

Vietnam Real Estate Market



Q3 2025

A summary of Vietnam's office, retail, and apartment sectors in Q3 2025, highlighting key performance indicators and future trends

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HCMC

Real Estate Market

Quarterly Market Highlights – Q3 2025

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HCMC Highlights

Office

Q3 2025

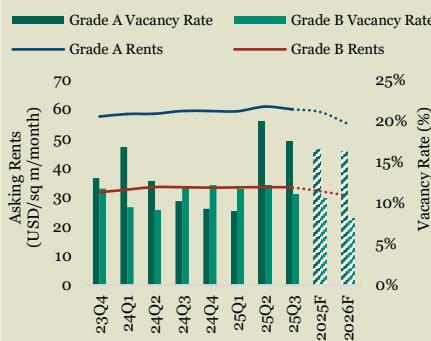
An overview of HCMC's office market in Q3 2025

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Logistics Occupiers Display Strong Demand for Green Office Space in Ho Chi Minh City

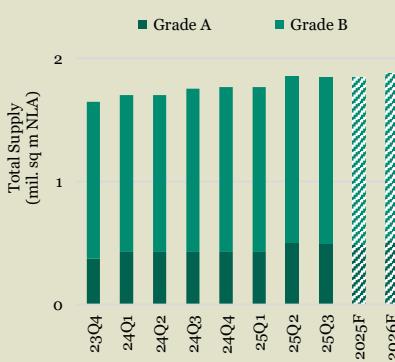
During Q3 2025, more favourable leasing schemes from landlords and the absence of new supply slightly improved overall market occupancy, with the market-wide asking rent reaching US\$40.4 per sq m per month. Logistics companies, a sector undergoing a period of rapid development, have become the key demand driver for the HCMC office market, alongside the IT sector.

Fig 1: HCMC Office Rents and Vacancy by Grade



Note: Asking rent is inclusive of service charge and exclusive of VAT.

Fig 2: HCMC Office Total Supply Change



Note: Ho Chi Minh City's office for lease market mentioned in the report only includes Ho Chi Minh City before latest provincial merger.

Sources: Knight Frank Vietnam Research

ASKING RENT AND VACANCY RATE

In Q3 2025, both Grade A and Grade B asking rents decreased slightly, to US\$ 59.9 per sq m (down 1.5% q-o-q) and US\$ 33.2 per sq m (down 0.5% q-o-q), respectively. Many landlords in both CBD and non-CBD areas revised their leasing terms, including lower rents and longer rent-free periods to improve office occupancy. As a result, the overall vacancy rate fell from 14.3% in Q2 to 13% in Q3 2025.

SUPPLY

During Q3 2025, total office Grade A and Grade B office supply reached 1.8 million sq m NLA in HCMC, with no new buildings recorded in the quarter.

The arrival of the new largest office in the previous quarter reinforced District 1's position as the top-tier office destination in HCMC. As of Q3 2025, over half of the total office supply was allocated in this area.

DEMAND

In recent months, logistics firms have emerged as a major tenant in the HCMC office market, along with the IT sector. During Q3, around 48% of total major transactions recorded came from logistics companies, with average deal sizes ranging from 1,500 to 3,000 sq m in green-certified offices.

Relocation towards higher-quality buildings continued to dominate the office-for-lease market, accounting for 54% in Q3 2025.

US\$40.4

↓ 1.0% q-o-q
↑ 1.6% y-o-y

With some landlords offering reduced rents, market-wide asking rates have slightly lowered.

1.8 mil sq m

Total existing supply of Grade A and Grade B office in the HCMC market as of Q3 2025

18,400 sq m

↑ 9.4% q-o-q
↓ 1.7% y-o-y

Net absorption as of Q3 2025, robust growth from logistics companies has boosted demand for office space.

87%

↑ 1.3 ppts q-o-q
↓ 1.4 ppts y-o-y

Flexible leasing schemes contributed to an improved market-wide occupancy rate.

32,000 Sq m

Total office pipeline across HCMC market during Q4 2025 to 2026

OUTLOOK

By Q1 2026, the completion of a new CBD Grade A office, The Kross, will add around 32,000 sq m NLA to the market. Alongside high-standard office spaces, landlords will continue to focus on strategic leasing terms to quickly lease vacant spaces in the coming months, ahead of the arrival of new supply.

