

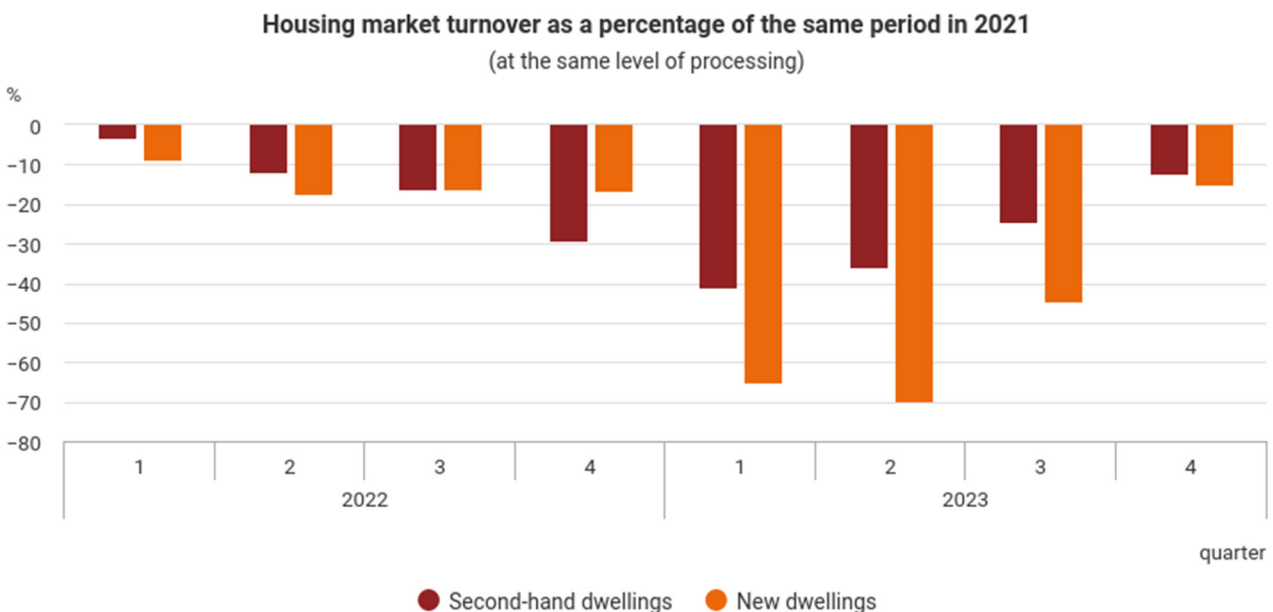
Housing prices, housing price index, Q4 2023

In 2023, a quarter fewer homes were sold than a year earlier. Sales, which had been falling at a slowing pace during the year, turned to growth in the fourth quarter. The price level of the overall housing market in 2023 was 5.8% higher than in the previous year. On an annual basis, prices of second-hand dwellings rose by 5.0% and new dwellings by 11.5%, both below the faster pace of price increases in previous years. The aggregate real housing price index fell by 10% in 2023, after rising by 6.8% in 2022.

Further decline in the housing market

After a 14% decline in housing market turnover in 2022, the number of housing sales fell by a further 25% in 2023 compared to a year earlier, when the data were at a similar processing level. Although data receipt is not yet complete, assuming a constant lead time, the estimated fall in housing sales was 41% in Q1, 31% in Q2 and 15% in Q3. The slow decline turned into an increase at the end of the year: in Q4, the number of housing sales was 9.8% higher than the low base of a year earlier, but still 12% below the 2021 level.

Figure 1



During 2023, the market for new dwellings fell even more than for second-hand dwellings, with the number of new dwellings sold falling to less than half the level of a year earlier (44%). The share of new dwellings in known sales fell from 7.4% to 3.8% in the previous year.

