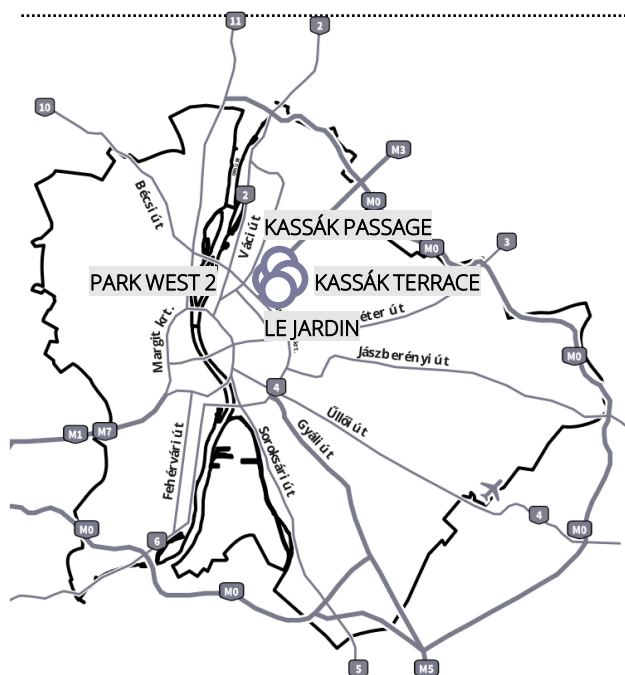


WING
BUILT FOR BUSINESS

WING LIVING

ON-GOING RESIDENTIAL DEVELOPMENTS

PROJECT	Location	Nr. Of apartments	Handover	Energy Class
KASSÁK TERRACE	Budapest, dist. 13	246	2025	BB
PARK WEST 2	Budapest, dist. 13	234	2023	BB
KASSÁK PASSAGE	Budapest, dist. 13	262	2022 Q3	AA
LE JARDIN	Budapest, dist. 13	352	2024	AA+





Office market

Milestone of 4M sqm of total modern stock in Budapest reached in 2021

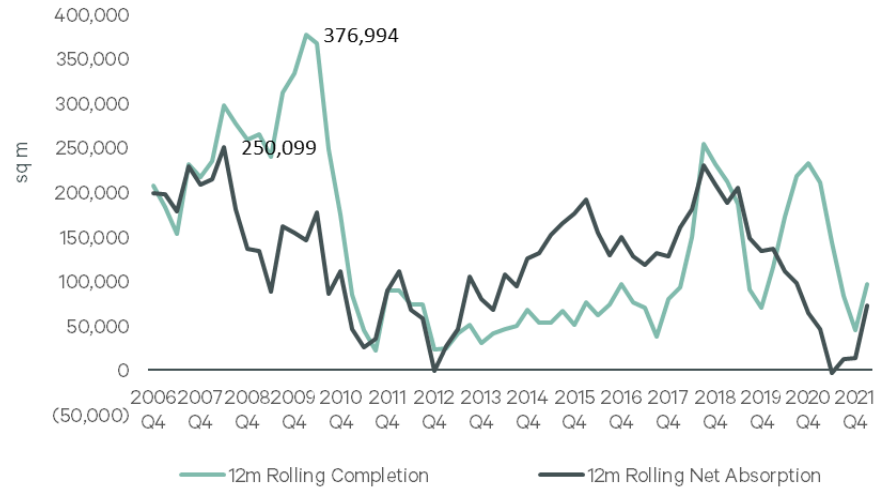
Budapest

- Dominant submarket with 4.054M sqm stock, few projects in the countryside
- Home-office uncertainties – lower demand for now
- Significant supply in the pipeline, 440,000 sqm under construction
- 9.81% vacancy rate, but increasing rents due to cost pressure