HCMC Highlights

Apartment

Q3 2025

A snapshot of HCMC's apartment market in Q3 2025

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Local Developers Revive Stalled Projects After Prolonged Delays

- The primary price remained steady at US\$3,752 per sq m in Q3 2025, as HCMC's new supply was 1,800 units, thanks to effective legal reforms and collaboration between developers and the authorities. Sales declined slightly, with around 2,200 units sold, resulting in a 49% absorption rate, driven by the slow take-up of available inventory.

Fig 1: HCMC Apartment Primary Asking Price



PRIMARY ASKING PRICE

The average primary asking price in Ho Chi Minh City stood at US\$3,752 per sq m, reflecting an increase of 0.6% q-o-q and 8.8% y-o-y. This minimal quarterly escalation was primarily due to 90% of active projects stabilising their asking primary prices to compete with newer projects in surrounding areas.

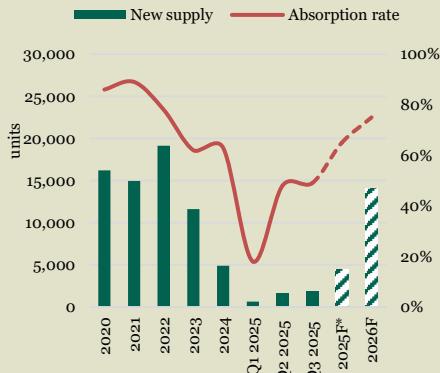
SUPPLY

Q3 2025 recorded 1,800 units for new supply and 2,600 units of inventory, resulting in a total primary stock of 4,400 units. During this quarter, new supply was driven by 57% and 43% shares of luxury and mid-end projects, respectively. By location, Thu Duc City accounted for 80% of the new supply (The Privé, Elysian), followed by the West (Trellia Cove) and the South (Khai Hoan Prime). The North has seen no new developments over the last three years.

DEMAND

Market demand remained resilient during the quarter, with nearly 2,200 units sold, translating to an absorption rate of 49%. New launches maintained strong momentum, achieving 1,650 units sold thanks to limited new supply and stretching payment schemes. Inventory units lagged at around 500 units sold, partly due to a lack of well-located stock and less flexible payment options.

Fig 2: HCMC Apartment New Supply and Absorption Rate



Note: Absorption rate is units sold divided by inventory (new supply + current stock)

(* 2025F is the forecast for the remaining quarters
The West: Binh Chanh, Binh Tan | The South: District 7, Nha Be, Can Gio | Thu Duc City: District 2, District 9, Thu Duc | The North: District 12, Hoc Mon, Cu Chi, Go Vap, Tan Binh
Sources: Knight Frank Vietnam Research

US\$3,752

▲ 0.6% q-o-q
▲ 8.8% y-o-y

Average primary asking price per sq m NSA in Q3 2025 remained stable across segments.

1,800 units

▲ 16% q-o-q
▲ 286% y-o-y

New supply in Q3 2025, primarily from stalled projects after prolonged delay.

2,186 units

▼ 6% q-o-q
▲ 210% y-o-y

New demand (units sold) in Q3 2025, sustained strong demand for new units, contrasted with a slow inventory take-up.

49%

Absorption rate in Q3 2025 slightly improved, supported by revived demand for on-hold projects.

18,500 units

New supply in Q4 2025-2026, the increasing pipeline supported by the reactivation of on-hold projects, thanks to a simplified legal framework and flexible collaboration with authorities.

OUTLOOK

In Q4 2025, the market is expected to welcome around 4,500 new units, mainly from existing projects. Demand for new launches has remained consistent, supporting an average primary asking price of approximately US\$4,000 per sq m. Notably, the market is gradually adopting more high-tech distribution channels, including livestreaming and online auctions, with some developers beginning to explore AI-driven enhancements to the buyer experience.

HCMC Highlights

Retail

Q3 2025

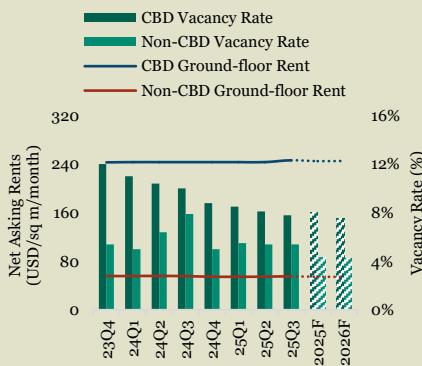
A snapshot of HCMC's retail market in Q3 2025

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Occupancy Remains Elevated Amid Limited Future Supply

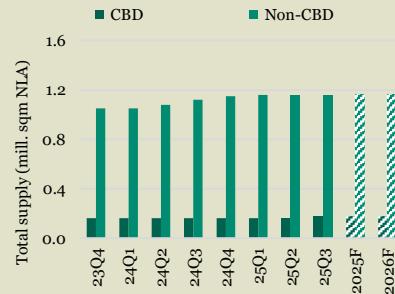
- Asking rents held steady quarterly, while occupancy softened slightly due to slower leasing activity. Tenants remained focused on securing quality space in core retail districts. New supply remained constrained, with few projects scheduled for completion before 2027.

