

Market Brief

Q4/2024

REFINE



YEARS OF HELPING PEOPLE THRIVE
THROUGH PLACES AND SPACES



Retail



Office



Hotel



SA



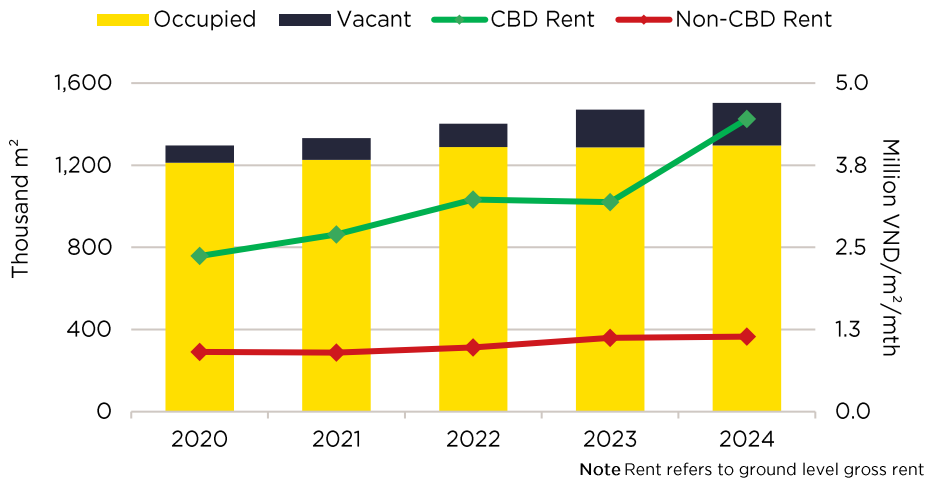
Apartment



VLTH

RETAIL

Performance



“International retailers continued to expand in Ha Noi, with luxury retail space remaining in high demand due to scarce suitable supply.”

Hoang Nguyet Minh

Senior Director, Commercial Leasing

Savills Ha Noi



KEY FINDINGS

New Supply

Stock was stable quarter-on-quarter (QoQ) and rose by 2% year-on-year (YoY) with three new retail podiums: Heritage West Lake, Taisei Square, and Grand Terra, offset by the removal of space at The West building. Over the past five years, stock has grown by 3% per annum (pa).

Shopping centres dominate supply, accounting for 63%, while retail podiums contribute 17% and department stores account for 3%.

Improved Performance

Gross ground floor rents increased by 2% QoQ and 5% YoY, driven by department stores with a 4% YoY rise and shopping centres with an 8% YoY increase. In the CBD, rents surged by 33% QoQ and 40% YoY, reaching VND 4.5 million/m²/month.

Occupancy remained stable QoQ but declined by 3 percentage points (ppts) YoY to 85%. Retail podiums saw an 8-ppts increase YoY, while shopping centres dropped 6-ppts due to new space in mega projects. Occupancy in department stores was unchanged YoY.

Revenue Sharing

Rent models based on revenue sharing, previously limited to department stores such as Lotte Center Ha Noi and AEON Malls, are now being introduced in major shopping centres, including Vincom Centers and Lotte Mall West Lake.

Expansion of International Retailers

In 2024, international brands such as Lotte Group and Central Retail continued to grow their presence in Ha Noi. Notable developments included Lotte Mall West Lake and TopsMarket at The Linc @ ParkCity. January 2025 saw the opening of AEON Xuan Thuy, marking the AEON Group's ninth shopping centre in Viet Nam.

