

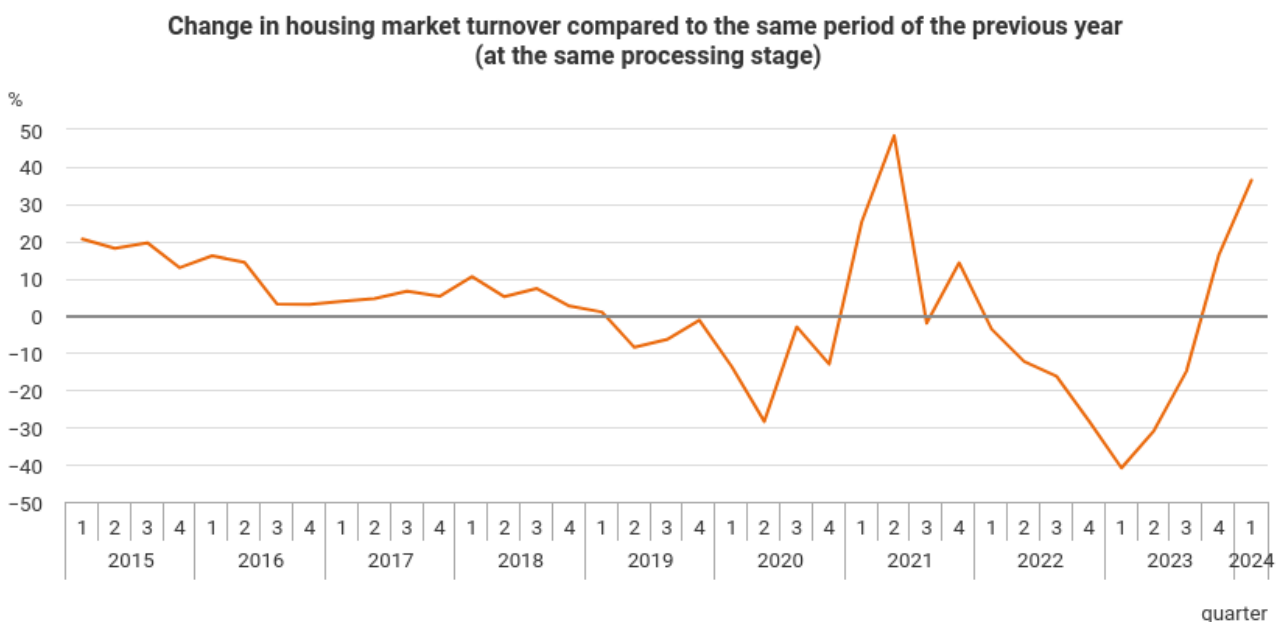
Housing prices, housing price index, Q1 2024

In the first quarter of 2024, the housing market in most of the country already showed signs of recovery from the previous downturn. Following a 23% decline in 2023, the number of homes sold rose by 36% compared to the same quarter of the previous year. Housing prices have also risen, with second-hand prices up 5.3% and new prices up 4.6% compared to the previous quarter. Prices rose in most parts of the country, with the exception of detached houses in the eastern part of the country, where there has been no significant change so far.

Housing market turnover is picking up

After a 14% drop in housing market turnover in 2022, housing sales fell by a further 23% in 2023. However, the year-on-year decline reversed in the fourth quarter of 2023, when 16% more dwellings were sold than a year earlier. In the first quarter of 2024, sales continued to rise, with an estimated increase of 36% compared to the low base of the same period of the previous year, based on data observed at similar processing rates. Sales of both second-hand and new dwellings increased.

Figure 1



During 2023, the market for new dwellings fell even more than for second-hand dwellings, with the number of new dwellings sold just over six-tenths (62%) of the number sold a year earlier. The share of new dwellings in known sales fell from 7.1% to 5.7%. In Q1 2024, the number of new dwellings sold increased from the previous low base, but has not yet reached 1 thousand.

