



IN ASSOCIATION WITH



OFFICE MARKET REPORT

H1 2026 Budapest

Foreword

In the first half of 2026, the Budapest office market presented a stable overall picture, while its structure changed. Total demand reached 215,040 m², virtually unchanged year-on-year, while net demand fell 43% to 57,645 m².

Within leasing activity, renewals rose to 53% of total demand from 42% a year earlier, while new leases fell to 21% from 43%. Owner-occupied transactions represented 20% and expansions 5%; pre-leases and subleases together stayed below 1%. Stable total demand alongside a much lower net figure suggests that commitments were concentrated in existing space. A total of 221 lease agreements were concluded, 19% fewer than a year earlier, while the average deal size rose 11% to 772 m²; the count covers new leases, renewals and expansions.

Supply was equally distinctive: of the 42,810 m² delivered, none was speculative – both buildings were owner-occupied schemes handed to public entities in Q1.

The vacancy rate moved lower to 12.2% by end-June – 544,750 m² vacant – 0.6 percentage points below a year earlier. Corrected net absorption stayed positive at +42,300 m², with Q1 at +50,765 m² and Q2 at -8,465 m².



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Main market indicators

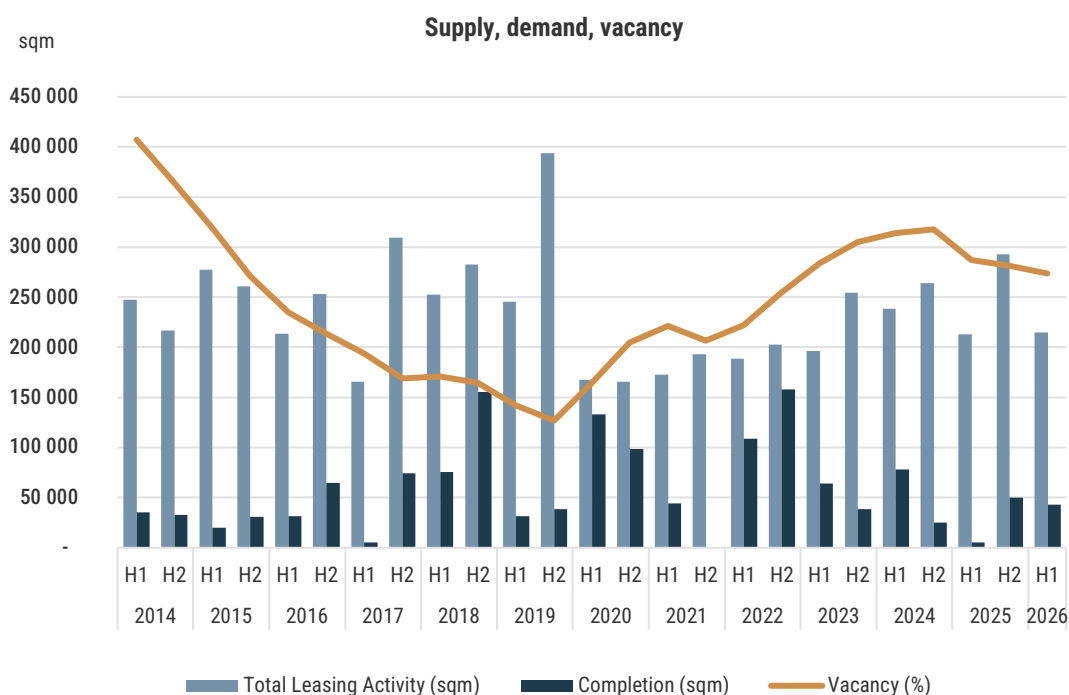
Key figures (2026 H1)	
Completions (sqm)	42,810
Stock (sqm)	4,474,168
<i>Speculative</i>	3,475,326
<i>Owner Occupied</i>	998,842
Total leasing activity (sqm)	215,042
Net absorption (sqm) **	+42,302
Vacancy rate	12.2%
Average rent (/sqm/month) *	EUR 15.57
Average rent, AA category (/sqm/month) *	EUR 17.10
Prime rent (/sqm/month) *	EUR 30.00