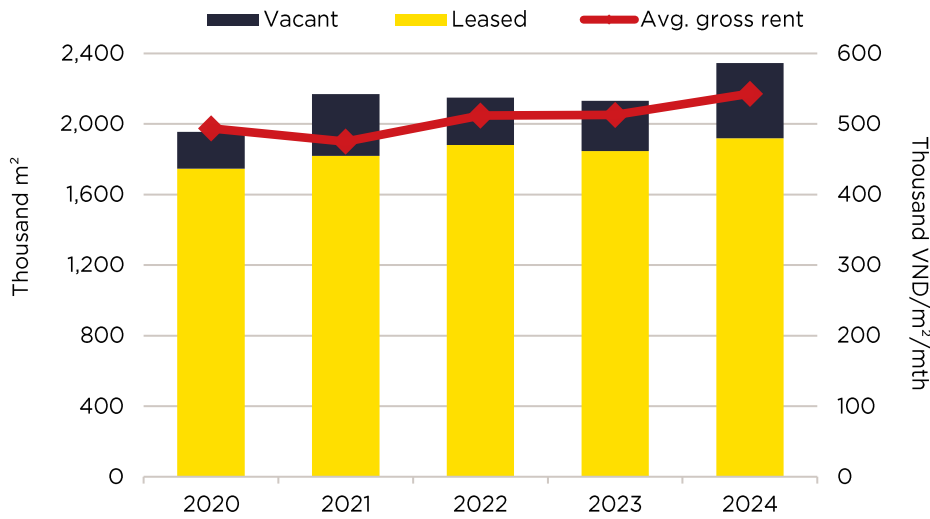
Outlook

By the end of 2025, the market is set to expand with 140,700 m² of new retail supply from four shopping centres and three retail podiums. Between 2026 and 2027, an additional 174,100 m² NLA is expected from seven projects.

Major projects include Ha Noi Center at 175 Nguyen Thai Hoc and Starlake B1CC1 & B1CC2.

OFFICE

Performance



“The office market is more in favour of tenants, with a variety of new Grade A supply in Midtown and the West. Tenants benefit from high-quality projects with more rent-free incentives.”

Hoang Nguyet Minh

Senior Director, Commercial Leasing

Savills Ha Noi



KEY FINDINGS

Supply Increased

By the end of 2024, total office stock reached 2.34 million m² NLA across 192 projects, marking a 9% QoQ and 10% YoY increase. The rise was driven by six new projects: three Grade A (BRG Diamond Park Plaza, Grand Terra, and Heritage West Lake) and three Grade B (HUD Tower, My Dinh Pearl, and Vinacomin Tower).

Grade B maintained its dominance, accounting for 49%. Supply in both the Secondary and the West areas comprised 41% each.

From 2020, the overall market supply expanded by 4% pa, with Grade A increasing by 4% pa, Grade B by 5%, and Grade C by 1%.

Occupancy Dropped with New Supply

Gross rents rose by 2% QoQ and YoY. Grade A rents remained stable QoQ but declined by 1% YoY. Grade B rents increased slightly by 1% QoQ, while Grade C grew by 2% YoY.

Occupancy dropped by 5 ppts QoQ and YoY to 82%. Grade C recorded the highest occupancy at 92%, with a 1 ppt increase QoQ and YoY. Grade A occupancy fell by 7 ppts QoQ and 6 ppts YoY to 79%, while Grade B declined by 5 ppts QoQ and 6 ppts YoY, also ending at 79%.

Quarterly take-up remained positive across all grades despite the impact of new supply. Grade A has had positive take-up since 2010.

Relocations to Non-CBD

Relocations accounted for 71% of leased space, with 51% moving to Secondary areas and 49% to the West. ICT tenants led the demand, occupying 50% of the total leased space, followed by healthcare and medicine tenants, which accounted for 21%.

Outlook

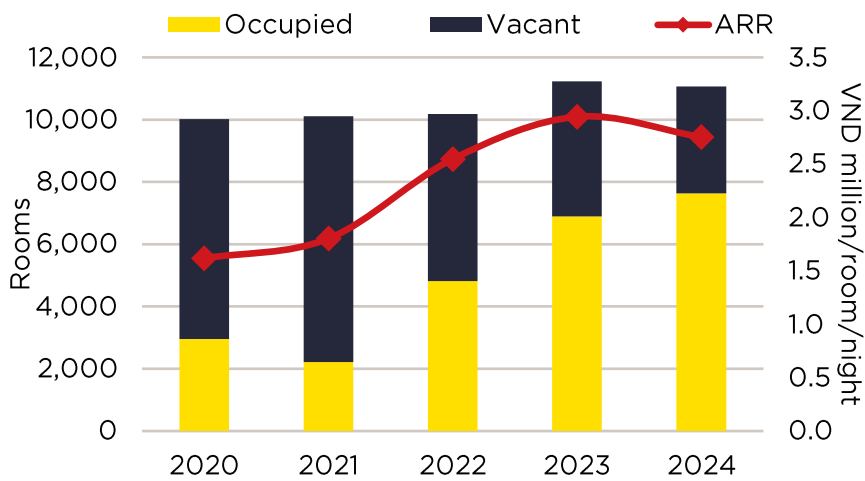
By 2027, an additional 265,000 m² is expected from 11 projects. Grade A developments will dominate, contributing 92% of the upcoming supply from nine projects, while the remaining 8% will be from two Grade B projects.