Table 1

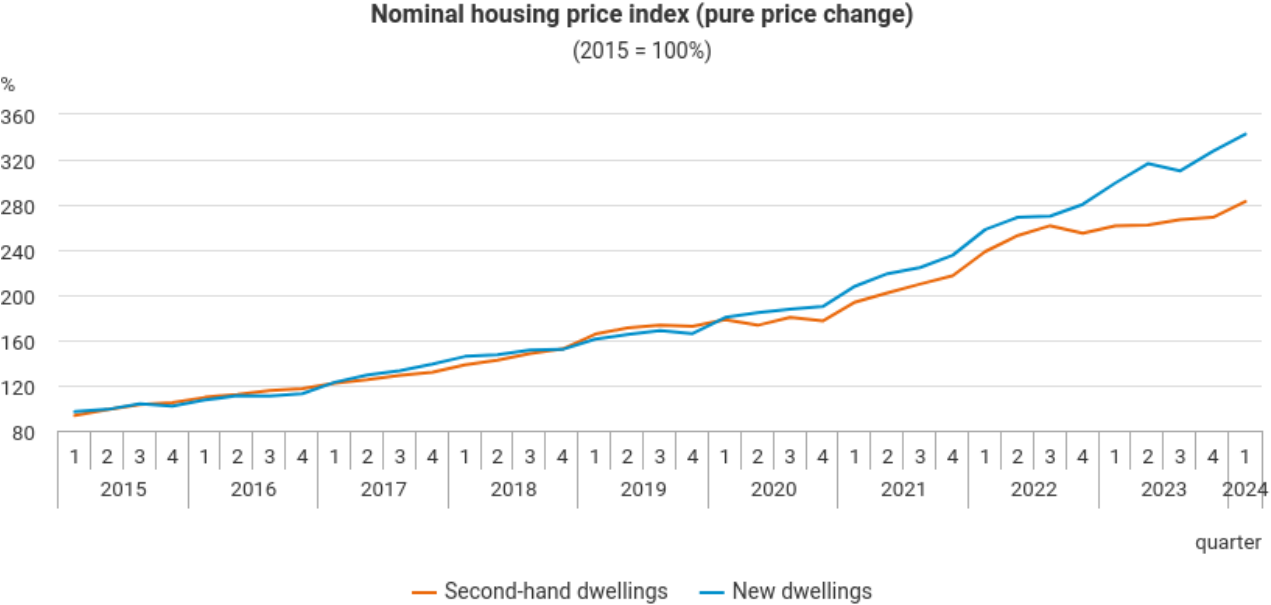
Number of home sales and homes built for sale				
(thousand)				
Year, quarter	Home sales, total	Of which:		New homes built for sale
		second-hand homes	new homes	
2007	191.2	17.9
2008	154.1	140.0	14.1	17.4
2009	91.1	82.9	8.3	16.9
2010	90.3	85.5	4.8	10.7
2011	87.7	83.9	3.9	4.8
2012	86.0	83.3	2.6	3.5
2013	88.7	86.4	2.3	3.2
2014	113.8	110.5	3.3	3.4
2015	134.1	130.7	3.4	3.1
2016	146.3	141.4	4.9	5.2
2017	153.8	147.7	6.1	7.3
2018	163.7	154.6	9.1	9.5
2019	157.0	145.8	11.2	12.1
2020	134.0	125.0	9.0	15.0
2021	160.7	148.8	12.0	12.9
2022	138.0	127.7	10.3	12.2
2023 (received by close of data)	101.8	96.1	5.8	12.0
Q1 2024 (received by close of data)	19.1	18.4	0.8	1.7

Significant housing price increases in Q1 2024

The overall housing market price level in 2023 is 6.5% higher than a year earlier. Within this, prices of second-hand dwellings rose by 5.1% year-on-year and new dwellings by 16.3%, both below the faster pace of price increases in previous years. The overall house price index reached 271% of the 2015 base. Second-hand dwellings were 165% more expensive than in 2015, while new dwellings were 213% more expensive.

After a slower pace of price increases in 2023, second-hand housing price appreciation accelerated to 5.3% in Q1 2024 compared to the previous quarter, while new housing prices were 4.6% higher than a quarter earlier.