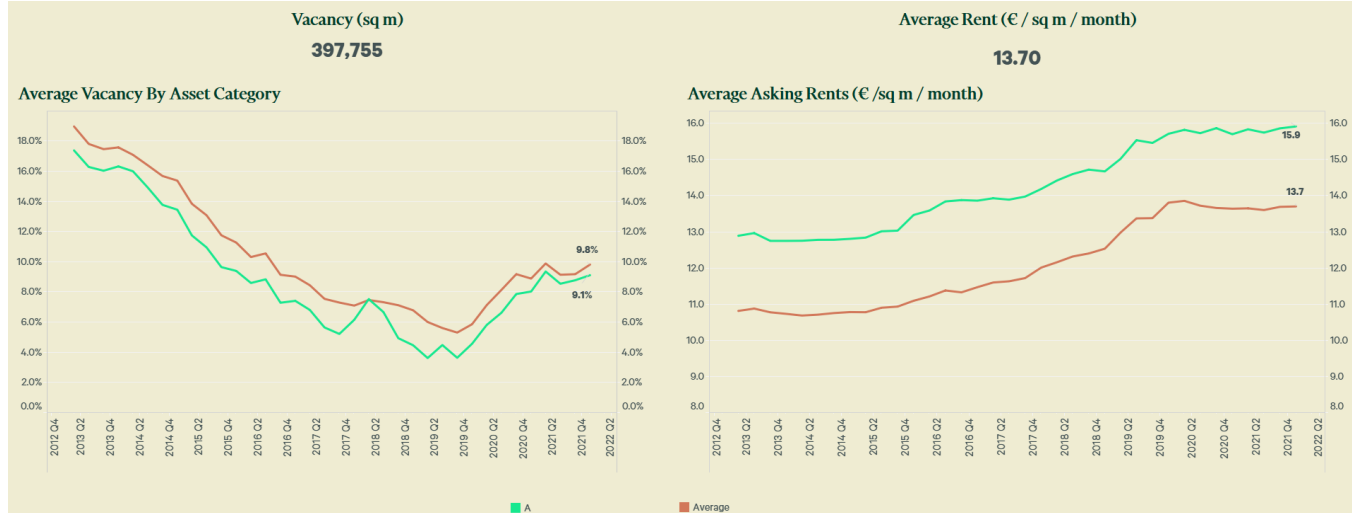
New trends

- Post-Covid: economic challenges, changed working patterns, home office, shared office;
- Construction market challenges

Offices, Budapest



Current Stock (sq m)
4,053,937
Total Pipeline (sq m)
873,353
Total U/C (sq m)
436,873
Availability in U/C (sq m)
277,367
63.5%





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- Next office project:
Modiano, 13,500 sqm GLA
Delivery: 2025

BREEAM®
EXCELLENT

access **4** you

Green Court Office, 2021, Váci corridor



Modiano, 2025, Váci corridor





BALANCE HALL

First conscious building

TOTAL GLA: 15 700 sq m

CAR PARKING: 376 spaces

BREEAM
Very Good

ACCESS4YOU
The office building was audited according
To the needs of disabled people.

HIP – Human Innovation Programmes





THH

HORIZON
DEVELOPMENT



access4you



20,000+
sqm

5
floors

35%
greenery

3x
certified

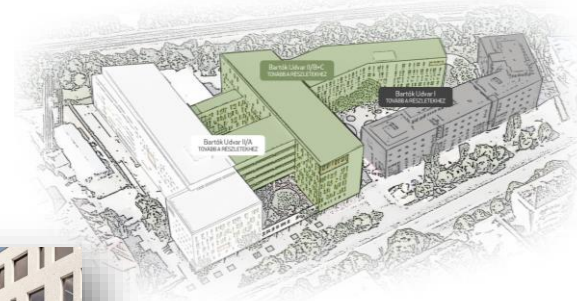
ParkSide
OFFICES

GREENERY • COMMUNITY • FLEXIBILITY



Bartók Udvar – The colour of Buda

- Portfolio of **25 000 sqm of modern stock** and further 10 000 sqm under management;
- Location: District 11 (Bartók Béla avenue);
- **20 000 sqm delivered in next phase;**
- Strong covenant tenants including NAK, MC Bauchemie, Innobyte, Neudorfler, mcule.com