Notable developments expected in 2025 include Tien Bo Plaza, 29 Ly Thai To, The Marc 88, and Oriental Square.

Beyond 2027, 864,500 m² of additional supply is projected from 28 projects, with 64% expected to be Grade A.

HOTEL

Performance



“The hotel sector is recovering, supported by robust tourism demand, policies aimed at boosting travel, and a substantial pipeline of future supply that underscores the market’s potential for growth.”

Troy Griffiths

Deputy Managing Director



KEY FINDINGS

Strong Recovery Signal

Stock of 11,064 hotel rooms across 67 projects, declined by 1% QoQ and YoY due to the removal of Eden Hotel from the graded list. Five and four-star stock remained steady, while three-star dropped by 3%.

Occupancy improved in Q4/2024, reaching 71%, up 3 ppts QoQ and 7 ppts YoY. Five-star occupancy increased by 3 ppts QoQ, three-star rose by 7 ppts QoQ, and four-star remained unchanged. The average room rate rose by 1% QoQ but fell by 6% YoY. Five-star rates were stable QoQ, while four-star and three-star rates increased by 4% QoQ each.

Tourism Growth

In 2024, Ha Noi welcomed nearly 27.9 million visitors, representing a 12.7% increase YoY. International arrivals reached 6.4 million, a growth of 34.4% YoY, with 4.5 million visitors staying overnight. Domestic tourists accounted for 21.5 million visitors, up by 7.5% YoY.

Total tourism revenue reached VND 110.5 trillion, an 18.3% YoY increase. The city hosted major events in November, including the Hanoi Creative Design Festival and the Hanoi Culinary Culture Festival 2024.

Demand From Airline Development

By the end of October 2024, the Civil Aviation Authority of Viet Nam had permitted four domestic airlines and 72 international carriers to operate 2,720 round-trip flights per week in the country. The Ha Noi–Ho Chi Minh City (HCMC) route ranked as the fourth busiest domestic flight route globally.

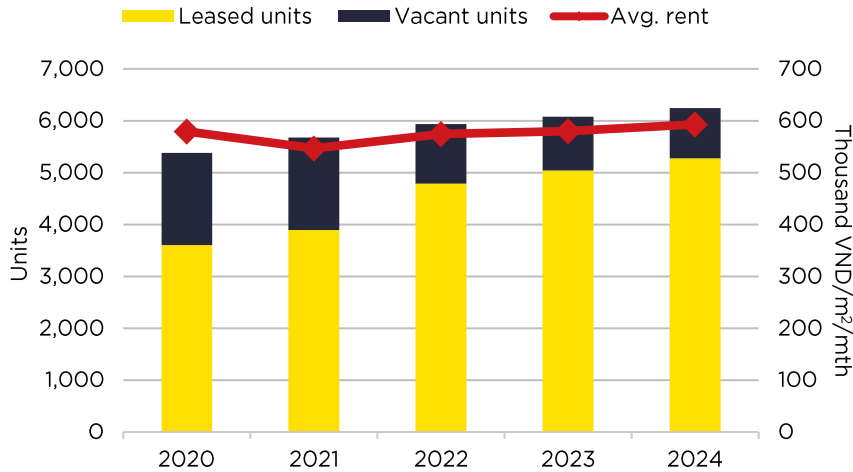
Supply Prospects

Future supply is set to reshape the market, with 68 projects expected to deliver 12,065 rooms from 2025 onwards. In 2025, 2,936 rooms across 11 projects are scheduled for completion, including eight five-star and three four-star hotels. A further 360 rooms are planned for 2026 from two additional projects.