Figure 2

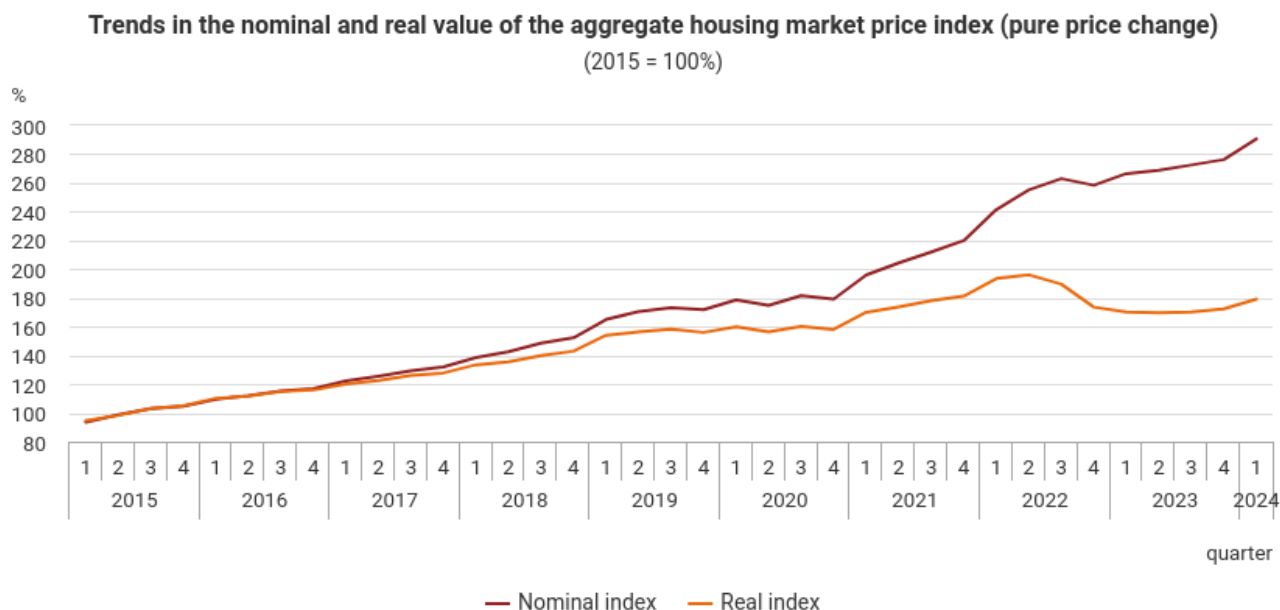


Nominal house price growth in 2023 lagged behind the rise in consumer prices, so that the real price level of the overall housing market fell by 9.4% year-on-year this year.

In Q1 2024, there was also a reversal in this respect, with the real price of second-hand dwellings 4.0% higher and the real price of new dwellings 3.4% higher than a quarter earlier. Compared with the same period of the previous year, the real price of second-hand dwellings rose by 4.4% and that of new dwellings by 10%.

In the first quarter of 2024, the real price of second-hand dwellings was 74%, while the real price of new dwellings was 111% above its 2015 base.

Figure 3



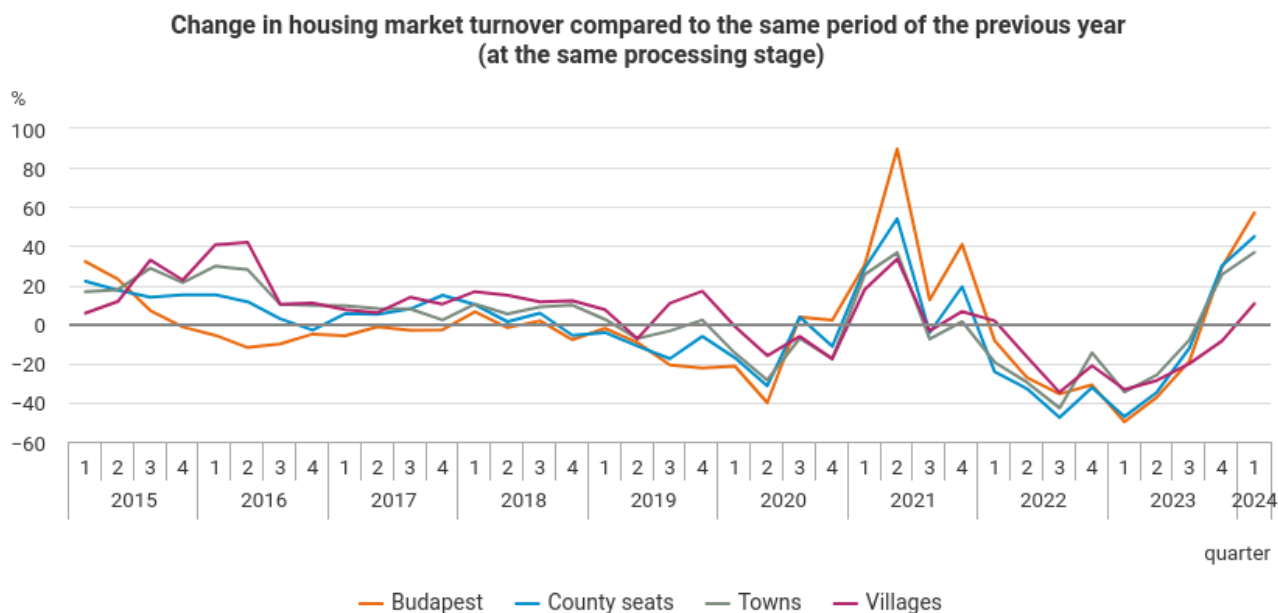
Sales recovery has already spread to small settlements

The downturn that started in 2022 hit the larger municipalities harder, but afterwards the housing market recovered more quickly. The housing market in the villages only exceeded the level of the previous year in the first quarter of 2024, while in the larger municipalities this had already happened in the previous quarter.

The 2023 turnover was 23% lower than the previous year nationally and 27% lower in the capital. Smaller, 'non county seat towns' were the least affected by the market contraction, with sales down 16%. In Q1 2024, the number of sales in Budapest was 57% higher than a year earlier, while in the villages it was only 10% higher.

In 2023, sales of non-prefabricated condominiums fell at an above average rate (26%), while sales of detached houses and prefab flats fell slightly less, by 20% each. In Q1 2024, the market for condominium apartments expanded by more than one and a half times (prefab and non-prefab combined), while the market for detached houses was 21% higher than a year earlier.

