



Real Estate Intelligence Report 2026

Hungary



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Introduction

Welcome to the 2026 edition of the Real Estate Intelligence Report from DLA Piper's Real Estate practice group in Hungary. Our mission has always been to provide strategic business solutions and focused legal advice to our clients across a broad range of real estate matters.

In previous years, our report focused primarily on our own understanding of market trends and our legal capabilities. This year we've incorporated insights from market participants. By combining the first-hand reflections of active business leaders with our legal analysis, this edition offers a more comprehensive and holistic view of the Hungarian real estate landscape.

While we reflect on the milestones of the past business year, our focus is primarily on the future. By inviting market participants to share their specific expectations for 2026, we've gathered valuable insights into the market's trajectory for the coming months.

We trust that both our survey participants and our wider readership will find this report to be a useful tool for navigating the year ahead.

Methodology



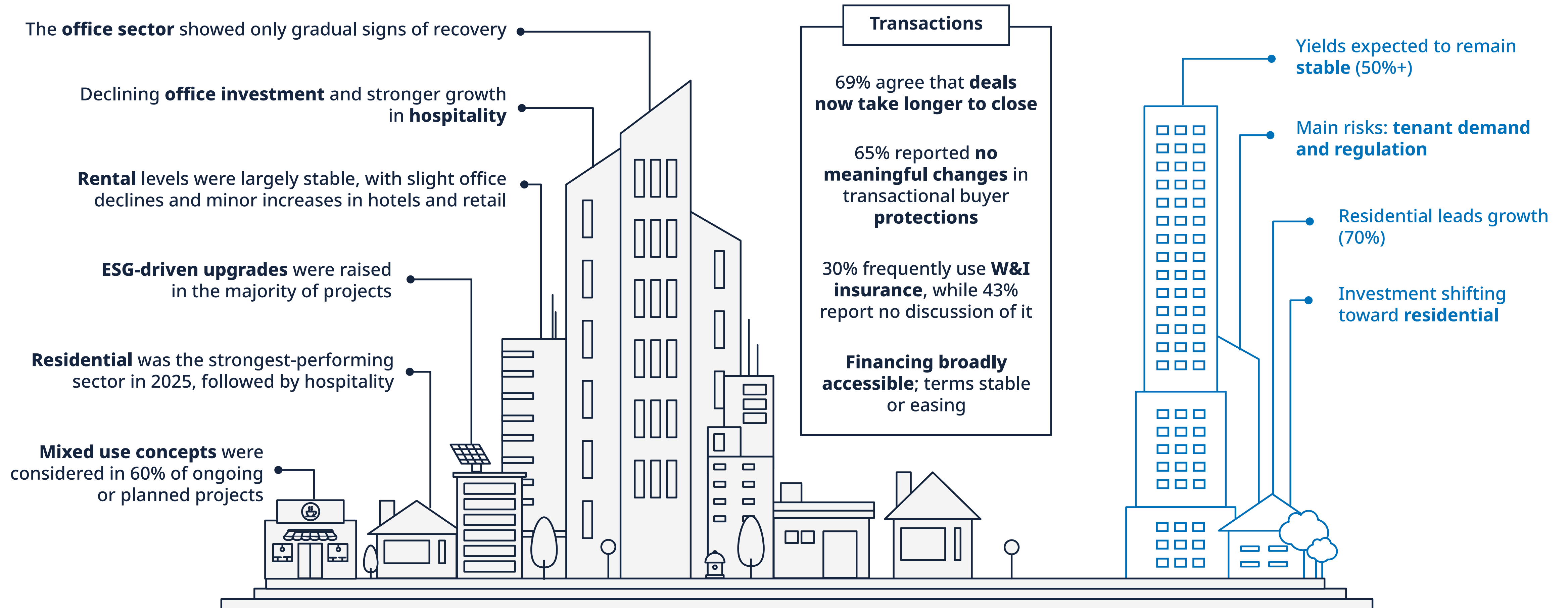
We invited a diverse group of anonymous participants, including **developers (42%), investors (26%), and analysts** to share their insights and vote on the critical questions shaping the sector today. The sample also comprises **landlords**, ensuring that perspectives from across the entire property sector are included.



The data in this report is backed by a **highly diverse cross-section of the real estate industry, including the office, retail, logistics and hotel sectors**, among others. Approximately 60% of respondents hold top management positions and over 40% of participants manage or own a real estate portfolio comprising more than 21 properties. The following infographics highlight the key findings from our market survey.

2025 Market Reflections

2026 Outlook and Expectations



Real Estate Developments

Development trends in the office market

Office development trends didn't change significantly in 2025, and the market remains in a gradual recovery phase. Office development is currently not a primary focus for developers, and the supply of new office buildings remains limited, with completion volumes remaining moderate.

Reflecting this market sentiment, speculative office developments continued to decline. Developers have remained cautious, with most new projects being driven by pre-lease agreements, build-to-suit (BTS) arrangements, or schemes that had already been scheduled prior to the market slowdown.

Developers and existing owners in the office asset class are increasingly reassessing their long-term strategy as they seek to define the future role of office properties in a changing market environment. A common response has been to focus on refurbishing and repositioning existing buildings. Many landlords believe that by upgrading their assets, particularly in line with increasingly stringent ESG requirements and evolving occupier expectations, they can strengthen competitiveness and improve tenant retention. In a more selective leasing market, quality, sustainability performance and operational efficiency have become decisive factors.

At the same time, some market participants are exploring the potential of mixed-use schemes as a way to mitigate the risks associated with purely office-based developments. By combining office components with residential and/or hotel functions, developers aim to diversify income streams and enhance long-term resilience.

In practice, however, mixed-use development is a complex and, at times, controversial solution in the context of planned projects or major refurbishments. Although strategically appealing, mixed-use concepts are often constrained by technical, regulatory and commercial limitations.



