



HUNGARY

OUTLOOK 

2026





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# ECONOMY

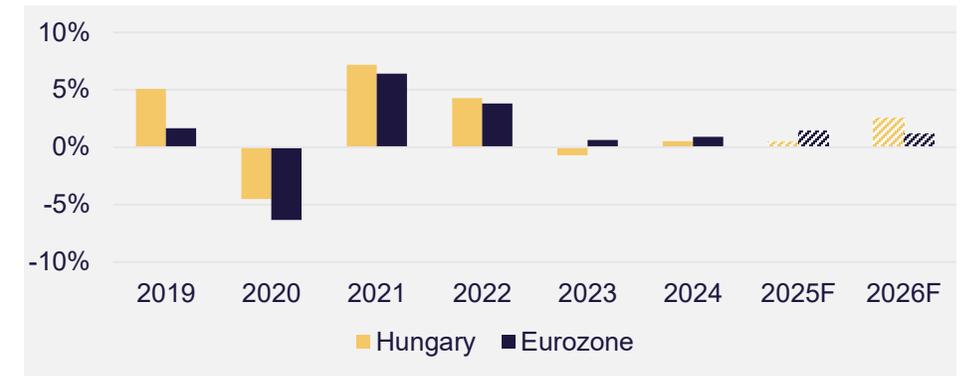
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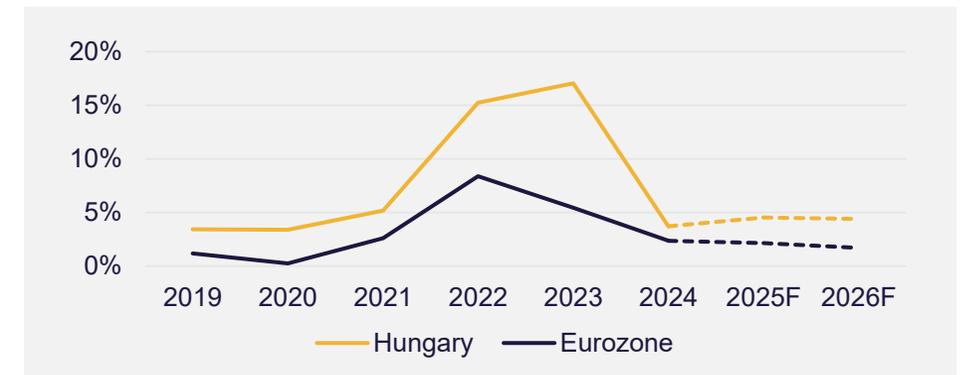
# ECONOMY

	2025	OUTLOOK 2026
<b>GDP Growth</b> (Real, Y/Y Change)	0.4%	↑
<b>Unemployment Rate</b>	4.5%	↑
<b>Inflation Rate</b> (HICP, Y/Y Change)	4.5%	↓
<b>Industrial Production</b> (Index Y/Y Change)	0.6%	↑

### Real GDP Growth



### Inflation Rate (Harmonized)



- **Hungary's recovery** is gaining traction as household consumption strengthens, supported by stabilizing real wages and moderating inflation. GDP growth is projected to accelerate to 2.4% in 2026, with consumption as the dominant driver of economic momentum.
- **Inflation** is set to remain above the central bank's target, keeping monetary policy tight and rate cuts gradual. Labor market conditions are softening but remain resilient overall; **unemployment** is expected to edge up only slightly, while real wage growth stays positive, sustaining consumer demand.
- **Investment** remains subdued due to high financing costs, tighter fiscal conditions and persistent global trade uncertainty. Nonetheless, Hungary continues to attract significant Chinese FDI, most notably BYD's planned EV plant in Szeged, reinforcing its role as a regional manufacturing hub. EU fund disbursements remain delayed, limiting public investment and narrowing fiscal flexibility.