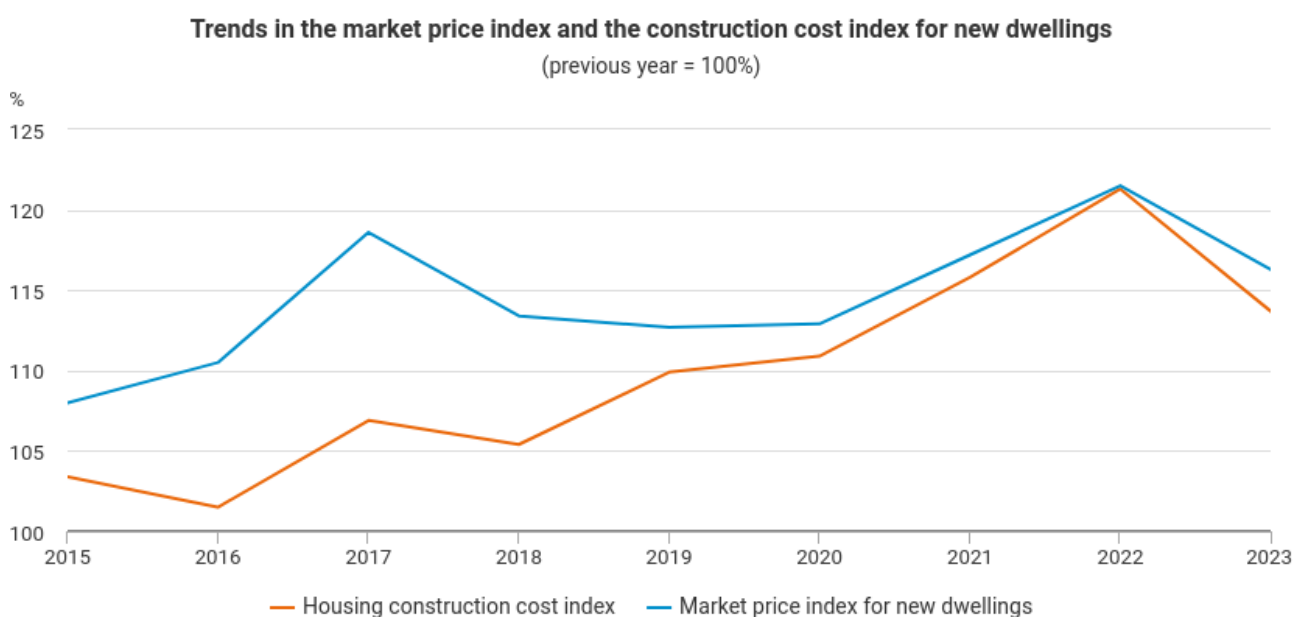
Figure 4



Price differences of up to two to three times in the new housing market

The price increase for new housing outpaced the increase in the cost of housing construction during the post-2015 boom, and the two indices have moved closer together since 2019. After peaking in 2022, both new house price and construction cost growth moderated slightly, with prices rising by 16% in 2023 and construction costs by 14% in one year. Compared to 2015, the price of new dwellings increased by a factor of three (313%) and the cost of housing construction (construction material prices and labour) by more than a factor of two (222%).

Figure 5



So far, nearly 5,800 new homes sold have been reported in 2023 and around 800 in Q1 2024.

The national average price increased from HUF 62.0 million in 2023 to HUF 65.8 million in Q1 2024. The average price per square metre remained below HUF 1 million in 2023 and approached HUF 1.2 million in January-March 2024.

While the average cost of housing construction shows little regional variation, market prices differ by a factor of two to three depending on location.

- In Budapest, the average cost of a new dwelling in 2023 was HUF 71.3 million, 8.5 million more than a year earlier. The price per square metre approached HUF 1.3 million in 2023, rising to close to HUF 1.5 million in Q1 2024.
- Budapest's 13th district sold the most new dwellings, more than the six leading rural cities combined. The average annual price per square metre rose from HUF 1.3 million to HUF 1.4 million in Q1 2024. Among the districts of Budapest with the highest number of new homes for sale, the 11th district is the most expensive, with the price per square metre of housing rising from HUF 1.5 million to HUF 1.9 million in Q1 2024.
- The price of new apartments in Siófok rivals the more expensive districts of the capital, reaching HUF 1.4 million per square metre in Q1 2024.
- The average price of new dwellings in the county seats increased from HUF 737 thousand to HUF 832 thousand in 2023 (of these, no new dwelling sales were recorded in Salgótarján and Kaposvár at the time of writing).