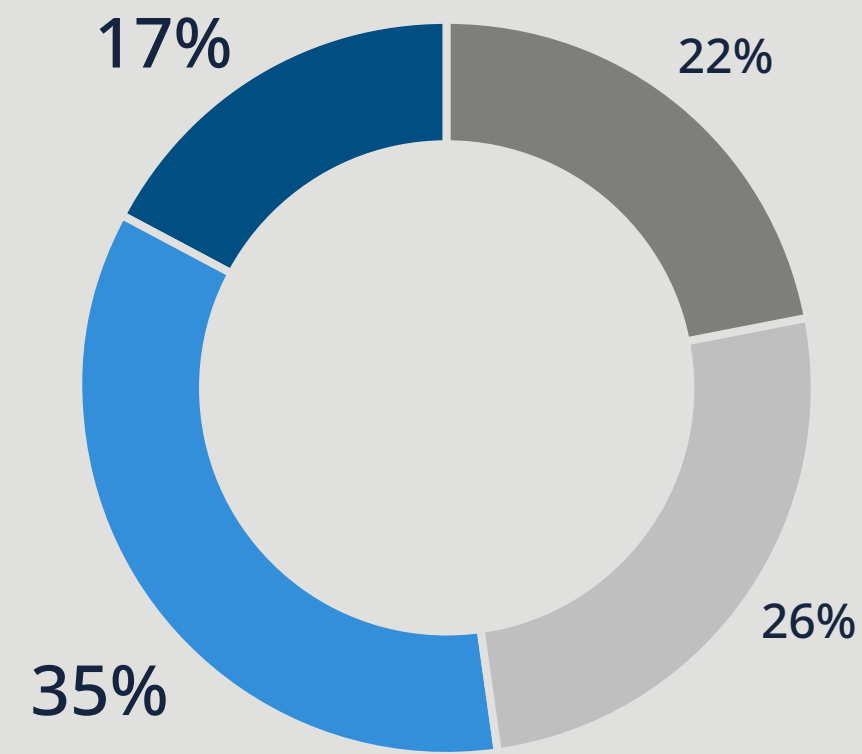
The survey feedback from our clients and respondents supports this trend. Based on the comparative assessment of asset classes in the Hungarian market, **the office segment received the lowest performance rating among all asset categories, indicating comparatively weaker sentiment and more cautious expectations relative to other sectors.**



The majority of our legal mandates relating to office developments have been connected to **pre-let, BTS or previously committed projects** rather than purely speculative developments.



Consideration of mixed-use concepts in new projects over the last 12 months



- Not considered at all
- Rarely
- Most projects
- Every project

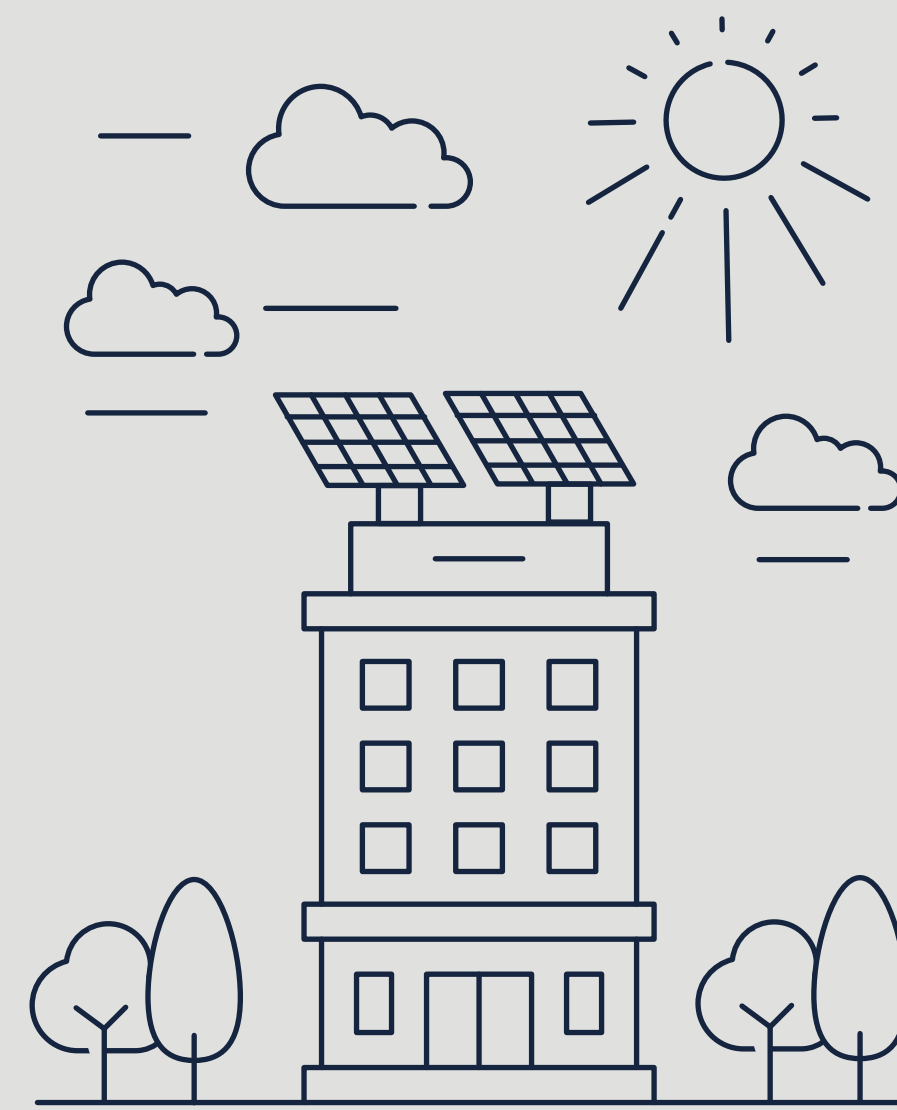
This strategic approach is also reflected in our survey, where **52% of respondents confirmed that mixed-use concepts are always (17%) or in most cases (35%) considered in planned projects.**



In parallel, there's been growing discussion around the conversion of older, typically "B" category office buildings to alternative uses, most commonly residential or hotel purposes. Nevertheless, the number of assets that are technically and commercially suitable for such transformation remains limited, and many of these projects are still at a preliminary stage. Repurposing efforts frequently face significant obstacles, including location-related constraints, high redevelopment and renovation costs, structural limitations, and broader legal, economic and financing considerations.

As discussed later in the section focusing on energy-related matters, we've advised on several office investments and developments aimed at improving energy efficiency and increasing green energy usage, including installing rooftop solar panels and selling electricity to tenants. Our recent work has extended beyond standard lease arrangements. With our energy team, we've advised clients on refining their power purchase agreement (PPA) structures.

We've also advised clients on contractual arrangements enabling the distribution of green energy, generated by rooftop solar panels, to tenants while supporting the energy needs of common areas within office buildings.



No wonder that energy-related work forms an integral part of our practice. This is clearly reflected in the survey results as ESG considerations have been taken into account in new projects (particularly energy efficiency improvements), either in all or in the majority of their developments. By contrast, **fewer than 5% indicated that ESG and energy efficiency aspects haven't played any role in their projects.**



In terms of occupiers, tenants are reassessing their space requirements in terms of both size and what they need. Our multinational clients clearly prefer high-quality, energy-efficient and sustainable office buildings. In our view, the tightening pipeline of prime office supply, combined with sustained demand for best-in-class assets, will remain a defining feature of the office development segment in the coming months.

The gap between the demand for modern, energy-efficient buildings and for secondary ("B" class) office space continues to widen.