The Secondary area will receive 42% of this new supply, with 5,027 rooms from 22 projects. International operators will manage 37% of the new rooms, with domestic operators overseeing the remaining 63%. Notable upcoming brands include Hilton, Fusion, Accor, and Four Seasons.

SERVICED APARTMENT

Performance



“The expansion and development of industrial parks in Ha Noi, coupled with strong FDI inflows, are driving significant demand for serviced apartments.”

Matthew Powell
Director, Savills Ha Noi



KEY FINDINGS

Improving Performance

Total stock reached 6,246 units across 64 projects, remaining stable QoQ and increasing by 3% YoY following the entry of Swiss-Belresidences Ha Noi in Q3/2024.

Occupancy improved by 2 ppts QoQ and YoY to 84%, with Grade A and B apartments having higher occupancy QoQ, while Grade C declined 2 ppts. Average rentals rose by 1% QoQ and 2% YoY, with rents in Grade C being the only segment to decrease.

Demand From Industrial Parks

In 2024, Viet Nam attracted total registered foreign direct investment (FDI) of US\$38.2 billion with 3,375 newly registered projects. Implemented FDI capital stood at US\$25.4 billion, marking a 9% YoY increase and the highest level recorded to date.

Ha Noi drew US\$2.2 billion in FDI from 293 newly registered projects, a 30% YoY increase, placing it fifth nationwide behind Bac Ninh, Hai Phong, HCMC, and Quang Ninh.

By November 2024, the planning task of three new industrial parks (IPs) in Thuong Tin and Soc Son was approved, covering a combined 600 ha. These include North Thuong Tin IP (137 ha), Phung Hiep IP (175 ha), and Soc Son IP (324 ha). The 10 operational industrial parks cover 1,300 hectares, with nine achieving full occupancy. The expansion of IPs is expected to attract more tenants to the serviced apartment market, particularly experts, foreign professionals, engineers, and technicians working in these areas.

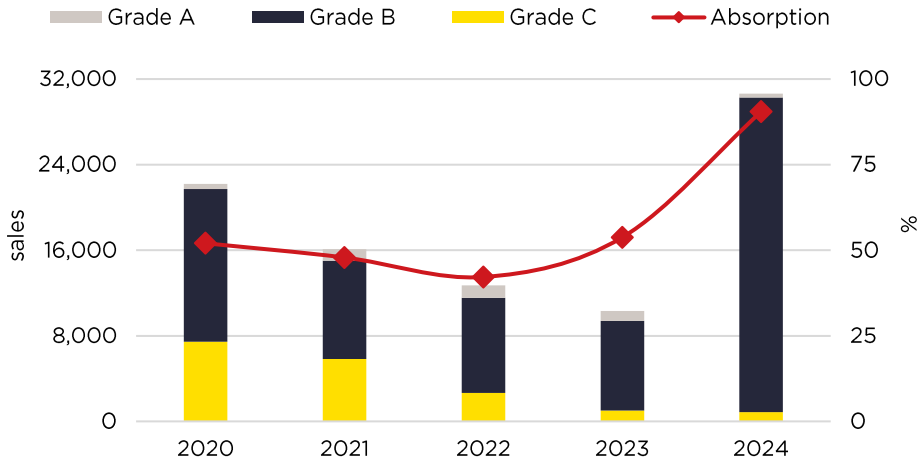
Future Supply

From 2025 onwards, 17 projects are expected to launch 4,077 new units. In 2025, seven projects will deliver 2,889 units, with Tay Ho View Complex expected to add the largest Grade A supply. One project in Tay Ho District is scheduled to contribute 162 units in 2026. Future supply of 83% will be in the Secondary area and the remaining 17% in the West.

Branded operators will dominate the market, accounting for 87% of the future supply. Notable brands entering the market include The Ascott, Lotte Group, Parkroyal Serviced Suites Ha Noi, Shilla Hotels & Resorts, Hilton, and Hyatt.

APARTMENT

Performance



“Supply shortages are easing; however, prices remain elevated, reflecting the market’s continued strong demand.”

Do Thu Hang

Senior Director, Advisory Services,
Savills Ha Noi



KEY FINDINGS

Highest Launches Since 2020

New supply surged in Q4/2024, with 12,972 units introduced, representing a 146% QoQ and 351% YoY increase. Primary stock reached 16,629 units, up by 58% QoQ and 40% YoY.