* Based on asking rents for available areas

** corrected for stock changes (uncorrected: +25,192)

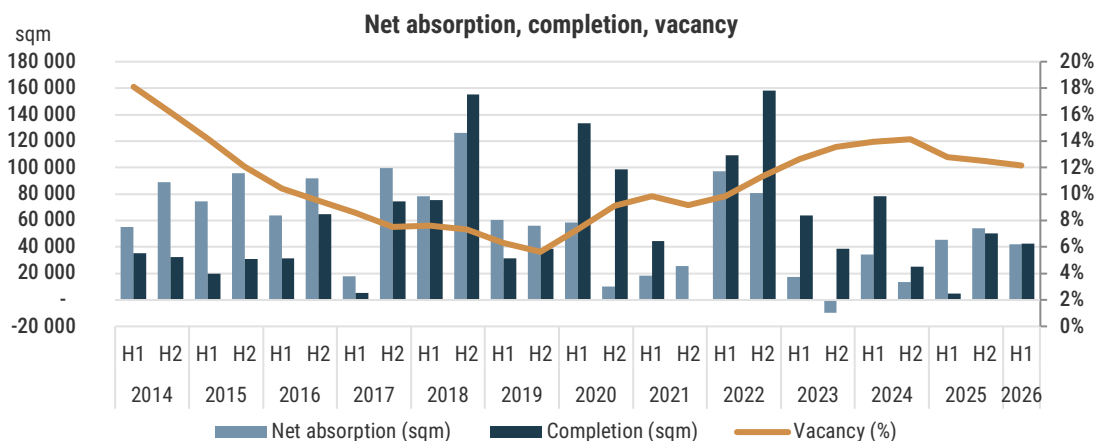
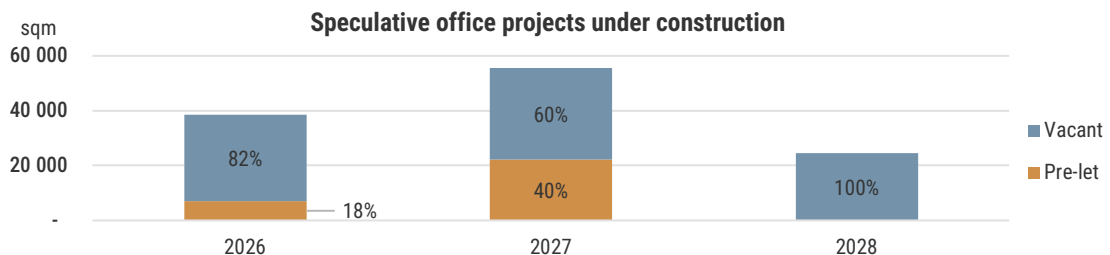
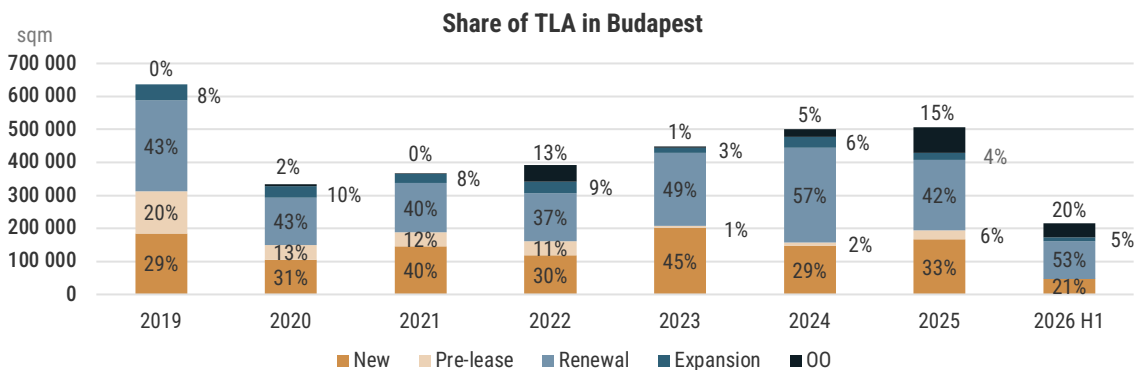
- In H1 2026, 42,810 m² of new office space was delivered. BudaPart Central and BudaPart Corner BOK, both in the South Buda submarket, were completed in Q1 as owner-occupied schemes.
- Six buildings totalling 32,359 m² were removed from stock.
- At end-June 2026, Budapest's modern office stock stood at 4,474,170 m², 1.1% above its level a year earlier. Speculative offices continued to dominate the total stock with 3,475,325 m², while owner-occupied space accounted for 998,840 m².