Tenants generally have a stronger negotiating position when relocating, and landlords are making considerable efforts to retain existing occupiers through incentive packages and upgrade programmes. In several cases, tenants considering relocation have been persuaded to remain in their current premises following targeted refurbishments and commercial concessions.

Development trends in the logistics / industrials market

Industrial and logistics developments have been among the leading drivers of real estate activity in recent years, covering not only large-scale warehousing and distribution centres, but also light manufacturing, assembly facilities and production-related industrial properties.

We've seen several major logistics projects reach completion, while on the industrial side, a number of large manufacturing and light manufacturing companies have completed or are in the process of completing their development projects. Nevertheless, the number of new developments in the pipeline shows moderation.

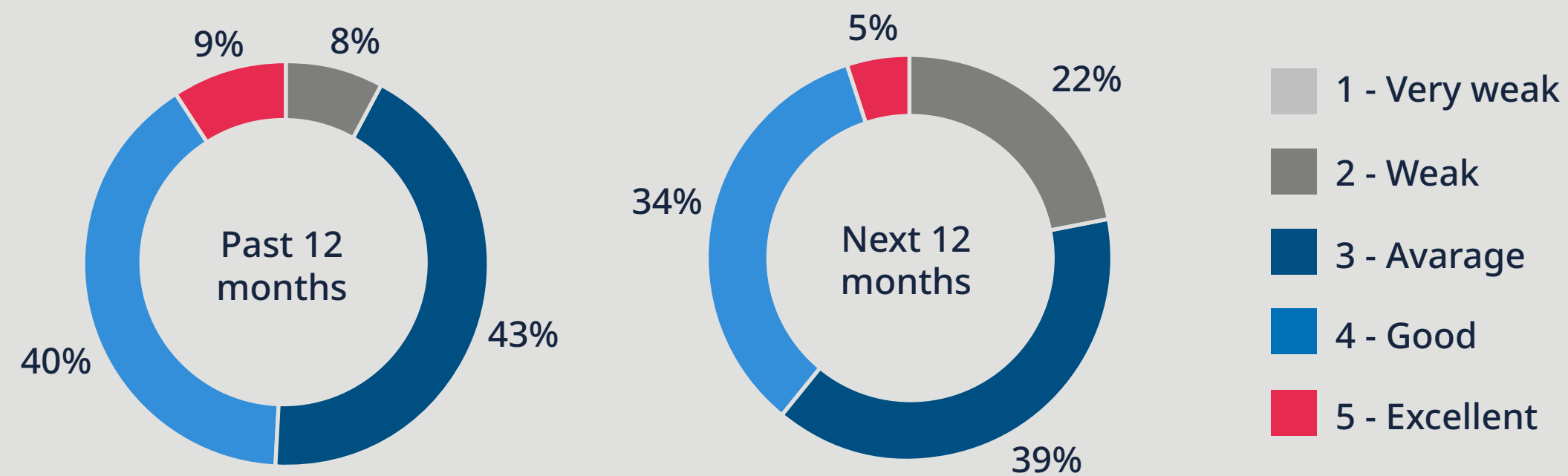
In the logistics market, large-scale development activity remained mainly concentrated in the Budapest area, particularly in relation to regional distribution hubs and last-mile logistics facilities. But in recent years we've also observed increasing activity outside the capital, driven by both domestic and international developers. Development is no longer limited to the immediate catchment area of Budapest, with more opportunistic developers increasingly focusing on projects in regional locations, especially for BTS projects, manufacturing and mixed industrial and logistics parks.

In 2025, a notable trend in our practice was handling several complex property separations in the industrial and logistics sectors, driven by internal restructuring or planned divestments.



In terms of investment activity, the majority of our respondents indicated that **volumes in this segment have either remained stable or slightly decreased compared to the previous year.**

Performance of the logistics / industrials market (past/next 12 months)



This trend is also reflected in our own analysis. While the weighting of the logistics and industrial asset class remains broadly positive, expectations have moderated compared to 2022. **Approximately 40% of respondents rated the logistics and industrial segment 4 on a scale of 1 to 5, whereas only 9% assigned it the maximum score of 5.** A similar pattern is evident in forward-looking expectations. For the next 12-month period, **only 5% of respondents awarded the segment the highest possible rating, while 34% gave it a score of 4.**

Institutional investors are increasingly seeking stable income and secured occupancy, often requiring a review of existing property structures and, in some cases, completion of separation processes.

This applied not only to traditional warehouse portfolios but also to mixed-use industrial parks combining logistics, light manufacturing and production functions. In many cases, large industrial and logistics portfolios weren't originally structured from a legal and technical perspective to facilitate such separations. This resulted in complex and often challenging structuring exercises to enable the proper carve-out of assets for divestment or internal reorganisation.

Meeting sustainability requirements has also become critical in this sector. As in other real estate submarkets, the logistics and industrial markets are experiencing strong ESG-driven trends, with a growing focus on energy efficiency across warehouses, production halls and light manufacturing facilities. In nearly all cases we handled, developers and investors considered investments aimed at improving energy efficiency and expanding the use of green energy.



With regard to future investment intentions, the respondents indicated that **this segment ranks fourth in their investment priorities for the coming months, following the residential, hotel and retail sectors.**

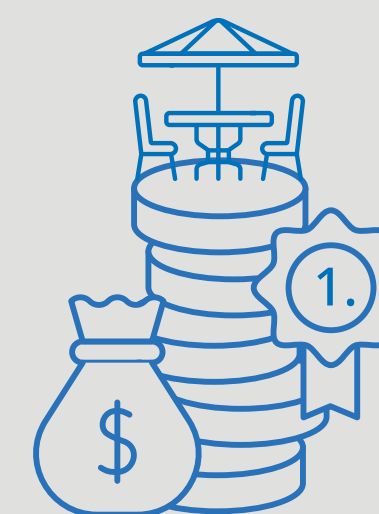
Development trends in the retail market

Over the past year, we've observed increased investor activity in secondary cities across Hungary, not only in relation to new developments but also in terms of acquisition activity. Local and regional investors have actively explored and, in several cases, entered into transaction negotiations in this asset class.

This gradual but steady improvement in sentiment has been visible not only in regional cities but also in Budapest, which continues to attract investors and developers.

Against a backdrop of legislative constraints, elevated development costs and changing consumer behaviour, developers are increasingly prioritising the refurbishment and repositioning of existing retail assets rather than pursuing new greenfield projects. Convenience- and experience-oriented elements –such as upgraded food courts, entertainment functions and enhanced service offerings – have become central to consumer attraction strategies. This trend is also reflected in announced refurbishment projects aimed at improving tenant mix and strengthening overall customer experience.