Table 1

Number of home sales and homes built for sale

(thousand)

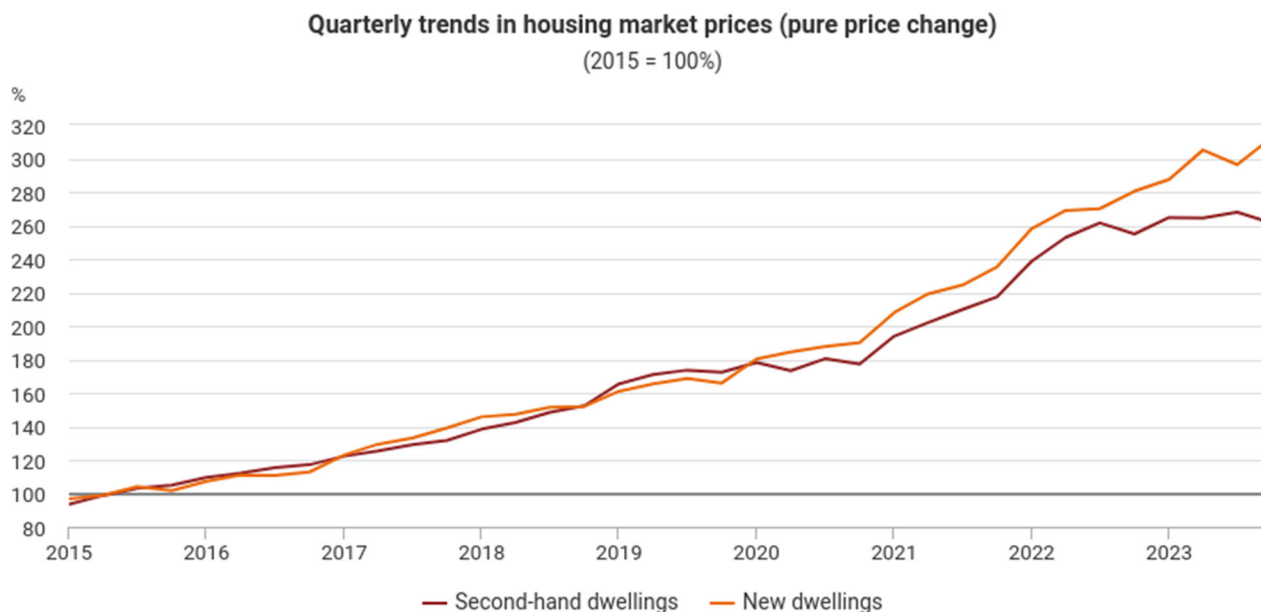
Year, quarter	Home sales, total	Of which:		New homes built for sale
		second-hand homes	new homes	
2007	191.2	17.9
2008	154.1	140.0	14.1	17.4
2009	91.1	82.9	8.3	16.9
2010	90.3	85.5	4.8	10.7
2011	87.7	83.9	3.9	4.8
2012	86.0	83.3	2.6	3.5
2013	88.7	86.4	2.3	3.2
2014	113.8	110.5	3.3	3.4
2015	134.1	130.7	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)	90.0	86.5	3.4	12.0

Slowing annual price increase

The overall housing market price level in 2023 was 5.8% higher than a year earlier. On an annual basis, second-hand dwellings became more expensive by 5.0% and new dwellings by 11.5%, both below the faster pace of price increases in previous years. The aggregate housing price index reached 269% of the 2015 base. Second-hand dwellings were 265% more expensive than in 2015, while new dwellings were 300% more expensive.