Table 2

Main data on settlements and Budapest districts with more than 50 new dwellings sold, 2023

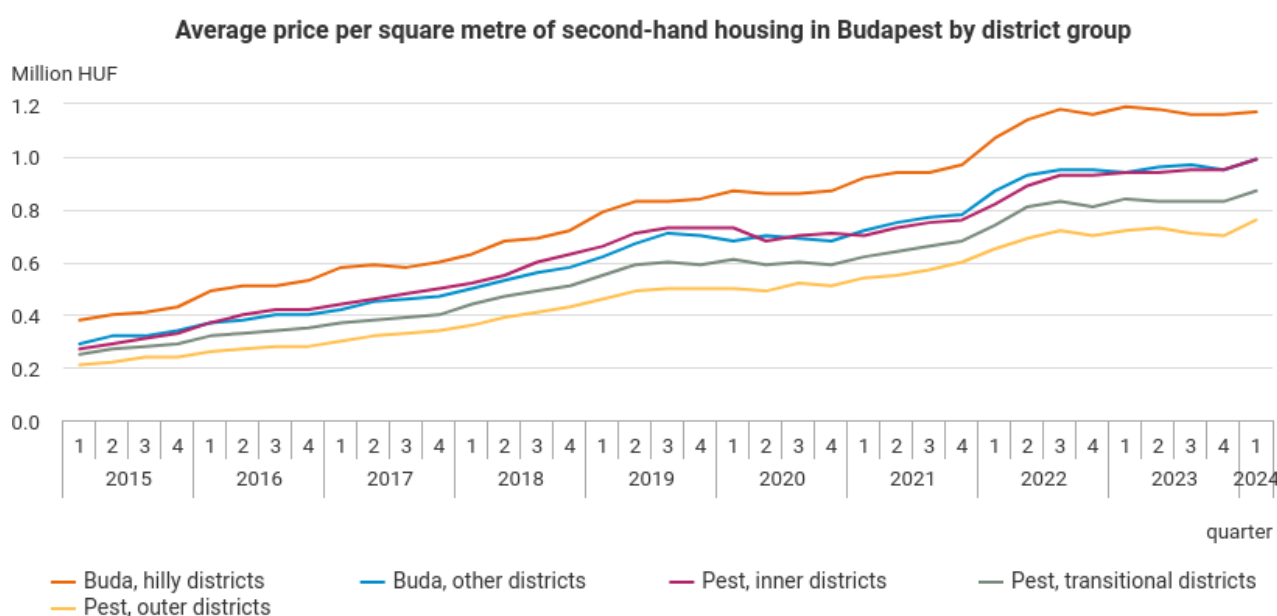
Settlement, district	New dwellings sold	Average price, million HUF	Average price per square metre, million HUF	Average floor area, square metres
Budapest, district XIII	725	69.9	1.3	55.7
Budapest, district IX	345	56.4	1.2	48.8
Budapest, district XI	345	88.9	1.5	59.1
Budapest, district III	247	83.6	1.4	59.5
Budapest, district X	192	56.4	1.1	50.5
Szombathely	184	37.9	0.7	53.0
Nyíregyháza	181	42.9	0.6	72.5
Budapest, district XIV	159	75.7	1.2	62.3
Budapest, district VIII	134	61.2	1.4	44.2
Siófok	124	73.9	1.3	64.3
Debrecen	107	59.9	0.9	67.6
Kecskemét	99	38.0	0.7	55.5
Pécs	98	51.3	0.7	71.8
Győr	96	50.2	0.9	57.1
Székesfehérvár	93	61.5	0.8	82.5
Érd	92	76.4	0.9	90.4
Szeged	80	65.8	0.8	81.4
Budapest, district XVIII	79	44.0	0.9	50.6
Göd	64	61.7	0.8	74.6
Budapest, district IV	61	64.8	1.1	60.4
Budapest, district XXIII	57	59.9	0.8	75.1
Vác	56	56.6	0.8	74.2
Budapest, district XVI	53	75.4	1.1	70.9
Keszthely	52	62.2	1.0	63.3

The second-hand housing market is also showing signs of recovery

- In the first quarter of 2024, the average price of a second-hand dwelling was HUF 31.4 million, HUF 2.2 million more than the average price in 2023. The price per square metre of HUF 521 thousand was HUF 84 thousand higher than in the previous year.
- The average price of a second-hand apartment in Budapest was HUF 49.2 million in Q1 2024. This value is still below the average of the previous year, as the composition of sales registered in the capital has changed in favour of smaller apartments. Accordingly, the average price per square metre in Budapest in Q1 2024 was HUF 918 thousand, 33 thousand more than in 2023.