Source: Moody's Analytics



# INVESTMENT

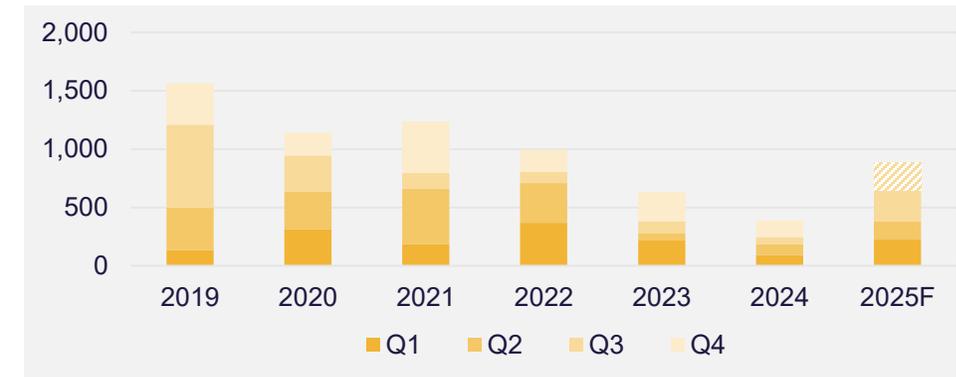
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# INVESTMENT

	Q3 2025	OUTLOOK 2026
<b>Office Prime Yield</b>	6.25%	➔
<b>Industrial Prime Yield</b>	6.75%	➔
<b>High Street Prime Yield</b>	6.75%	➡
<b>Hotel Prime Yield (MA)</b>	7.00%	➔

Investment Volume (Million EUR)

