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Savills Research | Hanoi, Vietnam

Apartment for Sale

Q1/2011

Supply Trends

Twenty active projects provided the primary market with total stock of approximately 8,800 units, which is approximately double the amount in Q4/2010. The majority was from Grade B projects, accounting for 70% of the total primary stock.

Thanh Xuan's primary market received a new stock of 5,200 units from four projects, making Thanh Xuan district the largest supplier and accounting for approximately 60% of Ha Noi's total primary stock.

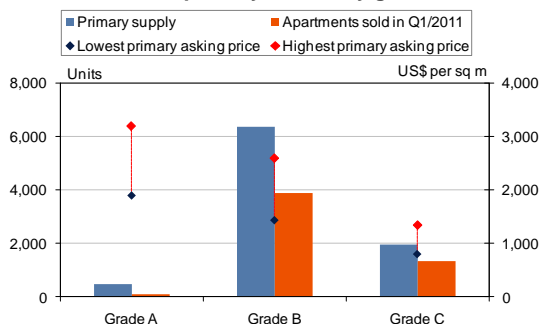
Approximately 4,800 units entered the secondary market in Q1/2011. The total secondary stock is 44,000 apartments, an increase of 12% compared with the previous quarter.

Primary market

Although the amount of primary stock is doubled compared with the previous quarter, the primary market still achieved good absorption rate at approximately 70 percent.

Although Grade A projects had better performance against the previous quarter in terms of sold units, the sale status was still lower, at 20%, than that of other grades.

Performance of the primary market by grade, Q1/2011

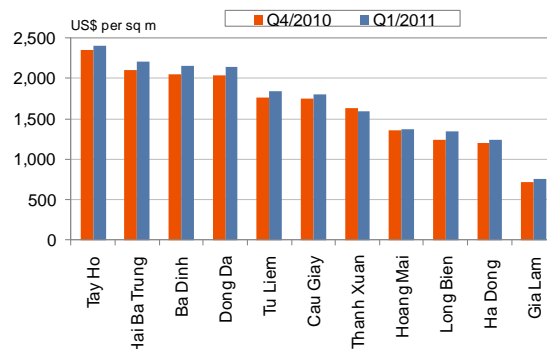


Source: Savills Research and Consultancy

Secondary market

The average secondary asking prices increased by 3% compared with Q4/2010. In which, Long Bien achieved the strongest increase at approximately 8.5% followed by Gia Lam at 6% against Q4/2010.

Average secondary asking price by district, Q1/2011



Source: Savills Research and Consultancy

Demand Trends

Some indicators show that demand is potential to increase: 1) 53% of the total population are under 30 years old and 2) the average income of Ha Noi citizens continues to increase.

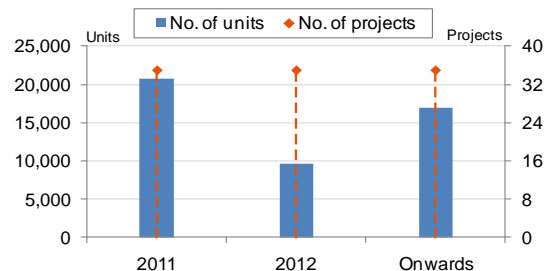
The market shows potential demand of medium and low-income earners for apartments, as the price of land is too high.

Outlook

Approximately 21,000 units from 35 projects will enter the primary market in the three remaining quarters of 2011.

In which, Tu Liem, Ha Dong, Cau Giay, Hoang Mai and Thanh Xuan districts have the highest number of projects, accounting for 70%.

Primary future supply



Source: Savills Research & Consultancy

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