Completions (2026 H1)			
Submarket	Project	Size (sqm)	Quarter
South Buda	BudaPart Central	25,100	Q1
South Buda	BudaPart Corner BOK	17,710	Q1



Demand vs. supply

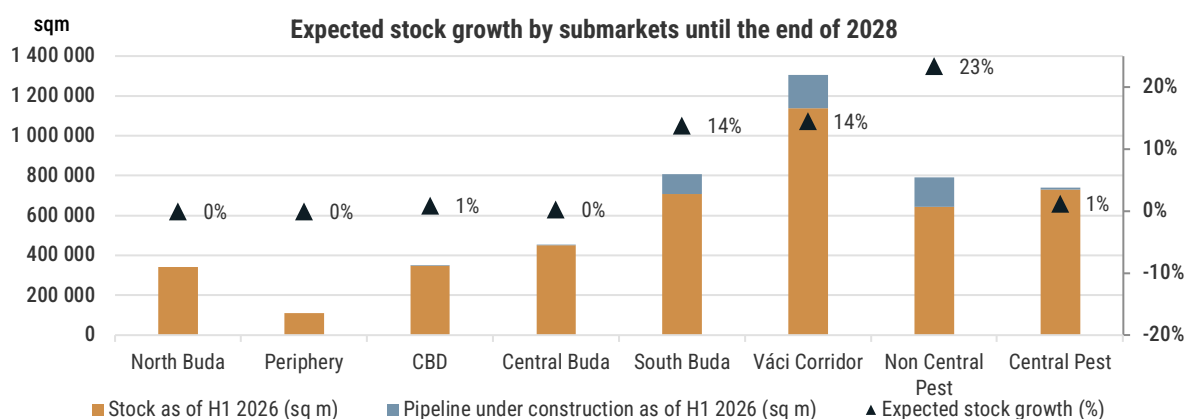
- Gross demand in H1 2026 reached 215,040 m², with renewals accounting for 53% of the total. New leases were 21% and expansions 5%, while owner-occupied deals represented 20% – a share entirely attributable to the two BudaPart handovers. Compared with H1 2025, this indicates a structural reallocation: the share of renewals rose by 11 percentage points, while that of new leases fell by 22 percentage points.
- Pre-leasing activity remained negligible. Only one 596 m² agreement was signed, while two subleases totalling 1,040 m² were also recorded.
- Net demand amounted to 57,645 m², or 27% of total demand, compared with 47% a year earlier. With the vacancy rate above 12%, this continues to indicate a strong tenant bargaining position.
- Corrected net absorption was +42,300 m². The Q1 figure of +50,765 m² was followed by -8,465 m² in Q2.
- No speculative space was completed in either quarter. This was already the second consecutive half-year in which only owner-occupied office space was delivered. For the rest of 2026, 38,510 m² of speculative office space is scheduled for delivery.



Pipeline

- By the end of 2028, 426,330 m² of office space could be delivered, of which 118,510 m² is speculative and 307,815 m² owner-occupied.
- In H2 2026, 286,325 m² of office space is scheduled for delivery, 87% of which is owner-occupied. The two speculative projects could be delivered in Q4.
- The largest project in 2026 would be Zugló Városcsözpont Offices (150,000 m²) in the Non Central Pest submarket.
- The largest expansion is expected in the Váci Corridor submarket, where 165,140 m² is scheduled across seven office buildings, 39% of the stock under construction. It is followed by the Non Central Pest submarket with 35% and one building, and the South Buda submarket with 23% and four buildings.