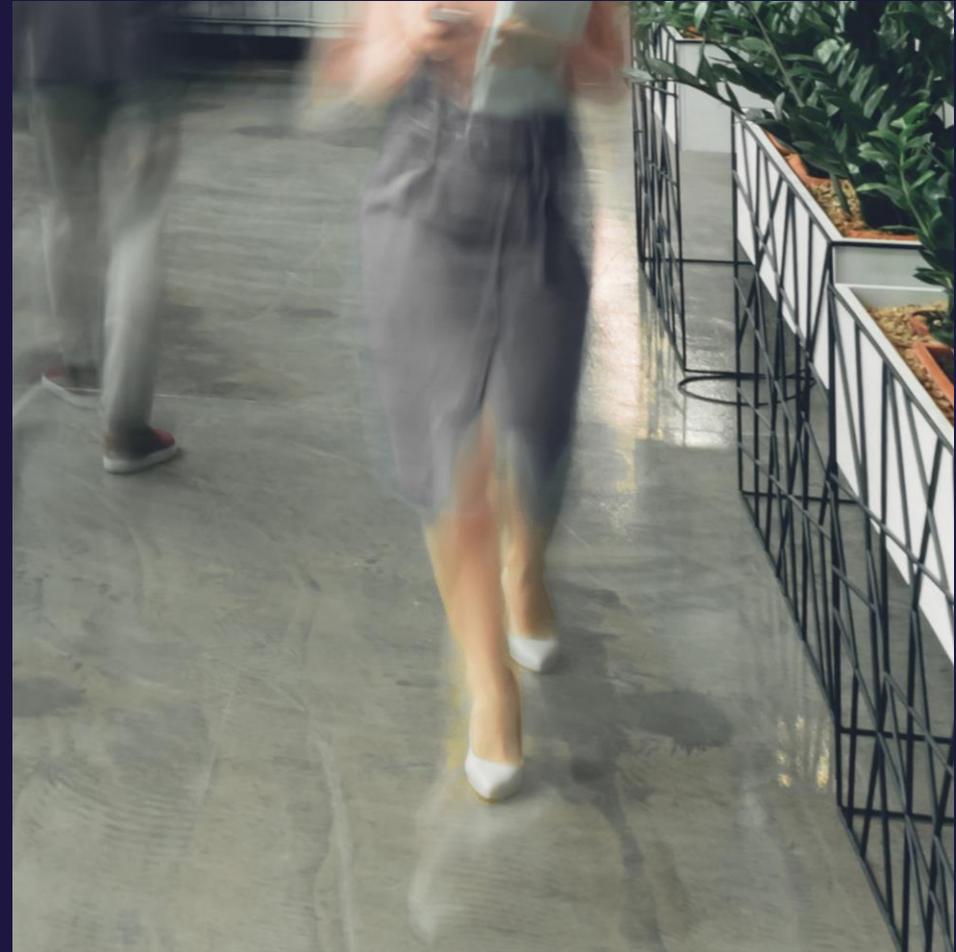


Prime Yields



Source: Cushman & Wakefield

- **Hungary's investment market** showed signs of recovery in H1 2025, posting 55% year-on-year growth, with momentum strengthening further in H2. Full-year investment volume stands at €880 million, with one additional large transaction still in the pipeline that could lift total volume above €900 million. Activity has been supported primarily by seven large transactions, while smaller deals under €25 million continue to dominate by number.
- **The office sector** led activity with a 35% market share, supported by renewed investor appetite and key transactions including BakerStreet 1, Science Park, IP West and Bartók Ház. Industrial remained resilient, highlighted by the HelloParks sale, while retail activity softened, with one transaction currently in the closing phase. Hotel assets gained strong momentum, anchored by the €100M+ sale of the Marriott, which established the segment as a rising strategic asset class.
- **Yields** are beginning to stabilise, hotel yields compressed by 25 bps in Q3 and high-street retail yields by 50 bps in Q4. Looking ahead to 2026, sentiment is cautiously optimistic, with investors remaining selective in their approach.



**OFFICE**

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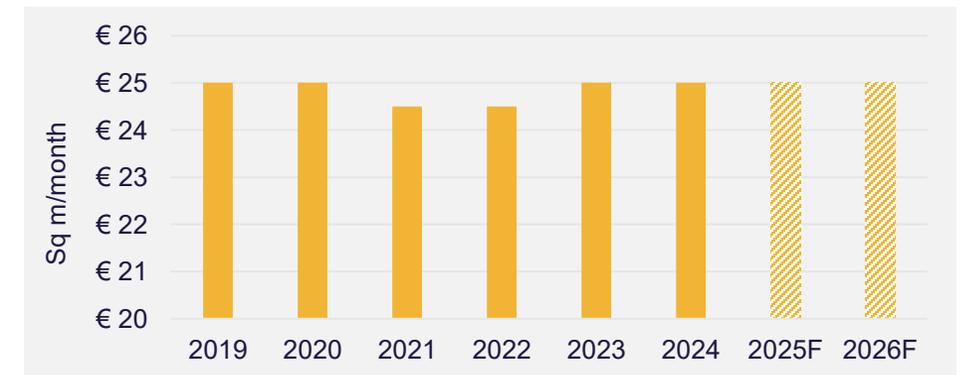
# OFFICE

	Q3 2025	OUTLOOK 2026
<b>New Supply</b> (Sq m, YTD)	0	↑
<b>Vacancy Rate</b>	13.45% (-58 bps y/y)	→
<b>Prime Rent</b> (Sq m/month)	25.00 EUR (0% y/y)	→

New Supply and Vacancy Rate



New Supply and Vacancy Rate



- **Budapest's office market** enters 2026 with limited new supply and a shrinking speculative pipeline, as development activity remains dominated by government-led BTS projects. With 83% of the 472,000 sq m under construction tied to BTS schemes and vacancy expected to rise, the current cycle clearly favours repositioning and repurposing existing assets to meet evolving occupier requirements.
- **Demand** is increasingly concentrated on modern, energy-efficient offices in strong locations, with operating costs now a key driver. Net take-up improved in 2025 but remained below the 10-year average. Renewals at 41% YTD highlight tenants' cost sensitivity and show that, excluding BTS and government moves, the market currently favours staying put over relocating.
- Looking ahead, **limited prime supply** is expected to push rents higher for best-in-class assets. While CBD rents remain stable, Central and South Buda have recorded solid growth, with further appreciation expected in 2026 for new or refurbished ESG-compliant buildings.