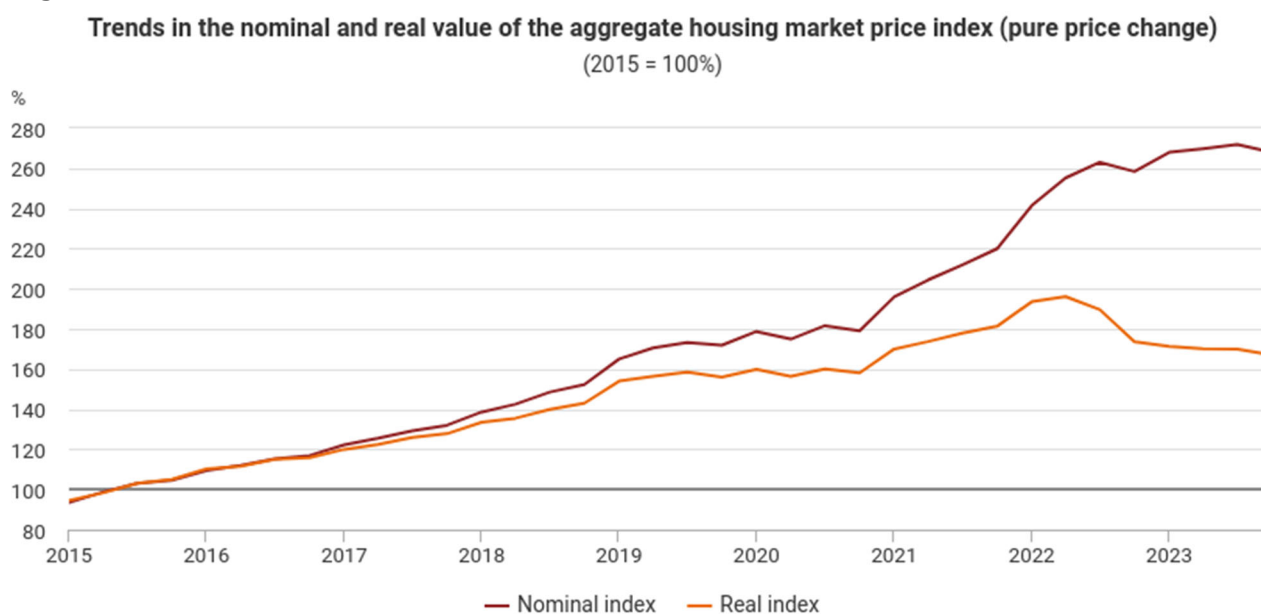
The intra-year evolution of prices of second-hand dwellings compared to the previous period was characterised by a slowdown after a 3.8% increase in Q1, followed by a slight fall in Q4 (-2.4%). After a temporary slowdown in Q3, new housing prices picked up again in Q4 (5.5%).

Figure 2



The aggregate real housing price index fell by 10.0% in 2023, after rising by 6.8% in 2022. The real price of second-hand dwellings fell by 10.7% and that of new dwellings by 5.2% over the course of a year. Throughout 2023, the real housing price index showed a slight decline, falling to 167% at the end of the year, the same level as three years earlier.

Figure 3



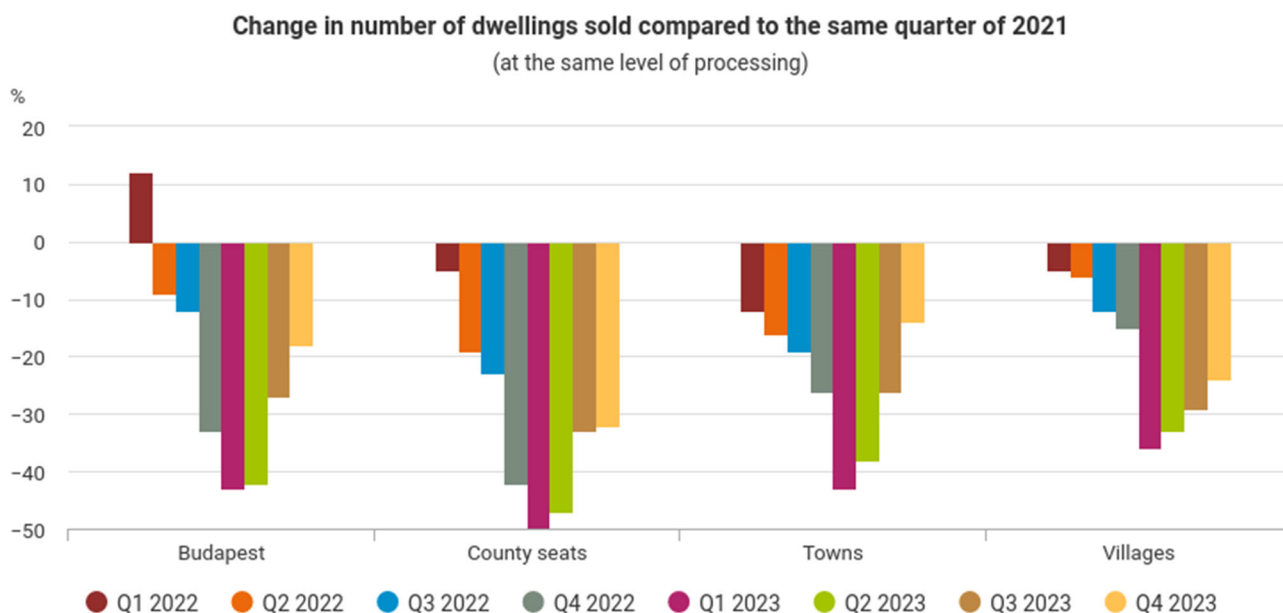
Significant decrease in turnover in all categories of settlements