In 2024, new supply totalled 24,996 units, the highest level in five years. Grade B apartments dominated with 97%, driven by Vinhomes Ocean Park and Vinhomes Smart City, which together contributed 89% of new stock.

New Supply Performed Well

Sales activity in Q4/2024 was robust, with 13,401 units sold, marking a 96% QoQ and 340% YoY increase. New supply accounted for 83% of total sales and achieved an 85% absorption rate, benefiting from clear legal status and reputable developers.

Primary asking prices averaged VND 75 million/m² net sellable area (NSA), up by 9% QoQ and 29% YoY.

Popular Price Range

In 2024, units priced above VND 4 billion accounted for 59% of total sales, a significant rise from just 2% in 2020. Units priced between VND 2 billion and VND 4 billion captured 40%, while those priced under VND 2 billion made up only 1%.

Solid Secondary Market

The Secondary market showed strong growth, particularly near Metro Line 2A and Line 3 stations, where prices increased by 24% QoQ, outperforming the market average by 4 ppts.

Since 2020, average secondary prices have grown by 22% pa, with Grade C seeing the largest increase at 26% YoY, followed by Grade B at 20% and Grade A at 19%.

Demand Drivers

Residential demand is primarily driven by local buyers, with long-term demand supported by positive net migration, and increasing urbanisation.

According to the Ha Noi master plan, the permanent population is expected to reach 11 million by 2030, up from 9 million, with an additional 1.5 million temporary residents. Urbanisation is forecast to increase to 70% by 2030, from 49% currently.

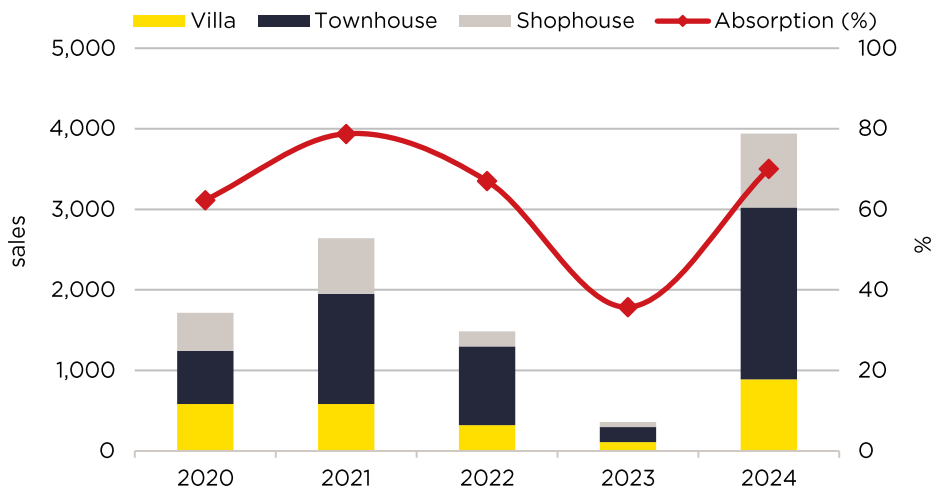
Outlook

In 2025, there will be new supply of 25,200 units. Grade B will remain the largest contributing 88% of future supply, with mega projects comprising 70%.

From 2026 onwards, approximately 70,000 units from 91 projects are anticipated, with Dong Anh, Hoai Duc, and Hoang Mai delivering 52% share.

VILLA & TOWNHOUSE

Performance



“ The market recovered in 2024, driven by a new mega project and high-end developments. Future large-scale residential projects are expected to further boost market performance. ”

Matthew Powell
Director, Savills Ha Noi



KEY FINDINGS

Supply Surge From Mega Project

In Q4/2024, 4,655 new dwellings were launched from 11 projects.

Vinhomes Global Gate accounted for 89% of new supply, delivering 296 villas, 2,832 townhouses, and 1,019 shophouses.

Primary stock reached 5,002 dwellings across 18 projects, reflecting a sevenfold increase QoQ and YoY. Townhouses made up 63% of the primary supply, followed by Shophouses at 25% and Villas at 12%.

