

PRESS RELEASE

A Hungarian development of record value is appearing at the leading property exhibition of the world, the MIPIM

The local government of Budapest, the Hungarian Investment Promotion Agency (HIPA) and the Property development's round-table association (IFK) are establishing a joint stand at the world's top-notch professional property exhibition. At the MIPIM that is going to take place in March 12-15 in Cannes the Hungarian booth is presenting the exclusive investments that are going to define the city image 20-30 years later. The material of the exhibition tells that the number of Hungarian cities capable to attract investments even at international level is increasing, while even the Hungarian regions began to develop. Due to the unprecedented increase of the property developments, the calculable regulatory background and the outstanding ROI of the region the interest toward Hungary keeps increasing every year. The investment value of the projects going to be presented exceeds 4 billion EUR. The Liget Budapest Project, the biggest European cultural investment will be presented at the Hungarian stand.

Hungary's capital-attracting capacity is proved by the world-class projects that are going to be presented at the MIPIM. On the occasion of the 30th anniversary of the exhibition, by focusing on the future-proof feature, the Hungary of the future will be presented. Besides the investments taking place in **Budapest**, the developments of **Debrecen, Miskolc, Pécs, Szeged** and **Zalaegerszeg** will be presented as well. In order to stimulate the inflow of foreign operating capital the focus is on the supporting environment, the local working opportunities, and the highly qualified workforce respectively the existence of the conditions of the quality life for the employees. The big property developers – **Atenor, Futureal Group, Gránit Pólus Group, GTC Hungary, HB Reavis, Horizon Development, WING** – will be present at the exposition with their developments that are shaping the city image and going to be handed over in 2020. Hungary appears with an unprecedented rich portfolio before the professional audience, and the investment value of the developments exceeds 4 billion EUR. The main objective consists of presenting the attractive investment environment by making use of the synergies between the key state, self-governmental and private developments.

According to **Mr Gábor Bagdy, Deputy Mayor of Budapest**, this year the city is promoting developments – besides the Liget Budapest Project, which generates enormous interest every year – that are re-positioning districts where there are significant development opportunities. The main goal of Budapest is to become one of the best, most liveable and safest capitals of Europe. The joint intention of the government and the city leadership is in tune with this goal, which aims to make Budapest one of the three leading sports capitals of Europe by 2030. International sporting events organised in Budapest such as the 2023 IAAF World Championships in Athletics and being European Capital of Sport this year, greatly add to the city's reputation, and provide sports infrastructure to the citizens of Budapest. *“Key state and local government developments are strengthening Budapest's position on the tourist map of Europe and the world, and contribute significantly to the increase of the country's capacity to attract capital – said the deputy mayor.*

Mr Róbert Ésik, President of the Hungarian Investment Promotion Agency (HIPA) pointed out that For HIPA MIPIM is especially important, since it gives us the opportunity to present Hungarian real estate development projects to international investors at one of Europe's most significant events of the sector. This enables us to strengthen our real estate infrastructure which is of key importance for economic development. HIPA focuses on three areas in the real estate segment which are fundamental for the influx of foreign direct investment: the development of industrial and logistic infrastructure, the construction of category “A” office buildings, with a special focus on Hungarian university cities, and the development of a quality hotel infrastructure serving business and health tourism.

The Hungarian stand may encounter outstanding interest even in regard of the Liget Budapest Project after the Museum of Ethnography that is being constructed within the largest cultural investment of Europe had become the world's best public building at the International Property Awards and it had also gained the special award for the World's Best Architecture. According to **Mr Benedek Gyorgyevics, CEO of Városliget Zrt. which is responsible for the realisation of the Liget Budapest**

Project the professional elite of the entire world is watching the development since there is no other cultural investment of such scale that is accompanied by park rehabilitation. The changing of the 99-hectare area and the infrastructural development of the surrounding areas can be measured at city-architectural scale. He added that the renewal of the popular public park Városliget, besides the fact that it attracts a lot of tourists, may bring more investors and developers to Budapest.

According to the President of the Association of Property Developers' Round Table, Mr Ernő Takács, the stable property investment demand is strengthened by the outstanding performance of the Hungarian economy and the durably positive economic forecasts, too. According to CBRE, the world's largest real estate advisor, last year the Hungarian real estate market has closed 2018 with EUR 1.7 billion investment – this has made the last three years the most productive period in the history of the Hungarian market. After last year's 5% increase of the economy the analysts predict their forecasts of this year to be between 3.5-4.0% which is by far more than double of the 1.6% value expected in the Euro zone. This positive forecast is strengthened by the business climate indicator measured at the beginning of the year where the highest value in the European Union was shown in Hungary. Due to the unprecedented increase of the property developments, the calculable regulatory background and the outstanding ROI the interest toward investing in Hungary keeps increasing every year – he specified.

In 2018 we closed the most fruitful three years of the Hungarian property market, there has never been such a big volume for such a long period in the investment market. Last year was the third strongest year of the property development market, with an investment of 1.7 billion EUR. This year's prospects are promising and in 2019 the developers are expecting another strong year. According to the OECD's recent report the property developments mean one of the main guarantees for the dynamic development of the Hungarian economy, in this way they contribute to the outstanding output of the region of the V4 countries and within entire Europe.

The results of HIPA are also reflecting Hungary's capital-attracting capacity that is increasing every year: in 2018 the Agency closed an outstanding year, a record number of 98 projects came into the country that mean a record capital investment of more than 4.311 billion EUR. This exceeds the previous year by 23% and it means the creation of more than 17 thousand new jobs. The results contribute to the outstanding performance of the V4 countries, too: in the period passed since 2010 the economic growth of the V4 countries has been almost double the European Union's average.

- **The website of the Hungary-Budapest-stand with design plans and videos:**
<http://www.budapest-at-propertyexpos.com/>
- **The design plans of the developments going to be presented at the Hungary-Budapest-stand:**
https://www.dropbox.com/sh/ut6lzl2fbtnz8d/AAAXQwCgJRrI4-h_GOJY9IhMa?dl=0

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