The downturn in the housing market starting in 2022 has hit the county seats hardest. In 2023, 31-34% fewer dwellings were sold in smaller settlements and Budapest on an annual basis, while 42% fewer dwellings were sold in the county seats than in 2021.

At the same time, in each of the categories examined, the decline in the housing market slowed down towards the end of 2023, and while the shortfall was still significant compared to 2021,

there was some growth in sales compared to the fourth quarter of 2022. The only exception in this respect is the villages, where the backlog has also eased, but the number of dwellings sold on a pro-rata basis has not yet reached the level of a year earlier.

Figure 4



Strong spatial concentration of the new housing market was maintained in 2023

- Of the approximately 12 thousand dwellings built for sale, data on 3,400 have been received so far. Their average price was 57.1 million HUF, compared to 55.7 million HUF in 2022. The national average price per square metre of new homes was 995 thousand forints, 85 thousand more than a year earlier.
- Budapest’s district XIII sold the most new dwellings, more than the six leading cities in the countryside combined.
- In Budapest, a new dwelling cost 68.2 million forints in 2023, 5.4 million more than a year earlier, and the price per square metre exceeded 1.2 million forints. In the Buda hill districts, the specific price even reached twice this amount, while apartments sold in the inner districts of Pest changed hands at an average sqm price of around HUF 1.5 million.
- In Siófok, new homes sold at the average price of the capital, while prices in other rural settlements were significantly lower. In Nyíregyháza, where a larger number of dwellings were built, the average price per square metre of a new dwelling was HUF 570 thousand, while the average price was HUF 34 million.

Table 2

Ranking of county seats and Budapest districts with more than 50 new housing units sold by price of housing, 2023