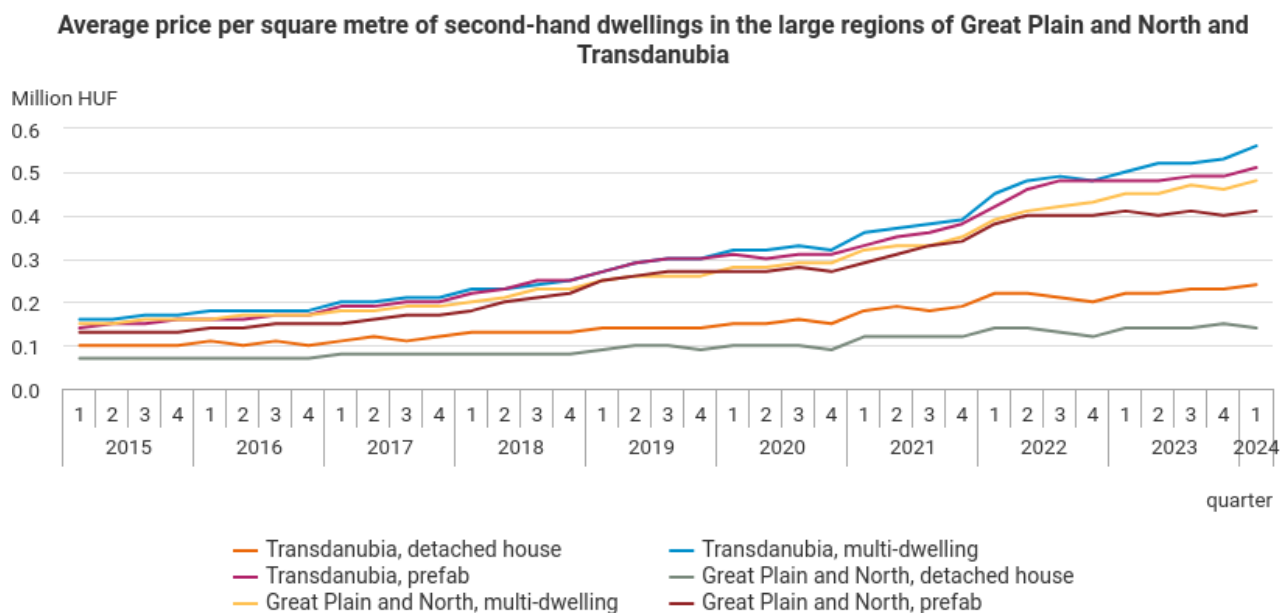
- After the low growth and temporary stagnation of previous quarters, in Q1 2024, housing prices in all Budapest districts increased in comparison to the previous quarter. The only exceptions are the highest-priced districts in the Buda Hills, where prices have hardly changed at all so far. However, the fastest growth was recorded in the outer districts of Pest, somewhat reducing the spatial differences in house prices in the capital.
- **In Budapest**, the price of prefab flats increased the most in the first quarter of 2024, with an average price per square metre 5.8% higher than in 2023. Over this period, detached houses increased in price by 4.9%, while non-prefab condominiums rose by 3.0%.

Figure 6



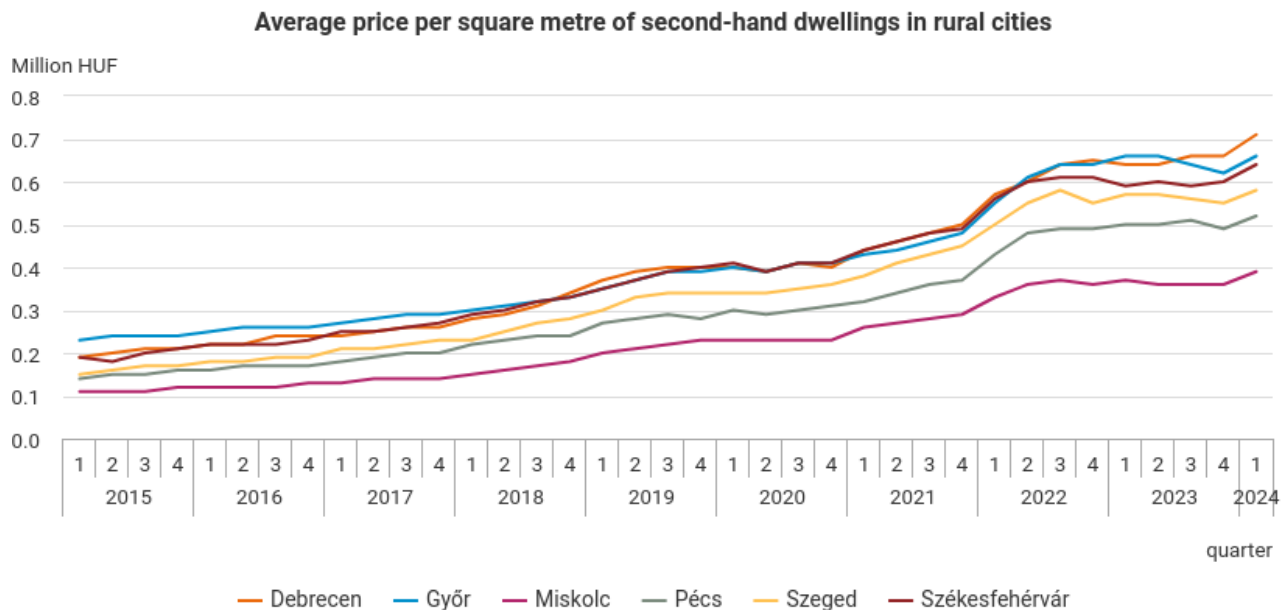
- **In the Balaton agglomeration**, the price of a second-hand dwelling was 749 thousand forints per square metre in Q1 2024, 9.3% more than in 2023.
- The housing price level of 658 thousand HUF in **the Budapest agglomeration** in Q1 was 4.4% higher than in 2023.