Fig 1: HCMC Retail Rents by Submarket



Note: Ground-floor retail rents only. Ground-floor rent does not include service charges, VAT, upper floors, or basement levels. Data reflects prime retail locations in HCMC. Vacancy rates shown reflect prime space only.

Fig 2: HCMC Retail Total Supply



Note: Supply data includes both prime and non-prime retail stock across HCMC. Please refer to the Definition section for prime and non-prime classifications.

Sources: Knight Frank Vietnam Research

ASKING RENT & VACANCY RATE

Prime ground-floor rent across HCMC averaged approximately US\$85.5 per sq m per month in Q3 2025, up 1.3% q-o-q but 1.5% lower y-o-y, reflecting ongoing market adjustments and landlord flexibility in lease negotiations.

CBD vacancy fell to 7.8% from 8.1%, while Non-CBD held steady at 5.4%. Overall prime vacancy edged up to 5.8%, with occupancy at 94.2%.

SUPPLY

Total retail stock, including both prime and non-prime, stood at around 1.34 million sqm.

Non-CBD accounted for around 87% of the total, while CBD contributed the remaining 13%. The Marina Central Tower retail podium added 12,763 sq m in Q3 2025, lifting overall stock marginally.

DEMAND

Net absorption totaled 1,425 sq m in Q3 2025, led by activity from fashion and footwear brands. Oh!Some continued to expand aggressively to now five locations, while notable openings included The New Playground at Vincom Dong Khoi, children's brand Miki House, and athletic footwear brand HOKA.

Limited upcoming new supply kept competition for quality space high, supporting stable occupancy levels and landlord confidence in premium locations

US\$85.5

▲ 1.13% q-o-q
▼ 1.54% y-o-y

Prime ground-floor rents held firm q-o-q and softened y-o-y.

12,763 sq m

New supply in Q3 2025 came solely from Marina Central Tower in CBD.

1,425 sq m

Net absorption as of Q3 2025 with steady demand from local and international brands

94.2%

Occupancy remained high despite limited absorption of new supply.

No future supply

No new supply will be recorded across HCMC until the end of 2026

OUTLOOK

Supply is expected to remain constrained through 2026, with only Saigon Centre Phase 3 likely to be completed before 2027. The One Central and other pipeline projects face extended delays.

Sustained tenant interest reinforces HCMC as a premier regional destination, attracting continued investment. Limited incoming stock should support rent stability and occupancy.



Hanoi

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Office

Q3 2025

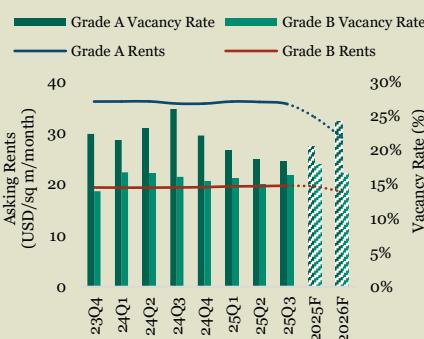
An overview of Hanoi's office market as of Q3 2025

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West Westlake Dominates Future Supply Over the Next Five Years

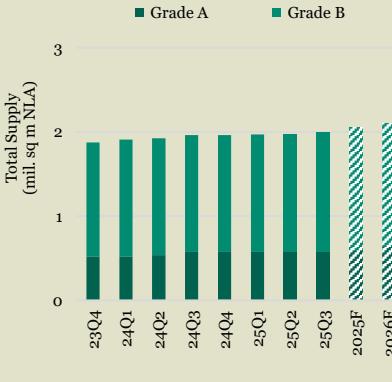
- 100% of major leasing transactions during Q3 were recorded in green-certified offices, emphasising the continuing “flight-to-quality” trend in Hanoi. By 2030, the capital will see a surge in new high-quality office supply, with West Westlake emerging as an office hub, featuring approximately 600,000 sq m of new office space for lease, accounting for 40% of the total pipeline.