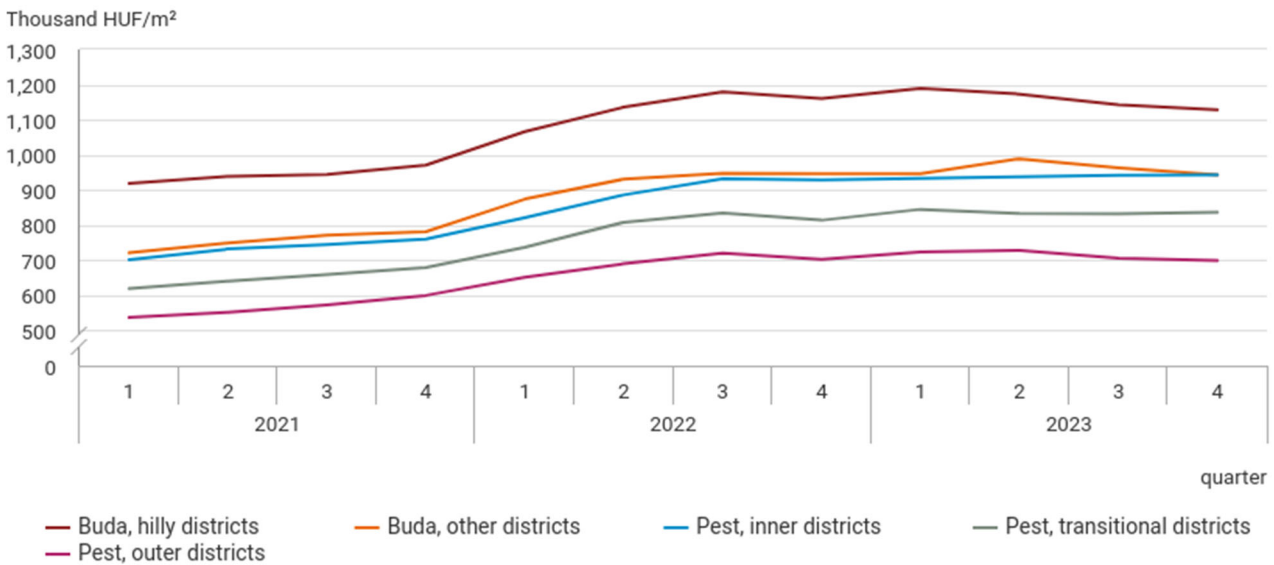
Settlement, district	New dwellings sold	Average price, million HUF	Average price per square metre, thousand HUF	Change in price per square metre as a percentage of 2022 value	Average floor area, square metres
Budapest, district XIII	566	70,6	1,25	114,3	55
Budapest, district IX	234	54,4	1,14	100,3	48
Budapest, district III	212	77,2	1,40	119,7	55
Szombathely	142	38,1	0,72	131,3	53
Budapest, district XIV	137	72,1	1,18	109,5	60
Budapest, district XI	123	84,4	1,48	119,3	58
Nyíregyháza	97	33,6	0,57	108,0	59
Siófok	97	74,1	1,27	108,9	62
Kecskemét	91	37,2	0,68	107,3	55
Budapest, district VIII	85	61,7	1,51	123,0	42
Győr	80	44,1	0,84	110,6	52
Budapest, district XVIII	74	42,1	0,91	110,9	47
Budapest, district IV	53	61,9	1,07	118,7	59
Budapest, district XVI	52	67,0	1,10	105,7	62

The price ratios of the second-hand housing market shifted in favour of multi-dwelling buildings

- In 2023, a second-hand dwelling cost an average of HUF 28.7 million and HUF 437 thousand forints sqm. After fluctuating around HUF 430 thousand in Q1-Q3, the average specific price rose to HUF 464 thousand in Q4.
- The average price of a second-hand dwelling in Budapest was HUF 50.3 million, 1.5 million more than a year earlier. The price per square metre was HUF 885 thousand, 4.9% more expensive than a year earlier. This annual price increase was below the 22% increase in housing prices in 2022. In the capital city, the price per square metre of detached houses fell slightly (-1.1%) year-on-year, while prices in multi-dwelling buildings rose by 5.9%. In line with the deterioration in the market position of detached houses, prices in the capital's districts with detached houses declined in Q3-4 2023, while prices in the inner and transitional districts of Pest, where the housing stock is largely multi-dwelling, barely moved from their level at the beginning of the year.