Figure 7



- In the first quarter of 2024, the price per square metre of dwellings in the **Transdanubian** region increased by around 6-8%, depending on the type of dwelling, compared to the average price in 2023.
- **In the eastern part of the country**, the price increase in Q1 was lower: detached houses and prefab flats increased in price by around 1%, while non-prefab condominium flats increased by 3.6%.
- After the earlier decline, a marked price increase also emerged in the rural cities in Q1 2024. The largest increase of nearly 10% was in the second-hand housing market in Debrecen, currently the most expensive large city in the countryside. The order of the cities has therefore changed for Debrecen and Győr, but the ranking is still closed by Miskolc, where the average price did not reach HUF 400 thousand per square metre despite the increase observed in Q1.

Figure 8

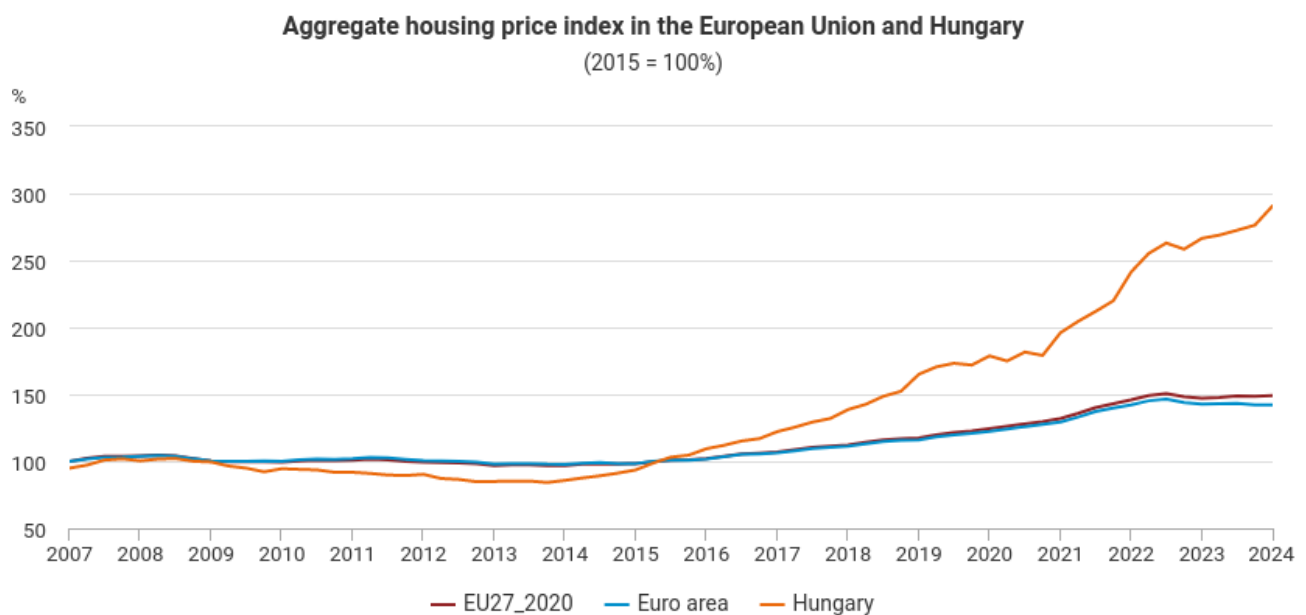


Housing prices slightly up in EU Member States, stagnating in the euro area

In Q1 2024, the aggregate EU-27 housing price index was 149% of the 2015 base. After a slight decrease in the previous quarter, housing prices rose by 0.4% in a quarter.

In the euro area, the house price index was 142%, with prices in this group of Member States virtually stagnating (-0.1%) compared to Q4 2023.