From a legal perspective, market participants have closely monitored amendments to the "Plaza Act" and their potential implications for both operating assets and pipeline developments. In this context, we've provided comprehensive analyses concerning the impact of regulatory changes on ongoing projects and prospective divestments.



According to our survey results, respondents ranked retail as **one of the most preferred investment segments**, indicating renewed momentum in the sector. Although not lesser number of deals have so far materialised, **investor interest and serious consideration of retail opportunities are expected to remain present in the coming period.** The survey further showed that the majority of respondents maintained a positive view of both the recent performance of the retail segment and its short-term outlook.

Development trends in the hotel market

Development activity remains particularly dynamic in secondary regional cities and commuter towns, where developers and investors continue to favour the strip mall format due to its relatively lower operating costs for tenants and convenient accessibility for consumers.

Looking ahead, new regulatory obligations regarding the installation of EV charging infrastructure will apply from 2026. While these requirements introduce additional compliance and cost considerations for developers and owners, the precise legal and enforcement consequences of non-compliance remain uncertain at this stage.

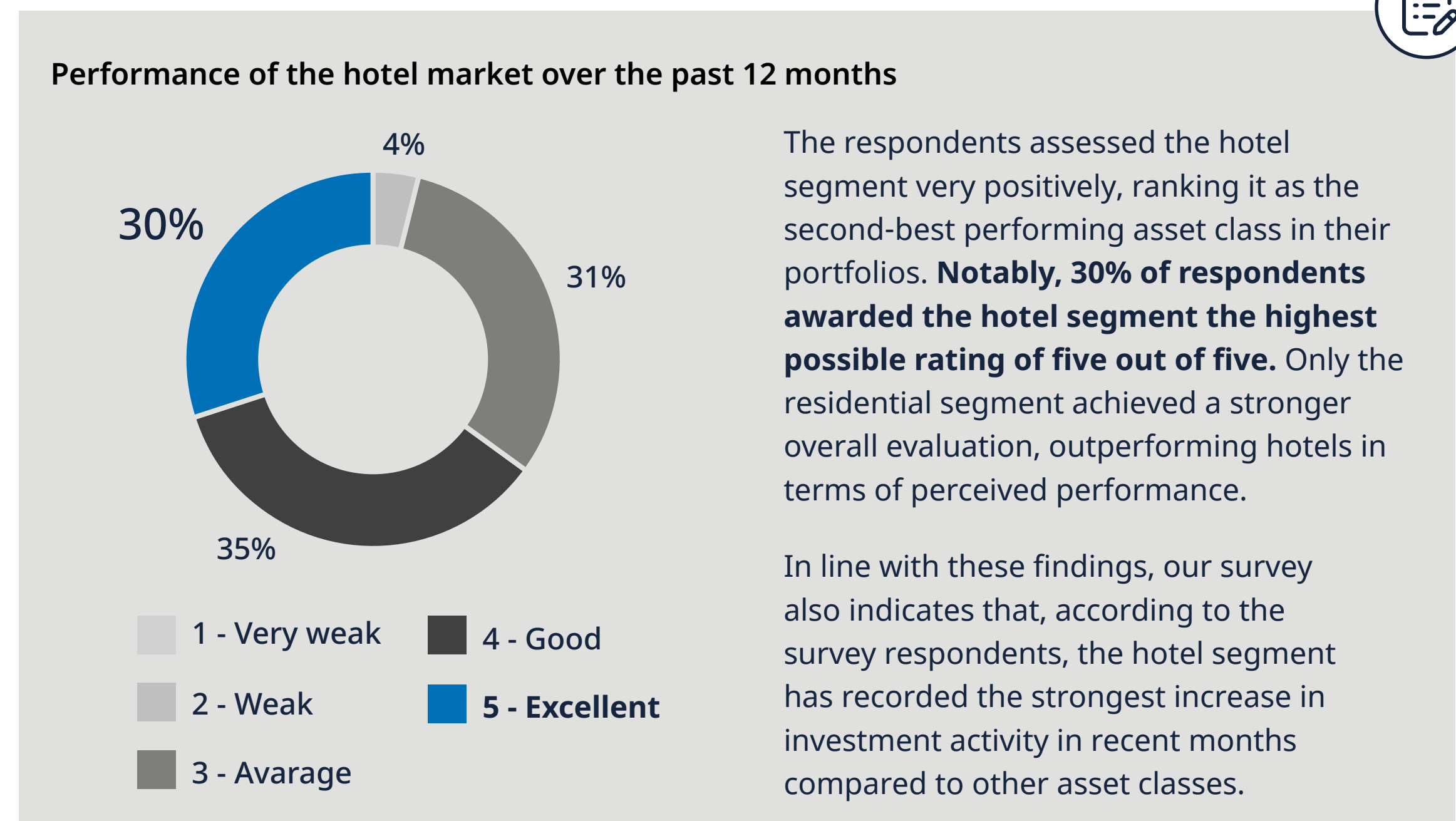
Hotel developments have remained in the focus of both domestic and international investors in Hungary. Development activity has been particularly strong in Budapest, which continues to attract the majority of new hotel projects, driven by its tourism fundamentals, international visibility and strong positioning as a regional leisure and business destination.

Several high-profile hotel developments were delivered in the capital over the past year, particularly in the lifestyle and upper-scale segments. These projects reflect a clear shift in development strategies, moving away from purely volume-driven hotel capacity expansions and towards differentiated concepts, design-led assets and branded experiences.

Budapest continues to benefit from its unique combination of historical buildings and landmark properties, which has enabled the ongoing renovation and repositioning of iconic assets. Consequently, the city has one of the highest proportions of luxury hotels in Central Europe, attracting premium international brands seeking flagship locations.

Investor and developer focus has increasingly shifted from scale and volume towards prestige, quality and brand positioning. New developments are higher in specification, with a strong emphasis on architectural quality and high-end service concepts. This trend is also reflected in the continued repositioning of existing hotel assets, where refurbishment and brand upgrades play a central role in value creation strategies.

At the same time, a noticeable increase in demand for more affordable hotel accommodation has emerged, driven by cost-sensitive travellers and changing tourism patterns. This has begun to translate into development interest in midscale and economy hotel concepts, particularly in well-connected urban locations and transport hubs, indicating a gradual broadening of the development pipeline beyond the luxury and lifestyle segments.



Real Estate Leases

Leasing trends in the office market

The Budapest office market is gradually regaining momentum.