Source: Cushman & Wakefield



# LOGISTICS

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# LOGISTICS

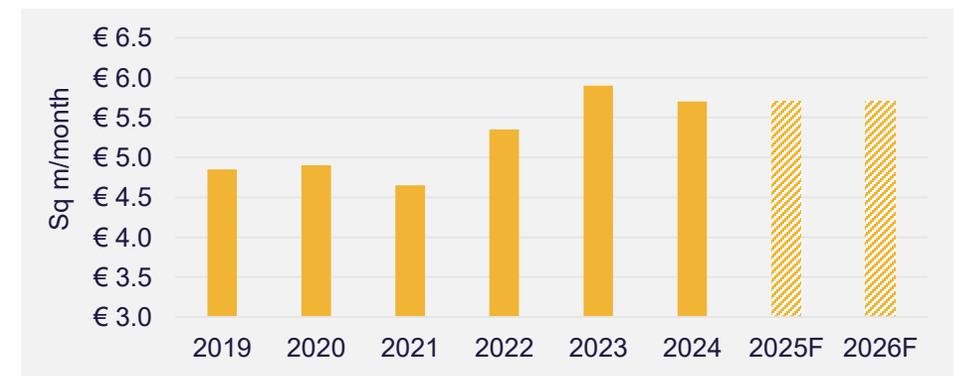
	Q3 2025	OUTLOOK 2026
 <b>New Supply</b> (Sq m, YTD)	<b>76,800</b> (-45% y/y)	↓
 <b>Vacancy Rate</b>	<b>11.80%</b> (+310 bps y/y)	↓
 <b>Prime Rent</b> (Sq m/month)	<b>5.70 EUR</b> (-1.7% y/y)	→

- **Hungary's logistics market** enters 2026 with solid momentum. Take-up increased sharply year-on-year, led by strong regional demand, while the renewal share fell to 31%, signaling growing tenant confidence and more expansion-driven activity.
- **New supply** in Q3 2025 was fully pre-let, supporting positive absorption and stabilizing vacancy at 13.1% in Greater Budapest and 9.2% in regional markets. Development remains active but more selective, with 473,000 sq m under construction, 47% in regional markets and a healthy 52% pre-let rate.
- **Prime rents** eased in Budapest but remained stable across regional markets, while increasing incentives continue to widen the gap between modern space and older stock, a trend likely to persist into 2026.
- At the same time, Hungary is solidifying its role as a key **European hub** for EV and battery manufacturing, reinforcing demand for modern logistics facilities and underpinning long-term sector growth.