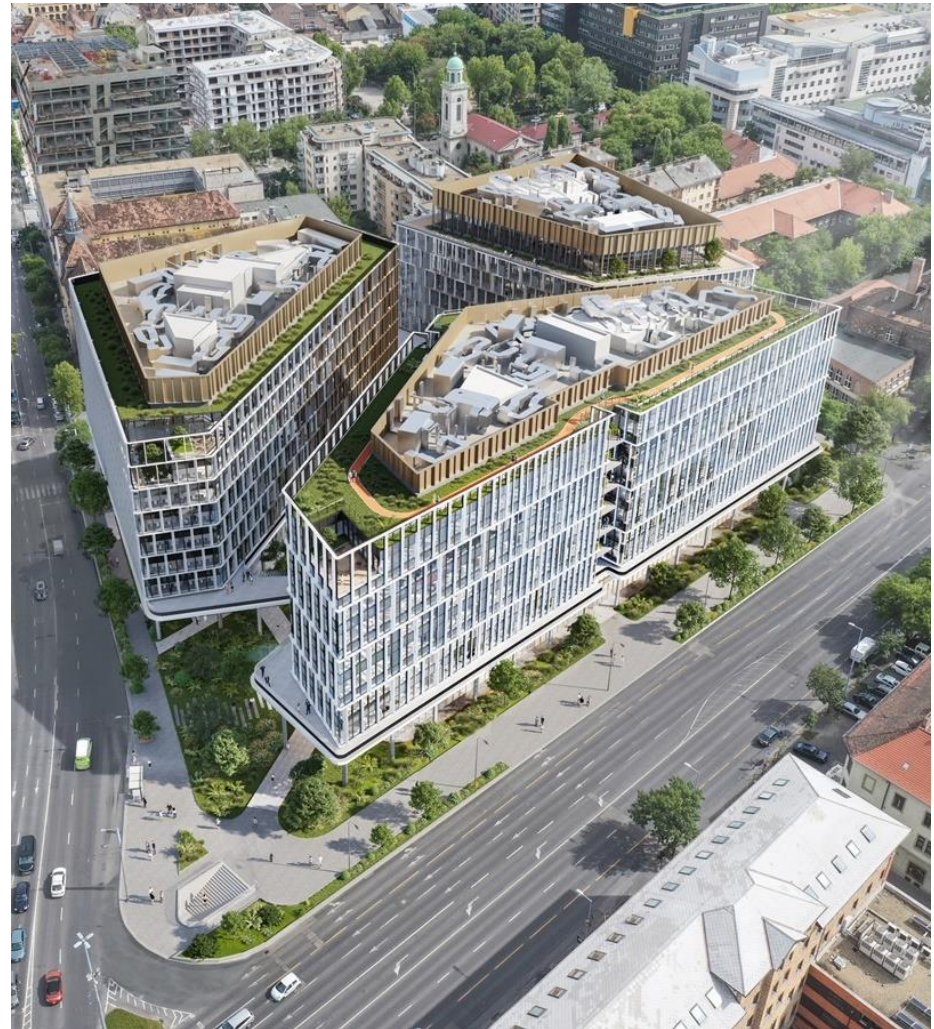
SKANSKA H₂Offices



- Innovative developer of green, futureproof office building, operating in Hungary for **35 years**, developed **230,000 sq m** of commercial space since inception, and **27,000 sq m** are currently **under development**.
- All the investments undergo **LEED, WELL Core & Shell**, and WELL Health-Safety Rating certification process.

H₂Offices complex – Phase 1

- **67,000 sqm GLA** in three phases
- Phase 1: 27,000 sqm GLA, 8 floor and 3 underground levels
- Architectural design concept created by the **Danish Arrow Architects**
- **Large multifunctional garden** open to the public, green terraces on top floor, **Elevated walkway** connecting the three buildings.
- **Rooftop running track** with a unique view over the city.
- Variety of amenities inside the complex
- 176 bike storages with 22 showers and 297 lockers, bike service station.
- **Sustainable solutions**, energy efficiency, smart water management, lots of natural light, electric car chargers.