Figure 5

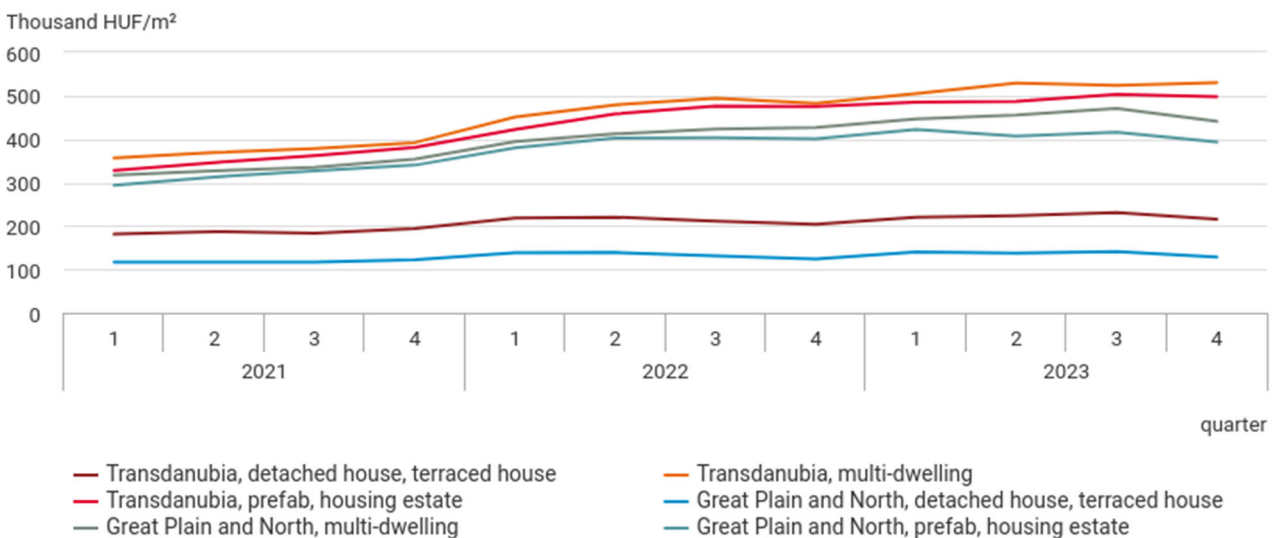
Price per square metre of second-hand dwellings in Budapest by location



- In the **Balaton agglomeration**, the annual increase in specific housing prices was 13% in 2023. The price of second-hand dwellings at Lake Balaton fell from HUF 738 thousand in Q2, the annual peak, to HUF 683 thousand in Q4.
- In the **Budapest agglomeration**, the 2023 price level was moderately 2.3% higher than in 2022, and housing prices fell steadily over the year, from HUF 641 thousand in Q1 to HUF 603 thousand in Q4. In the Budapest agglomeration, the price per square metre of detached houses in 2023 was 2.6% lower than a year earlier, while the price of dwellings in multi-dwelling houses was 5.3% higher.

Figure 6

Price per square metre of second-hand dwellings in the large regions of Great Plain and North, and Transdanubia