Fig 1: Hanoi Office Rents and Vacancy by Grade



Note: Asking rent is inclusive of service charge and exclusive of VAT.

Fig 2: Hanoi Office Total Supply Change



Sources: Knight Frank Vietnam Research

ASKING RENT AND VACANCY RATE

As of Q3 2025, Hanoi's Grade A office rent was quoted at US\$35.6 per sq m, down 1.1% q-o-q, due to rent adjustments at some older properties. Meanwhile, the average asking rent for Grade B offices stood at US\$19.7 per sq m, up 0.5% q-o-q, driven by the new supply in My Dinh.

Over the quarter, the average occupancy rate fell to 83%, down 0.9 ppts q-o-q, as it recorded a moderate increase in vacant spaces in the Grade B segment, mainly from old buildings and the addition of new supply.

SUPPLY

During Q3 2025, the Hanoi office market welcomed around 27,860 sq m NLA, coming from Pearl Tower (My Dinh). Total office supply increased to nearly two million sq m NLA as of Q3. Of which, Midtown and West submarkets remained the key office hubs, accounting for 70% of total existing supply.

DEMAND

In Q3 2025, total net absorption in Hanoi's office market dropped significantly by 66% q-o-q to 6,300 sq m NLA.

Green offices continued to perform strongly over the quarter, particularly Grand Terra and Capital Place. Foreign-invested companies, especially in the IT sector, were the key demand driver.

US\$24.2

⬇ 0.5% q-o-q
⬆ 0.5% y-o-y

Market-wide asking rents stabilised over the quarter

27,860 sq m

New Grade B office completion in My Dinh District since early Q3, namely Pearl Tower

6,300 sq m

New high-quality offices were the key demand driver for the Hanoi market

83%

⬇ 0.9 ppts q-o-q
⬆ 2.1 ppts y-o-y

Slight decrease in overall market occupancy during Q3

101,800 sq m

Total office pipeline across the Hanoi market during Q4 2025 to 2026

OUTLOOK

By the end of 2025, Hanoi's office for lease market should welcome a total new supply of 51,800 sq m from green, high-class office buildings, scattered in Ba Dinh, Cau Giay and Bac Tu Liem districts.

Over the next five years, the Hanoi office market might encounter oversupply, given the series of new projects towards West Westlake. The emergence of a new office hub in another location would impact both market rents and occupancy in this period.

Hanoi Highlights

Apartment

Q3 2025

An analysis of apartment market supply, demand, prices, and trends in Hanoi as of Q3 2025

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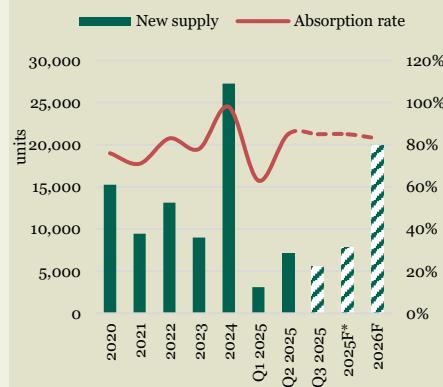
First Luxury Project in Long Bien, Priced on Par with CBD

► Hanoi's average primary asking price reached US\$3,524 per sq m in Q3 2025, a 7% q-o-q increase driven by the strong presence of luxury developments. After peaking in Q2, new supply softened to approximately 5,600 units recorded. In line with this, sold units also slowed, with nearly 5,800 units sold, translating to an absorption rate of 86%.

Fig 1: Hanoi Apartment Primary Asking Price



Fig 2: Hanoi Apartment New Supply and Absorption Rate



Note: Absorption rate is units sold divided by inventory (new supply + current stock)
(*) 2025F is the forecast for the remaining quarters
CBD fringe areas: Tay Ho, Ba Dinh, Dong Da, Hai Ba Trung, Thanh Xuan
Suburban areas: Dong Anh, Long Bien, Hoang Mai, Ha Dong, etc
Sources: Knight Frank Vietnam Research

PRIMARY ASKING PRICE

The average primary asking price in Hanoi reached US\$3,524 per sq m, up 7% q-o-q and 23% y-o-y. This notable escalation resulted from new luxury projects in Cau Giay and Long Bien districts, having primary asking prices of US\$ 5,000-6,000 per sq m, competing with active projects in Ba Dinh or Tay Ho districts.