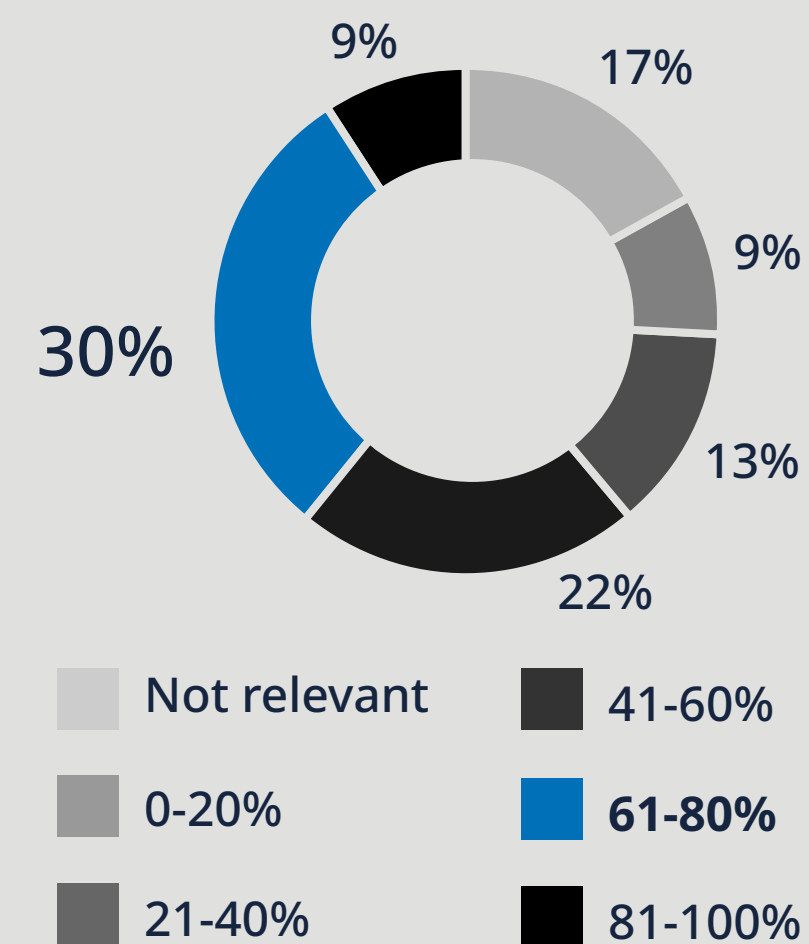


At the same time, our survey results indicate that respondents assessed the performance of the office market less positively over the past year and remain relatively cautious in their expectations for the near-term outlook.

The very limited volume of new completions has significantly reduced the availability of newly delivered, high-quality office space, with new deliveries reaching record lows. In our practice, we've seen that competition among tenants for the relatively small number of new buildings has intensified, and competition for prime, newly delivered office space has become increasingly intense.

Although lease renewals continue to dominate market activity, in 2025 we've also seen several major new lease transactions in our office-related work, driven by multinational tenants seeking to secure high-quality, energy-efficient office space. In addition to renewals, we've observed a number of built-to-suit (BTS) lease agreements coming to market and we've also seen cases where tenants chose to secure their long-term headquarters by acquiring the underlying asset.

Share of lease renewals in the office market over the past 12 months



In terms of leasing structure, the majority of respondents indicated that, over the past 12 months, most concluded lease transactions were renewals rather than new lease agreements. In the office sector in particular, approximately **30% of respondents reported that renewals accounted for between 61% and 80% of all leases, representing the highest renewal ratio among all asset classes.**

Occupiers are actively reassessing their space requirements and continuing to seek legal advice on returning surplus office space. This has led to an increased demand for flexible lease terms, which clearly diverges from the rigid structures typically seen in pre-COVID-19 leases. In our experience, parties often enter into negotiations regarding the reallocation of existing office premises. While these discussions usually progress constructively, tenants often choose to renew their existing leases after landlords offer more favourable commercial terms.

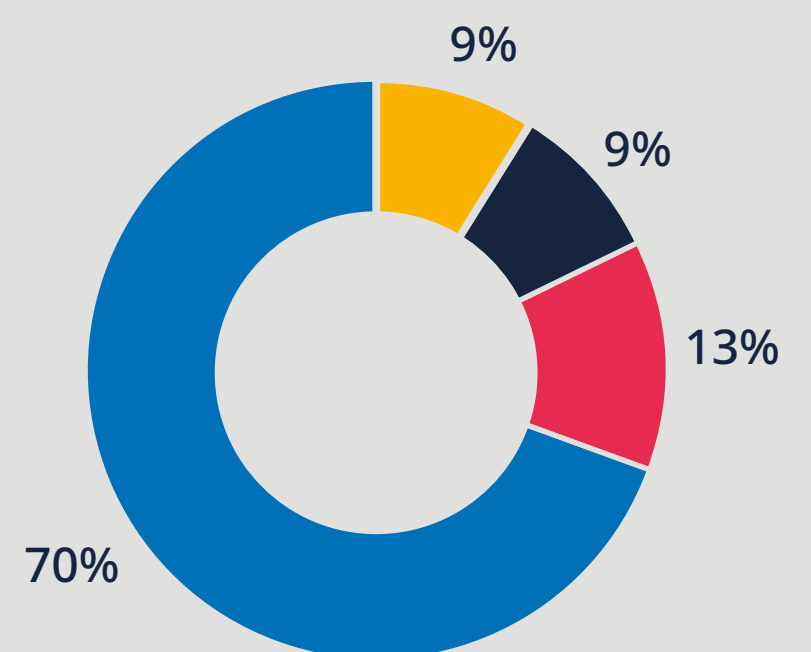
Tenants from a multinational background continue to be highly selective, preferring premium-quality office space in prime locations. Conversely, lower-grade office buildings are becoming increasingly difficult to lease. Alongside office-related mandates, we've advised clients on refurbishment strategies and, in some cases, the repurposing of assets for non-office uses, such as hospitality or residential properties. We've notably seen transactions structured around mixed-use developments with a partial office function, as well as further build-to-suit (BTS) leasing activity.



The survey respondents reported a downward trend in rental levels within this segment. **Approximately 40% of respondents indicated a decrease in rents over the past period.** But in most cases this was described as only a slight decline rather than a significant correction.

While location remains one of the most important factors in occupier decision-making, other elements are becoming increasingly influential, particularly employee well-being. Companies are prioritising higher-quality services and amenities to encourage employees back to the office, including improved food and beverage options, wellness and fitness facilities, better public transport connectivity, and nearby retail services.

Best performing segment expected over the next 12 months



- Office
- Retail
- Logistics / industrials
- Hotel
- Residential

Looking ahead, none of the respondents identified the office segment as the asset class expected to record the highest growth over the next 12 months, reflecting the comparatively cautious outlook surrounding this sector.