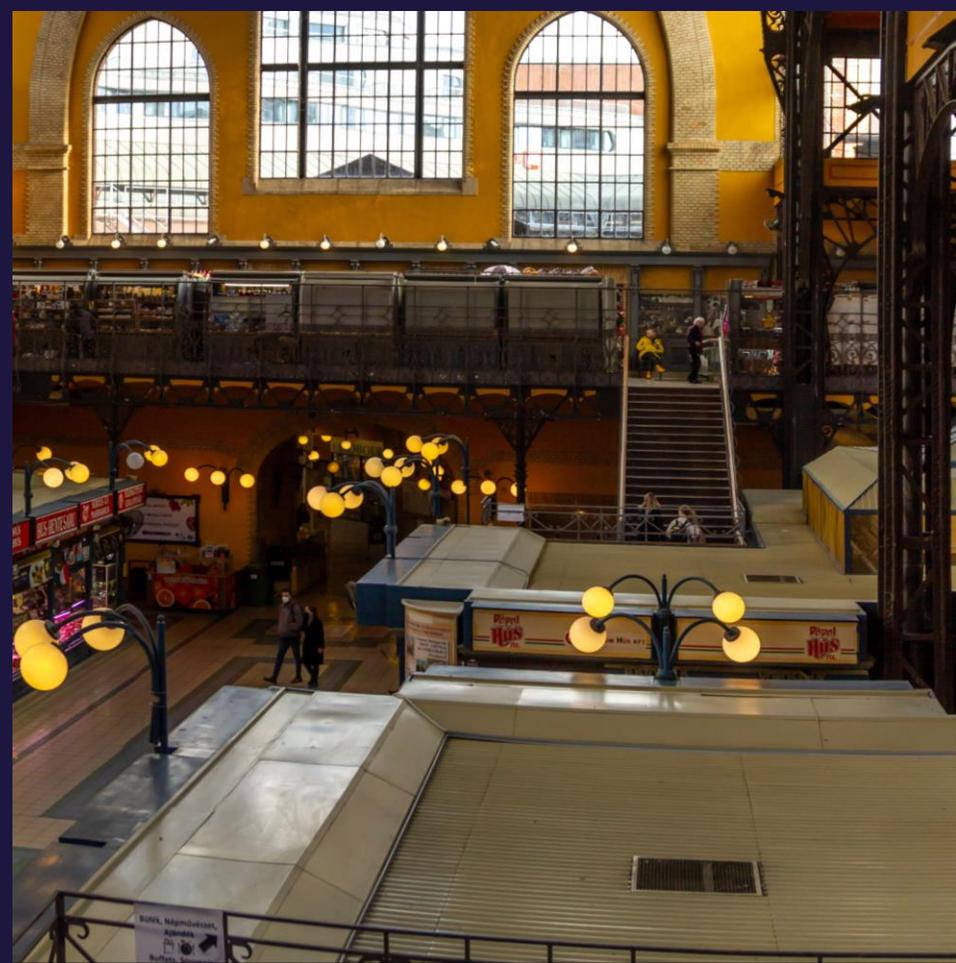
New Supply and Vacancy Rate (Greater Budapest)



Prime Rent



Source: Cushman & Wakefield



# RETAIL

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# RETAIL

	Q3 2025	OUTLOOK 2026
<b>Total Retail Stock</b> (Sq m)	<b>3.13 mil.</b> (+1% y/y)	➔
<b>Retail Sales</b> (Real, annual, Y/Y Change)	<b>2.80%</b> (+22 bps y/y)	⬇️
<b>High Street Prime Rent</b> (Sq m/month)	<b>160 EUR</b> (+14% y/y)	⬆️

- **Hungary's retail market** enters 2026 with modest development activity and a stable supply outlook. Retail park stock remained unchanged at 1.7 million sq m in 2025, though the pipeline is set to pick up, with 55,000 sq m planned through 2026.
- **Shopping center** supply grew modestly with the opening of Zenit Corso, while refurbishments and planned extensions at Duna Mall, Alba Plaza and Forum Debrecen signal a cautious move toward expansion. The launch of the first Time Out Market in CEE further enhances Budapest's retail profile.
- **Consumer conditions** are stabilising as inflation eases and retail sales gradually strengthen, supported by solid e-commerce penetration.
- **Prime high-street rents** continued to rise, with Fashion Street posting 14% YoY growth, reflecting sustained demand, and suggesting further rental increases remain possible. Other retail segments held broadly stable.