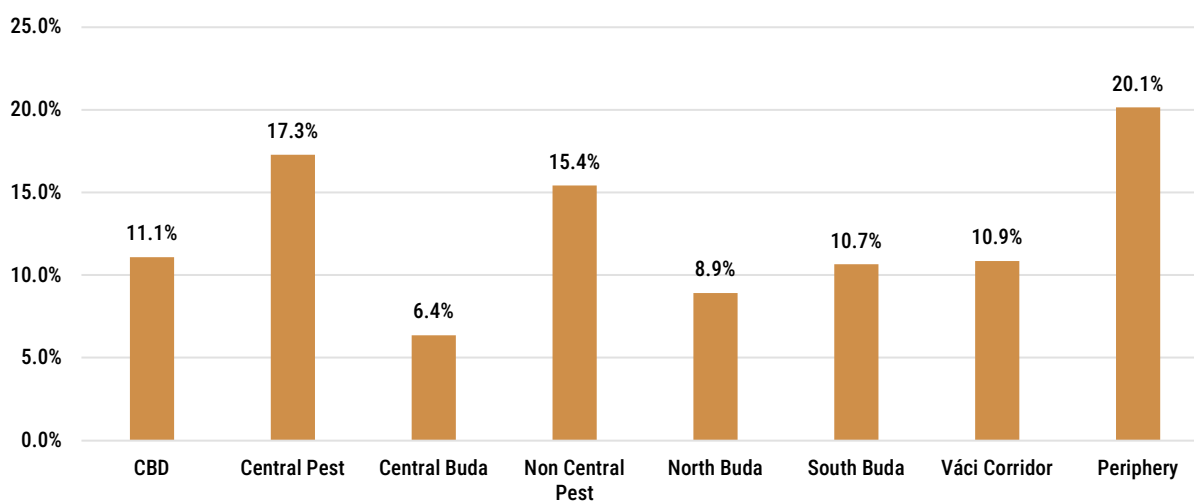
Projects under construction (expected handover 2026-2028)				
Submarket	Project	Project type	Size (sqm)	Expected handover
Non Central Pest	Zugló Városcsözpont Offices	Owner Occupied	150,000	2026 Q3
South Buda	BudaPart Corso	Owner Occupied	34,000	2026 Q3
South Buda	BudaPart South BOM	Owner Occupied	23,060	2026 Q3
South Buda	BudaPart Harbor	Owner Occupied	22,000	2026 Q3
South Buda	BudaPart Esplanade	Owner Occupied	18,757	2026 Q3
Váci Corridor	Centerpoint III	Speculative	37,208	2026 Q4
Central Buda	Pantherum (Enter City Office Park II)	Speculative	1,300	2026 Q4
Váci Corridor	H2O Offices P2	Speculative	22,183	2027 Q1
Central Pest	M76	Speculative	9,073	2027 Q1
Váci Corridor	JP3 Office	Speculative	5,248	2027 Q1
CBD	Dreher Palota	Speculative	3,000	2027 Q3
Váci Corridor	MBH Bank HQ I-II	Owner Occupied	60,000	2027 Q4
Váci Corridor	MBH Bank HQ III	Speculative	16,000	2027 Q4
Váci Corridor	The Icon Office	Speculative	1,000	2028 Q1
Váci Corridor	Láng negyed - V1	Speculative	23,500	2028 Q3
Total			426,329	



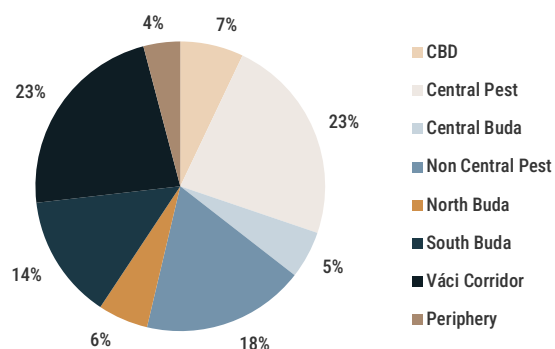
Submarkets' performance

- South Buda was the most active submarket in H1 2026 with a 35% share, largely due to the two owner-occupied handovers there, followed by the Váci Corridor (21%) and Central Pest (14%).
- Excluding owner-occupied deals, the Váci Corridor submarket leads with 26%, followed by South Buda with 19% and Central Pest with 18%.
- The lowest vacancy rate was in Central Buda (6.4%), then North Buda (8.9%); the highest was in the Periphery (20.1%), while Central Pest stood at 17.3%.