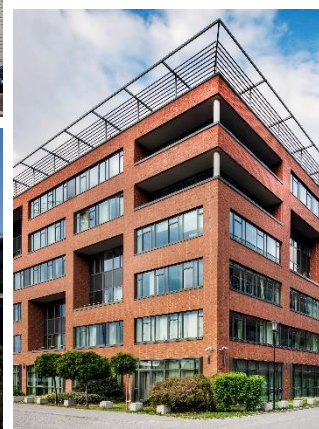
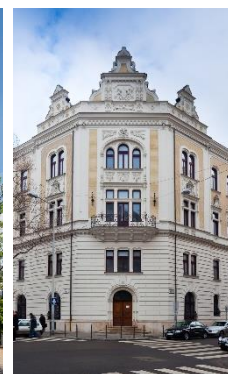
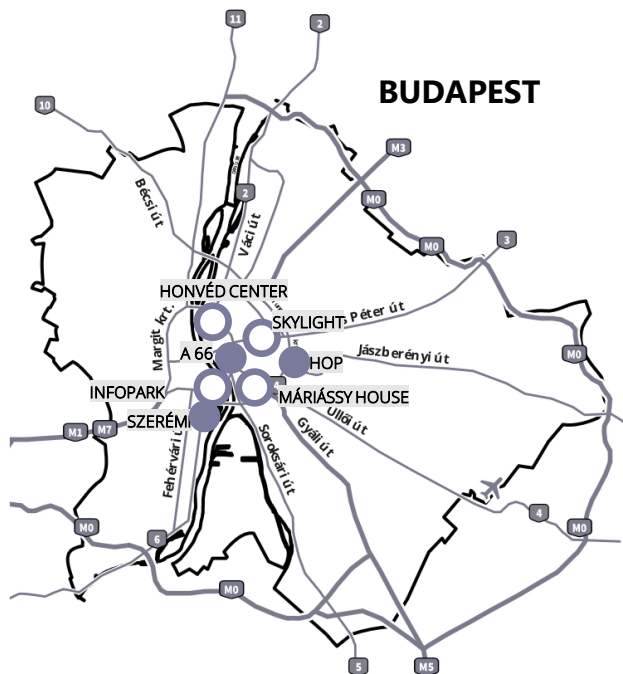


WING OFFICE

PORTFOLIO OFFICES

WING
BUILT FOR BUSINESS

PROJECT	Location	GLA (sq m)	Handover	Main tenants	Certification
HONVÉD CENTER	Budapest, dist. 5	6,600	2010	Wallis, Hungarian Investment Promotion Agency	BREEAM In-Use Very Good
MÁRIÁSSY HOUSE	Budapest, dist. 9	9,700	2006	WING, NEO PS, Maxell	
A66	Budapest, dist. 6	3,000	2015	Univision	
HUNGARIA OFFICE PARK (HOP)	Budapest, dist. 14	38,500	2020	Siemens, TÜV	
SZERÉMI OFFICE PROJECT	Budapest, dist. 11	10,545	2016	Knorr Bremse	
INFOPARK D	Budapest, dist. 11	18,600	2007	Strabag IBM, DBH	BREEAM In-Use Very Good
INFOPARK B-C-I	Budapest, dist. 11	30,200	2002, 2005, 2002	Nissan, Huawei, Ericsson, Szentkirályi-Pepsi, Deutsche Telekom	BREEAM In-Use Very Good
SKYLIGHT CITY	Budapest, dist. 13	20,200	2017	Alza.hu	BREEAM In-Use Very Good