Figure 9



In Q1 2024

- Bulgaria (7.1%), Hungary (5.2%) and Poland (4.3%) reported sharp price increases compared to the previous period. Higher price decreases were recorded in Denmark (-2.5%) and France (-2.1%).
- In Germany, prices continued to fall at a slower pace, dropping by 5.7% in one year and 12% in two years.
- Compared to the same quarter of the previous year, the largest price decrease was recorded in Luxembourg (-11%), while house prices rose by 18% in Poland and 16% in Bulgaria.
- Among the neighbouring countries, housing prices fell by 2.2% on an annual basis in Austria and by 3.0% in Slovakia, while they rose by 5.5% in Romania and by 6.3% in Slovenia compared with the same period of the previous year.
- Hungary's aggregate house price index remains the highest among the reporting countries (291% in 2015 base), after rising by 9.1% year-on-year.

Table 3

Quarterly nominal housing price index in selected European countries

(%)

Denomination	2022				2023				2024
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Austria	164.6	169.4	173.6	166.3	164.4	164.7	164.3	161.4	160.8
Belgium	130.0	132.2	135.0	134.6	135.0	134.6	136.3	138.3	139.3
Bulgaria	162.5	167.6	174.4	175.1	177.9	185.5	190.5	192.8	206.4
Cyprus	104.0	106.4	110.0	108.3	110.3	110.2	110.7	110.0	111.5
Czechia	210.0	217.2	219.4	214.5	211.8	211.0	211.7	212.3	214.3
Denmark	141.9	144.4	144.9	141.4	134.9	135.5	137.9	140.1	136.6
Estonia	175.4	189.4	190.9	191.4	191.4	198.8	198.3	202.4	206.4
Finland	112.2	113.8	112.4	108.5	106.5	107.5	104.4	103.3	101.9
France	128.6	130.8	134.3	133.5	132.3	131.7	132.3	128.7	126.0
Netherlands	182.9	188.6	190.0	185.9	183.1	180.9	182.9	186.1	189.8
Croatia	152.3	157.9	162.4	170.1	173.6	179.6	180.1	186.2	189.4
Ireland	159.1	161.9	166.5	168.4	167.2	166.3	168.8	173.7	177.7
Poland	160.3	163.5	167.4	169.6	169.5	175.0	182.9	191.7	200.0
Latvia	176.1	185.6	187.8	186.6	186.4	195.5	193.5	188.1	193.2
Lithuania	183.1	193.9	199.7	203.5	207.2	212.1	217.2	220.4	227.7
Luxembourg	184.3	188.4	192.3	189.4	181.2	177.3	165.5	162.0	161.4
Hungary	241.4	255.2	263.0	258.4	266.5	268.9	272.5	276.3	290.7
Malta	139.7	144.6	146.2	147.2	149.9	152.2	154.5	157.1	160.0
Germany	163.3	166.4	165.2	156.7	152.5	150.5	148.4	145.4	143.8
Italy	105.7	108.1	106.9	106.8	106.8	108.8	108.7	108.7	108.6
Portugal	182.6	188.3	193.8	195.9	198.6	204.7	208.5	211.3	212.5
Romania	139.8	144.9	143.2	146.8	146.3	145.1	150.0	152.3	154.3
Spain	139.1	141.7	144.2	143.0	144.0	147.0	150.7	149.1	153.2
Sweden	142.2	142.9	138.5	133.5	132.4	133.2	132.6	129.6	130.3
Slovakia	166.4	175.6	180.6	179.1	178.8	171.8	173.2	176.6	173.5
Slovenia	166.9	172.4	176.4	178.8	182.0	185.4	186.3	191.2	193.5
EU27_2020	145.9	149.2	150.5	148.2	147.2	147.8	148.9	148.5	149.1
Euro area	142.1	145.2	146.5	143.9	142.7	143.0	143.3	142.2	142.1
Iceland	164.6	169.4	173.6	166.3	164.4	164.7	164.3	161.4	160.8
Norway	130.0	132.2	135.0	134.6	135.0	134.6	136.3	138.3	139.3

Further data and information

Methodological notes

Annual national data:

18.1.1.1. Summary data of housing

18.1.1.13. Housing price indices

18.1.1.14. Mean price per dwelling and sqm by region and building type

18.1.1.15. Number of housing transactions made by private persons

Annual regional data:

18.1.2.8. Mean price per dwelling by region and settlement type

18.1.2.9. Mean price per sqm by region and settlement type

18.1.2.10. Number of housing transactions made by private persons by region and settlement type

18.1.2.11. Mean price per dwelling by region and building type

18.1.2.12. Mean price per sqm by region and building type

Infra-annual national data:

18.2.1.1. Summary data of housing (quarterly data)

18.2.1.8. Housing price indices by quarter years

18.2.1.9. Number of housing transactions made by private persons by quarter years

Infra-annual regional data:

18.2.2.13. Mean price per dwelling by region and settlement type (quarterly data)

18.2.2.14. Mean price per sqm by region and settlement type (quarterly data)

18.2.2.15. Number of housing transactions made by private persons by region and settlement type (quarterly data)

18.2.2.16. Mean price per dwelling by region and building type (quarterly data)

18.2.2.17. Mean price per sqm by region and building type (quarterly data)

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