New Supply



Prime Rents



Source: Cushman & Wakefield



# HOTELS

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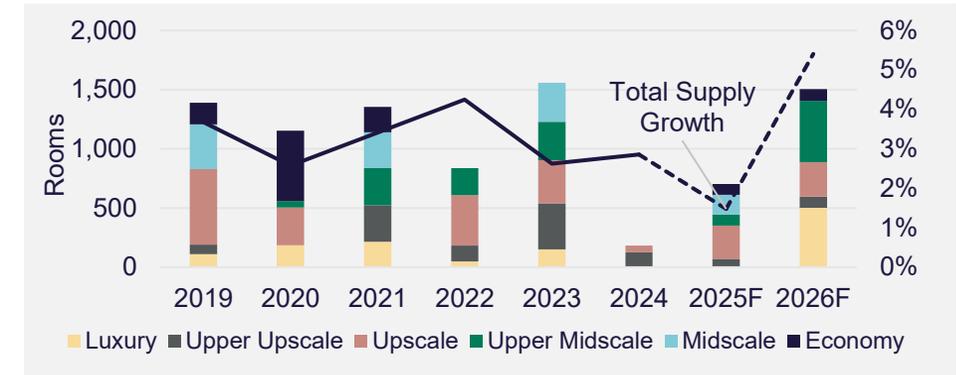


# HOTELS

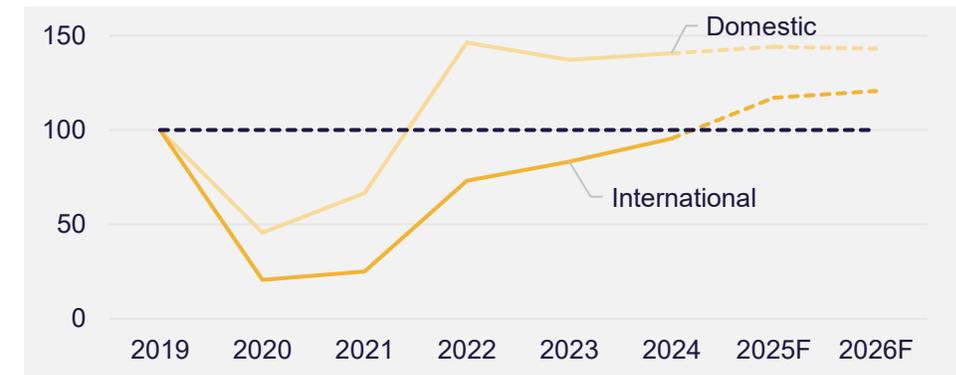
	Q3 2025	OUTLOOK 2026
<b>New supply</b> (Rooms, YTD)	<b>610</b> (+332% y/y)	↑
<b>Occupancy</b> (YTD)	<b>72%</b> (+430 bps y/y)	→
<b>Average Daily Rate</b> (YTD)	<b>120.5 EUR</b> (+0.1% y/y)	↑

- **Budapest's hotel market** delivered strong results in the first three quarters of 2025, with RevPAR up over 4% year-over-year, driven primarily by higher occupancy. Robust topline performance is expected in 2027, supported by high-paying international clientele.
- **Over 700 new rooms** will enter the market by the end of 2025 – representing a 1.5% increase in total supply – including branded openings such as You Hotel Handwritten Collection, Jo&Joe, Radisson Collection Basilica, Tribe Liszt Ferenc Airport, and Movenpick, alongside independent properties like Mamaison Hotel Chain Bridge and Leon Hotel & Lounge. Additional branded supply is anticipated in 2026, highlighted by the landmark SO/ (formerly Sofitel) and new entries such as Moxy Downtown and Puro, further enhancing market quality.
- **Total demand** has surpassed 2024 levels, with international arrivals projected to grow further in 2026.

### Supply Change (Openings and Closures)



### Demand Index (Nights in Paid Accommodation)



Source: Oxford Economics

## HUNGARY

# OUTLOOK

2026

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### ABOUT CUSHMAN & WAKEFIELD

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of \$9.4 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that *Better never settles*, the firm receives numerous industry and business accolades for its award-winning culture.

For additional information, visit [www.cushmanwakefield.com](http://www.cushmanwakefield.com).

*Better never settles*