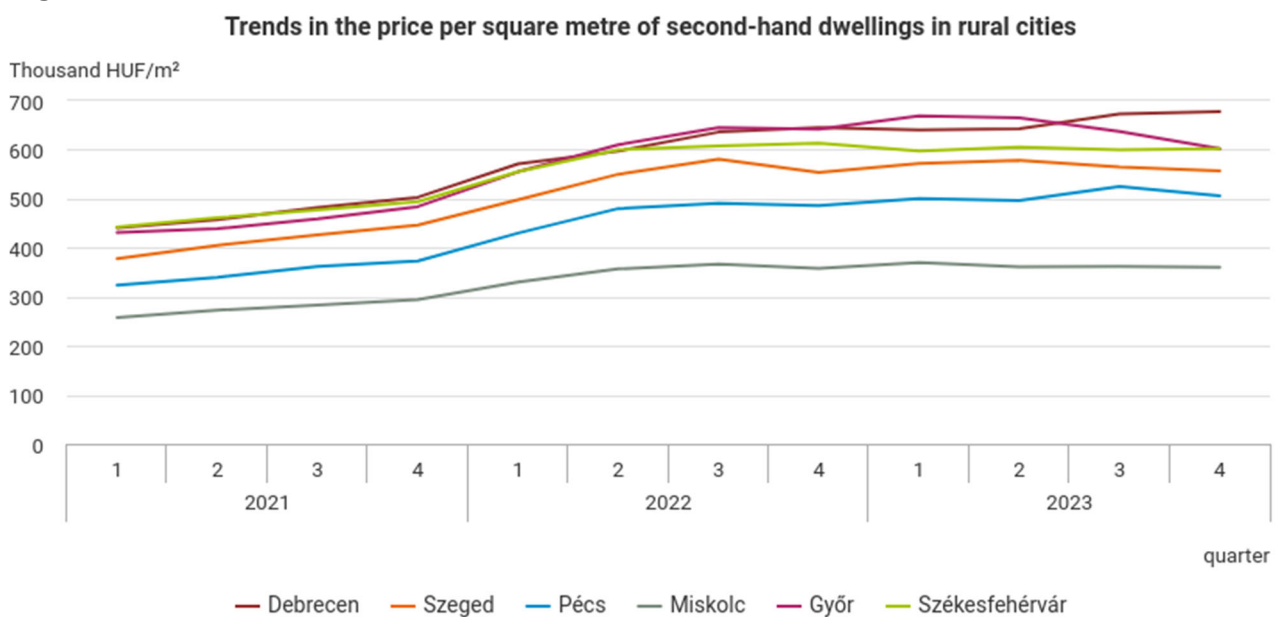


- **In Transdanubia, dwellings cost on average 8.4% more per square metre in 2023.** Prices rose slowly but steadily over the year, but in Q4 prices for prefabricated homes stopped rising and prices for detached houses fell significantly. However, prices for

condominiums continued to rise in the last quarter of the year in the large region of Transdanubia.

- **In the eastern half of the country, housing prices in 2023 were 4.9% higher than a year earlier.** After a rise at the beginning of the year, prices of all types of dwellings fell by the end of the year.
- In several large rural cities, housing price growth also slowed at the end of the year. The exception is Debrecen, where the steady rise has pushed prices above those of Győr, previously the most expensive. Miskolc's housing market lag has increased over the past two years, with its housing prices becoming increasingly disconnected from those of other large cities.

Figure 7

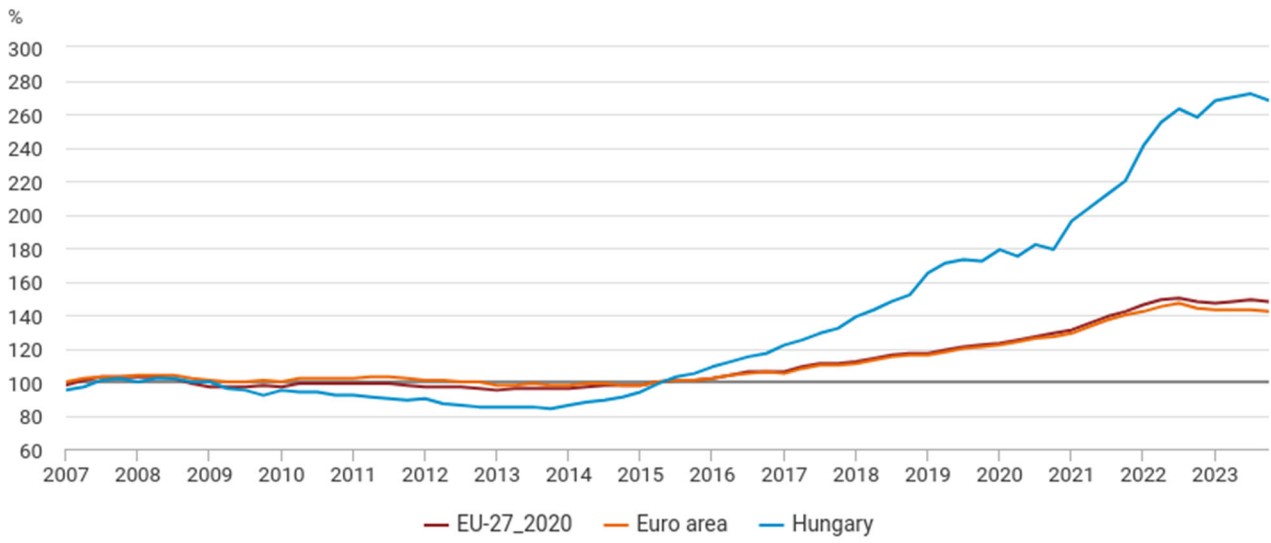


Average housing prices in the EU Member States have fallen slightly

In the fourth quarter of 2023, the aggregate housing price index for the 27 EU Member States was 148% of the 2015 base, and 142% in the euro area. After a modest increase in the previous two quarters, housing prices fell in both member state groups in the fourth quarter, by 0.3% on average in the EU and by 0.7% in the euro area.