Increased Performance

Sales surged sharply in Q4/2024, reaching 3,317 dwellings, 10 times higher QoQ and 52 times higher YoY. Quarterly absorption jumped by 18 ppts QoQ to 66%. This improvement was largely driven by Vinhomes Global Gate, which sold 67% of its new supply and accounted for 84% of Ha Noi's quarterly sales.

Suburban projects in Dong Anh, Me Linh, Thuong Tin and Long Bien saw strong demand. Dong Anh led with 84% of primary transactions or 2,799 units, followed by Me Linh and Thuong tin each with 4% of sales and approximately 140 units sold.

Premium Inventory

Primary supply from premium, high-quality projects like Vinhomes Global Gate, GIA22 by Kita and Him Lam Diamond Palace led to a sharp increase in primary prices. Villa prices grew to VND 327 million/m² LA, townhouse prices to VND 279 million/m² LA, and shophouse to VND 316 million/m² LA.

Secondary prices also increased. Secondary villa prices rose by 5% QoQ to VND 178 million/m² LA. Townhouse prices increased by 6% QoQ to VND 198 million/m² LA and shophouses grew 4% QoQ to VND 245 million/m² LA. However, the price gap widened significantly. Secondary villas are 46% cheaper than primary villas, while townhouses are 29% more affordable than their primary counterparts. Shophouses are 23% lower in secondary market.

Outlook

In 2025, 15 projects are expected to deliver 2,819 dwellings. Most notably, Vinhomes Wonder Park is expected to launch in Dan Phuong in the same year. The mega project spans 133ha with over 2,000 dwellings will significantly improve low-rise supply and further cement Vingroup's leading position in Ha Noi.

From 2026 onwards, supply of 18,827 dwellings is expected.

SAVILLS SERVICE OFFERING

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Product Overview		
Full Written Quarterly Market Report (QMR)	Power BI	GapMaps
- Detailed metrics on Supply, Performance, and Outlook. - Expert analysis. - SWOT. - Current and future property databases. 7 Sectors (30+ pages each) + appendices. - Apartment - Landed Property - Office - Retail - Hotel - Serviced Apartment - Industrial	- Interactive and drillable dashboards & reports with vivid graphics. - Detailed performance metrics (current & future supply, price), demographics, infrastructure, market share, competitors, and catchments. - Online access across multiple devices. - Insights & market commentary, including rankings. - Powerful queries, accurate data, and interactive reporting. - Application includes subscriptions, studies, consultancy, analysis, and strategy.	- Comprehensive demographic data & layers. - Brand competitors & POIs highlighting future competition and factors influencing retail traffic. - Custom catchment analysis; customised by mode of transport and distance. - Property layers; current and future residential & commercial developments, growth areas, infrastructure, rent, GOC, and trading potential.

Subscription Type	Freemium	Basic QMR (Paid)	Premium QMR (Paid)	Corporate Solution (Paid)
Deliverables	- Market Brief PDF. - Demo Dashboards.	- PDF of full written QMR reports. - Demo Dashboards.	- PDF of full written QMR reports. - Online access to Power BI.	- PDF of full written QMR reports - Corporate Power BI workspace. - Power BI corporate training and online support - GapMaps data and insights
Coverage	- Market Brief. - Macro and FDI Overview.	7 Sectors	7 sectors + optional module. - Immediate access to expert insights and archives. - Strategic Analyst/Key Client Contact - Census 2009 / 2019 + relevant insights. - Infrastructure landscape and timelines. - FDI project breakdown by location and industry.	7 sectors + optional modules. - Immediate access to the complete dataset and relevant statistics. - Strategic alignment (exclusive). - Forecasts. - National coverage of macro, census, infrastructure, policy, and provincial planning. - Competitor analysis and insights. - Multi-Criteria Evaluation (MCE).
Update frequency	Quarterly	Quarterly	Quarterly	Dynamic
Optional modules	None	None	- Policy - Data aggregated on a national level (industrial supply). Land use planning. - Housing laws & ownership.	- National overview. - Competitors actions. - Live deal tracking. - Target profiling. - Rumours and hearsay.



Savills Cares

Industry award fees are being redirected to help local people. Charities for underprivileged around the country will receive donations.

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