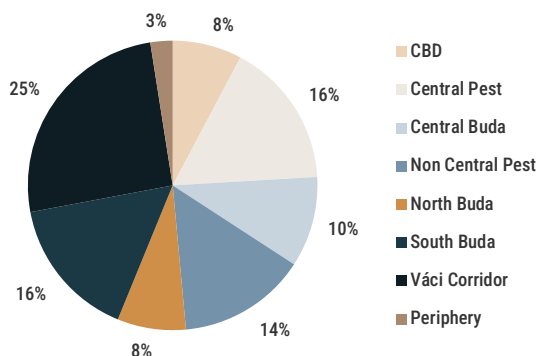
Vacancy by submarkets (%)



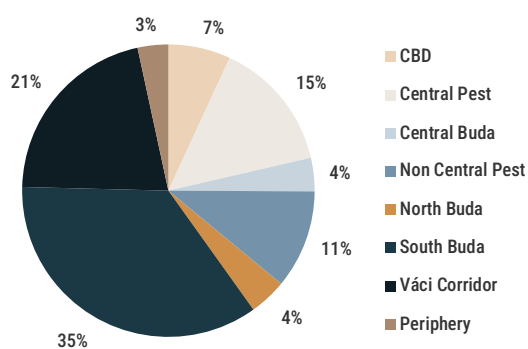
Share of vacancy by sub-markets (H1 2026)



Share of office stock (H1 2026)

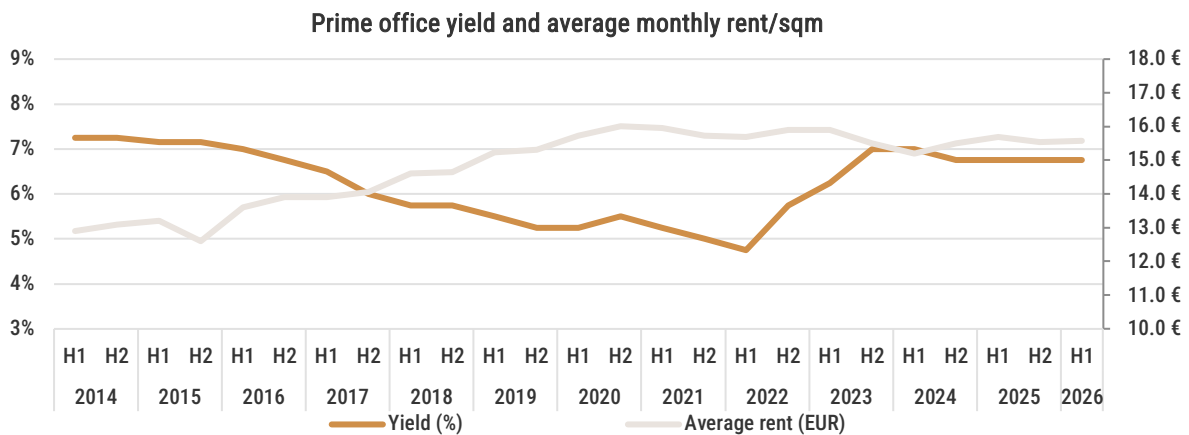


Split of office demand (H1 2026)



Prime office yield & rents

- Based on the rental data available in the BRF database, the average rent stood at EUR 15.57/m²/month by mid-2026, and at EUR 17.10/m²/month in the AA category.
- By mid-2026, headline prime rent stood at EUR 30.00/m²/month.
- The prime office yield stood at 6.75% at the end of June 2026, unchanged since 2024.



Forecast

- The outlook for H2 2026 will be shaped primarily by the delivery schedule and by tenants' decisions on renewals and relocations. These include relocations by governmental bodies, which may free up speculative space.
- In H2 2026, 286,325 m² of new office space is expected to be delivered, 87% of which is owner-occupied. Within the 2026 pipeline, 38,510 m² is speculative.
- No speculative space was delivered in the first half, and no significant speculative completions are expected for the rest of 2026. There is therefore currently no supply-side factor that would justify rental growth.
- Positive corrected absorption and a contracting speculative stock point towards a stabilisation or a slight decrease in the vacancy rate.
- The prime yield has been unchanged since 2024 and currently stands at 6.75%.

MORE INFORMATION

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