Figure 8

Aggregate housing price index in the European Union and Hungary
(2015 = 100%)



Q4 2023

- On a quarterly basis, France recorded the largest price decrease (-2.7%), while Denmark, Latvia, Luxembourg and Sweden reported quarterly price decreases of more than 2%.
- Housing prices continued to fall in Germany (-2.0%), down 13% in a year and a half.
- The largest quarterly price increases were recorded in Poland (4.8%) and Croatia (3.4%). The year-on-year price increase was also outstanding in both countries (13% and 9.5% respectively).
- Among the neighbouring countries, housing prices in Austria were 1.8% down on a year earlier. In Romania and Slovenia housing prices rose by 3.7% and 6.8% respectively, while in Slovakia they fell by 1.1% compared with the same period a year earlier.
- Despite a fall of 1.4% in the last quarter, Hungary's aggregate housing price index remains the highest among the reporting countries (268%) on a 2015 basis.

Table 3

Quarterly nominal housing price index in selected European countries

(%)

Denomination	2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Austria	164.6	169.4	173.6	166.3	164.4	164.7	164.3	163.4
Belgium	130.0	132.2	135.0	134.6	134.8	134.7	136.2	139.1
Bulgaria	162.5	167.6	174.4	175.1	177.9	185.5	190.5	192.8
Cyprus	104.0	106.4	110.0	108.3	110.3	110.2	110.7	110.0
Czechia	210.0	217.2	219.4	214.5	211.8	211.0	211.7	212.3
Denmark	140.6	142.5	137.5	128.7	129.6	133.1	135.1	132.0
Estonia	175.4	189.4	190.9	191.4	191.4	198.8	198.3	202.4
Finland	112.2	113.8	112.4	108.5	106.5	107.5	104.4	103.7
France	128.6	130.8	134.3	133.5	132.3	131.7	132.3	128.7
Netherlands	182.9	188.5	189.9	185.9	183.1	180.9	182.9	186.2
Croatia	152.3	157.9	162.4	170.1	173.6	179.6	180.1	186.2
Ireland	159.1	161.9	166.5	168.4	167.2	166.3	168.8	173.9
Poland	160.3	163.5	167.4	169.6	169.5	175.0	182.9	191.7
Latvia	176.1	185.6	187.8	186.6	186.4	195.5	193.5	188.5
Lithuania	183.1	193.9	199.7	203.5	207.2	212.1	217.2	220.4
Luxembourg	184.3	188.4	192.3	189.4	181.2	177.3	165.5	162.1
Hungary	241.4	255.2	263.0	258.4	267.9	269.7	271.8	268.0
Malta	139.7	144.6	146.2	147.2	148.9	151.1	152.9	155.3
Germany	163.3	166.4	165.2	156.7	152.2	150.4	148.5	145.5
Italy	105.7	108.1	106.9	106.8	106.8	108.8	108.7	108.7
Portugal	182.6	188.3	193.8	195.9	198.6	204.7	208.5	211.3
Romania	139.8	144.9	143.2	146.8	146.3	145.1	150.0	152.3
Spain	139.1	141.7	144.2	143.0	144.0	147.0	150.7	149.1
Sweden	142.2	142.9	138.5	133.5	132.4	133.2	132.6	129.6
Slovakia	166.5	175.6	180.6	179.2	179.2	172.3	173.7	177.3
Slovenia	166.9	172.4	176.4	178.8	181.7	185.1	186.5	190.9
EU27_2020	145.9	149.2	150.4	148.0	147.0	147.7	148.8	148.4
Euro area	142.1	145.3	146.5	143.9	142.6	143.0	143.3	142.3
Iceland	196.1	211.2	224.5	227.6	227.0	232.6	230.5	236.2
Norway	144.6	147.7	147.9	142.6	147.1	150.5	147.3	145.7

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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