Industrial market

Hungary

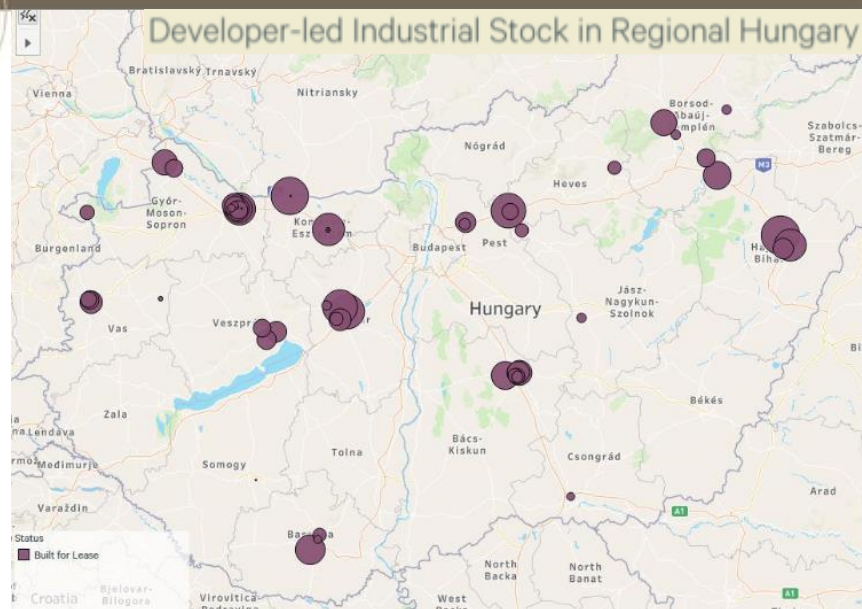
- Increasing role in CEE;
- Industrial (e-mobility) FDI, stockpiling due to supply chain disruptions and e-commerce driving developments;
- Capital and countryside largely separate markets

Budapest

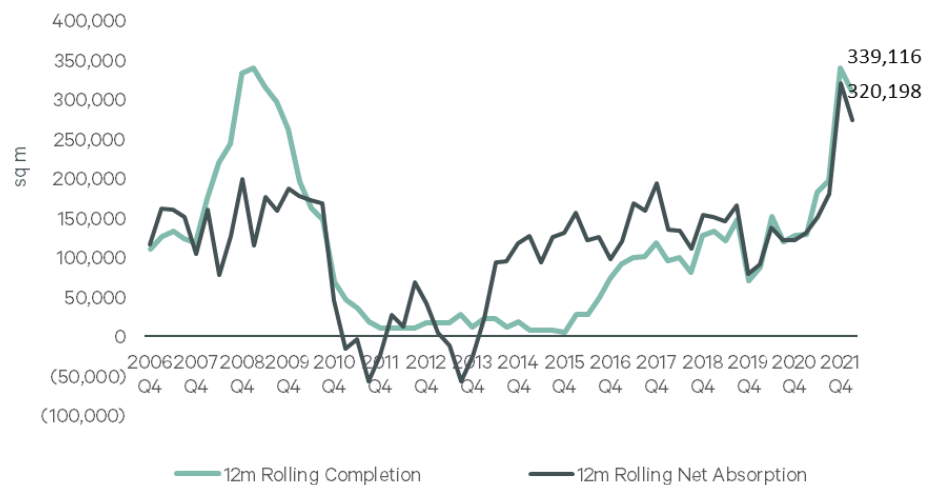
- dominant market: 2.81M sqm stock w/ 4.2% vacancy;
- record activity in 2021:
 - 339,000 sqm development (2.7 times 2020 activity)
 - 320,000 sqm net lease (2.5 times of 2020 levels)
- 396,000 sqm stock scheduled for 2022
- Rents increasing due to high demand and cost pressure

Regional markets

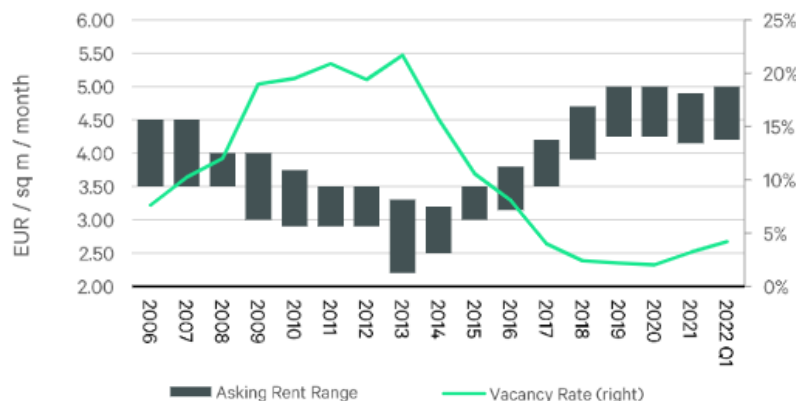
- estimated stock of 11.2M sqm mainly in county capitals
- 1.1M m² stock scheduled for 2022;
- primarily industrial space and manufacturing-bound logistics