Leasing trends in the logistics/industrials market

Developers expect market trends to stabilize, resulting in a more balanced demand for new logistics space. Vacancy rates in the sector have risen, and with a substantial pipeline of new developments underway, this trend is likely to continue in the near term. The sector’s strong momentum over the past few years has driven a significant entry of logistics space into the market, and construction activity is expected to remain robust over the upcoming months.

The Greater Budapest area is still the primary focal point, consistent with historical trends. But an increasing number of opportunistic developers are turning their attention to regional markets outside Budapest. This shift is largely driven by manufacturers seeking strategically located facilities, with logistics service providers expected to follow once these spaces are operational. Tenants are also showing a growing preference for flexible and adaptable space solutions, reflecting evolving operational needs.

With regard to changes in rental fees over the past 12 months, the majority of the respondents indicated that rental levels have remained broadly stable. Among those reporting a change, an equal proportion of respondents observed either a slight increase or a slight decrease in applicable rent levels. Overall, this suggests that rental levels have remained relatively steady and haven’t experienced any significant upward surge during the period under review.

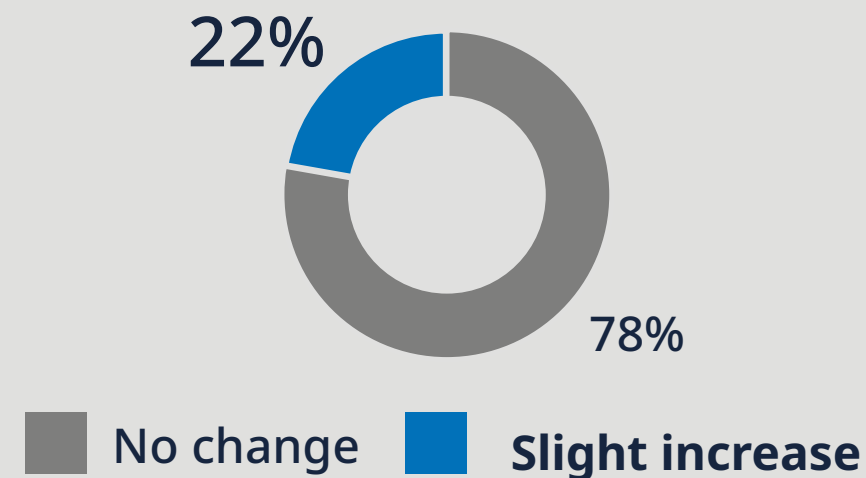
We also asked the survey respondents to assess whether lease renewals or new lease agreements have dominated this market segment. Based on their responses, **renewals and new leases account for almost equal proportions of the total lease agreements concluded.**

Sustainability considerations are becoming an essential part of leasing decisions. Occupiers are increasingly requesting ESG-related features, including access to green energy and other sustainable building features, underscoring the sector’s transition towards more environmentally conscious operations.

Leasing trends in the retail market

Retailers are gradually regaining confidence in leasing retail space, supported by the return of consumers to shopping centres. Although inflationary pressures have eased, consumer confidence remains fragile, which continues to influence the retail market. This rebound is driving renewed demand for retail space, particularly in prime locations. High street locations are experiencing intense demand, while retail parks and shopping strips are also attracting tenants due to lower rents and operating costs.

Rental levels in retail market over the past 12 months

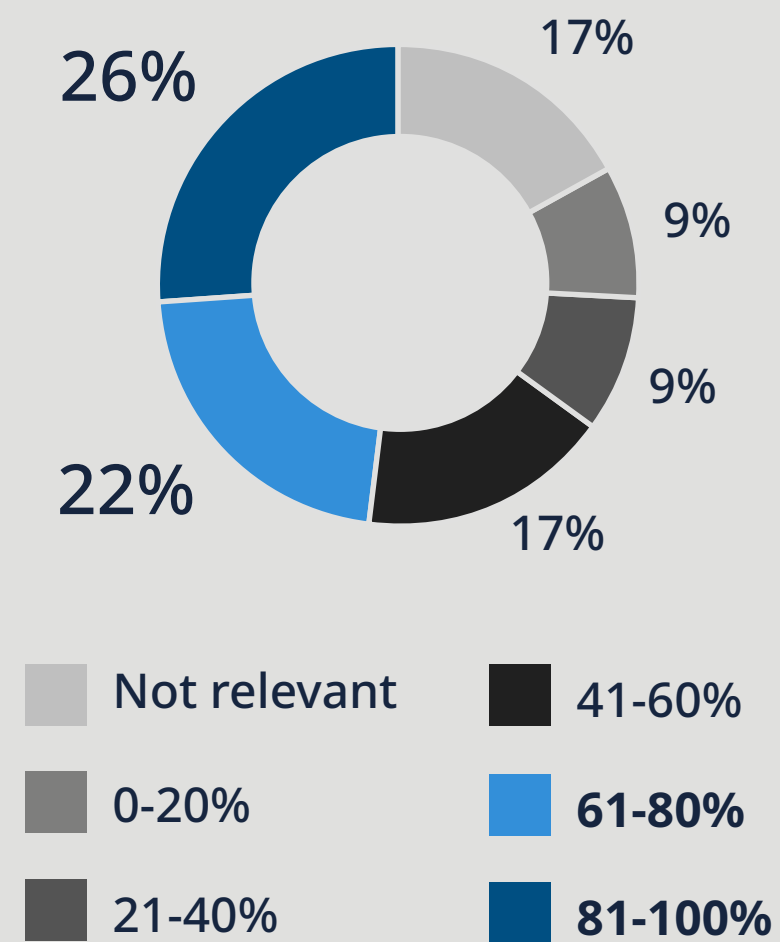


At the same time, our survey results indicate that rental levels have remained broadly stable over the past 12 months. The majority of respondents confirmed **no material change in rents, while approximately 20% reported a slight increase in rental levels.**

The evolving regulatory landscape introduces some uncertainty. Notably, the “Plaza Stop” initiative has caused distractions among landlords and tenants. Our practice has been actively involved in analysing the interpretation of the new provisions of the Plaza Stop Act, as well as other regulatory changes affecting retailers and their tenants.

Recent leasing activity has been led primarily by multinational tenants, highlighting the ongoing preference for well-located, high-quality assets. Shoppers are increasingly focused on the overall retail experience, with food court offerings and the diversity and quality of the tenant mix playing a critical role. Certain retailers are also in expansion mode, with cross-border activities remaining a key focus, particularly as many brands strategically expand across the CEE region.

Share of lease renewals in the retail market over the past 12 months



With regard to the composition of leasing activity, the past 12 months were predominantly characterised by lease renewals rather than new lease agreements. **More than 25% of respondents indicated that over 80% of their lease transactions during the period related to renewals, highlighting a clear focus on tenant retention in the retail segment.**

Despite growing demand from consumers, ongoing volatility in global economic markets has prompted many occupiers to reassess growth plans and investment strategies, taking more cautious steps. This cautious approach may temper the pace of future growth in the sector.