SUPPLY

Q3 2025 recorded nearly 5,600 new units and 1,200 existing inventory, making up a total primary stock of 6,800 units. Additionally, non-township sites continued increasing across segments, accounting for 65% of total new supply. The luxury segment comprises nearly 70% of the market, primarily driven by projects in Cau Giay (Sun Feliza Suite), Long Bien (Long Bien Central, Platinum Long Bien), and Dong Anh (Lumière Prime Hill).

DEMAND

Market demand slowed to approximately 5,700 units sold, reflecting an absorption rate of 86%, a decline of 22% q-o-q and 17% y-o-y. While new launches maintained a resilient take-up rate, sales softened for newly introduced luxury benchmarks in Long Bien District. Additionally, innovative product concepts garnered significant customer attention, as demonstrated by Masteri Sky Quarter – the first low-rise apartment project, which reached 80% take-up within its initial launch days.

US\$3,524 ▲ 7.2% q-o-q ▲ 23.4% y-o-y

Average primary asking price per sqm NSA in Q3 2025, driven by accelerated luxury developments in Cau Giay and Long Bien.

5,574 units ▼ 22% q-o-q ▼ 17% y-o-y

New supply in Q3 2025, with strong expansion of single projects, driving 65% of total new supply.

5,785 units ▼ 22% q-o-q ▼ 27% y-o-y

New demand (units sold) in Q3 2025, resilient take-up rate for new launches, but a moderate pace for inventory.

86%

Absorption rate in Q3 2025, maintaining a stable momentum.

27,700 units

New supply in Q4 2025-2026, diversified new developments across segments and districts.

OUTLOOK

In Q4 2025, Hanoi is expected to welcome around 7,800 new units, mainly from non-township projects. The market continues to perform with consistent demand for new launches, leveraging the average primary asking price of approximately US\$4,000 per sq m. Similar to Ho Chi Minh City, the market is gradually adopting new technology, including AI, for livestreaming and auctions to enhance the customer experience and aid sales performance.

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you

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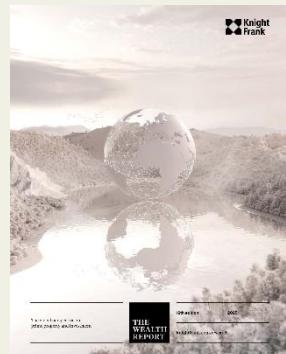


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Vietnam Investment Guide



The Wealth Report 2025

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Definition

Vietnam's apartment market is divided into five segments based on NFA selling price, excluding VAT: Ultra-luxury (> US\$10,000/m²), Luxury (> US\$4,000/m²), High-end (US\$3,000 – 4,000/m²), Mid-end (US\$2,000 – 3,000/m²), and Affordable (< US\$2,000/m²). All apartment prices are quoted in US dollars per square meter of NFA, excluding VAT.

In Ho Chi Minh City, office submarkets are grouped into the CBD, CBD Fringe, Non-CBD, Saigon South, and Thu Duc City. Meanwhile, Hanoi's office submarkets are divided into the CBD, CBD Fringe, The West, The West Westlake, and Non-CBD. All office rents are quoted in US dollars per square meter of NLA per month, and office supply is reported in total NLA. This report covers Ho Chi Minh City's pre-merger administrative boundaries (before July 1, 2025 consolidation with Binh Duong and Ba Ria-Vung Tau) to maintain consistency with prior quarterly publications and established market definitions.

Vietnam's retail market is segmented into prime and non-prime based on international benchmarking and Knight Frank standards. Prime retail comprises institutional-quality assets in CBD and premium zones, featuring modern infrastructure, professional management, established brands, and top-tier rents. Non-prime includes secondary properties in suburban locations with lower specifications and below-median rents. Supply data tracks both segments for comprehensive market coverage, while rent and vacancy metrics focus on prime space as the institutional investment benchmark and most liquid market segment.

Glossary of term

Key Definitions	Explanation
GSO	General Statistics Office
SBV	State Bank of Vietnam
ADB	Asian Development Bank
IMF	International Monetary Fund
NLA	Net Leasable Area
NFA	Net Floor Area
q-o-q	quarter over quarter
y-o-y	year over year
h-o-h	half year over half year
Per sq m	per square meter
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
CPI	Consumer Price Index
IIP	Index of Industrial Production
CBD	Central Business District

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