Industrial Space, Greater Budapest



INDUSTRIAL ASKING RENTS AND VACANCY RATE



Source: CBRE, Cushman&Wakefield, MNB



Expert in **regional industrial and logistics** property development and management

Industrial and logistics property development activity **since 2000**;

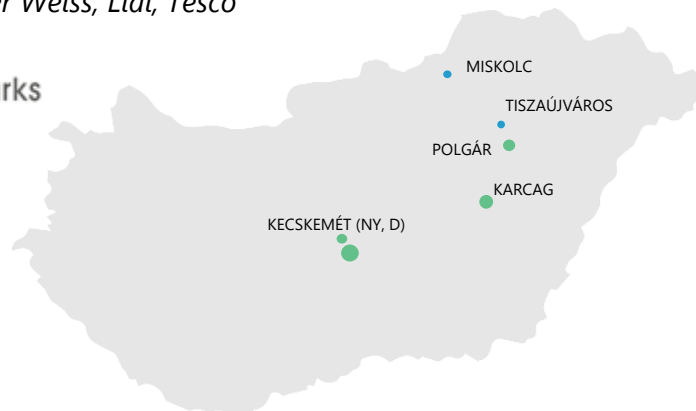
Focus on **Mid- and Eastern-Hungary's** less developed regions;

Over **300 ha industrial sites** in industrial park environment with over **1,000,000 sqm development potential**;

100,000 sqm owned modern stock + **40,000 sqm under construction**;

Exceptional tenant mix including several global brands in manufacturing, logistics and retail sectors

- *Jabil, ABB, Freudenberg, EMSR, Toyota-Tsusho, Duvenbeck, Gebrüder Weiss, Lidl, Tesco*



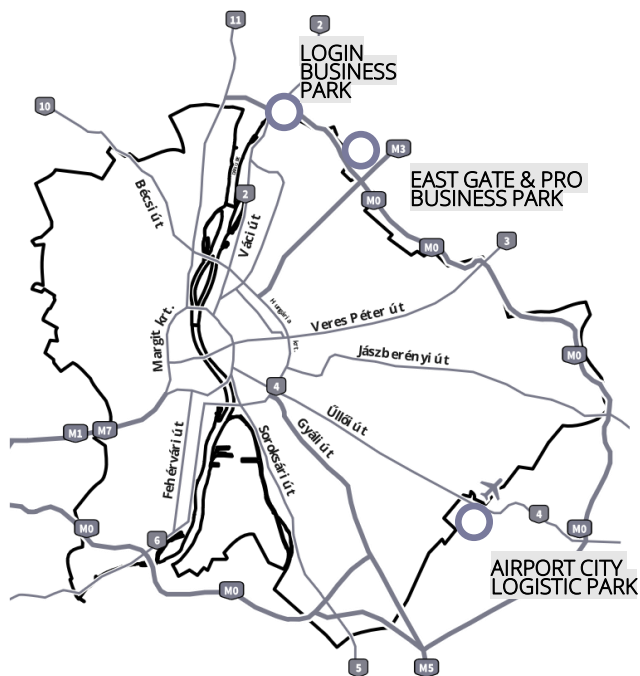


WING INDUSTRIAL

INDUSTRIAL PORTFOLIO

WING
BUILT FOR BUSINESS

PROJECT	Location	GLA (sq m)	Handover	Main tenants	Certification
EAST GATE BUSINESS PARK	FÓT (M0-M2-M3)	150,000	2006-2021	GE, Webshippy, B+N	
EAST GATE PRO	FÓT (M0-M2-M3)	61,800	2022 Q3		BREEAM Very Good
AIRPORT CITY LOGITIC PARK	VECSÉS	52,000	2009-2022		
LOGIN BUSINESS PARK	Budapest, dist. 4	80,000	2007-2013	Scitec, Husqvarna	





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Thank You for your attention!