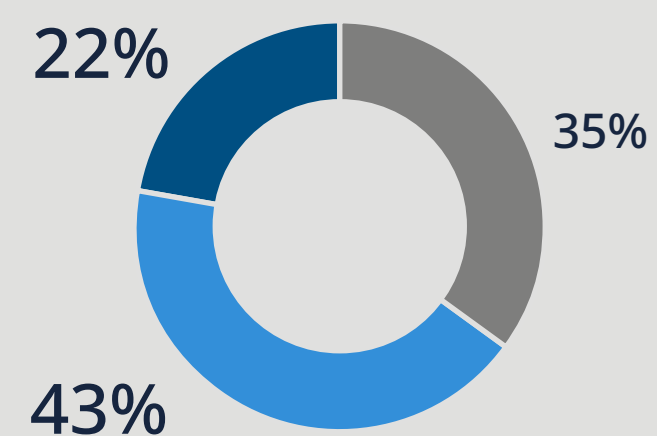
Nevertheless, investors continue to prioritize well-priced assets with strong locations, asset management potential, and stable rental income, which remain key drivers of value and long-term income growth. A further boost to retail performance may come from lower inflation and rising wages, supporting consumer spending and, in turn, higher rental volumes, particularly in structures linked to turnover-based rent.

Utilisation trends in the hotel market

The travel and tourism sector in Hungary, particularly in Budapest, is experiencing a rebound, with the country continuing to attract leisure travellers at levels approaching or, in some cases, exceeding pre-COVID-19 benchmarks. This recovery isn't unique to Hungary; rather, it reflects a broader global trend, as international tourism continues to regain momentum.

Against this backdrop, the hotel sector is demonstrating sustained strength going into 2025. Key performance indicators, including occupancy rates, average daily rates (ADR), and revenue per available room (RevPAR), are all trending upwards, underscoring the sector's strong fundamentals. In Budapest, new hotel developments, both completed and in the pipeline, are primarily concentrated in the upscale and upper-midscale segments, reflecting investor confidence in higher-quality assets and branded concepts.

Investment activities in the hotel market over the past 12 months



No change
 Significant increase

 Slight increase

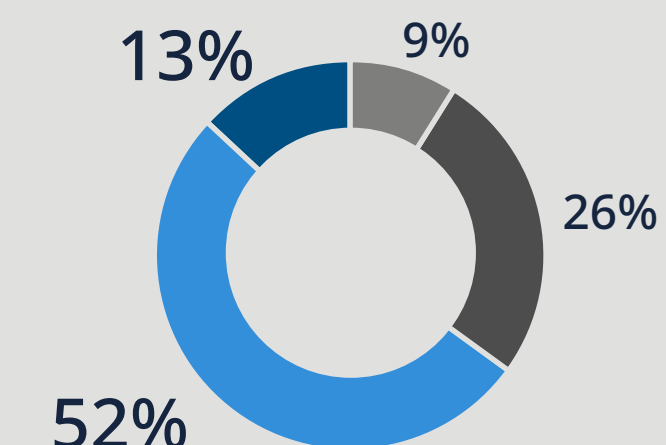
This trend observed in the legal sector is further underpinned by the responses to our market survey. When assessing the expected performance of various market segments in 2025, respondents ranked the hotel sector as the second-best performing segment, following the residential sector in first place. **Around 43% of respondents reported a slight increase in investment volumes in this segment, while a further 22% indicated that investment volumes have increased significantly,** highlighting the hotel sector as a clear focal point of market activity during the year.



Local investors continue to dominate the market. But we're also seeing increasing interest from opportunistic regional investors seeking exposure to the Budapest hospitality market. In parallel, investor attention isn't limited solely to the upper-scale segment. Lower-class hotel and leisure assets, such as guesthouses, smaller independent hotels, and hostels, are also gaining attention, driven by sustained demand for affordable accommodation and experiential travel offerings.

As a sign of this investor interest, we've advised respondents on the evolving regulatory framework applicable to short-term rentals, including detailed analyses of restrictions imposed by local municipalities, particularly in downtown areas. This regulatory tightening appears to be an ongoing trend, and it's expected that hotel and leisure segments focusing on affordable short-term accommodation will continue to face regulatory and operational challenges in the near to medium term. As a result, careful legal structuring and ongoing compliance monitoring remain critical for investors and operators active in this space.

Outlook for the hotel market over the next 12 months



Very pessimistic
 Slightly optimistic

 Slightly pessimistic
 Very optimistic

 Neutral

Looking ahead to the coming months, the hotel segment was again identified as the second-best performing market in terms of future expectations. **Approximately 65% of respondents indicated that they're either slightly or very optimistic about the outlook for the hotel sector.** Participants also confirmed that, over the next 12 months, the hotel segment is expected to record the second-highest increase in activity, immediately following the residential market.



Real Estate Finance

General trends in real estate finance

In 2025, competitive bank financing for Hungarian real estate development and investment remained available. Lenders seem to be highly selective on asset quality, tenancy durability and ESG readiness. Our survey aligns with this: over 80% of respondents said competitive financing is partly or fully accessible, and over 90% reported that terms were broadly unchanged or had eased slightly over the past 12 months.

The monetary backdrop stayed supportive of euro-based structures. The Hungarian National Bank (MNB) held the base rate at 6.50% with a cautious (1),(2), data-driven stance, while the ECB kept its deposit rate at 2% in early 2026 (3); 3M EURIBOR stabilized near ~2%, moderating all-in euro funding costs in Hungary (4).

Risk factors diverged by segment. For example, in Budapest, the current office vacancy is a key input to lender underwriting. Regulation increasingly frames credit decisions such as the Basel III finalisation (CRR3 effective 1 January 2025; CRD6 applicable from 11 January 2026).

Assuming euro money-market rates stay near current levels and ECB policy remains broadly steady, we expect stable-to-slightly lower all-in euro funding costs for prime Hungarian borrowers. Underwriting will keep rewarding well-located, ESG-aligned, income-resilient assets, while secondary stock faces tighter structures, lower LTVs and higher pricing premiums.

Financing trends in the office market

As mentioned, new supply was limited, which helped to stabilize headline vacancy. Lenders focused on robust pre-letting, conservative DSCR/LTV settings and credible energy-efficiency plans for both development and investment loans. With the MNB signalling office vacancy may rise toward 16-17% by end-2026 (5), we expect more maturity extensions (rather than full refinancings) where cash-flow or valuation headroom is tight, coupled with LTV step-downs, DSCR ratchets and cash-sweep features.

Financing trends in the industrial / logistics market

Logistics led development but absorbed a meaningful amount of returned secondary space. Banks became more selective on speculative projects, conditioning development debt on pre-letting, tenant covenant strength and realistic lease-up/exit assumptions; euro base-rate softening helped pricing on stronger credits.

Modern, energy-efficient hubs with solid tenants should continue to command competitive terms, while older/peripheral stock faces lower leverage, tighter covenants and capex-linked conditions to address obsolescence and operating costs.

Financing trends in the hospitality market

Tourism's recovery supported stable lender appetite for well-located hotels with experienced operators and resilient operating. Bankability hinged on operator strength, demand visibility and a clear energy/operational capex plan. Financing access should remain open for quality assets.

Financing trends in the retail market

Retail sentiment improved from 2024 lows; stronger retail sales and selective asset performance (dominant parks/high-street) underpinned a more constructive stance. Lenders concentrated on location, scheme quality and OPEX discipline, with ESG capex increasingly hard-wired into business plans.

For grocery-anchored parks and dominant prime retail, we anticipate stable access to senior debt at competitive terms provided trading evidence remains solid and EPBD-aligned energy pathways are credible. Secondary retail should expect conservative leverage, robust DSCR/tenant-mix covenants and milestone-based capex conditions.

Energy Trends of the Hungarian Real Estate Market

Hungary has repeatedly expressed its commitment towards green transition and has reached serious milestones in the process: at the start of 2026, the share of renewable built-in capacities (including household-scale small power plants) reached 59% compared to all built-in capacities.

But these respectable results may also cause problems that have to be solved.

The Hungarian and broader European energy sectors are simultaneously experiencing rapid renewable energy expansion and increasing grid scarcity, which naturally also have an impact on the real estate market through price volatility and the search for related new solutions. The connection between the energy market changes and real estate matters are clearly visible and play an increasingly important role in today's business.

Renewable energy outlook

It's nothing new that the growth of the weather-dependent technologies (mainly solar but also wind energy) make it harder to balance the complicated energy system, but it is becoming a bigger challenge year after year. The most blatant example of the events caused by high weather dependency is the power outage that happened in Spain in April 2025. The power outages in the US in January 2026, during which wind and solar power generation decreased, was handled through non-renewable (coal, gas and nuclear) power plants.

These signs must be considered both during the planning of our energy infrastructure and during a real estate investment, given that investors must be ready to handle such situations if they want to be resistant to similar issues, which is key to becoming a prominent market player.

The most common solution is the implementation of a "behind-the-meter" power plant, which not only makes real estate investments more self-

sufficient and resistant to market wide outages, but also helps cut operational costs, which is also an important aspect in today's economy. These power plants produce electricity but can't feed it into the public grid. It supports both residential and commercial/industrial buildings in becoming greener, more sustainable and more self-sufficient.

The other, increasingly wide-spread solution is the investment in battery energy storage systems (BESS), which can store energy for later use, enabling buildings and energy projects to operate more efficiently and independently from the market and other participants. They play a key role helping stabilize on-site production and reduce reliance on the public grid by smoothing consumption peaks and providing backup capacity. These systems enhance the resilience, self-sufficiency and overall sustainability of both residential and commercial/industrial properties, ultimately lowering operational risks and improving long-term cost efficiency.



As noted earlier in this report, **ESG and green energy considerations in real estate developments were taken into account in almost all cases** over the past 12 months, with fewer than 5% of respondents indicating that these aspects weren't relevant.



Innovative co-location solutions

Leading market players always seek innovative solutions in situations when the usual methods aren't working. In case of network scarcity, this innovative solution is co-location, which typically means that renewable energy generation is paired with battery energy storage systems on a shared connection point. This structure enables more efficient use of existing grid infrastructure, as storage mitigates weather-dependent output variability and can create additional value streams.

When the power plant and the BESS belong to the same owner, co location improves balancing capabilities and investment returns, but when the assets are owned separately, it also raises risk allocation and financing issues, particularly if the primary connection right holder loses its grid access.

Regulatory plans are emerging to fulfil the increasing demand for a predictable and well-defined regulation system of co-location. In Hungary, the concept of shared use of production lines and connection points has been introduced, and industry participants are developing a model agreement that can be used for co-location projects. Key open questions include capacity sharing mechanisms, rights and obligations of secondary users, and financing risks. Despite the risks, the structure could be an important solution to network scarcity.



About us

DLA Piper is involved in some of the largest deals in the Real Estate sector, involving multiple jurisdictions and across a wide spectrum of sub-sectors.

DLA Piper is involved in some of the largest deals in the real estate sector, involving multiple jurisdictions and across a wide spectrum of sub-sectors. In 2025 we advised on real estate deals worth over EUR38 billion (across EMEA and Asia Pacific) in addition to a further EUR63 billion of data centre deals over the same period. Data centres remain one of our fastest growing areas of work, supported by similarly strong activity in logistics and industrials where we have advised on EUR13.5 billion, hotels and leisure EUR7.6 billion, and the living sector where we have advised on EUR4.8 billion. The volume and complexity of deals on which we've consistently advised put us at the forefront of providing legal advice to the real estate sector and enables us to share our market knowledge and find creative solutions for our clients that help them achieve and exceed their goals.

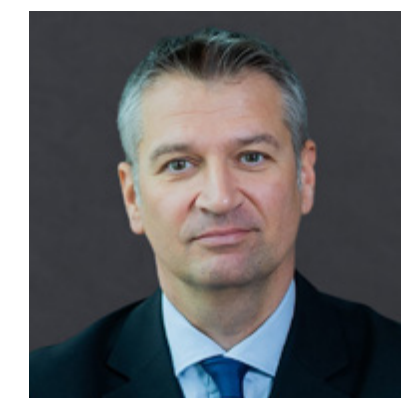
We are recognised as a market leading firm in Chambers for our experience in advising on multi-jurisdictional deals and trusted by clients to handle multi-billion Euro deals.

Our experts at DLA Piper Hungary's Real Estate Team cover all sectors related to Real Property, in both local and international markets. We possess extensive experience in supporting real estate developers and investors and our team provides commercial and innovative advice that adds value at all stages of the investment and development cycles of a real estate transaction. We have outstanding reputation for advising on transactions regarding logistics centres, industrial properties and infrastructure developments. Our experts provide support in relation to the planning, procurement and construction phases of these projects.

We cover all aspects of property law, as well as full-scale tax and business advisory services, providing our clients with a truly 360 degree business support service. Our team works closely with our Corporate M&A, Litigation and Regulatory, Finance, Tax and Business Advisory teams, which allows us to structure all real estate transactions efficiently from inception to implementation.

If you have any questions, please feel free to contact us.

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